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IN THE UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

TRADING TECHNOLOGIES INTERNATIONAL, INC.,)))
Plaintiff,))
vs.) No. 05-cv-4811
CQG, INC. and CQGT, LLC,))
Defendants.))

VIDEOTAPED DEPOSITION

STEVEN VAN DUSEN

January 20, 2015

Chicago, Illinois

Reported by: April M. Metzler Job no: 13170

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,	Page 106		Page 108
1		1	
1	market. I believe that this this product is worth X,		about with the strategies A. Mm-hmm.
2	so I'm going to bid below X and I'm going to offer above X.	2	
3		3	Q these general strategies
4	Q. Okay. So is it fair to say that the TT patents are not trying to stop anybody from performing	4	A. Right.
5 6	those strategies?	5 6	Q that you were talking aboutA. Mm-hmm.
7	MR. VOLLER: Form.	7	Q is it fair to say that the And you've
8	BY MR. GANNON:	8	reviewed the patents, right?
9	Q. Is that a fair statement?	9	A. (Nodding.)
10	MR. VOLLER: Form.	10	MR. VOLLER: Form.
11	BY THE WITNESS:	11	BY THE WITNESS:
12	A. Is it Is it fair to say that the T TT	12	A. I looked at them, yeah.
13	patents are not attempting to prevent anyone from	13	Q. Yeah. And you've talked about how they the
14	performing those strategies? Aga I'm really I'm	14	patents deal with a static price column, a dynamic
15	not even sure what you mean. I'm not even sure how to	15	display of depth of bids and asks of each price and
16	answer that.	16	single-click order entry?
17	Q. Well, you mentioned that the technology in the	17	A. Yes.
18	patents	18	Q. Is it fair to say that the that the TT
19	A. Well, could I I mean	19	patents are not trying to stop or preclude anybody from
20	Q. Yeah.	20	doing these strategies of of which you've provided
21	A. It seems so obvious, no, it doesn't seem like	21	A. The two The two that I mentioned?
22	that, but I guess I want to clarify what you mean.	22	Q. Yeah.
23	I'm just wondering if there's something I'm	23	MR. VOLLER: Form.
24	missing in the question.	24	BY THE WITNESS:
	Page 107		Page 109
1	Q. Yeah. No, I understand. I'm just trying to	1	A. I think that is a fair statement.
2	figure out	2	Q. Okay. Is it fair to say that the TT patents
3	So do you understand that a patent gives	3	do not attempt to prevent others from performing all
4	somebody the right to exclude others from doing what the	4	forms of electronic trading?
5	patent invention what's claimed in the patent? Do	5	MR. VOLLER: Form, scope.
6	you have a general understanding of that?	6	BY THE WITNESS:
7	MR. VOLLER: Form and	7	A. I want to make sure I get this right. Could
8	BY THE WITNESS:	8	you please repeat that?
9	A. That's my	9	Q. Sure.
10	MR. VOLLER: scope.	10	Is it fair to say that the TT patents do not
11	BY THE WITNESS:	11	attempt to prevent others from performing all different
12	A. That's my general understanding, yes.	12	types of electronic trading?
13	Q. Right.	13	MR. VOLLER: Form, scope.
14	That you put information in a patent, and if	14	BY THE WITNESS:
15	the patent gets issued, the inventor then can go out and	15	A. My My response to that would be And I'm
16	stop people from either making, using, or selling the	16	sorry I'm taking so long. It just seems obvious, so I'm
17	ideas that are in the patents?	17	just wondering if I'm missing something Yes,
18	MR. VOLLER: Form and scope.	18	because When were the patients issued? I think,
19	BY MR. GANNON:	19	'04 '03/'04?
20	Q. Is that a fair statement?	20	Q. Yeah. And I have them here if you would like
21	A. Based on my my limited understanding of the	21	to look at them.
22	field, yes.	22	A. That's okay. That's okay. And algorithmic
23	Q. Yeah.	23	trading continued to evolve and grow over that period,
24	So So getting back to what we were talking	24	so obviously those patents did not inhibit that.

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	Page 110		Page 11
1	Q. Yeah. That's what I was getting at, yeah. I	1	future or the ZN, or the S&P 500 future, or or any
2	appreciate that.	2	one of the any one of the first you know, first
3	Is it fair to say that the technology	3	three or four years of Euro dollars would be highly
4	described in the patents is directed to a specific type	4	liquid.
5	of graphical user interface for order entry?	5	An illiquid product would be Let's talk
6	MR. VOLLER: Form, scope.	6	about real estate. You know, that's not always very
7	BY THE WITNESS:	7	liquid. I cited that in my report. I even traded
8	A. Based on my understanding, yes, point and	8	lumber. I play hockey with a guy that's down there in
9	click, static display of prices, dynamic indicators	9	that pit and I understand that product can get illiquid
10	meaning the size has changed, single-click order entry,	10	too.
11	yes.	11	Q. Can you give an example of objects that you
12	Q. Right. So the Right.	12	trade with a with a GUI for an electronic trading
13	And so the the TT patents are directed to	13	that's in an illiquid product?
14	that specific type of arrangement of elements on a	14	You know, I don't know if that question made
15	graphical user interface, is that a fair statement?	15	sense.
16	MR. VOLLER: Form, scope.	16	A. No. No. No. Let me repeat it back and make
17	BY THE WITNESS:	17	sure I got it correctly.
18	A. That's my understanding, correct.	18	Can I give an example of a product that's
19	Q. Okay. Is it fair to in your view, to	19	illiquid where you can use a GUI to trade in?
20	characterize the the specific type of graphical user	20	Q. Yeah, that's that's right. That's what I
21	interface in the TT patents as a as a trading tool?	21	was asking. Very good.
22	MR. VOLLER: Form, scope.	22	A. I'll give I'll give you an example.
23	BY THE WITNESS:	23	Q. Okay.
		24	
24	A. Is it fair to describe the interface		A. Products can be liquid and then illiquid
24	A. Is it fair to describe the interface Page 111	24	A. Products can be liquid and then illiquid Page 11
24	A. Is it fair to describe the interface Page 111 depict depicted in the patents as a trading tool?		A. Products can be liquid and then illiquid
24 1 2	A. Is it fair to describe the interface Page 111 depict depicted in the patents as a trading tool? Q. Yes.	24	A. Products can be liquid and then illiquid Page 11
24 1 2 3	A. Is it fair to describe the interface Page 111 depict depicted in the patents as a trading tool?	24	A. Products can be liquid and then illiquid Page 11
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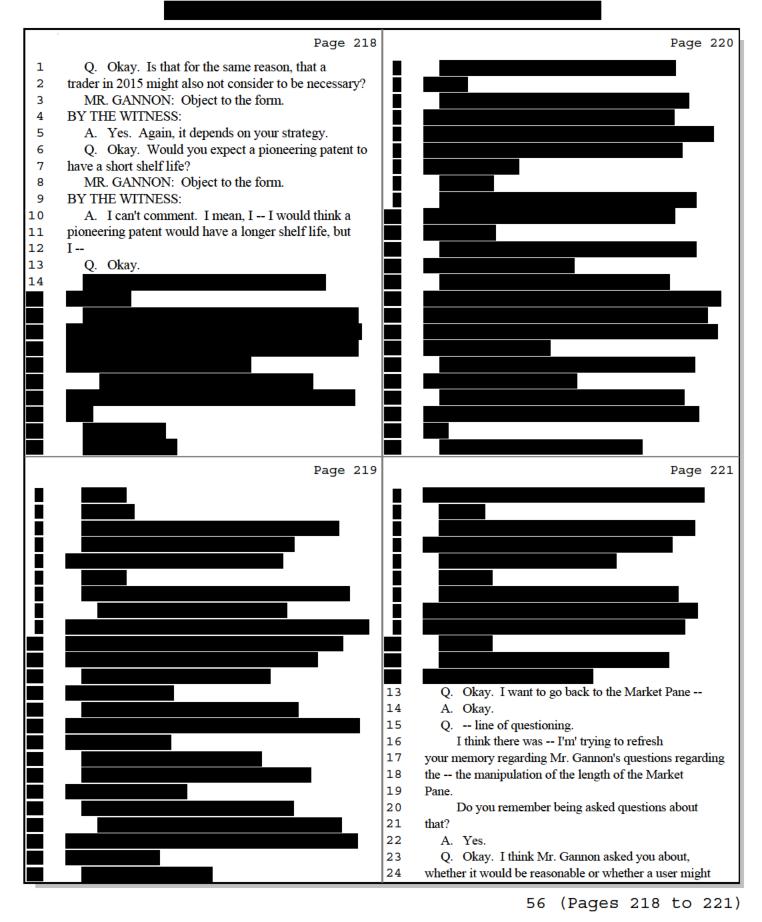
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1]	Page 214		
1			Page 216
	BY THE WITNESS:	1	A. Yes.
2	A. Yes.	2	Q. And would an electronic trader today require
3	Q. Okay. Staying on the topic of pioneering but	3	the software technology embodied by the asserted patents
	moving a little bit off of crowded art, do you consider	4	in order to get out of those positions, or could they
	TT's asserted patents to be a distinct step forward in	5	use some other software or technology?
6 t	the progress of the art?	6	MR. GANNON: Object to the form.
7	MR. GANNON: Object to form.	7	BY THE WITNESS:
8]	BY THE WITNESS:	8	A. They could use some other software or
9	A. I I consider TT's patents to be	9	technology.
10 6	enhancements and improvements over what was available.	10	
11	Q. And are improvements and enhancements, in your		
12 0	opinion, distinct steps forward in the progress of the		
13 a	art?		
14	MR. GANNON: Object to the form.		
15]	BY THE WITNESS:		
16	A. An improvement or an enhancement based on my		
	interpretation would be, you know, a logical step. An		
	improvement, it wouldn't be it wouldn't enter the		
19 I	realm of a distinct step		
20	Q. Okay.		
21	A especially when you consider that it's		
	facilitated behavior that was going on before electronic		
	trading.		
24	Q. Okay. Mr. Van Dusen, would you consider the		
	Page 215		Page 217
1	software embodied by the asserted patents to be a a	1	Q. Yeah. And the same line of questions now for
	necessary tool for an electronic trader today?	2	a hypothetical electronic trader five years ago in 2010,
3	MR. GANNON: Object to the form.	3	would would an electronic trader in 2010 consider the
4	BY THE WITNESS:	4	technology described in the asserted patents to be
5	A. Could you repeat the question?	5	necessary
б	Q. Sure.	6	MR. GANNON: Object to the form.
7	Would electronic traders today consider the	7	BY MR. VOLLER:
8	technology described in the asserted patents to be a	8	Q tools?
9	necessary tool?	9	A. I'm sorry. Could you repeat that?
10	MR. GANNON: Object to the form.	10	Q. Sure.
11	BY THE WITNESS:	11	You were an electronic trader in 2010,
12	A. I don't believe so. Again, it depends on the	12	correct?
13	trader and and the strategy, but it's it's my	13	A. That's correct.
14	opinion that, no, they would not.	14	Q. Okay. Would an electronic trader in
15	Q. Why not?	15	2010 consider the technology embodied by the asserted
16	A. It appears to me that there's greater and	16	patents and what I mean by that, is the technology
17	greater emphasis on automation in the markets.	17	described in the asserted patents would they senior
18	Q. Okay. And I think you testified earlier that	18	consider that technology to be a necessary tool?
	some traders that have or that use and algorithmic	19	A. In 2
	trading tools sometimes like to have graphical user	20	MR. GANNON: Object to the form.
	interfaces to get out of positions, so they don't have	21	BY THE WITNESS:
	to carry them overnight; is that right?	22	A. In 2010?
23	MR. GANNON: Object to the form.	23	Q. Yes.
24	BY THE WITNESS:	24	A. No.

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