

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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LIGHT & WONDER, INC.,  
Petitioner,

v.

EVOLUTION MALTA LIMITED,  
Patent Owner.

IPR2025-01072

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**PATENT OWNER EVOLUTION'S REPLY IN SUPPORT OF  
ITS MOTION TO TERMINATE**

**Table of Contents**

**I. The Office Has Authority to Vacate Institution and Terminate this IPR1**

**II. The Nevada Court Has Now Dismissed the '014 Patent Claims as Invalid Under § 101 Without Leave to Amend.....3**

**III. Contrary to L&W's Assertion, It Is Fairer to Terminate the IPR Proceeding Than to Allow Duplicative Invalidity Challenges .....4**

**IV. Conclusion .....5**

## TABLE OF AUTHORITIES

<b>Cases</b>	<b>Page(s)</b>
<i>AMD v. XtreamEdge, Inc.</i> , IPR2025-00223, Paper 32, 2 (Squires, May 12, 2026) .....	2
<i>Ford Motor Co. v. Autoconnect Holdings LLC</i> , IPR2025-01342, Paper 27, 3 (Squires, May 12, 2026) .....	5
<i>Heckler v. Chaney</i> , 470 U.S. 821 (1985).....	3
<i>Hulu, LLC v. Piranha Media Distribution, LLC</i> , IPR2024-01252, Paper 27 (Stewart, Apr. 17, 2025) .....	2, 3
<i>Magnolia Medical Techs., Inc. v. Kurin, Inc.</i> , IPR2026-00097, Paper 17, 2 (Director, May 14, 2026) .....	1, 4, 5
<i>In re Motorola Sols., Inc.</i> , 159 F.4th 30 (Fed. Cir. 2025) .....	4
<i>Mylan Labs. Ltd. v. Janssen Pharmaceutica, N.V.</i> , 989 F.3d 1375 (Fed. Cir. 2021) .....	2, 4
<i>Sinclair Pharma Limited v. Hydrafacial LLC</i> , IPR2025-00145, Paper 41 (Squires, Feb. 12, 2026).....	1, 2
<i>Stewart v. U.S. Bancorp</i> , 297 F.3d 953 (9th Cir. 2002) .....	3
 <b>Other Authorities</b>	
Fed. R. Civ. P. 41(b) .....	3

## Exhibit List

Exhibit#	Reference Name
2001	2024 Evolution Annual Report
2002	2021 Evolution Annual Report
2003	Evolution Interim Report, January to June 2025
2004	Evolution Press Release: Five wins for Evolution Group at EGR B2B Awards including Live Casino Supplier of the Year for 12th year running (July 8, 2021) <a href="https://www.evolution.com/news/five-wins-for-evolution-group-at-egr-b2b-awards-including-live-casino-supplier-of-the-year-for-12th-year-running/">https://www.evolution.com/news/five-wins-for-evolution-group-at-egr-b2b-awards-including-live-casino-supplier-of-the-year-for-12th-year-running/</a>
2005	Evolution’s Lightning Roulette Voted GOTY At EGR (Oct. 30, 1018) <a href="https://lcb.org/news/evolution-s-lightning-roulette-voted-goty-at-egr">https://lcb.org/news/evolution-s-lightning-roulette-voted-goty-at-egr</a>
2006	Global Gaming Awards, Vegas 2018 Winners <a href="https://www.globalgamingawards.com/vegas/2018/">https://www.globalgamingawards.com/vegas/2018/</a>
2007	Global Gaming Awards Las Vegas 2018 winners revealed (Oct. 8, 2018) <a href="https://www.gamblinginsider.com/news/6039/global-gaming-awards-las-vegas-2018-winners-revealed">https://www.gamblinginsider.com/news/6039/global-gaming-awards-las-vegas-2018-winners-revealed</a>
2008	Evolution Press Release: Evolution and Scientific Games strike land-based Lightning Roulette deal (May 25, 2021) <a href="https://www.evolution.com/news/evolution-and-scientific-games-strike-land-based-lightning-roulette-deal/">https://www.evolution.com/news/evolution-and-scientific-games-strike-land-based-lightning-roulette-deal/</a>
2009	2022 American Gambling Awards Nominations <a href="https://www.gambling.com/us/awards/winners/2022">https://www.gambling.com/us/awards/winners/2022</a>
2010	Lightning Roulette U.S. from Evolution is the American Gambling Awards Gaming Product of the Year (Nov. 18, 2022) <a href="https://www.businesswire.com/news/home/20221118005067/en/Lightning-Roulette-U.S.-from-Evolution-is-the-American-Gambling-Awards-Gaming-Product-of-the-Year">https://www.businesswire.com/news/home/20221118005067/en/Lightning-Roulette-U.S.-from-Evolution-is-the-American-Gambling-Awards-Gaming-Product-of-the-Year</a>
2011	Lightning Roulette Product Page <a href="https://games.evolution.com/live-casino/live-roulette/lightning-roulette/">https://games.evolution.com/live-casino/live-roulette/lightning-roulette/</a>
2012	Press Release re: FanDuel Extension (Nov. 14, 2024)

<b>Exhibit#</b>	<b>Reference Name</b>
2013	L&W's Responses and Objections to Evolution's First Set of Interrogatories (Oct. 7, 2024) (excerpts)
2014	March 29, 2021 License Agreement between Evolution and L&W
2015	Evolution's February 28, 2022 Letter to L&W
2016	L&W's March 17, 2022 Letter to Evolution
2017	Dkt. No. 125, Second Amended Complaint in <i>Evolution Malta Limited v. Light &amp; Wonder, Inc.</i> , Case No. 2:24-cv-00993-CDS-EJK (D. Nev.)
2018	L&W's Invalidity Contentions (Nov. 2024)
2019	L&W's Supplemental Invalidity Contentions (Aug. 2025)
2020	Dkt. No. 67, Order Denying Motion to Stay Discovery (Nov. 7, 2024)
2021	Dkt. No. 84, Minutes of Proceedings
2022	Dkt. No. 122, Order Denying Joint Stipulation to Stay Discovery (June 25, 2025)
2023	Dkt. No. 151, Order Denying Stipulation to Extend Discovery (July 28, 2025)
2024	Dkt. No. 156, Defendants' Motion to Dismiss Plaintiffs' Second Amended Complaint (Aug. 9, 2025)
2025	Dkt. No. 157, Order Granting Joint Stipulation to Stay Discovery (Aug. 11, 2025)
2026	L&W's July 22, 2025 Letter to Evolution
2027	Lightning Roulette Fact Sheet (June 2020)
2028	C. Barboianu, <i>Roulette Odds and Profits: The Mathematics of Complex Bets</i> (2007) (excerpt)
2029	S. Bourie, <i>Understanding Roulette Odds and Payouts</i> , American Casino Guide Book <a href="https://www.americancasino guidebook.com/roulette/understanding-roulette-odds-and-payouts.html">https://www.americancasino guidebook.com/roulette/understanding-roulette-odds-and-payouts.html</a>
2030	L. Hoofe, <i>Roulette Odds and Payouts</i> , Gambling Zone <a href="https://www.gamblingzone.com/uk/roulette/odds/">https://www.gamblingzone.com/uk/roulette/odds/</a>
2031	Bets, Odds, and Payouts: A list of all the bets on the roulette table, RouletteStar*

Exhibit#	Reference Name
	<a href="https://www.roulettestar.com/guide/bets-odds/">https://www.roulettestar.com/guide/bets-odds/</a>
2032	A guide to understanding roulette odds, Casino.org <a href="https://www.casino.org/roulette/odds/">https://www.casino.org/roulette/odds/</a>
2033	G. Pelayes, <i>Roulette Table Payout: Maximizing Your Potential Wins</i> , Vegas Aces (Aug. 1, 2024) <a href="https://www.vegas-aces.com/articles/roulette-table-payout-maximize-wins/">https://www.vegas-aces.com/articles/roulette-table-payout-maximize-wins/</a>
2034	NJ Regulations N.J. Admin. Code § 13:69F-5.2 – Roulette: payout odds
2035	L&W’s Responses and Objections to Evolution’s First Set of Interrogatories (Oct. 25, 2024) (excerpts)
2036	Lightning Roulette Game on Evolution’s Website <a href="https://www.evolution.com/games/lightning-roulette/">https://www.evolution.com/games/lightning-roulette/</a>
2037	Evolution Gaming Wins Product Innovation of the Year at G2E, Real Money Action (Oct. 12, 2018)
2038	<i>The 2018 Global Gaming Awards Las Vegas Categories</i> <a href="https://stargambling.net/news/global-gaming-awards-2018-vegas.html">https://stargambling.net/news/global-gaming-awards-2018-vegas.html</a> (last visited Sep. 23, 2025).
2039	<i>Evolution and Scientific Games Strike Land-based Lightning Roulette Deal</i> , PR NEWSWIRE (May 27, 2021), <a href="https://www.prnewswire.com/news-releases/evolution-and-scientific-games-strike-land-based-lightning-roulette-deal-301300565.html">https://www.prnewswire.com/news-releases/evolution-and-scientific-games-strike-land-based-lightning-roulette-deal-301300565.html</a>
2040	Plaintiffs’ Motion for Reconsideration of Order Compelling Arbitration (ECF 163), No. 2:24-cv-00993 (D. Nev. Oct. 10, 2025), ECF 164
2041	Casey Decl. re: ’014 patent
2042	[RESERVED]
2043	[RESERVED]
2044	D. Lubin, <i>The Essentials of Casino Game Design</i> (2016)
2045	Friedman Dep. Tr.
2046	Dkt. No. 176, Order Granting the Defendants’ Motion to Dismiss, <i>Evolution Malta Limited v. Light &amp; Wonder, Inc.</i> , No. 2:24-cv-00993-CDS-NJK (D. Nev. March 30, 2026)

L&W seeks to improperly use this IPR as a duplicative attack on the validity of the '014 patent claims. The purpose of IPRs is “to provide a quick and cost-effective *alternative* to district court patent litigation for resolving disputes over patent validity,” rather than be a forum for additional validity disputes. *Magnolia Medical Techs., Inc. v. Kurin, Inc.*, IPR2026-00097, Paper 17, 2 (Director, May 14, 2026) (Precedential) (emphasis added). On March 30, 2026, the Nevada court ruled on patent validity, finding the challenged claims invalid under § 101, without granting leave for Evolution to further amend. EX2046. Despite the district court’s adjudication of validity, L&W asks the Office to spend resources to further consider validity under § 102 and § 103. Doing so would be inefficient, a waste of Office and party resources, and contrary to the AIA’s purpose.

The Office has the power to vacate institution and terminate this IPR. It has done so in analogous scenarios, where another forum found the challenged claims invalid after institution. *Sinclair Pharma Limited v. Hydrafacial LLC*, IPR2025-00145, Paper 41 (Squires, Feb. 12, 2026).

In its Opposition, L&W raises three arguments. None has merit, as explained below. The Board should grant Evolution’s motion.

**I. The Office Has Authority to Vacate Institution and Terminate this IPR**

L&W incorrectly argues that the Office lacks authority to vacate institution and terminate an IPR. Opp., 5. As Evolution explained in its motion (Mot., 3-4),

the Office has such authority and has used it in the past when another forum has found all challenged claims invalid after an IPR was instituted. *Sinclair*, IPR2025-00145, Paper 41.<sup>1</sup> Likewise, earlier this month, the Office vacated institution and terminated several IPRs *eight months after institution* where the petitioner had served invalidity contentions in court that violated the petitioner’s *Sotera* stipulation. *AMD v. XtreamEdge, Inc.*, IPR2025-00223, Paper 32, 2 (Squires, May 12, 2026). With respect to a district court finding of invalidity under § 101, the Acting Director explained in *Hulu, LLC v. Piranha Media Distribution, LLC*, IPR2024-01252, Paper 27 (Stewart, Apr. 17, 2025), “where a district court already has found the challenged claims invalid, the efficiency and integrity of the patent system is best served by denying institution.”

Those decisions are consistent with the Office’s authority to manage its own resources and to decide which cases are worth pursuing. The Federal Circuit has explained the Board has discretion “to determine that for reasons of administrative efficiency an IPR will not be instituted, as agencies generally are free, for similar reasons, to choose not to initiate enforcement proceedings.” *Mylan Labs. Ltd. v.*

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<sup>1</sup> To allow the Board to act in response to such findings, the Scheduling Order in this IPR provides that the “parties must keep the Board apprised of developments regarding adjudication of validity or patentability of the challenged patent claims.”

*Janssen Pharmaceutica, N.V.*, 989 F.3d 1375, 1382 (Fed. Cir. 2021) (citing *Heckler v. Chaney*, 470 U.S. 821, 830-32 (1985)). And, it is well-established that “an agency’s decision not to prosecute or enforce... is a decision generally committed to an agency’s *absolute discretion*.” *Heckler*, 470 U.S. at 831.

## **II. The Nevada Court Has Now Dismissed the '014 Patent Claims as Invalid Under § 101 Without Leave to Amend**

Contrary to L&W’s argument, the Nevada case is in a different posture now than when the Office considered Evolution’s discretionary denial request back in October 2025. The court’s March 30, 2026 order dismissing the claims stands in stark contrast to the court’s previous February 11, 2025 order, in which the court stated “[t]he complaint is dismissed without prejudice and with leave to amend.” EX1022, 016. No such leave was granted in the March 30 order. EX2046, 16 (stating only “defendants’ motion to dismiss... is GRANTED”). “Unless the court in its order for dismissal otherwise specifies, a dismissal other than... for lack of jurisdiction, for improper venue, or for failure to join a party..., operates as an adjudication upon the merits.” *Stewart v. U.S. Bancorp*, 297 F.3d 953, 956 (9th Cir. 2002); Fed. R. Civ. P. 41(b). Thus, L&W’s effort to distinguish the Nevada court’s dismissal from the dismissal in *Hulu* fails. *Opp.*, 4. As the Acting Director explained in *Hulu*, “where a district court already has found the challenged claims invalid, the efficiency and integrity of the patent system is best served by denying institution.” *Mot.*, 3 (citing cases).

### III. Contrary to L&W's Assertion, It Is Fairer to Terminate the IPR Proceeding Than to Allow Duplicative Invalidity Challenges

L&W argues it would be inequitable to terminate this IPR because L&W prepared its petitions “at great expense.” Opp., 6-7. But every IPR petitioner faces the risk that its challenge may be unsuccessful after preparing its petition. *In re Motorola Sols., Inc.*, 159 F.4th 30, 37-38 (Fed. Cir. 2025). Here, the only resources that have been invested post-institution are Evolution’s in filing its Patent Owner Response. L&W’s reply is not due until June 19, a month away. Significant investments by the Board in conducting the oral hearing and issuing a final written decision are still many months away.

L&W next argues terminating the IPR would “deprive L&W of this specialized forum.” Opp., 7. But L&W does not have a right to have the Board institute or maintain an IPR. *Motorola*, 159 F.4th at 36 (noting a petitioner does not have “any rights in institution of IPR”); *Mylan*, 989 F.3d at 1382. The Office has discretion to decide which IPRs are worth considering, including based on the status of parallel district court litigation. *See Mylan*, 989 F.3d at 1382.

L&W’s arguments ignore that maintaining this IPR would be contrary to the AIA’s purpose. IPRs were intended “to provide a quick and cost-effective *alternative* to district court patent litigation for resolving disputes over patent validity.” *Magnolia*, IPR2026-00097, Paper 17, 2. L&W is not using this IPR as an “alternative” to litigating patent validity in court: the Nevada court already

found the claims invalid. L&W instead is seeking to use this IPR to expand litigation and take multiple bites at the invalidity apple, which is improper.

L&W's use of this IPR to expand litigation rather than as an alternative to it is also apparent from its invalidity arguments in the parallel Nevada case. There, L&W asserts the same invalidity arguments as in this IPR, and also asserts invalidity based on system art combined with the same references it asserts in this IPR. Mot., 6. As the Director has observed, L&W's overlapping arguments is "a tell-tale sign that the AIA review is not functioning as a litigation alternative." *Magnolia*, IPR2026-00097, Paper 17, 3. It is appropriate not to proceed with an IPR "when a Petitioner's conduct demonstrates that the dispute is less about a litigation alternative" and is instead an attempt "to gain an upper hand in the overall litigation." *Ford Motor Co. v. Autoconnect Holdings LLC*, IPR2025-01342, Paper 27, 3 (Squires, May 12, 2026) (quoting *Terumo BCT Inc. v. Haemonetics Corp.*, IPR2025-01374, Paper 20 (Squires, May 12, 2026)).

#### **IV. Conclusion**

L&W's conduct shows it seeks to use this IPR to improperly expand litigation over patent validity, rather than as an alternative to litigation in court. The Board should vacate the institution decision and terminate this proceeding.

Dated: May 19, 2026

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

I hereby certify that on this 19th day of May, 2026, copies of this Patent Owner's Reply in Support of Its Motion to Terminate have been served on the following counsel of record for Petitioner Light & Wonder, Inc.:

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