

Emsley, Rachel

From: Rob Sokohl <RSOKOHL@skgf.com>
Sent: Friday, June 3, 2016 8:41 PM
To: Steve Borsand (TT)
Cc: Emsley, Rachel; Arner, Erika; Lori Gordon; Richard M. Bemben; PTAB Account; gannon@mbhb.com; sigmond@mbhb.com; tt-patent-cbm@tradingtechnologies.com; Trading-Tech-CBM; Adam Kessel; John Phillips; Healey@fr.com
Subject: Re: Meet/Confer to Discuss Discovery from TradeStation

Counsel, we are in receipt of your email. We are reviewing and will get back to you with our availability for a meet and confer on your various contentions and demands.

Rob

Sent from my iPhone

On Jun 3, 2016, at 1:32 PM, Steve Borsand (TT) <steve.borsand@tradingtechnologies.com> wrote:

Counsel,

Following our telephone call yesterday, we sent a preliminary list of documents (reattached here for your convenience). Based on some recently produced documents, TT may be supplementing this list. TS recently produced the listed documents in the litigation, and they are highly relevant to these proceedings. We believe these documents should have been produced in these proceedings as relevant information that is inconsistent with TS's obviousness grounds and characterizations of TT's inventions. At a minimum, we believe they should be produced as additional discovery. These are documents that were generated by TS and came out of TS's own files.

TS has labeled many of these documents as confidential under the district court protective order. While TT does not necessarily agree with this designation, TS should immediately produce the documents in an appropriate manner in these proceedings. Importantly, both TS counsel in these proceedings and others with obligations under Rule 42.51(iii) are aware of these documents.

To give just one example of these documents that is not marked confidential, TS0111352 appears to be part of a manual describing TS's Matrix product (its first commercial embodiment of the claimed invention at issue in the CBMs) when it was released around 2003: "The Matrix window provides users with an exciting new view of the market including an innovative graphical display of market depth and trade activity for a given instrument along with lightning fast order execution with its one-click trading capability. This combination allows for unprecedented market feel and efficiency for the frequent trader." Many of the other documents on the attached list contain equally, if not more relevant, statements that contradict TS's obviousness positions and characterizations of TT's inventions. For example, some documents provide similar praise, discuss extensive usage of TS's trading GUI that implements the claimed invention, reflect requests by customers to expand use of the invention to other platforms, etc. We also believe that these documents contain statements in conflict with Petitioner's claim construction positions.

As we discussed, we have not completed our review of the recent partial production of documents from TS, and there are many other documents that are being improperly withheld by TS (for example, because they reference a customer).

TT is entitled to the production of all such discovery in the CBM proceedings, both in the form of documents and testimony. At a high level, this discovery would provide information supporting TT's position that the claimed invention went against the conventional wisdom of the state of the mind of a POSITA at the time of the invention and objective indicia of non-obviousness (including failure of others, long felt need, copying (direct or indirect), commercial success, praise, etc). Relevant documents also include (i) documents showing the functionality of GUI order entry tools at TS prior to the introduction of TS's Matrix, (ii) documents describing the interfaces as GUIs or UIs for providing data entry functionality and as providing functional advantages or improved performance, and (iii) documents describing the products embodying the claimed invention as addressing technical problems with technical solutions (as opposed to merely addressing aesthetics). To be clear, information learned from the TS and IB depositions on these topics is also relevant and should be usable in these proceedings. Currently, the TS depositions (both of Mr. Bartleman) are scheduled for June 8 and 9 and the IB deposition of Mr. Galik is scheduled for June 13. Also, to be clear, relevant documents do not need to be worded exactly like the ones on TT's preliminary list.

Even if not considered routine discovery, this evidence exists and the Bloomberg factors are met.

TT requests the following:

1. Prompt compliance with Rule 42.51(iii) by the parties' production in the PTAB proceedings of the documents in the attached list (and any supplemental list provided by TT in the next several days), and any additional relevant documents from Petitioners' files:
 - (a) supporting TT's position that the claimed combination went against the conventional wisdom of a POSITA at the time of the invention;
 - (b) supporting existence of objective indicia of non-obviousness when viewed from Patent Owner's perspective;
 - (c) describing products TT alleges embody the claimed invention as addressing technical problems with technical solutions;
 - (d) describing the interfaces as GUIs or UIs for providing data entry functionality, as providing functional advantages, or improved performance;
 - (e) describing terms in conflict with Petitioner's claim term positions; and
 - (f) the transcripts of the TS and IB depositions scheduled on June 8, 9 and 13.
2. Prompt notification to corporate officers, and persons involved in the preparation or filing of the PTAB papers of their duty under Rule 42.52 (iii) so that they may provide any additional similar documents from their files.

Division of labor between counsel or the district court protective order and how TS chooses to apply that protective order to its own documents do not insulate TS and its PTAB counsel from its obligations in the PTAB. The Board specifically extended the deadline for Patent Owner's Responses to allow for the discovery to progress through June 10, 2016 in the litigation--including the expected document production. Thus, the Board has also assumed that to the extent that helpful information was produced in the litigation, that Patent Owner could use such information in the PTAB. If the Petitioners do not agree to produce all of the materials requested above in the PTAB proceedings, TT will contact the Board to order compliance with Rule 42.51(iii), or in the alternative, order the production of relevant documents and testimony as Additional Discovery.

Please let us know your availability for a phone call to discuss this either today or Monday.

Thanks,

Steve

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On Thu, Jun 2, 2016 at 4:15 PM, Emsley, Rachel <Rachel.Emsley@finnegan.com> wrote:

Rob,

We do appreciate that we are not far apart on these issues. But, we simply cannot agree to a cutoff on the deposition duration. As we've said, we have no intent to question Mr. Kawashima outside the scope we've discussed, but our experience with the translated deposition is that it may not be as contained as we ALL want it to be. On the deadline: June 28 gives us only 2 additional days, and if we are going to the Board with these two remaining issues, we will request an extension to July 1st. TT should not be prejudiced by Petitioners' delay in securing a deposition of Mr. Kawashima.

We are available for a Board call, if necessary, on Monday from 10:30 am eastern (9:30 am central) to 5 pm eastern (4 pm central).

Regards,
Rachel

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From: Rob Sokohl [mailto:RSOKOHL@skgf.com]
Sent: Thursday, June 2, 2016 2:06 PM
To: Emsley, Rachel
Cc: Arner, Erika; Lori Gordon; Richard M. Bembem; PTAB Account; gannon@mbhb.com; sigmond@mbhb.com; tt-patent-cbm@tradingtechnologies.com; Trading-Tech-CBM; Adam Kessel; John Phillips
Subject: RE: Kawashima Deposition

Rachel, I've thought about your email a bit further. We are not that far apart on these issues. So, in the spirit of cooperation, perhaps we can agree to 5.5 hours for the deposition and a reply date of June 28th. We then do not see a need for a call with the Board.

Let us know as soon as possible. Otherwise, we will send an email to the Board for a call tomorrow and/or Monday (please provide availability).

Rob

From: Emsley, Rachel [<mailto:Rachel.Emsley@finnegan.com>]
Sent: Wednesday, June 01, 2016 4:35 PM
To: Rob Sokohl
Cc: Arner, Erika; Lori Gordon; Richard M. Bembem; PTAB Account; gannon@mbhb.com; sigmond@mbhb.com; tt-patent-cbm@tradingtechnologies.com; Trading-Tech-CBM; Adam Kessel; John Phillips
Subject: RE: Kawashima Deposition

Counsel,

Thank you for the call this morning. As discussed, this email details TT's positions.

Scope

- TT agrees that the testimony is a cross examination, and therefore limited to the scope of the original testimony (per 37 CFR 42.53(d)(5)(ii)), and to credibility/bias as would be the case for any witness. Our understanding is that Petitioners rely on Mr. Kawashima's testimony to allege that the TSE document constitutes prior art. As such, TT intends to ask questions related to this topic (and credibility/bias), and not to topics outside that scope. By way of example, as Rob mentioned on the call, and we agree, that questions "about the technical details" of the TSE document, or the "meaning" of the substance of the TSE document would not fall within the scope of this deposition. And, as Steve mentioned and Petitioners appeared to agree, questions about "who" the document was allegedly made available to would be within the scope.

Time

- TT does not intend to exceed the scope as outlined above; nor does TT expect that Mr. Kawashima's deposition would extend to the full 7-hours. However, we cannot agree to an absolute cutoff because we do anticipate likely discussion with the translators. As Steve mentioned, last time Mr. Kawashima was deposed the translation issues slowed the questioning down considerably and even to one question in 15 minutes. Furthermore, TT is concerned that given Petitioners' request that this deposition be admissible across all existing CBM proceedings (and several not-yet filed proceedings), that TT will be prejudiced by any agreement to an absolute cutoff in deposition time. As the scope is truly limited in this cross examination, as outlined above, TT does not believe that restriction on the time beyond the Board's general rule is necessary.

Applicability of Mr. Kawashima's testimony

- Petitioners have asked that this deposition be admissible across all existing CBM proceedings (*and* several not-yet-filed proceedings--at least two coming in the next couple of weeks, specifically). To the extent that Mr. Kawashima's testimony is relied upon in the same way, for the same purpose, in the not-yet-filed proceedings, TT agrees to its applicability and admissibility in those proceedings. This agreement is with the understanding that TT will use its best efforts to minimize the duration of Mr. Kawashima's deposition, but that the parties will allow for the 7-hours if necessary to fully explore TT's questions within the scope as outlined above.

Deadline extensions

- As explained on the call, TT's counsel and TT are essentially unavailable during the week of June 20, and TT has thus requested that the deadline be extended to July 1, which would effectuate a one-week extension in reality for our team. We can agree to an extension of one week for Petitioners' reply to September 9. A two week extension for Petitioners, however, would not be feasible without moving Due Dates 4-7, as that would leave only one week for Observations across all of the proceedings, and we do not yet know whether Petitioners will put forth declarants in their Replies.

We are available for a Board call on Thursday afternoon from 2-5 pm (eastern), Friday morning 9am-noon (eastern), or Friday afternoon from 3-5 pm (eastern).

Thanks,

Rachel

From: Rob Sokohl [<mailto:RSOKOHL@skgf.com>]

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