

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
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

On October 8, 2013, a telephone conference call was held between respective counsel for the parties and Judges Lee, Medley, and Chang. During the conference call, Markets-Alert requested the authorization for: (1) a 30-day extension of time for filing its reply to Bloomberg's opposition (Paper 50) to the motion to amend (Paper 42); (2) ten more pages for its reply; and (3) a 15-page surreply to Bloomberg's reply (Paper 51) to the patent owner response (Paper 38).

Citing to the Board's order (Paper 22) entered on May 1, 2013, Markets-Alert alleged that Bloomberg improperly filed an opposition (Paper 50) containing unauthorized new grounds of unpatentability, six new references, and a 30-page expert declaration. Markets-Alert argued that a single, five-page reply is not sufficient to address all of Bloomberg's newly asserted grounds of unpatentability and new evidence. Markets-Alert maintained that the requested relief is warranted, because Bloomberg should have requested authorization from the Board to submit the new evidence. Bloomberg opposed.

The Board agreed with Bloomberg that nothing in the Board's previous order (Paper 22) prohibits Bloomberg from asserting new grounds of unpatentability against the proposed substitute claims, or submitting new evidence in support of its opposition to Markets-Alert's motion to amend. In fact, the previous order specifically stated 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." Paper 22 at 3 (citing to *Office Patent Trial Practice Guide*, 77 *Fed. Reg.* 48756, 48767 (Aug. 14, 2012)).

As the Board explained during the conference call, a covered business method patent review is a streamlined and focused proceeding, unlike *ex parte*

prosecution or patent reexamination. The review must be concluded generally no later than one year after institution. 35 U.S.C. § 326(a)(11); 37 C.F.R. § 42.200(c). As the moving party, Markets-Alert has the burden to show, in its motion, a patentable distinction of each proposed substitute claim over the prior art of record and over prior art not of record, but known to the patent owner. 37 C.F.R. § 42.20; “Decision—Motion to Amend Claims,” IPR2012-00027, *Idle Free Systems, Inc. v. Bergstrom, Inc.*, Paper 26. A reply may only respond to arguments raised in the opposition. 37 C.F.R. § 42.23. In that regard, the Board will not consider a reply that raises a new issue or belatedly presents evidence.

Additionally, the Board was not persuaded by Markets-Alert’s reasons for requesting more pages, an extension of time, and an opportunity to file a surreply, because Markets-Alert merely proposed four substitute claims and Bloomberg’s arguments, in the opposition, on the asserted grounds of unpatentability are no more than a half page. Those asserted grounds of unpatentability are based on three U.S. patents and three PCT publications. When responding to inquiry from the Board, Markets-Alert failed to present sufficient explanation as to why it justifiably would be surprised by the technology represented in those publications. The Board further noted that Markets-Alert may file an expert declaration in support of its reply.

As to Markets-Alert’s request for the authorization to file a surreply, the Board also agreed with Bloomberg that a surreply is not necessary and would cause undue delays in the proceeding. The patent trial rules and the Scheduling Order (Paper 19) do not provide for a surreply. Markets-Alert failed to articulate an adequate reason as to why a surreply is necessary, especially in light of the fact that Markets-Alert has canceled all the original patent claims. Although Bloomberg filed a reply to Markets-Alert’s patent owner response, Bloomberg’s

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reply is of no consequence. Any arguments with respect to the proposed substituted claims should be presented in Markets-Alert's *reply* to Bloomberg's opposition to the motion to amend claims—rather than a *surreply* to Bloomberg's reply to the patent owner response.

For the foregoing reasons, Markets-Alert's requests are *denied*.

It is

ORDERED that no additional page for Markets-Alert's reply is authorized; FURTHER ORDERED that no extension of time for filing the reply is authorized; and

FURTHER ORDERED that Markets-Alert is not authorized to file a surreply.

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