

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

BLOOMBERG INC.; BLOOMBERG L.P.; BLOOMBERG FINANCE L.P.;
THE CHARLES SCHWAB CORPORATION;
CHARLES SCHWAB & CO., INC.;
E*TRADE FINANCIAL CORPORATION; E*TRADE SECURITIES LLC;
E*TRADE CLEARING LLC; OPTIONSXPRESS HOLDINGS INC.;
OPTIONSXPRESS, INC.; TD AMERITRADE HOLDING CORP.;
TD AMERITRADE, INC.; TD AMERITRADE IP COMPANY, INC.; and
THINKORSWIM GROUP INC.
Petitioner,

v.

MARKETS-ALERT PTY LTD.
Patent Owner.

Case CBM2013-00005 (JYC)
Patent 7,941,357

Before JAMESON LEE, SALLY C. MEDLEY, and JONI Y. CHANG,
Administrative Patent Judges.

CHANG, *Administrative Patent Judge.*

ORDER
Conduct of the Proceeding
37 C.F.R. § 42.5

The Board instituted the instant trial and entered a Scheduling Order that sets forth the due dates for the parties to take action in this trial, ensuring that the trial will be completed within one year of institution. (Papers 18 and 19.)

On April 30, 2013, the initial telephone conference call for the instant trial was held involving:

1. Michael T. Rosato, Counsel for Petitioners (“Bloomberg”);
2. Andrew Y. Choung, Counsel for Patent Owner (“Markets-Alert”); and
3. Jameson Lee, Sally C. Medley, and Joni Y. Chang, Administrative Patent Judges.

The purpose of this conference call is to discuss any proposed changes to the Scheduling Order and the motions that the parties intend to file. The parties submitted their lists of proposed motions prior to the conference call that provided the Board and the opposing party adequate notice to prepare for the conference call. (Papers 20 and 21.)

Scheduling Order

During the conference call, the parties presented no proposed change to the Scheduling Order and indicated that they do not have any issue regarding the due dates. In fact, Markets-Alert notified the Board that it may propose to expedite the schedule at a later time. Bloomberg also sought clarification whether the parties may stipulate certain changes to the schedule.

The Board explained that the parties may stipulate to different dates for Due dates 1 through 3 (earlier or later, but no later than Due date 4) and file a notice of stipulation, specifically identifying the changed due dates. In addition, the Board encouraged the parties to work toward a mutually agreeable expedited schedule, and authorized the parties to file a joint motion to propose an expedited schedule.

Motion to Submit Supplemental Information

For the first item on Bloomberg's motion list, Bloomberg renewed its request to submit an affidavit from the organization "Internet Archive" regarding certain archived Web pages cited in the petition, as supplemental information under 37 C.F.R. § 42.223. The affidavit was said to be related to authentication of the archived Web pages.

The Board noted that the asserted grounds of unpatentability based on those archived Web pages were not authorized (*see* Decision on Institution, Paper 18, pages 40-41), and a patent owner response should not address grounds that were denied (*see* 37 C.F.R. § 42.220(a)). Therefore, an affidavit related to authentication of the archived Web pages is not necessary.

The Board explained that Bloomberg may be authorized to file such an affidavit under certain situations at a later time. For instance, if Markets-Alert files a motion to amend claims, and if Bloomberg submits an opposition that asserts a ground of unpatentability based on the archived Web pages in response to new issues arising from the motion, Bloomberg may submit the affidavit in an exhibit with such an opposition.

To further clarify, the Board directed the parties' attention to the Office Patent Trial Practice Guide which provides that a petitioner will be afforded an opportunity to fully respond to a motion to amend, and the petitioner may respond to new issues arising from proposed substitute claims, including the submission of evidence responsive to the amendment and new expert declarations directed to the proposed substitute claims. *See Office Patent Trial Practice Guide, 77 Fed. Reg. 48756, 48767 (Aug. 14, 2012).*

For the forgoing reasons, Bloomberg is not authorized to file supplemental information at this time.

Cross Examination of Declarants

Bloomberg sought clarification on whether a motion for discovery is required for cross examining Jeffery Bruce McGeorge, who is listed as the sole inventor of the involved U.S. Patent 7,941,357 (“the ’357 patent”). Markets-Alert submitted, with its patent owner preliminary response, a copy of a Declaration of Jeffery Bruce McGeorge that was filed in a co-pending district court litigation.

The Board first clarified that if Markets-Alert does not rely upon any declaration of Jeffery Bruce McGeorge in its patent owner response, it would not be necessary to cross examine Mr. McGeorge. This is because a petitioner’s reply may only respond to arguments raised in a patent owner response, and not those that are only submitted in a patent owner preliminary response (*see* 37 C.F.R. § 42.23(b)). The Board also noted that any arguments for patentability not raised and fully briefed in the patent owner response will be deemed waived.

Markets-Alert confirmed that all of its declarants for this trial including Mr. McGeorge will be available for cross examination. Moreover, cross-examination of declarants is considered routine discovery under 37 C.F.R. § 42.51(b)(1)(ii). Bloomberg may conduct cross-examination of Markets-Alert’s declarants during the Petitioner Discovery Period. *See Office Patent Trial Practice Guide, 77 Fed. Reg. at 48757.*

Motion for Discovery

For the first item on Markets-Alert’s list of proposed motions, Markets-Alert informed the Board that it will initiate discussions with Bloomberg regarding

additional discovery; and in the event that the parties cannot agree, Markets-Alert intends to request the Board's authorization to seek additional discovery.

The Board appreciated the information and encouraged the parties to work toward an agreement. The parties may initiate another conference call with the Board if necessary.

Motion to Amend Claims

Lastly, Markets-Alert indicated that it may file a motion to amend claims under 37 C.F.R. § 42.221, which will include proposing substitute claims for one or more involved claims of the '357 patent. Markets-Alert also stated that any proposed claim substitutions will be made to respond to one or more of the grounds of unpatentability involved in this trial, but will not enlarge the scope of the claims or introduce new matter.

The Board appreciated the information, and noted that any motion to amend must be filed with a detailed explanation as to how the proposed substitute claims obviate the grounds of unpatentability authorized in this trial, and a clear identification of where in the written description support for the claim amendment can be found. If the motion to amend includes a proposed substitution of claims beyond a one-for-one substitution, the motion must explain why more than a one-for-one substitution of claims is necessary. 37 C.F.R. § 42.221. Finally, a motion to amend should be filed as a separate paper, and not within the same paper as a patent owner response.

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