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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TRULIA, INC.
Petitioner

v.

ZILLOW, INC.
Patent Owner

Patent No. 7,970,674

PETITION FOR COVERED BUSINESS METHOD PATENT REVIEW

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I. INTRODUCTION

Pursuant to the provisions of 35 U.S.C. § 321, Section 18 of the Leahy-Smith America Invents Act (“AIA”), and 37 C.F.R. § 42.300 *et seq.*, the undersigned Petitioner respectfully requests review of United States Patent No. 7,970,674 to Cheng et al. (“the ’674 patent,” attached as Ex. 1001), issued on June 28, 2011 and currently assigned to Zillow, Inc. (“Patent Owner”). Through this Petition, Petitioner demonstrates that, by a preponderance of the evidence, it is more likely than not that claims 2, 5, 15-25 and 40 of the ’674 patent are unpatentable under 35 U.S.C. § 101, as well as over prior art. Claims 2, 5, 15-25 and 40 of the ’674 patent should be found unpatentable and canceled.

A. Overview of the ’674 Patent

Application No. 11/374,024 was filed on February 3, 2006 and issued on June 28, 2011 as the ’674 patent. The ’674 patent is entitled “Automatically Determining a Current Value For a Real Estate Property, Such as a Home, That is Tailored to Input From a Human User, Such as its Owner.”

The ’674 patent claims fail to limit the claimed subject matter beyond an abstract notion of a real estate valuation model (e.g., an automated valuation model or “AVM”) amenable to user input. *See, e.g.*, Ex. 1001. Claim 15 is illustrative:

A method in a computing system for refining an automatic valuation of a distinguished home based upon input from a user knowledgeable about the distinguished home, comprising:

obtaining user input adjusting at least one aspect of information about the distinguished home used in the automatic valuation of the distinguished home;
automatically determining a refined valuation of the distinguished home that is based on the adjustment of the obtained user input; and
presenting the refined valuation of the distinguished home.

Even when viewed in the light most favorable to the Patent Owner, in general terms, the '674 patent claims are broadly directed to the generation of a refined real estate valuation based on input from a user (e.g., any user knowledgeable about the subject property). The '674 patent claims further recite certain aspects of well-known statistical methodologies (e.g., classification trees, regression analysis, etc.). *See, e.g.,* Ex. 1001 at claims 5, 18-25 and 40.

As explained in detail in the corresponding Declaration of Steven R. Kursh, Ph.D., CSDP, CLP (attached as Ex. 1002), and addressed in further detail below, the claims of the '674 patent would not have been considered new or non-obvious to a person of ordinary skill in the art at the time of filing. A number of prior art references are discussed below that either anticipate or render obvious each of the challenged claims of the '674 patent.

B. Brief Overview of the Prosecution History

The USPTO allowed the '674 patent based on the Patent Owner's arguments that the cited references U.S. Patent No. 6,609,118 to Kredkar et al. and U.S.

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