

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

MICROSTRATEGY, INC.
Petitioner,

v.

Patent of ZILLOW, INC.
Patent Owner.

Case IPR2013-00034
Patent No. 7,970,674

**PATENT OWNER'S OBSERVATIONS ON CROSS EXAMINATION OF
DR. RICHARD A. BORST, Ph. D.**

LIST OF EXHIBITS

ZILLOW 2016	Deposition of Dr. Richard A. Borst, Ph. D., September 19, 2013
ZILLOW 2017	The Common Thread in Market Data Systems (1982) (referred to as " Borst Exhibit 7 " during the Borst Deposition)
ZILLOW 2018	A Valuation and Value Updating of Geographically Diverse Commercial Properties Using Artificial Neural Networks (Outline of Paper) (1993) (referred to as " Borst Exhibit 8 " during the Borst Deposition)
ZILLOW 2019	An Evaluation of Multiple Regression Analysis, Comparable Sales Analysis and Artificial Neural Networks for the Mass Appraisal of Residential Properties in Northern Ireland (1996) (referred to as " Borst Exhibit 9 " during the Borst Deposition)
ZILLOW 2020	Use of GIS to Establish and Update CAMA Neighborhoods in Northern Ireland (referred to as " Borst Exhibit 10 " during the Borst Deposition)
ZILLOW 2021	An Evaluation of MRA, Comparable Sales Analysis, and ANNs for the Mass Appraisal of Residential Properties in Northern Ireland (1997) (referred to as " Borst Exhibit 11 " during the Borst Deposition)
ZILLOW 2022	Computer Assisted Mass Appraisal: A New Growth Industry in the United States (1979) (referred to as " Borst Exhibit 12 " during the Borst Deposition)
MICROSTRATEGY 1001	U.S. Patent No. 7,970,674 ("Cheng") (referred to as " Borst Exhibit 4 " during the Borst Deposition) (not filed herewith)
MICROSTRATEGY 1003	U.S. Patent No. 5,847,174 ("Dugan") (referred to as " Borst Exhibit 2 " during the Borst Deposition) (not filed herewith)
MICROSTRATEGY 1004	U.S. Patent Publication No. 2005/0154657 ("Kim") (referred to as " Borst Exhibit 3 " during the Borst Deposition) (not filed herewith)
MICROSTRATEGY 1014	Uniform Standards of Professional Appraisal Practice and Advisory Opinions 2005 Edition, Appraisal Standards Board, The Appraisal Foundation, Effective January 1, 2005 (referred to as " Borst

	Exhibit 5" during the Borst Deposition) (not filed herewith)
MICROSTRATEGY 1019	Standard on Automated Valuation Models (AVMs), International Association of Assessing Officers, Approved September 2003 (referred to as " Borst Exhibit 6" during the Borst Deposition) (not filed herewith).
MICROSTRATEGY 1023	Declaration of Dr. Richard Borst (referred to as " Borst Exhibit 1" during the Borst Deposition) (not filed herewith).

1. In exhibit ZILLOW 2016, at 60:2-5 and 61:5-6, the witness ("Dr. Borst") testified that in Cheng "there was no description of some [automatic valuation] . . . process that isn't neither [sic] AVM or CAMA" and "the only thing that's disclosed is an AVM." This testimony is relevant to the assertion on page 6 of Petitioner's Reply to Patent Owner Response to Petition filed on August 26, 2013 ("the Reply") that Cheng "does not use the term 'automatic valuation' in a context that would lead one of ordinary skill in the art to limit that term beyond the ordinary meaning of its constituent words, nor to otherwise establish that those words require the features of an AVM" and the assertion on page 5 of the Declaration of Dr. Richard Borst (Exhibit No. MICROSTRATEGY 1023) that "'automatic valuation' would not be read by those of skill to require any particular type of model." The testimony is relevant because it contradicts the assertions on page 6 of the Reply and page 5 of the Declaration of Dr. Richard Borst (Exhibit No. MICROSTRATEGY 1023).

2. In exhibit ZILLOW 2016, at 145:21-149:10, Dr. Borst testified that several of his earlier publications related to mass appraisal and CAMA systems do not use the word "AVM" and that a CAMA system is fundamentally the same as an AVM. This testimony is relevant to the assertion on page 6 of the Reply that "the term of art 'Automated Valuation Model' was not included anywhere in the specification of [Cheng], nor was it ever before mentioned by the Patent Owner during the original prosecution of [Cheng]." The testimony is relevant because it illustrates that an

AVM system can be described, and has been described, without using the terms "AVM" or "Automated Valuation Model."

3. In exhibit ZILLOW 2016, at 27:15-28:13, Dr. Borst testified that a comparable sales analysis ("CSA") AVM uses a computer to "proceed through [a] list [of properties] one property at a time and find the comparable sales," and at 50:9-53:10 and 113:11-22, Dr. Borst testified that Dugan specifically discloses the appraiser or user selecting the comparables on his own (or by accepting comparable properties recommended by Dugan's system) and that the portions of Dugan related to selecting comparables do not say that selecting comparable properties can be performed by a computer. This testimony is relevant to the assertion on page 9 of the Reply that "one of ordinary skill in the art would have understood Dugan . . . to describe [a] system[] that could be classified as [an] AVM." The testimony is relevant because it illustrates that Dugan's system does not automatically select comparables in the manner of a comparable sales analysis AVM.

4. In exhibit ZILLOW 2016, at 91:24-92:9 and 93:8-94:14, Dr. Borst testified that a comparable sales AVM has to have a computerized model for selecting comparables and that, after a human creates a specification for comparables for a comparable sales AVM, the computer program can select comparables for a large number of residences automatically. This testimony is relevant to the assertion on

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