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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

Ex parte FERGUS A. LEEN, SAM B. LAWRENCE,
DAVID G. MCNALLY, CLIVE HETHERINGTON,
DAVID M. MCDOWELL, and KEVIN R. O'NEAL

Appeal 2014-006811
Application 13/245,380
Technology Center 3700

Before CHARLES N. GREENHUT, GEORGE R. HOSKINS, and
LISA M. GUIJT, *Administrative Patent Judges*.

HOSKINS, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Fergus A. Leen et al. (“Appellants”)¹ appeal under 35 U.S.C. § 134 from the Examiner’s decision rejecting claims 1–6 and 9–29 in this application. An oral hearing was conducted on October 13, 2016. The Board has jurisdiction over the appeal under 35 U.S.C. § 6(b).

We REVERSE.

¹ The Appeal Brief identifies Cantor Index Limited as the real party in interest. Appeal Br. 2.

CLAIMED SUBJECT MATTER

Claims 1, 25, and 26 are independent. Claim 1 illustrates the claimed subject matter, and it recites:

1. An apparatus comprising:
 - at least one processor; and
 - at least one memory having instructions stored thereon which, when executed by the at least one processor, direct the at least one processor to:
 - receive a first request for game play from a first user communicatively coupled to the system with a first of a plurality of computing devices;
 - execute a first gaming application in response to the first request from the first user, wherein execution of the first gaming application corresponds at least in part to a start of a first gaming session comprising a first game;
 - monitor game play by the first user during at least a portion of the first game;
 - receive a second request for game play from the first user;
 - receive a request for game play from a second user communicatively coupled to the system with a second of the plurality of computing devices;
 - execute a second gaming application in response to at least one of the second request from the first user and the request from the second user, wherein execution of the second gaming application corresponds at least in part to a start of a second gaming session comprising a second game;
 - establish game play in the second gaming session between the first user against the second user;
 - receive information about a wager offer from the first user; and
 - provide game advice to the second user about whether to accept the wager offer or place a wager based at least in part on the game play by the first user monitored during at least a portion of the first gaming session.

REJECTIONS ON APPEAL

Claims 1–6, 9, 10, 13–15, 18, 20–24, 26, 28, and 29 stand rejected under 35 U.S.C. § 102(e) as anticipated by Young (US 2002/0072412 A1, pub. June 13, 2002).

Claims 11 and 12 stand rejected under 35 U.S.C. § 103(a) as unpatentable over Young and Sparks (US 6,352,479 B1, iss. Mar. 5, 2002).

Claims 16 and 17 stand rejected under 35 U.S.C. § 103(a) as unpatentable over Young and TLSF Review.²

Claim 19 stands rejected under 35 U.S.C. § 103(a) as unpatentable over Young and Rossides (US 5,749,785, iss. May 12, 1998).

Claims 25 and 27 stand rejected under 35 U.S.C. § 103(a) as unpatentable over Young and Muir (WO 98/51384, pub. Nov. 19, 1998).

ANALYSIS

A. Anticipation by Young

In rejecting claim 1 as anticipated by Young, the Examiner finds Young discloses instructions directing a processor to, as recited in the claim, “receive information about a wager offer from the first user,” but the Examiner does not cite a specific disclosure in support. Final Act. 4. The Examiner then finds Young discloses, as next recited in claim 1, “provid[ing] game advice to the second user about whether to accept the [first user’s] wager offer or place a wager based at least in part on” game play by the first user. *Id.* In support of that finding, the Examiner cites Young’s paragraph 27 as describing a system that “uses the *player histories*

² “Tom Landry Strategy Football download – Tom Landry Strategy Football computer game” (retrieved July 1, 2009, and initially cited by the Examiner on April 6, 2012).

to *suggest wagering parameters* to players.” *Id.* (emphases added). The cited Young disclosure pertinently provides:

[T]he records of the players for the relevant game are displayed to all of the selected players to allow them to determine the prize amount and split. This allows players to know the skill level of the players with whom they compete, some of whom may be strangers, and allows them to adjust their prize amount and split accordingly. This also may result in a player with an extremely impressive record being required by other players to pay a higher percentage of the prize amount, thus, in effect, giving odds to the other players. The prize payment percentage can also be auto-suggested by the prize incentive module 124, responsive to analyzing the relative records of the players competing in the game.

Young ¶ 27 (emphases added). The Examiner adds that Appellants have “not defined advice to be solely a recommendation to accept or reject the wager offer.” Final Act. 13. The Examiner reasons “information provided to the player about the player buy-in for Young is advice to the player that the player may use to decide to accept the wager or place a wager in the game.” *Id.* The Examiner further determines Young’s player “is given information about what would comprise a fair bet based on the relevant player histories and the player may accept or reject the bet.” *Id.*

Appellants argue in opposition that the claimed game advice “is separate and distinct from” and “cannot be the same thing” as the claimed wager offer. Appeal Br. 8; Reply Br. 2. Appellants contend, where the game advice is about whether to accept the first user’s wager offer (the first of the two claimed “or” alternatives), the second user’s receipt of information about the first user’s wager offer must “occur[] before” the game advice is provided. Appeal Br. 8. Appellants therefore assert, concerning Young’s paragraph 27, that “[t]he single act of displaying an

auto-suggested prize payment percentage does not disclose both” receiving information about the first user wager offer and providing game advice about that offer. *Id.* at 10; Reply Br. 2, 4 (“If the auto-suggested percentage were displayed before players configured the percentage, then it could not be advice about whether or not to use the player-configured percentage, because the user-configured percentage would not exist yet.”). Appellants also contend Young’s auto-suggested prize payment percentage is neither of the two kinds of advice recited in claim 1, because “[a] prize payment percentage does not provide any advisory information about the prize payment percentage [or] about whether or not to accept or reject it” (*id.* at 9), and “proposed odds are not advice about whether to accept the proposed odds” (*id.* at 10).

In answer, the Examiner finds Young indicates a first player “may make a suggestion to other players about a wager [such as] the prize payout,” including a suggestion as to each player’s contribution to the prize payout by percentage, and the other players may accept or reject the suggested wager. Ans. 2 (citing Young ¶¶ 22–23). The Examiner finds Young’s system shows information to each player reflecting the history of all the players, and Young’s system further suggests prize payment percentages commensurate with that history. *Id.* (citing Young ¶ 27). The Examiner finds Young’s suggested prize payment percentages constitute “advice to the second user about whether to accept a wager offer (the initial wager by the hosting user in par 22) or place a wager as the percentage gives an effective odds of the player winning (par 27).” *Id.* In particular, the Examiner reasons Young’s auto-suggested prize percentages “would provide advice about [whether] the leader or player suggested amount was *fair or*

not.” *Id.* at 3–4 (emphasis added). The Examiner further determines “[a] suggestion to a player that they put up a very small stake against another player suggests that the [player receiving the suggestion] has little chance of winning and thus is advice that the [player receiving the suggestion] will likely have difficulty winning the bet.” *Id.* at 3. The Examiner also reasons advice about a wager need not be separate and distinct from the wager itself, because “the odds of a wager is not the same as the wager” as “[a] wager does not have to have odds.” *Id.*

After consideration of the Examiner’s rejection and Appellants’ arguments, we determine that we cannot sustain the rejection of claim 1 as anticipated by Young. As an initial matter, it is not clear exactly what disclosure in Young is relied upon as corresponding to the claim step of “receiv[ing] information about a wager offer from the first user.” *See* Final Act. 4, 13–14; Ans. 2–4. This is an important predicate to considering the “game advice” limitation, which in part refers back to “the wager offer” received from the first user. Thus, in this regard, the Examiner has failed to notify Appellants of the basis for the rejection with sufficient specificity to allow Appellants to judge the propriety of continuing prosecution. *See* 35 U.S.C. § 132(a); 37 C.F.R. § 1.104(a)(2), (c)(2).³

³ “[T]he precise language of 35 U.S.C. § 102 that ‘(a) person shall be entitled to a patent unless,’ concerning novelty and unobviousness, clearly places a burden of proof on the Patent Office which requires it to produce the factual basis for its rejection of an application under sections 102 and 103.” *In re Warner*, 379 F.2d 1011, 1016 (CCPA 1967). The Patent Trial and Appeal Board is primarily a tribunal of review. *See Ex Parte Frye*, 94 USPQ2d 1072, 1075–77 (BPAI 2010) (precedential). For that review to be meaningful it must be based on some concrete evidence in the record to

The best that we can make of the rejection is that the Examiner may have intended to rely on Young’s disclosure that the players may custom tailor the percentage split of each player’s contribution to the prize amount at stake in a proposed game. Young ¶ 23, Fig. 2b; *see* Ans. 2–4. This would necessitate one player, at some point, suggesting a percentage split to the other players for acceptance, rejection, or modification, thus corresponding to the claimed receipt of information about a wager offer. *See* Ans. 2–4.

Even if that is the basis for the rejection, however, we agree with Appellants that Young’s providing to each potential player “the records of [all] the players for the relevant game” as well as “auto-suggested” prize contribution percentages “responsive to analyzing the relative records of the players” (Young ¶ 27) does not constitute the claimed “advice . . . about whether to accept the [first user’s] wager offer.” The Examiner has not identified any disclosure in Young that the player history information, or the auto-suggested prize contribution percentages based on the player history information, is made available to the players only after an initial wager offer is made, or otherwise is responsive to any particular wager offer. Instead, it

support the Examiner’s factual findings and legal conclusions. *In re Zurko*, 258 F.3d 1379, 1385–86 (Fed. Cir. 2001). A rejection must be set forth in a sufficiently articulate and informative manner as to meet the notice requirement of § 132, such as by identifying where or how each limitation of the rejected claims is met by the prior art references. *In re Jung*, 637 F.3d 1356, 1363 (Fed. Cir. 2011); *see also Gechter v. Davidson*, 116 F.3d 1454, 1460 (Fed. Cir. 1997) (PTO must create a record that includes “specific fact findings for each contested limitation and satisfactory explanations for such findings”). It is neither our place, nor Appellants’ burden, to speculate as to the basis for rejecting claims. *In re Stepan Co.*, 660 F.3d 1341, 1345 (Fed. Cir. 2011) (PTO has obligation to provide timely notice to the applicant of all matters of fact and law asserted).

appears the player history information is available to Young's system (and therefore potentially available to Young's players) before any single player makes a wager offer to other players. Young ¶ 27. Similarly, Young's auto-suggested prize contributions are based solely on such information. *Id.* We agree with Appellants that such information cannot constitute "advice . . . about whether to accept the wager offer" if it is provided *before* the wager offer is made. Appeal Br. 10; Reply Br. 2, 4.

Claim 1 alternatively recites that the "advice" may be "about whether to . . . place a wager." Appeal Br. 28 (Claims App.). Although the Examiner refers to that claim language, the Examiner's supporting discussions of Young's paragraph 27 focus on the first alternative, and the Examiner does not explain exactly how Young's paragraph 27 constitutes advice about *whether to* place a wager. Final Act. 4, 13–14; Ans. 2–4. In particular, even if Young's player history information and auto-suggested player contribution percentages indicate a player has little chance of winning, that player may still want to play if the total amount at stake is not very high, or if that player's percentage contribution to the prize amount is very low. Thus, we do not sustain the rejection based on the alternative claim recitation.

For the foregoing reasons, we do not sustain the rejection of claim 1 and its dependent claims 2–6, 9, 10, 13–15, 18, 20–24, 28, and 29 as anticipated by Young. Independent claim 26 recites a non-transitory machine readable medium having instructions identical to the receiving and providing steps of claim 1 discussed above (Appeal Br. 32–33 (Claims App.)), so we likewise do not sustain the rejection of claim 26 as anticipated by Young.

*B. Obviousness based on Young and
one of Sparks, TLSF Review, Rossides, and Muir*

Independent claim 25 recites a method for establishing a wager associated with a game, including “receiving . . . information about a wager offer from the first user” and “providing . . . first game advice about a game play choice.” Appeal Br. 31–32 (Claims App.). The Examiner’s rejection of claim 25 as unpatentable over Young and Muir relies on substantially the same analysis of Young discussed above in connection with similar receiving and providing steps in claim 1. Final Act. 11–13; Ans. 8. For substantially similar reasons as discussed above, we do not sustain the rejection of claim 25 as unpatentable over Young and Muir.

The Examiner’s additional consideration of dependent claims 11, 12, 16, 17, 19, and 27 in light of Young in combination with one of Sparks, TLSF Review, Rossides, and Muir does not cure the deficiencies as to Young discussed above. Final Act. 8–13. Therefore we do not sustain the various rejections of claims 11, 12, 16, 17, 19, and 27.

DECISION⁴

The Examiner’s decision to reject claims 1–6 and 9–29 is reversed.

⁴ We note, for the Examiner’s consideration on remand, the following statement made by Appellants’ counsel during the oral hearing: “The present application shares common priority claims with five granted U.S. Patents that are being asserted in the case CG Technology Development, LLC vs. Big Fish Games, Inc., which is pending in the U.S. District Court for the District of Nevada. In an order dated August 29, 2016, the district court granted the defendant’s motion to dismiss the claims arising under those

REVERSED

patents on the basis that the claims were found invalid under Section 101. By way of reference, one of the granted patents I'm talking about is U.S. Patent No. 8,342,924." Transcript of Oct. 13, 2016 Oral Hearing, 18:15–25.