UNITED STATES PATENT AND TRADEMARK OFFICE
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BEFORE THE PATENT TRIAL AND APPEAL BOARD
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IBG LLC,
INTERACTIVE BROKERS LLC, TRADESTATION GROUP, INC., and
TRADESTATION SECURITIES, INC.,
Petitioner,

v.

TRADING TECHNOLOGIES INTERNATIONAL, INC.,
Patent Owner.
_____

Case CBM2016-00051
Patent 7,904,374 B2
_____

Before SALLY C. MEDLEY, MEREDITH C. PETRAVICK, and
JEREMY M. PLENZLER, *Administrative Patent Judges*.

PLENZLER, *Administrative Patent Judge*.

DECISION
Institution of Covered Business Method Patent Review
*37 C.F.R. § 42.208*

INTRODUCTION

A.  *Background*

IBG LLC, Interactive Brokers LLC, TradeStation Group, Inc., and TradeStation Securities, Inc. (collectively, "Petitioner") filed a Petition on March 29, 2016 requesting covered business method patent review of claims 1–36 (the "challenged claims") of U.S. Patent No. 7,904,374 B2 (Ex. 1001, "the '374 patent").  Paper 3 ("Pet.").  On July 5, 2016, Trading Technologies International, Inc. ("Patent Owner") filed a Preliminary Response.  Paper 8 ("Prelim. Resp.").

We have jurisdiction under 35 U.S.C. § 324, which provides that a covered business method patent review may not be instituted "unless . . . it is more likely than not that at least 1 of the claims challenged in the petition is unpatentable."

Upon consideration of the Petition and Preliminary Response, we determine that Petitioner has demonstrated that it is more likely than not that the challenged claims are unpatentable.  Accordingly, we institute a covered business method review of claims 1–36 of the '374 patent.

*B. Related Proceedings*

The parties indicate numerous related U.S. district court proceedings, including at least one proceeding specifically directed to the '374 patent.  Pet. 2; Paper 6, 1–5.

Numerous patents are related to the '374 patent and the related patents are or were the subject of numerous petitions for covered business method patent review and reexamination proceedings.

*C. Asserted Grounds*

Petitioner contends that the challenged claims are unpatentable under 35 U.S.C. § 101.  Pet. 27–50.

Petitioner provides testimony from Kendyl A. Román (Ex. 1011; "the Román Declaration") to support its challenges.

*D. The '374 Patent*

The '374 patent is titled "Click Based Trading with Intuitive Grid Display of Market Depth." Ex. 1001, (54). The '374 patent describes a display, named the "Mercury" display, and method of using the display to trade a commodity. *Id*. at Abstract, 3:5–10. The '374 patent explains that the Mercury display is a graphic user interface ("GUI") that dynamically displays the market depth of a commodity traded in a market and allows a trader to place an order efficiently. *Id*. at 3:11–20. The Mercury display is depicted in Figure 3, which is reproduced below.



FIG. 3

Figure 3 of the '374 patent illustrates an example of the Mercury display with example values for trading a commodity including prices, bid and ask quantities relative to price, and trade quantities.

The Mercury display includes a plurality of columns. Column 1005 is a static price axis, which includes a plurality of price values for the commodity. *See id.* at 7:23–25. The '374 patent explains that "[t]he column does not list the whole prices (e.g. 95.89), but rather, just the last two digits (e.g. 89)." *Id.* at 7:25–26. Columns 1003 and 1004 are aligned with the static price axis and dynamically display bid and ask quantities, respectively, for the corresponding price values of the static price axis. *See id.* at 7:23–37. The '374 patent explains that "[t]he exchange sends the price, order and fill information to each trader on the exchange" and that "[t]he physical mapping of such information to a screen grid can be done by any technique known to those skilled in the art." *Id.* at 4:59–66.

Column 1002 contains various parameters and information used to execute trades, such as the default quantity displayed in cell 1016. *See id.* at 7:55–8:23. A trader executes trades using the Mercury display by first setting the desired commodity and default parameters, such as default quantity. *See id.* at 8:56–9:3; Fig. 6, step 1302. Then, a trader can send a buy order or sell order to the market with a single action, such as clicking on the appropriate cell in column 1003 or 1004. *See id.* at 8:60–9:48; Fig. 6, steps 1306–1315.

*E. Illustrative Claim*

As noted above, Petitioner challenges claims 1–36. Claims 1 and 36 are independent, with claims 2–35 depending from claim 1. Claim 1 is representative, and is reproduced below:

> 1. A method for facilitating trade order entry, the method comprising:
>
> > receiving, by a computing device, market data for a commodity, the market data comprising a current highest

bid price and a current lowest ask price available for the commodity;

identifying, by the computing device, a plurality of sequential price levels for the commodity based on the market data, where the plurality of sequential price levels includes the current highest bid price and the current lowest ask price;

displaying, by the computing device, a plurality of graphical locations aligned along an axis, where each graphical location is configured to be selected by a single action of a user input device to send a trade order to the electronic exchange, where a price of the trade order is based on the selected graphical location;

mapping, by the computing device, the plurality of sequential price levels to the plurality of graphical locations, where each graphical location corresponds to one of the plurality of sequential price levels, where each price level corresponds to at least one of the plurality of graphical locations, and where mapping of the plurality of sequential price levels does not change at a time when at least one of the current highest bid price and the current lowest ask price changes; and

setting a price and sending the trade order to the electronic exchange in response to receiving by the computing device commands based on user actions consisting of:

(1) placing a cursor associated with the user input device over a desired graphical location of the plurality of graphical locations and (2) selecting the desired graphical location through a single action of the user input device.

Ex. 1001, 11:39–12:5.

## ANALYSIS

### A. Claim Construction

In a covered business method patent review, claim terms are given their broadest reasonable interpretation in light of the specification in which

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