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An improved betting method

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(71) Applicant(s)

James Fiorino

(72) Inventor(s)

Fiorino, James

(74) Agent/Attorney

Peter Maxwell & Associates, Level 6 60 Pitt Street, Sydney, NSW, 2000

(56) Related Art

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ABSTRACT

A betting method for a competition on which punters bet on a winning outcome comprising the steps of:-

- (i) entering the total amount bet by punters for all participants in the competition into a pool,
- (ii) optionally, the operator of the betting method deducting a predetermined percentage of commission from the pool,
- (iii) for each participant, dividing the remaining total amount in the pool by the total amount bet for the participant to return a dividend for that participant,
- (iv) optionally, the operator rounding the dividends down, up or to the nearest whole number for each participant,
- (v) for each participant, either, assessing an amount to be deducted from, or assessing a bonus amount to be added to, the winnings of a bet if that participant were to have a winning outcome, the assessment of the amount to be deducted or the assessment of the bonus amount to be added, depending, at least in part, on the amount of the winnings of the punter, wherein, if a predetermined percentage of commission has not been deducted from the pool in step (ii), then the amount to be deducted must be assessed,
- (vi) for the participant having a winning outcome, paying to each punter who placed a bet on that participant for a winning outcome, an amount equal to multiplying the amount bet by the punter by the dividend for that participant and either deducting an amount as assessed in step (v) or adding a bonus amount as assessed in step (v), and,

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- (vii) paying to the operator of the betting method any predetermined percentage of commission deducted from the pool in step (ii) and any amount deducted from the winnings of a bet as assessed in step (v).

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COMPLETE SPECIFICATION

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TO BE COMPLETED BY THE APPLICANT

NAME OF APPLICANT: James Fiorino  
ACTUAL INVENTOR: James Fiorino  
ADDRESS FOR SERVICE: Peter Maxwell & Associates  
Level 6  
60 Pitt Street  
SYDNEY NSW 2000  
INVENTION TITLE: AN IMPROVED BETTING METHOD  
DETAILS OF ASSOCIATED  
PROVISIONAL APPLICATION NO(S): 2004 903 649 - 2 July 2004 - Australia

The following statement is a full description of this invention including the best method of performing it known to me:-

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The present invention relates to an improved betting method.

The two most commonly known betting methods operating in the market are the pari mutuel system or totalizator system and the fixed odds system.

5 The basic procedure of the totalizator system is that the total amount bet for all the numbers (or participants) in a race is entered into a pool. From this pool, a predetermined percentage of commission is deducted. Then the remaining amount in the pool is divided by the total amount bet on the winner of the race.

Example:

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Number	Total Amount Bet	Dividend	Rounding Down Dividend
1	\$50	\$1.60	\$1.60
2	\$25	\$3.20	\$3.20
3	\$15	\$5.33	\$5.30
4	\$10	\$8.00	\$8.00
Total Pool	\$100	less commission of 20% = \$80	

\$80 is to be returned in winning bets.

15 With the fixed odds system, the odds are determined by opinion and market forces, and the exact amount to be collected from winning bets is known at the time a bet is placed.

20 The problem for the operator of the totalizator system, in this case being the TAB, is that on a vast number of occasions the best odds offered by fixed odds bookmakers are clearly more attractive than the final dividends bet by the TAB. Bookmakers are even in a position where they can advertise and guarantee to pay out better dividends than the TAB.

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5 If the TAB lowers the rate of commission deducted from the betting pools to try and compete with odds offered by bookmakers, it must increase its wagering turnover by the same ratio to generate the same revenue. In the example given above; for a commission rate reduction to 10%, the TAB would need to double its turnover to generate the same revenue; and for a reduction to 5%, it would need to quadruple its turnover to achieve the same result.

10 As a consequence, the TAB would lose substantial revenue from its pastime, leisure and entertainment customers. The time and cost of going to the races for these punters exceeds the premium they pay for the service and convenience provided by the TAB.

15 At the same time, in comparison with fixed odds offered by bookmakers, TAB dividends disadvantage the value conscious, form punters. If the admittance fee of going to the races was based on the amount a punter bets, then these punters would prefer not to go. In the same way, they prefer not to bet with the TAB.

Therefore, the objectives of the present invention include the following:

- 20 • To provide a betting method in which the operator of such a betting method maximises wagering revenue to full capacity.
- To provide the operator of the betting method with the capability of attracting and catering for all types of punters, both large and small.
- To provide the operator of the betting method with a competitive edge in opposition with other sources of competition, especially fixed odds bookmakers.
- 25 • To provide punters with the incentive and opportunity to potentially obtain the top odds of the market and to maximise their winnings.

In the present specification and claims, the term "winnings" refers either to the collect of a winning bet or to the profit gained by a punter from a winning bet, and the term "winning outcome" refers to any outcome in a competition identified as such by the operator of the betting method, such as first place, second place, third place or even last place.

According to the present invention, there is provided a betting method for a competition on which punters bet on a winning outcome, comprising the steps of:-

- (i) entering the total amount bet by punters for all participants in the competition into a pool,
- (ii) for each participant, dividing the amount in the pool by the total amount bet for the participant to calculate a dividend for that participant,
- (iii) for each participant, assessing an amount to be deducted from the winnings of a bet if that participant were to have a winning outcome, the assessment of the amount to be deducted depending, at least in part, on the amount of the winnings of the punter,
- (iv) for the participant having a winning outcome, paying to each punter who placed a bet on that participant for a winning outcome, an amount equal to multiplying the amount bet by the punter by the dividend for that participant and deducting an amount as assessed in step (iii), and
- (v) paying to the operator of the betting method the amount as deducted in step (iv).

Preferably, the amount to be deducted is a percentage amount, and the percentage amount is lower as the amount of the winnings is higher.

Optionally, the amount to be deducted is determined by the operator's analysis of the form of a participant or participants in the competition.

Optionally, the amount to be deducted is a pre-agreed amount of deduction with one or more selected punters.

5 Preferably, the operator displays the dividend calculated in step (ii) for each participant.

Optionally, between steps (i) and (ii), the method further includes the step of deducting a predetermined percentage of commission from the pool.

10 Optionally, between steps (iv) and (v), the method further includes the step of adding a bonus amount to the winnings of a bet.

Optionally, between steps (i) and (ii), the method further includes the step of deducting a predetermined percentage of commission from the pool and, between steps (iv) and (v), the method further includes the step of adding a bonus amount to the winnings of a bet.

15 Preferably, the competition is a horse race or a greyhound race.

In an alternative form of the invention, there is provided a betting method for a competition on which punters bet on a winning outcome, comprising the steps of:-

20 (i) entering the total amount bet by punters for all participants in the competition into a pool,

(ii) deducting a predetermined percentage of commission from the pool by the operator of the betting method,

25 (iii) for each participant, dividing the remaining amount in the pool by the total amount bet for the participant to calculate a dividend for that participant,

(iv) for each participant, assessing a bonus amount to be added to the winnings of a bet if that participant were to have a winning



outcome, the assessment of the bonus amount to be added depending, at least in part, on the amount of the winnings of the punter,

- 5 (v) for the participant having a winning outcome, paying to each punter who placed a bet on that participant for a winning outcome, an amount equal to multiplying the amount bet by the punter by the dividend for that participant and adding a bonus amount as assessed in step (iv), and
- 10 (vi) paying to the operator of the betting method the predetermined percentage of commission deducted in step (ii).

The method of the invention can be applied to any competition in which punters bet on a winning outcome, bets are entered into a pool, and a dividend is declared.

15 In order that the invention may be readily understood and put into practical effect, reference will now be made to the accompanying Example of a preferred betting method of the invention.

**EXAMPLE**

20 The total amount bet for each number (or participant) in a race is entered into a pool. Then the total amount in the pool is divided by the total amount bet for each number to return a dividend.

Example:

Number	Total Amount Bet	Dividend	Market Percentage
1	\$3,069	\$3.26	31%
2	\$2,287	\$4.37	23%
3	\$2,000	\$5.00	20%
4	\$1,081	\$9.25	11%

5	\$720	\$13.90	7%
6	\$536	\$18.70	5%
7	\$211	\$47.40	2%
8	\$96	\$104.00	1%
Total Pool	\$10,000		100%

The market percentage can be calculated by the total amount bet for a number over the total pool.

By declaring dividends to the nearest 1c from \$1.01 to \$10.00, to the nearest 10c from \$10.00 to \$100.00, and to the nearest \$1.00 for all dividends over \$100.00, the market percentages can be displayed to 100%.

The operator determines assessed levels of deduction from the winning bets in order to (a) increase or maintain revenue from regular customers, (b) attract those who bet with other sources of competition, and (c) maximise its wagering revenue.

An example of assessed levels of deduction may be:

- All collects paid less 20%
- Collects of \$100 or more paid less 15%
- Collects of \$200 or more paid less 12.5%
- Collects of \$1,000 or more paid less 10%
- Collects of \$5,000 or more paid less 7.5%
- Collects of \$10,000 or more paid less 5%.

With this method, the operator is able to offer certain account holders or large punters a pre-agreed level of deduction. The operator is also in a position to negotiate a level of deduction for a race or races with the largest punters in Australia and internationally.

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Also with this method, and importantly, the operator is able to determine the assessed levels of deduction with its own analysis of the form of a participant or participants in a race.

5 Winning bets are paid by the amount bet (or wagered) multiplied by the dividend, less the assessed level of deduction.

10 The method of the invention can incorporate a number of variations including; the rounding down of dividends, combining a predetermined percentage of commission with the assessed levels of deduction, introducing winning bonuses, framing of different markets for different levels of deductions, and the optional display of market percentages.

For instance, the method of the invention may utilise any one or a combination of commission deduction, assessed deduction and assessed bonus addition, the level of each of which can be determined by the operator of the betting method.

15 A unique feature of the method of the invention is that effectively more than one price or dividend (final odds) can be declared on the winner of the competition from the one pool.

20 It could be argued that the area with the highest wagering growth potential is sports betting. The competitive effect of the method of the present invention may be seen in sports betting. By forcing fixed odds bookmakers or other providers to operate below a certain level of market price percentage in opposition with the method of the present invention, they may be forced out of business by prolonged reduction of their profits.

25 Various modifications may be made in details of the method steps of the present invention without departing from the scope and ambit of the invention.

THE CLAIMS DEFINING THE INVENTION ARE AS FOLLOWS:

1. A betting method for a competition on which punters bet on a winning outcome, comprising the steps of:-
  - (i) entering the total amount bet by punters for all participants in the competition into a pool,
  - (ii) for each participant, dividing the amount in the pool by the total amount bet for the participant to calculate a dividend for that participant,
  - (iii) for each participant, assessing an amount to be deducted from the winnings of a bet if that participant were to have a winning outcome, the assessment of the amount to be deducted depending, at least in part, on the amount of the winnings of the punter,
  - (iv) for the participant having a winning outcome, paying to each punter who placed a bet on that participant for a winning outcome, an amount equal to multiplying the amount bet by the punter by the dividend for that participant and deducting an amount as assessed in step (iii), and
  - (v) paying to the operator of the betting method the amount as deducted in step (iv).
  
2. The betting method of claim 1 wherein the amount to be deducted is a percentage amount.
  
3. The betting method of claim 2 wherein the percentage amount is lower as the amount of winnings is higher.

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4. The betting method of any one of claims 1 to 3 wherein the amount to be deducted is determined by the operator's analysis of the form of a participant or participants in the competition.
5. The betting method of any one of claims 1 to 3 wherein the amount to be deducted is a pre-agreed amount of deduction with one or more selected punters.
6. The betting method of any one of claims 1 to 3 wherein the operator of the betting method, for each participant, displays the dividend calculated in step (ii).
7. The betting method of any one of claims 1 to 3 wherein, between steps (i) and (ii), the method further includes the step of deducting a predetermined percentage of commission from the pool.
8. The betting method of any one of claims 1 to 3 wherein, between steps (iv) and (v), the method further includes the step of adding a bonus amount to the winnings of a bet.
9. The betting method of any one of claims 1 to 3 wherein, between steps (i) and (ii), the method further includes the step of deducting a predetermined percentage of commission from the pool and, between steps (iv) and (v), the method further includes the step of adding a bonus amount to the winnings of a bet.

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10. The betting method of any one of claims 1 to 3 wherein the competition is a horse race or a greyhound race.

11. A betting method for a competition on which punters bet on a winning outcome, comprising the steps of:-

- (i) entering the total amount bet by punters for all participants in the competition into a pool,
- (ii) deducting a predetermined percentage of commission from the pool by the operator of the betting method,
- (iii) for each participant, dividing the remaining amount in the pool by the total amount bet for the participant to calculate a dividend for that participant,
- (iv) for each participant, assessing a bonus amount to be added to the winnings of a bet if that participant were to have a winning outcome, the assessment of the bonus amount to be added depending, at least in part, on the amount of the winnings of the punter,
- (v) for the participant having a winning outcome, paying to each punter who placed a bet on that participant for a winning outcome, an amount equal to multiplying the amount bet by the punter by the dividend for that participant and adding a bonus amount as assessed in step (iv), and

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- (vi) paying to the operator of the betting method the predetermined percentage of commission deducted in step (ii).

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**James Florino**

Patent Attorneys for the Applicant

PETER MAXWELL & ASSOCIATES

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