JNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE PATENT TRIAL AND APPEAL BOARD
MICROSTRATEGY, INC. Petitioner
V.
ZILLOW , INC. Patent Owner
Case IPR2013-00034 Patent 7,970,674

PETITIONER'S REPLY TO PATENT OWNER RESPONSE TO PETITION



Case IPR2013-00034 Attorney Docket No: 30693-0090IP1

TABLE OF CONTENTS

			<u>Page</u>
I.	INT	RODUCTION	1
II.	INDEPENDENT CLAIMS 2 AND 15		
	A.	The Patent Owner Incorrectly Applies Claim Scope Disavowal	2
	B.	The Term "Automatic Valuation" Does Not Require an "Automated Valuation	
		Model"	5
	C.	Even If the Claims Require An AVM, Dugan And Kim Describe Systems that V	Vould
		Be Classified as AVMs By One of Ordinary Skill	9
	D.	The Dugan and Kim Systems Do Not Require Appraiser Oversight	12
III.	II. DEPENDENT CLAIMS 8, 12 TO 14, 27, 30, 34, AND 38		
IV.	CO	NCLUSION	15



Case IPR2013-00034 Attorney Docket No: 30693-0090IP1

LIST OF EXHIBITS

MICROSTRATEGY 1014	Uniform Standards of Professional Appraisal Practice and Advisory Opinions 2005 Edition, Appraisal Standards Board, The Appraisal Foundation, Effective January 1, 2005
MICROSTRATEGY 1015	(Reserved)
MICROSTRATEGY 1016	(Reserved)
MICROSTRATEGY 1017	(Reserved)
MICROSTRATEGY 1018	USPAP Q&A, The Appraisal Foundation, Vol. 9, No. 6, June 2007
MICROSTRATEGY 1019	Standard on Automated Valuation Models (AVMs), International Association of Assessing Officers, Approved September 2003
MICROSTRATEGY 1020	RMBS: Guidelines for the Use of Automated Valuation Models for U.K. RMBS, September 26, 2005
MICROSTRATEGY 1021	real-info.com, "What is an AVM?" December 22, 2005
MICROSTRATEGY 1022	Deposition of John A. Kilpatrick, Ph.D., August 8, 2013
MICROSTRATEGY 1023	Declaration of Dr. Richard Borst



Case IPR2013-00034

Attorney Docket No: 30693-0090IP1

TABLE OF AUTHORITIES

Cases

Advanced Fiber Techs. Trust v. J&L Fiber Servs., Inc., 674 F.3d 1365 (Fed. Cir. 2012)

Omega Eng'g, Inc. v. Raytek Corp., 334 F.3d 1314 (Fed. Cir. 2003)

In re Am. Acad. Sci. Tech Ctr., 367 F.3d 1359 (Fed.Cir.2004)

Teleflex, Inc. v. Ficosa N. Am. Corp., 299 F.3d 1313 (Fed.Cir.2002)

Chef America, Inc. v. Lamb-Weston, Inc., 358 F.3d 1371 (Fed. Cir. 2004)

In re American Academy of Science Tech Center, 367 F.3d 1359 (Fed. Cir. 2004)



Case IPR2013-00034

Attorney Docket No: 30693-0090IP1

I. INTRODUCTION

The Patent Owner's Response filed on June 14, 2013 presents several arguments through which the following positions are advanced in an attempt to distinguish independent claims 2 and 15 from Dugan and Kim: (1) the term "automatic valuation," as recited in independent claims 2 and 15, requires the implementation of an Automated Valuation Model (AVM); and (2) Dugan and Kim describe "appraisal systems," which are exclusively used by appraisers and which produce an output that is different than the output of an AVM. Relatedly, the Patent Owner's Response also attempts to narrow the scope of various claim terms through claim scope disavowal.

To support these arguments, the Patent Owner introduces, for the first time, the concept of an "Automated Valuation Model." It is clear from the prior art submitted by the Patent Owner during original prosecution that the Patent Owner was aware of the term "Automated Valuation Model." See Ex. 1001, p. 2 (listing at least two references submitted by the Patent Owner of which the subject is AVM technology). Nonetheless, the term "Automated Valuation Model" was not included anywhere in the specification or claims of the '674 patent, nor was this term (or the term, "automatic valuation") ever mentioned by the Patent Owner during the original prosecution of the '674 patent to describe the Patent Owner's invention. Yet, Patent Owner anchors its response in the misguided view that the term is within and required by the claims at issue. It is not.



DOCKET

Explore Litigation Insights



Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time** alerts and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.

