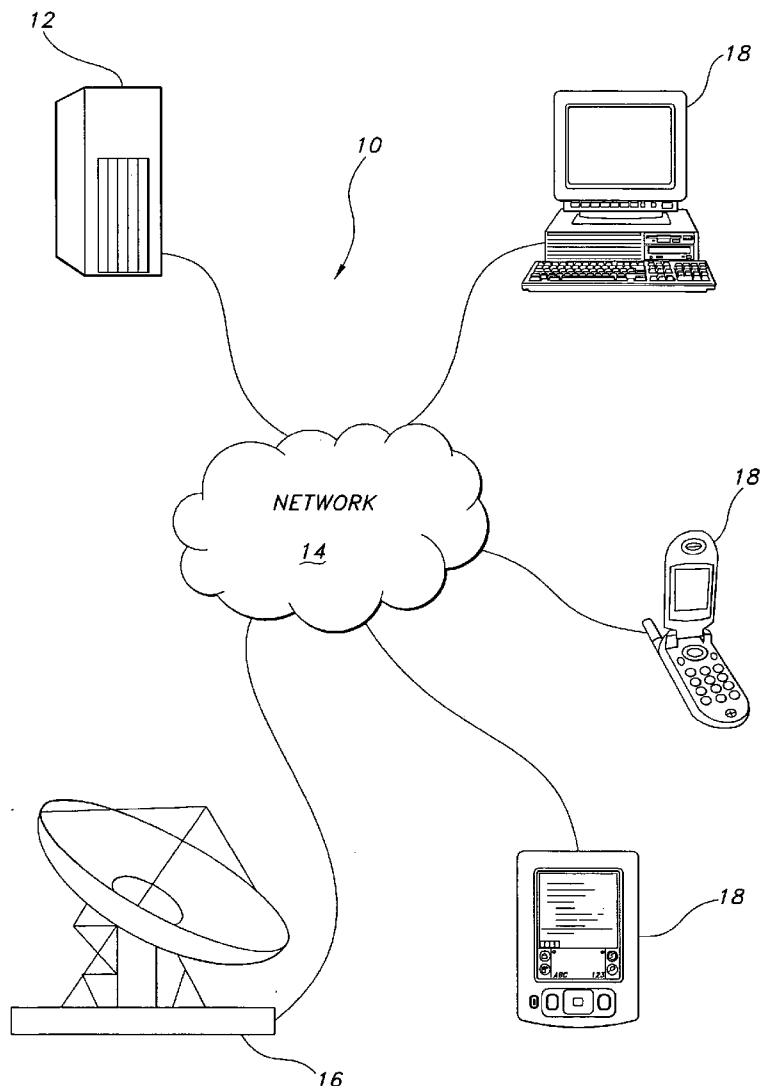




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(19) **United States**(12) **Patent Application Publication****Mahaffey et al.**(10) **Pub. No.: US 2006/0287094 A1**(43) **Pub. Date: Dec. 21, 2006**(54) **METHODS AND SYSTEMS FOR BETTING  
WITH PARI-MUTUEL PAYOUTS**(76) Inventors: **Clay Mahaffey**, Stamford, CT (US);  
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**A63F 9/24** (2006.01)(52) **U.S. Cl.** ..... **463/42; 463/28; 463/25**(57) **ABSTRACT**

A server for facilitating real-time betting, wherein the server communicates with clients via a distributed computing network. The server includes a memory storing an operating system, an instruction set, event data related to a sporting event, gambler data related to gamblers participating in a competition based upon the sporting event and site data related to electronic pages associated with the real-time para-mutuel betting. A processor runs the instruction set and communicates with the memory and the distributed computing network. The processor is operative to enroll the gamblers by presenting betting rules associated with the sporting event, collect wagering from the gamblers, accept predictions for discrete events within the sporting event from each gambler and determine a first winner of the competition based upon the predictions.



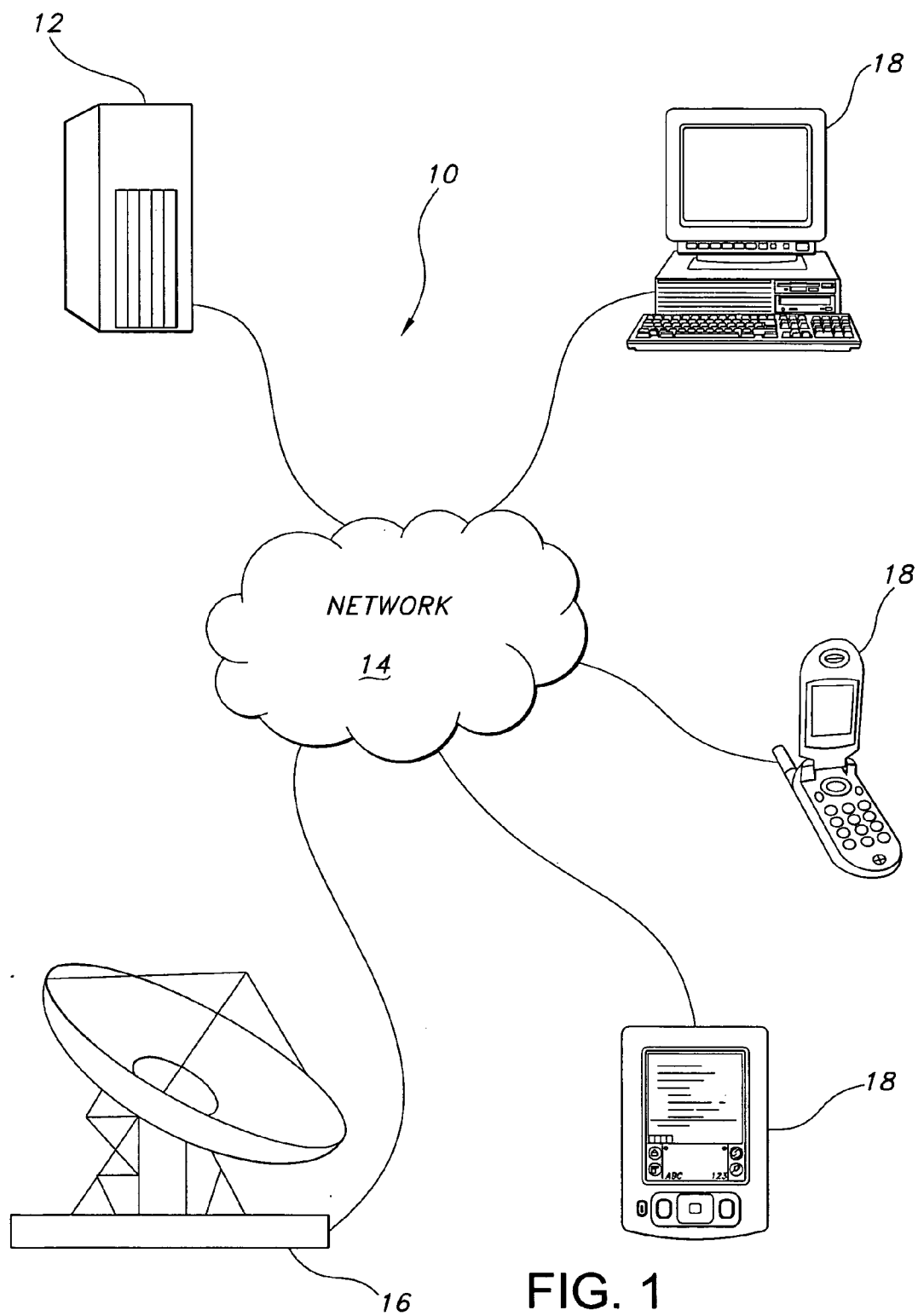


FIG. 1

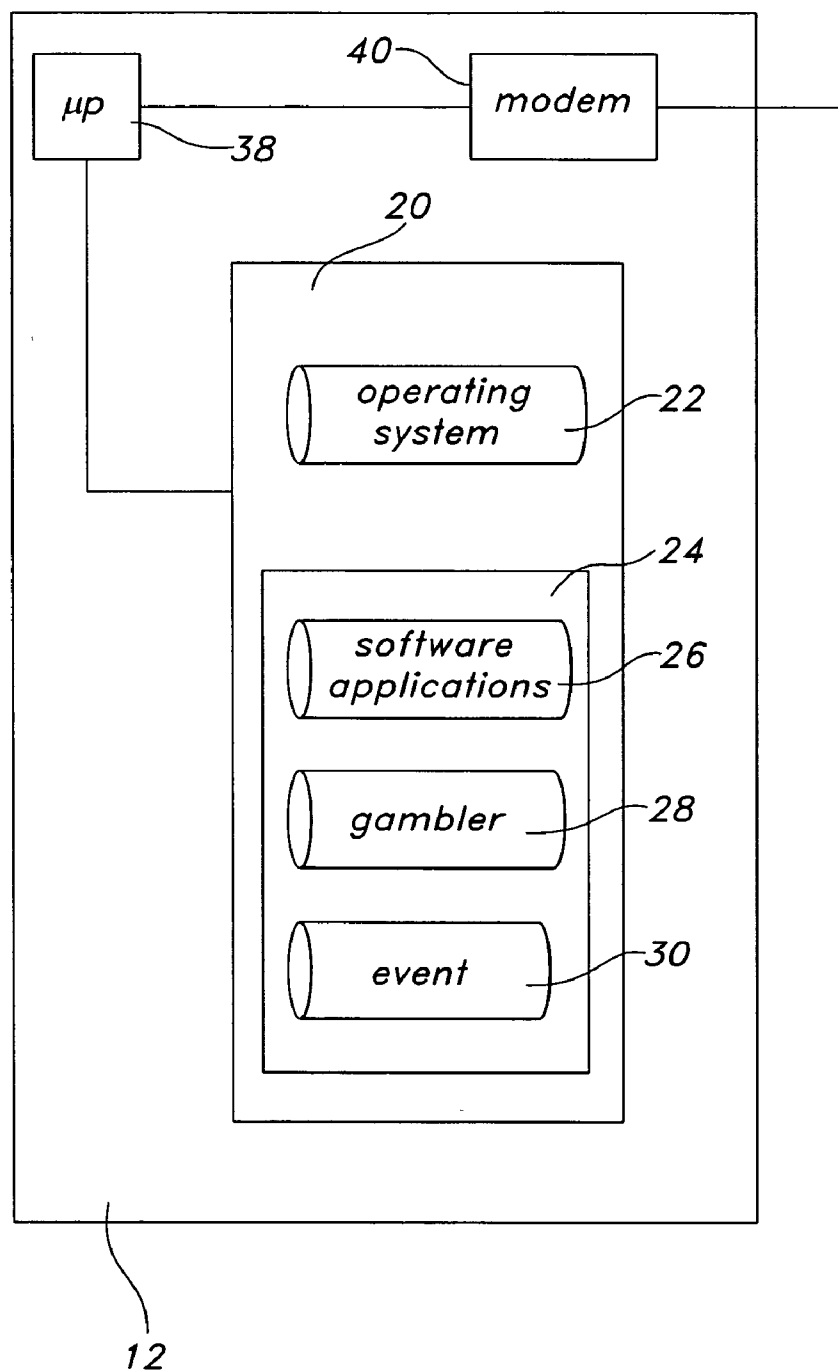


FIG. 2

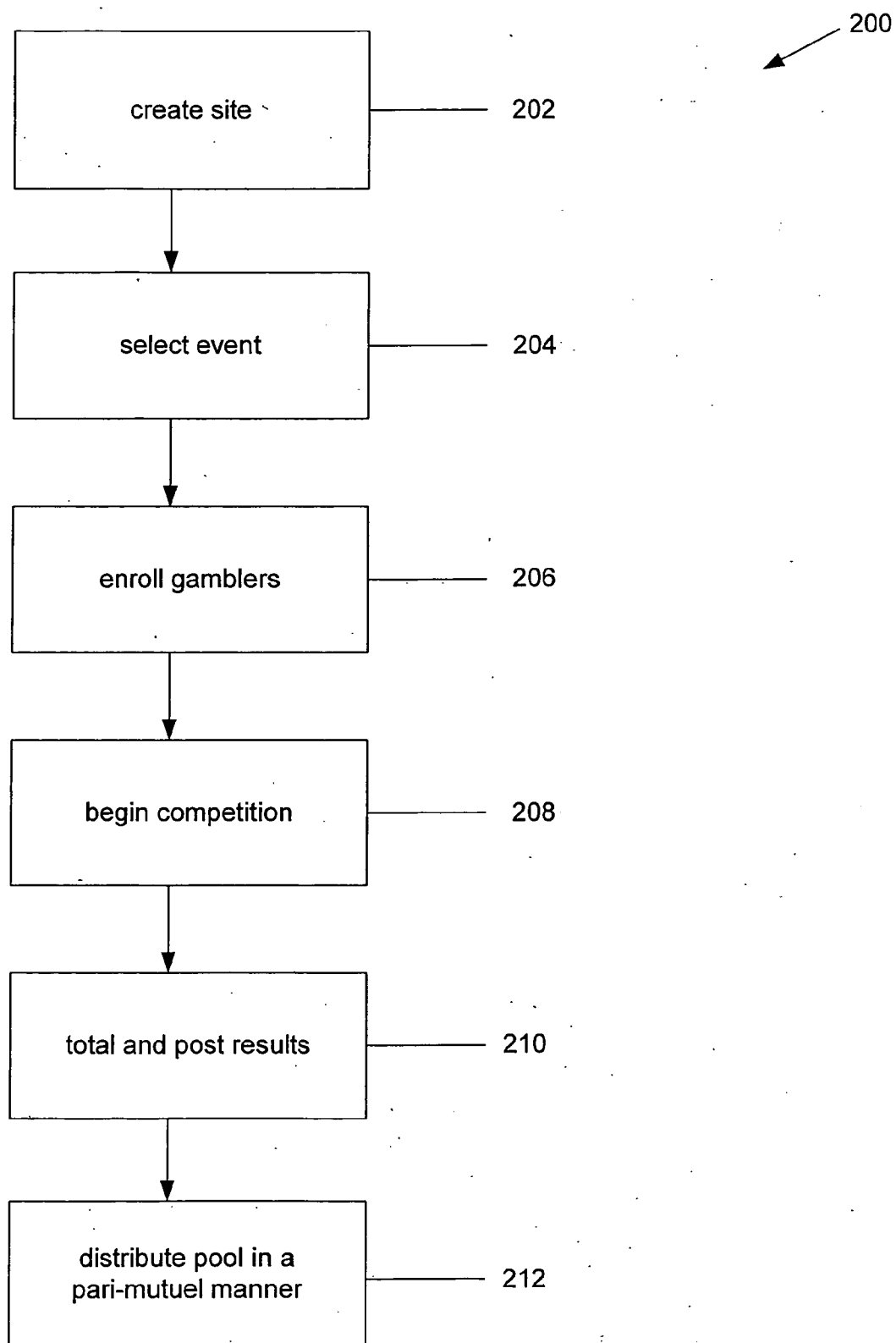
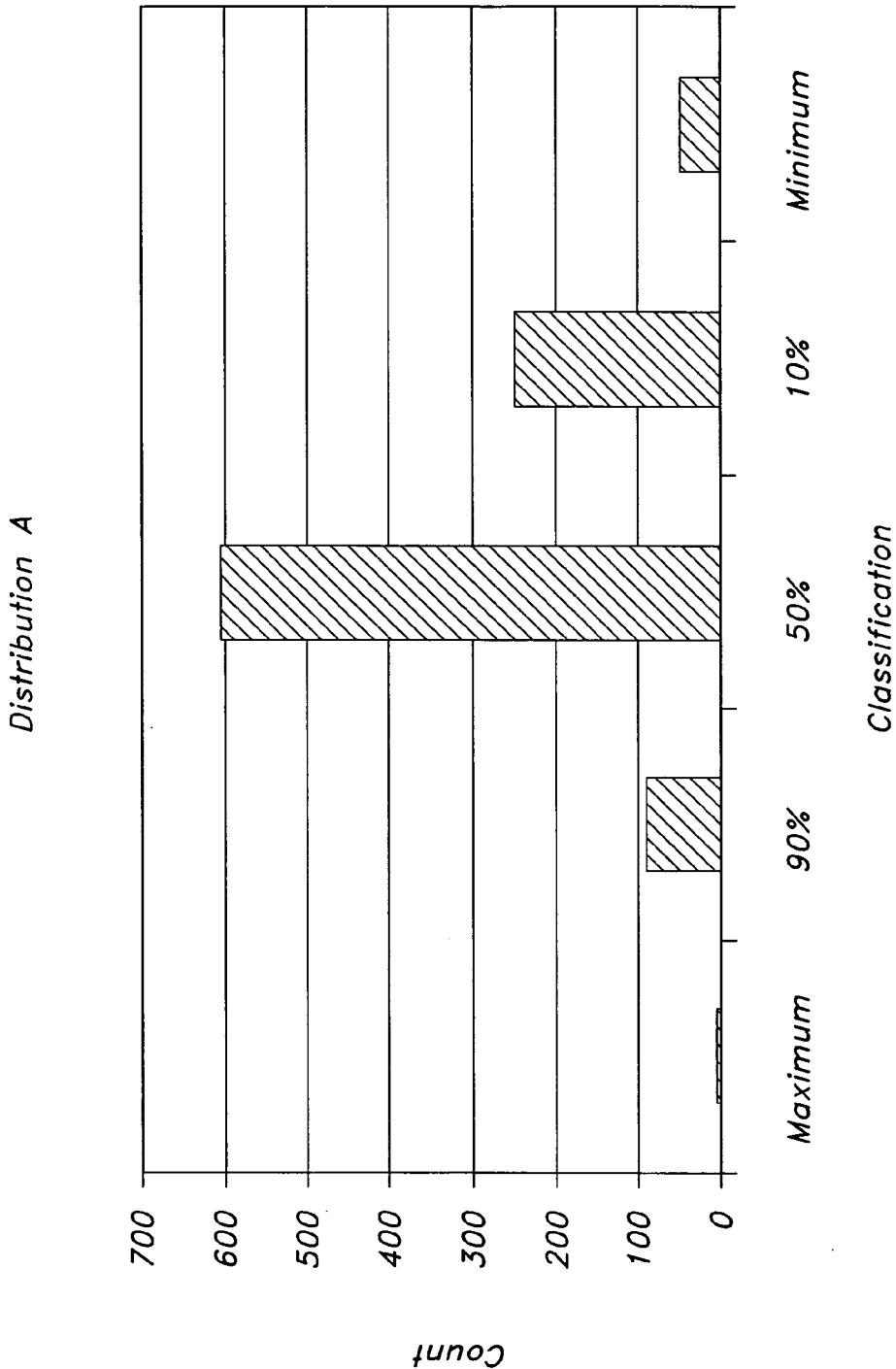
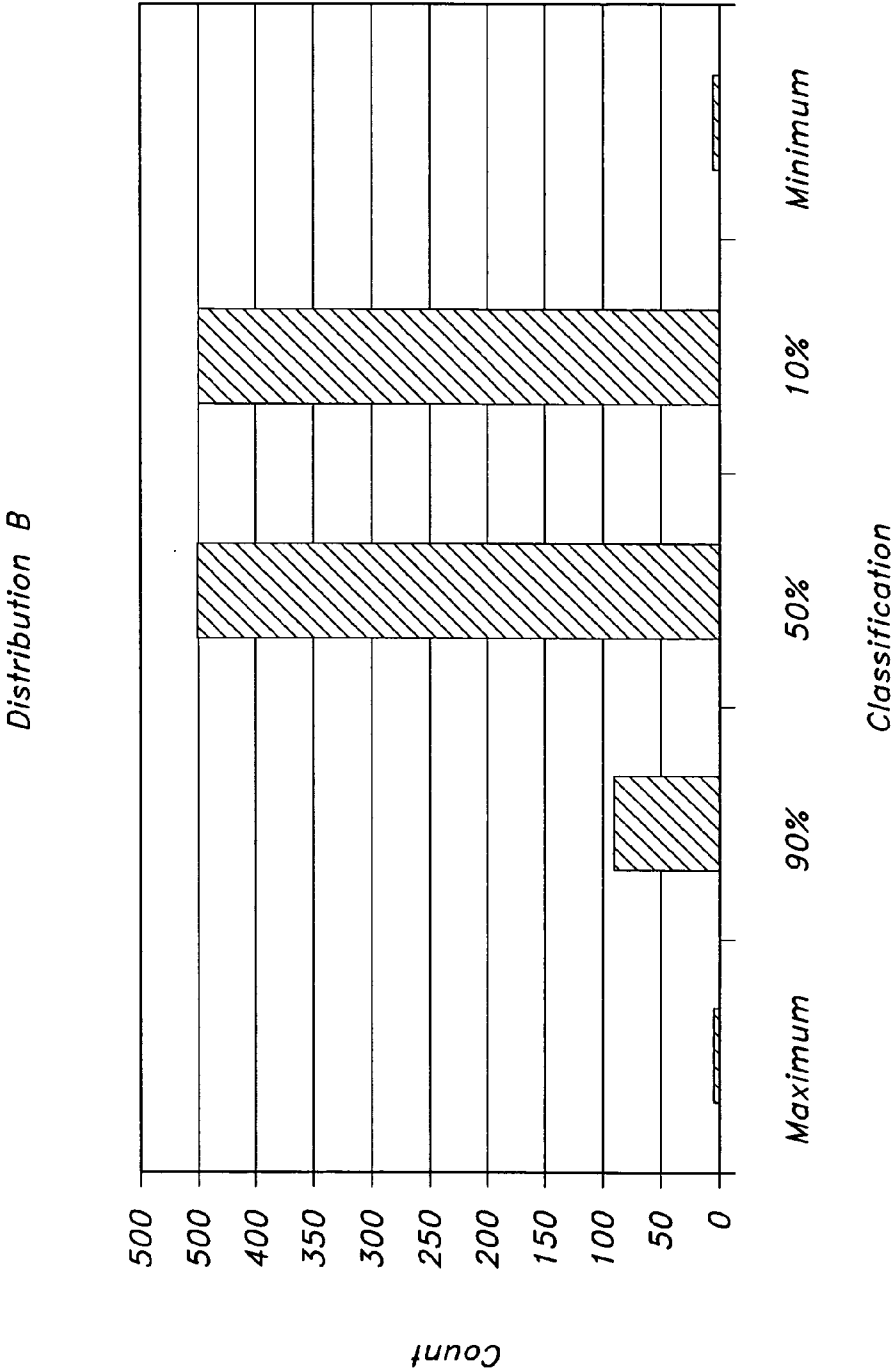


Figure 3



**FIG. 4**



**FIG. 5**

Figure 6

Operator Payout Rules		1		1000		A		B			
\$ / bet	# gamblers	Gamblers Rank	% Pool	Count	Pool, \$	Payout, \$ / gambler	Pool, \$	Count	Payout, \$ / gambler	Pool, \$	Payout, \$ / gambler
		Maximum	90%	50%	5	500	100.00	5	500	100.00	100.00
			30%	30%	90	300	3.33	90	300	3.33	3.33
			50%	10%	605	100	0.17	450	100	0.22	0.22
			10%	5%	250	50	0.20	450	50	0.11	0.11
		Minimum		5%	50	50	1.00	5	50	10.00	10.00
		Total		100%	1000	1000		1000	1000		

## METHODS AND SYSTEMS FOR BETTING WITH PARI-MUTUEL PAYOUTS

### BACKGROUND OF THE INVENTION

#### [0001] 1. Field of the Invention

[0002] The subject disclosure relates to methods and systems for gaining technology in a distributed computing network, and more particularly to improved methods and systems for betting with pari-mutuel payouts while utilizing the real-time capabilities of a distributed computing network.

#### [0003] 2. Background of the Related Art

[0004] Bookmaking is the practice of gambling on sporting events. A bookmaker or bookie is an entity that takes bets and pays winnings to the gamblers. Traditional bookmaking is generally illegal in the United States, with Nevada being a notable exception. In the United States, most bookmakers accept wagers on boxing, college sports, professional sports, horse racing and dog racing. In other countries, such as the United Kingdom, a wider range of bets is common such as outcomes of political elections, the Wimbledon tennis champion and the probability that it will snow on Christmas.

[0005] Bookmaking usually pits the bookie against all bettors. In such instances, the bookie is referred to as the "house" and settles all wagers. For games of chance (e.g., card and dice games), the house is usually similarly pit against the gamblers with the house setting the odds heavily in their favor. For sporting team events, the bookmaker aims to guarantee a profit by achieving a "balanced book", i.e., by getting an equal number of bets for each outcome. To balance the book, the house creates odds such as requiring a \$55 wager to win \$50. As a result of even betting on both sides, the "vigorous" (e.g., the difference between the required wager and amount won) is made by the bookmaker on half of the wagers. Another practice is to establish a betting line or "spread" in which one team receives points that are added to their total after the competition to determine the winner. When the spread is expertly set, a higher skill level is required to succeed. However, if a bettor believes that an unlikely event will occur, such as a large underdog winning outright rather than merely by winning with the spread added to their total, the bettor is not rewarded and receives the same payout as the underdog bettor who relied on the spread.

[0006] Cooperative wagering or pari-mutuel betting is a certain type of bookmaking. Pari-mutuel betting is commonly accredited as invented in the late 19<sup>th</sup> century by Parisian perfume maker Pierre Oller. As the story goes, Oller was set on to the task by a bookmaker friend who wanted a fair system for bettors which guaranteed him a fixed profit. Unlike team sport betting, in pari-mutuel betting the gambler bets against other gamblers, not the house. In the United States, pari-mutuel gambling is very widespread and is frequently state-regulated. Horse racing, dog racing and jai lai are typical events that utilize pari-mutuel betting. Such events being of relatively short duration and having participants that finish in a ranked order are efficiently run under pari-mutuel systems.

[0007] In pari-mutuel systems, the holders of winning tickets divide the total amount of money bet on a race (the "pool"), after deductions for tax and house expenses (the

"fixed profit"). The uniqueness of pari-mutuel betting lies in the fact that the payoff odds are calculated based upon how the gamblers placed their bets. For example in a horse race, if the majority of bets are on a single horse (a "favorite") and this horse wins the race, the payoff will be low because many winners will divide the pool. Conversely, if a horse with few bets placed on it (a "longshot") wins the race, the payoff will be high because few gamblers will split the pool. There are many different types of bets (e.g., win, place, show, perfecta, trifecta, daily double, etc.) in which case each type of bet has a pool associated therewith.

[0008] The large amount of calculation involved in pari-mutuel gambling led to invention of a specialized mechanical calculating machine known as a "totalisator" or "tote board". The first tote board was installed at Ellerslie Racecourse, Auckland, New Zealand in 1913, and tote boards are in widespread use at race courses throughout the world. The tote board records and displays the current odds in a near real-time basis so that gamblers may be aware of the odds while considering what bets to place.

[0009] The science of determining the outcome of a race is called handicapping. It is possible for a skilled player to win money in the long run at this type of gambling, but overcoming the deficit produced by taxes, the house take, and loosing is difficult to accomplish and few handicappers are successful. With the popularization of the Internet and Internet gambling, off-shore bookmaking operations can offer better payoffs because of their ability to establish themselves under more favorable tax regimes and reducing their house take. Such off-shore bookmakers take as little as 1% rather than the traditional 15-18% while still turning a profit. As would be expected, skilled handicappers and novices alike seek out the improved odds.

### SUMMARY OF THE INVENTION

[0010] In view of the above, a need exists for methods and systems that utilize not only the tremendous computing power of modern electronic devices but advancements in the ability for such electronic devices to exchange data while leveraging the high demand for attractive pari-mutuel gambling.

[0011] It is an object of the disclosed technology to combine the very attractive features of pari-mutuel gambling with games and sporting events where one could only traditionally bet against the house. It is another object to incorporate advancements in communications that allow easily tracking events in real-time. It is another object to remove the risk for the house, which cannot easily balance the risk for real-time betting by varying the odds.

[0012] One embodiment of the subject technology is directed to a server for facilitating real-time betting, wherein the server communicates with clients via a distributed computing network. The server includes a memory storing an operating system an instruction set, event data related to a sporting event, gambler data related to gamblers participating in a competition based upon the sporting event and site data related to electronic pages associated with the real-time pari-mutuel betting. A processor runs the instruction set and communicates with the memory and the distributed computing network. The processor is operative to enroll the gamblers by presenting betting rules associated with the sporting event, collect wagering from the gamblers, accept



predictions for discrete events within the sporting event from each gambler and determine a first winner of the competition based upon the predictions.

[0013] Preferably, the betting rules award predetermined amounts of points by comparing the predictions to possible outcomes of the discrete events and the first winner has the most points. The discrete events are infinitely variable such plays in American football or player statistics in a plurality of categories such as points, rebounds, blocks and assists in basketball. In still another embodiment, the server is further operative to determine a plurality of winners based upon the predictions and distribute a pool created from the wagering to the plurality of winners on a pari-mutuel basis.

[0014] In still another embodiment, the subject technology is directed to a method for pari-mutuel betting. In the method, a server communicates with clients via a distributed computing network, the method includes the steps of enrolling gamblers by presenting betting rules associated with a sporting event, assigning point awards to categories, collecting wagers from the gamblers, forming a pool from the wagers, the pool being less than a total of the wagers, accepting predictions from each gambler for discrete events within the categories for the sporting event, allocating points to the gamblers based upon the predictions, determining rankings of the gamblers based upon the points allocated thereto and distributing the pool according to the rankings.

[0015] Still this embodiment may be further directed to a method that varies the point awards for a category in inverse proportion to a time remaining in the sporting event and/or wherein the sporting event is a card game or a game between two teams.

[0016] It should be appreciated that the present invention can be implemented and utilized in numerous ways, including without limitation as a process, an apparatus, a system, a device, a method for applications now known and later developed or a computer readable medium. These and other unique features of the system disclosed herein will become more readily apparent from the following description and the accompanying drawings.

#### BRIEF DESCRIPTION OF THE DRAWINGS

[0017] So that those having ordinary skill in the art to which the disclosed system appertains will more readily understand how to make and use the same, reference may be had to the following drawings.

[0018] **FIG. 1** is a diagram showing an environment for gambling with pari-mutuel payouts in accordance with the subject disclosure.

[0019] **FIG. 2** is a schematic view of a server for use in the environment of **FIG. 1**.

[0020] **FIG. 3** is a flow diagram of a process performed to conduct gambling with pari-mutuel payouts in accordance with the subject disclosure.

[0021] **FIG. 4** is a distribution showing a preferred pari-mutuel payout in accordance with the subject disclosure.

[0022] **FIG. 5** is another distribution showing a preferred pari-mutuel payout in accordance with the subject disclosure.

[0023] **FIG. 6** is a table showing preferred pari-mutuel payouts distribution in accordance with the subject disclosure.

#### DETAILED DESCRIPTION OF PREFERRED EMBODIMENTS

[0024] The present invention overcomes many of the prior art problems associated with traditional gambling. The advantages, and other features of the system disclosed herein, will become more readily apparent to those having ordinary skill in the art from the following detailed description of certain preferred embodiments taken in conjunction with the drawings which set forth representative embodiments of the present invention and wherein like reference numerals identify similar structural elements.

[0025] Referring now to the **FIG. 1**, there is shown a block diagram of an environment **10** for implementing the methodology of the present disclosure. The environment **10** is hosted by an entity (hereinafter the house) so that a plurality of gamblers can bet against each other in real-time. The following discussion describes the structure of such an environment **10** but further discussion of the applications program and data modules that embody the methodology of the present invention is described elsewhere herein as would be appreciated by those of ordinary skill in the pertinent art.

[0026] The environment **10** includes one or more servers **12** which communicate with a distributed computing network **14** via communication channels, whether wired or wireless, as is well known to those of ordinary skill in the pertinent art. In a preferred embodiment, the distributed computing network **14** is a local area network set up at a casino. In another preferred embodiment, the distributed computing network **14** is the Internet. For simplicity, only one server **12** is shown. The environment **10** also receives input data related to sporting events from a broadcast device **16** in real time. The broadcast device **16** works as a component of a communications network such as that established by television and cable companies. In short, events of interest are sent up to a satellite in orbit and beamed back to the broadcast device **16** so that live broadcasts of events around the world can be viewed virtually anywhere. A plurality of clients **18** are also connected to the distributed computing network to allow a multitude of users to view the event and participate in the hosted gaming event.

[0027] Referring now to **FIG. 2**, server **12** hosts multiple sites and houses multiple databases necessary for the proper operation of the methods and systems in accordance with the subject invention. The server **12** is any of a number of servers known to those skilled in the art that are intended to be operably connected to a network so as to operably link to the plurality of clients **18** via the distributed computing network **14**. As illustration, the server **12** typically includes a central processing unit or cpu **38** including one or more microprocessors such as those manufactured by Intel or AMD and memory **20** operatively connected to the cpu **38**. The memory **20** can be any combination of random access memory (RAM), a storage medium such as a magnetic hard disk drive(s) and the like.

[0028] The memory **20** of the server **12** may be used for storing an operating system **22**, databases **24**, software applications **26** for execution on the cpu **38**, and the like. In a preferred embodiment, a gambler database **28** stores data

relating to each gambler in a relational database. The data relating to each gambler would include, without limitation, a unique gambler identifier, credit card data, bank account data, past betting history, current bets and the like as would be appreciated by those of ordinary skill in the pertinent art. An event database **30** stores data relating to past, present and future events upon which the house establishes a real-time pari-mutuel betting system or method in accordance with the subject disclosure. The data relating to the events would include, without limitation, time of the events, location of the events, detailed data relating to the event participants, the rules of the event, the types of bets allowed and the like as is described below with respect to specific examples.

[0029] The memory **20** of the server **12** also typically controls booting and storing the operating system **22**, as well as other applications or systems that are to be executed on the server **12** such as paging and swapping between the hard disk and the RAM. Software, code or software applications **26** generally refers to computer instructions which, when executed on the cpu **38**, cause interactions with operating parameters, sequence data/parameters, database entries, network connection parameters/data, variables, constants, software libraries, and/or any other elements needed for the proper execution of the instructions, within an execution environment in the memory **20** of the server **12**. Those of ordinary skill will recognize that the software applications **26** and various processes discussed herein are merely exemplary of the functionality performed by the disclosed technology and thus such processes and/or their equivalents may be implemented in commercial embodiments in various combinations and quantities without materially affecting the operation of the disclosed technology.

[0030] The server **12** also includes other mechanisms and structures for performing Y/O operations such as disk drives (not shown) and a modem **40** for communicating with the distributed computing network **14**. It is envisioned that the server **12** can utilize multiple servers in cooperation to facilitate greater performance and stability of the subject invention by distributing memory and processing as is well known. U.S. Pat. No. 5,953,012 to Venghte et al. describes a method and system for connecting to, browsing and accessing computer network resources and is herein incorporated by reference in its entirety. Similarly, U.S. Pat. No. 5,708,780 to Levergood et al. describes an Internet server which controls and monitors access to network servers and is also herein incorporated by reference in its entirety.

[0031] Referring again to **FIG. 1**, distributed computing network **14** may include any number of network systems well known to those skilled in the art. The distributed computing network **14** can be a series of network nodes (each node being a digital data processing device, for example) that can be interconnected by network devices and communication lines (e.g., public carrier lines, private lines, satellite lines, etc.) that enable the network nodes to communicate. The transfer of data (e.g., messages) between network nodes can be facilitated by network devices such as routers, switches, multiplexers, bridges, gateways, etc. that can manipulate and/or route data from an originating node to a destination node regardless of any dissimilarities in the network topology (e.g., bus, star, token ring, etc.), spatial distance (local, metropolitan, wide area network, etc.), transmission technology (e.g., TCP/IP, Systems Network Architecture, etc.), data type (e.g., data, voice, video, multimedia,

etc.), nature of connection (e.g., switched, non-switched, dial-up, dedicated, virtual, etc.), and/or physical link (e.g., optical fiber, coaxial cable, twisted pair, wireless, etc.) between the originating and destination network nodes. For example, distributed computing network **14** may be a combination of local area networks (LAN), wide area networks (WAN), or the Internet, as is well known. For the Internet, the preferred method of accessing information is the World Wide Web because navigation is intuitive and does not require technical knowledge.

[0032] The environment **10** also includes a plurality of input/output devices or clients **16** such as desktop computers with printers, laptop computers, personal digital assistants, cellular telephones and the like. The clients **16** communicate with the distributed computing network **14** to allow a user to access information on the server **12**. For simplicity, only three clients **16** are shown. In the exemplary illustration shown, server **12** may be located almost anywhere but a plurality of clients **18** are permanent stations in a casino for accessing the environment **10**. Clients **18** are also capable of being interconnected over great distances and/or directly to server **12** as would be known to those of ordinary skill in the art.

[0033] The clients **18** have displays as would be appreciated by those of ordinary skill in the pertinent art. The display may be any of a number of devices known to those skilled in the art for displaying images responsive to signals. Such devices include but are not limited to cathode ray tubes (CRT), liquid crystal displays (LCDs), plasma screens and the like. Although a simplified diagram is illustrated in **FIG. 1** such illustration shall not be construed as limiting the present invention to the illustrated embodiment. It should be recognized that the signals being outputted from the clients **18** can originate from any of a number of devices including PCI or AGP video boards or cards mounted within housings of the clients **18** that are operably coupled to the microprocessors and the displays of the clients **18**.

[0034] The clients **18** are also preferably equipped with an input device(s) as is known to those skilled in the art which can be used to provide input signals for control of applications programs and other programs such as the operating system being executed on the clients **18**. In illustrative embodiments, the input device preferably comprises a switch, a slide, a mouse, a track ball, a glide point or a joystick, a microphone or other such device (e.g., a keyboard having an integrally mounted glide point or mouse) by which a user such as a consumer can input control signals and other commands. Although the use of a keyboard and mouse as an input device for the server **12** and clients **18** is not described further herein, it is within the scope of the present invention for the input device to comprise any of a number of input means known to those skilled in the art, wherein the control signals or commands for implementing and interacting with the environment **10** and the applications program embodying such methodology can be implemented in the form of commands from an input device.

[0035] The clients **18** typically include a central processing unit including one or more micro-processors such as those manufactured by Intel or AMD, random access memory (RAM), mechanisms and structures for performing I/O operations (not shown), a storage medium such as a magnetic hard disk drive(s), a device for reading from and/or

writing to removable computer readable media and an operating system for execution on the central processing unit. According to one embodiment, the memory of the clients **18** is for purposes of booting and storing the operating system, other applications or systems that are to be executed on the computer, paging and swapping between the hard disk and the RAM and the like. In one embodiment, the application programs reside on the memory for performing the functions in accordance with the subject disclosure. In another embodiment, the memory simply has a browser for accessing an application hosted within the distributed computing network **14**. The clients **18** can also utilize a removable computer readable medium such as a CD or DVD type of media that is inserted therein for reading and/or writing to the removable computer readable media. As can be seen from the above, a schematic diagram of a client **18** would indeed be functionally equivalent to the server **12** of **FIG. 2** although one is not included herein and, for simplicity, several components are not shown.

[0036] It is also envisioned that a clients **18** provide administrative access to the environment **10** whereas clients **18** are associated with the house and gamblers although it will be recognized by those of ordinary skill in the art that the hardware of the clients **18** would often be interchangeable. A plurality of gamblers can share the same client **18**, although probably not conveniently at the same time, and cookie technology can be utilized to facilitate access to the environment **10** and, thereby, gambling systems and methods conducted in accordance with the subject disclosure.

[0037] Referring now to **FIG. 3**, there is illustrated a flowchart **200** depicting a process for real-time para-mutuel betting in accordance with an embodiment of the present invention. The flowchart **200** is directed to allowing gamblers to rely on their skill in predicting the outcome of plays within American football games. It is envisioned that this embodiment is located in an area of a casino set aside for the purpose of practicing the methodology of flowchart **200**. Thus, the distributed computing network **14** may simply be a local area network connected to a local server **12** with a plurality of application specific designed workstations as clients **18**. Such technology is well within those of ordinary skill in the art and, therefore, not further described herein.

[0038] It is envisioned that the house provides for administration and security maintenance. Such security is of particular interest if the distributed computing network **14** includes the Internet. Therefore, although many users may access the home site, even if such users do not become gamblers (e.g., Internet surfers, hackers and the curious), each user's access is controlled. The home site includes an input area for allowing a user to learn more about the gambling event and rules for same. The user interface specifies which aspects of the home site can be accessed, and at what level in order to maintain compliance with technical electronic data interchange standards, credit card processing, legal confidentiality restraints, system integrity and the like. Such limitations of functionality are well known to those skilled in the art and therefore not further described herein.

[0039] At step **202**, the house creates a home site on the server **12** to present user interface screens to gamblers on the clients **18**. The home site may have many different pages for presenting a plurality of events, where each event can be the

basis of a gambling competition or events may be combined to provide more extensive competitions. The description below is with respect to one game but it would be appreciated that the subject technology is not so limited. Further, the house may maintain banner advertisements and links to related Web sites on the home site as a source of additional revenue. Preferably, the banner advertisements and links are associated with national and local vendors of complimentary goods and services and the company receives a further fee based upon referrals from same. The house also promotes the gambling system generally and specifically with respect to events chosen. It is also envisioned that a separate entity may provide the hardware and expertise necessary to practice the methodology for an entity that may want to run a gambling event for a particular event or charity on a one time or very limited basis.

[0040] At step **204**, the house selects an event, in this case an American football game, to base a gambling competition upon. The live feed for the game may come over network television and be displayed on televisions in the area of the clients **18**, be displayed on each client **18**, be displayed in text form via an Internet game cast, combinations thereof and the like. As a result, each gambler who elects to participate can track the activity of the game in real-time. When the house runs such a gambling opportunity, the house preferably charges a fee of a fixed percentage of the pool. The fee may also be a set amount, a percentage of the pool plus a set amount, the greater of a percentage of the pool or a set amount and like arrangements as would be appreciated by those of ordinary skill in the art.

[0041] At step **206**, the house enrolls gamblers in the gambling event via the user interface screens. By using a client **18** in a well-known manner, the gambler accepts the rules and provides the necessary input to the home site by selecting an icon, completing a questionnaire or the like. The house stores relevant data in records that are preferably stored in the gambler database **28** in server **12**. In one embodiment, the gambler initializes their participation by contributing money into the pool such as \$100 per game or \$10 per quarter.

[0042] At step **208**, as the football game begins, so does the gambling event. The gambling event or competition is according to rules set by the house. For example, the rules are based on the skill of the gamblers to predict the next play with varying points being awarded according to the accuracy of the prediction. The gamblers enter their predictions in real-time using the clients **18**. The number of variables to be predicted include variables such as type of play (run, pass, punt, field goal), the name of the player running, passing or catching, the result of the play (gain, loss, number of yards gained or lost, turnover (fumble, interception), kicking yards, success of field goal). Variables may also include achieving milestones such as making a first down, scoring a touchdown and making a field goal or point after attempt. Bonus points can also be awarded for long yardage predictions such as touchdowns of over 30 yards and the like. Of course, picking the ultimate outcome of the game and including other variables such as the over/under line can be additional opportunities to add points to a gambler's total. For successfully and/or closely predicting each variable, a corresponding number of points is attributed to the gambler. Preferably, the gamblers are kept informed of details of the game like personnel changes, field position and the like.

Bonus points may be offered for entering predictions prior to updates of such information. Similarly, pass attempts, play prediction and like statistics may have a point total associated therewith that decreases as time passes in recognition of the easier ability to predict such outcomes as the game progresses.

[0043] At step 210, the server 12 aggregates and updates the gambler's point totals after every play. Summary results are provided to all participating gambler's in real time. In one embodiment, the results are communicated by a scoreboard at the event. Gamblers may choose their own identifier or nickname to further enhance enjoyment of the competition. At the end of the football game, the gambler's final point total determines a relative placement of the gamblers.

[0044] At step 212, the house deducts a commission and pays out the balance on a pari-mutuel basis. For example, a certain percentage (50%) may go to the highest score, a second lower percentage may be divided equally among the second through fifth place finishers (%20) with the remaining percentage of the pool (%30) being divided equally among the remaining gamblers. As a result, each gambler is guaranteed some rebate and, for large pools, significant enticing payouts can be won. In another embodiment, a single winner with the highest score takes the pool. In another embodiment, multiple pools are created for the same game such as one that distributes a percentage of the pool on a quarter by quarter basis if for American football, and each gambling venue such as auditorium, bar, restaurant, casino, geographic area. Referring to FIGS. 4-6, various exemplary distributions for pari-mutuel payouts are shown.

[0045] It is envisioned that the sporting event may be not just a contest between two teams (e.g., soccer) but individual events (e.g., tennis, skating, gymnastics, diving), events scored by measuring time or distance (e.g., swimming, track and field), events determined by voting (e.g., academy awards, golden globe awards, political elections) or any circumstances which yield difficult to predict outcomes. In general, the house can select any number of categories for the gambler to predict and devise many schemes of point allocation.

[0046] For illustration without limitation, soccer can award points based upon predicting the outcome, the players to score, the time of the first and last goal and goal differential between teams. In American football, points can be based on the winner, margin of victory, exact score, next play (pass or run), next player to catch a pass, get 1st down, and score a touchdown, number of completions, touchdowns, and yards rushing. In basketball, points can be based on winner, margin of victory, exact score, who makes the next basket, points, assists, and rebounds for each player. In baseball, points can be based on winner, exact score, inning/outs when winning run scored, next pitch (ball, strike, foul, single, double, triple, home run or bunt), number of pitches thrown, number of balls and strikes, and hits allowed. In car and motorcycle racing, points can be based on winner, margin of victory, runnerup, time, top 3 finishers for next lap, next car to take a pit stop, race time, total pit stop time, average speed and predicting the lap in a crash occurs. In soccer, points can be based on winner, margin of victory, time of winning goal, next player to score, next player to get yellow card, time of next goal, number of goals scored, penalties, and assists.

[0047] In Olympic gymnastics, points can be based on winner, margin of victory, exact score, score on next vault or event, scores on each event, and team score and rank. In casino slot-type games with pari-mutuel payout, points can be based on predicting the next 5 cards or the next 5 Mah Jong tiles. For blackjack, points can be based on predicting stay or bust for each of 6 players and dealer's total. For poker tournaments, points can be based on staying or folding for each player on the next hand, winner, and winning hand (pair of aces, straight, queen high, etc). For horse and dog racing, points can be based on margin of victory, winner, time and other finishers. Gamblers can also create fantasy teams and receive points based upon the performance of the fantasy team and, in turn, place the gamblers based upon the point totals to determine payouts.

[0048] In another preferred embodiment, the house creates a large group of interactive gamblers for a card based game. Each gambler establishes an account for payment or allocation of required finds in the gambler database 28. The rules of the card game are stored in the event database 30. The game is based on electronic simulation of one or more decks of cards using random number generator technology as is known to those of ordinary skill in the art. Each gambler attempts to predict the outcome of the next card that is "electronically" turned over. Of course, the game could be based on actual cards being turned over with a live feed, written summary or other summary results fed into the environment 10 in real-time. The prediction could include the the suit and number of the cards selected from a specifically designed user interface screen or hardware acting as a client 18.

[0049] The server 12 runs the game by interacting with the gamblers, scores each gambler's prediction, ranks the gamblers and transmits summary data to the respective client 18 of each gambler. The process is repeated for a deck of cards to complete a game. In a preferred embodiment, four points are awarded for selecting the correct suit. Awarding points for selecting the card value is determined according to the following formula for a deck of cards with thirteen cards per suit:

$$\text{value points} = \text{thirteen} - \text{absolute value of (predicted value - actual value)} \quad \text{Formula 1}$$

For example, if a gambler predicted the suit properly but incorrectly guessed a five card value when the actual value was seven, the gambler would receive fifteen points (four based on the suit plus eleven for being close on the card value). Preferably, the house takes a percentage or vigorous of 10% for hosting the game and pays out the remaining pool to the highest scoring gamblers on a pari-mutuel basis.

[0050] The games may be repeated and played in rapid fashion to further add to the excitement and enjoyment of playing. The house may further increase the speed at which cards are turned so that an element of skill in card watching becomes a component of the game. Gamblers may also play several "hands" simultaneously as is common with other traditional games such as bingo. Technical constraints of the environment 10 may limit the number of hands that a gambler may have or require other additional constraints. It is also envisioned that the subject technology can be applied to almost any game such as, without limitation, Mah Jong, SCRABBLE® game available from Mattel, Inc., chess and the like.

[0051] As would be recognized by those of ordinary skill in the pertinent art, the subject technology can combine pari-mutuel payouts with the skill required for sports betting. Multiple predictions can be required to win a single bet. Some categories can be weighted more heavily or each successful prediction can have equal points awarded. Often, at least some return to each gambler can be arranged.

[0052] It will be appreciated by those of ordinary skill in the pertinent art that the functions of several elements may, in alternative embodiments, be carried out by fewer, or a single element. Similarly, in some embodiments, any functional element may perform fewer, or different, operations than those described with respect to the illustrated embodiment. Also, functional elements (e.g., modules, databases, interfaces, computers, servers and the like) described as distinct for purposes of illustration may be incorporated within other functional elements in a particular implementation.

[0053] While the invention has been described with respect to preferred embodiments, those skilled in the art will readily appreciate that various changes and/or modifications can be made to the invention without departing from the spirit or scope of the invention as defined by the appended claims.

What is claimed is:

1. A server for facilitating real-time betting, wherein the server communicates with clients via a distributed computing network, and wherein the server comprises:

- (a) a memory storing an operating system, an instruction set, event data related to a sporting event, gambler data related to gamblers participating in a competition based upon the sporting event and site data related to electronic pages associated with the real-time pari-mutuel betting; and
- (b) a processor for running the instruction set, the processor being in communication with the memory and the distributed computing network, wherein the processor is operative to:
  - (i) enroll the gamblers by presenting betting rules associated with the sporting event;
  - (ii) collect wagering from the gamblers;
  - (iii) accept predictions for discrete events within the sporting event from each gambler;
  - (iv) assign point values for each discrete event;
  - (v) credit and total the corresponding point value to gamblers for each correct prediction; and
  - (vi) determine a first winner of the competition based upon the point totals.

2. A server as recited in claim 1, wherein the betting rules award predetermined amounts of points by comparing the predictions to outcomes of the discrete events and the first winner has the most points.

3. A server as recited in claim 1, wherein the discrete events are: plays for American football; pitches, at-bats or innings for baseball; rounds for boxing; shots, holes and rounds for golf; goals for soccer; and points awarded by judges.

4. A server as recited in claim 1, wherein the discrete events are player statistics in a plurality of categories such as points, rebounds, blocks and assists in basketball.

5. A server as recited in claim 1, wherein the server is further operative to determine a plurality of winners based upon the predictions and distribute a pool created from the wagering to the plurality of winners on a pari-mutuel basis.

6. A server as recited in claim 1, wherein the distributed computing network is the Internet.

7. A server as recited in claim 1, wherein the distributed computing network is a local area network.

8. A server as recited in claim 1, wherein the first winner takes the pool created from the wagering.

9. A method for pari-mutuel betting, wherein a server communicates with clients via a distributed computing network, the method comprising the steps of:

- (a) enrolling gamblers by presenting betting rules associated with a sporting event;
- (b) assigning point awards to categories associated with the sporting event;
- (c) collecting wagers from the gamblers;
- (d) forming a pool from the wagers, the pool being less than a total of the wagers;
- (e) accepting predictions from each gambler for discrete events within the categories for the sporting event;
- (f) allocating points to the gamblers based upon the predictions;
- (g) determining rankings of the gamblers based upon the points allocated thereto; and
- (h) distributing the pool according to the rankings.

10. A method as recited in claim 9, wherein varying the point awards for a category in inverse proportion to a time remaining in the sporting event.

11. A method as recited in claim 9, wherein the sporting event is a card game.

12. A method as recited in claim 9, wherein the sporting event is a game between two teams.

13. A method as recited in claim 9, wherein wagers are collected after commencement of the sporting event.

14. A method for pari-mutuel betting on American football, wherein a server communicates with clients via a distributed computing network, the method comprising the steps of:

- (a) assigning point awards for categories of i) predicting a winner, ii) predicting a next play, iii) predicting a next player to score, iv) predicting a margin of victory, v) predicting rushing yardage, and vi) predicting passing yardage associated with an American football game;
- (b) collecting a wager from a plurality of gamblers;
- (c) forming a pool from the wagers, the pool being less than a total of the wagers;
- (d) accepting predictions from each gambler for the categories during the American football game;
- (e) allocating points to the gamblers based upon the predictions and point awards;

(f) determining rankings of the gamblers based upon the points allocated thereto; and

(g) distributing the pool according to the rankings.

**15.** A method as recited in claim 14, wherein the point awards vary according to importance of the associated category.

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