UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ZILLOW GROUP, INC. and ZILLOW, INC.,
Petitioners

v.

INTERNATIONAL BUSINESS MACHINES CORP.

Patent Owner

Inter Partes Review No. IPR2020-01655

U.S. Patent No. 7,076,443

UNOPPOSED NOTICE REGARDING DISTRICT COURT STAY OF PROCEEDINGS

Petitioners write to inform the Board that the District Court in the underlying matter between the parties to this proceeding has stayed all proceedings "with regard to U.S. Patents Nos. 7,072,849 (the "'849 Patent"), 7,076,443 (the "'443 Patent"), and 8,315,904 (the "'904 Patent") pending resolution of the inter partes review ("IPR") petitions before the Patent Trial and Appeal Board ("PTAB") of the U.S. Patent and Trademark Office." Ex. 1.

A copy of the district court's order is attached as Exhibit 1 to this notice.

Dated: February 19, 2021

Susman Godfrey LLP 1000 Louisiana Street, Suite 5100 Houston, Texas 77002-5096 Phone (713) 651-9366 Fax (713) 654-6666 Respectfully submitted,

By: /s/ Shawn D. Blackburn, Ph.D.
Shawn D. Blackburn, Ph.D.
Reg. No. 68,424
Counsel for Petitioners

CERTIFICATE OF SERVICE

I hereby certify, pursuant to 37 C.F.R. Sections 42.6 and 42.105, that a complete copy of the attached **UNOPPOSED NOTICE REGARDING DISTRICT COURT STAY OF PROCEEDINGS**, including all exhibits and related documents, are being served via electronic mail on the 19th day of February, 2021, the same day as the filing of the above-identified document in the United States Patent and Trademark Office/Patent Trial and Appeal Board, upon counsel of record for the Patent Owner, who has agreed to accept electronic service under 37 CFR § 42.105(b):

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Dated: February 19, 2021

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EXHIBIT 1

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UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON AT SEATTLE

INTERNATIONAL BUSINESS MACHINES CORPORATION,

Plaintiff,

v.

ZILLOW GROUP, INC.; and ZILLOW, INC.,

Defendants.

C20-851 TSZ

MINUTE ORDER

The following Minute Order is made by direction of the Court, the Honorable Thomas S. Zilly, United States District Judge:

Having reviewed the parties' supplemental briefs, docket nos. 139 and 140, respectively, the Court STAYS the proceedings in this matter with regard to U.S. Patents Nos. 7,072,849 (the "849 Patent"), 7,076,443 (the "443 Patent"), and 8,315,904 (the "'904 Patent") pending resolution of the inter partes review ("IPR") petitions before the Patent Trial and Appeal Board ("PTAB") of the U.S. Patent and Trademark Office. Defendant has advocated in favor of an immediate stay. Plaintiff agrees that a stay would be appropriate if the PTAB grants defendant's petitions to institute IPR proceedings, but contends that, during the interim, it should be permitted to conduct discovery and challenge the claim construction positions defendant has taken in this case, which are allegedly inconsistent with the arguments made to the PTAB. The Court is not persuaded by plaintiff's arguments. The parties anticipate that the PTAB will rules on the IPR petitions in March 2021, and the Court can then reconsider the appropriateness of this stay in light of the PTAB's actions. Even if the Court did not stay the claims involving the '849, '443, and '904 Patents, discovery relating to those matters would lag behind proceedings involving the proposed bellwether, namely U.S. Patent No. 9,245,183 (the "183 Patent"), and possibly the claims involving U.S. Patents No. 7,187,389 (the "389 Patent") and 9,158,789 (the "'789 Patent"). See Minute Order at ¶¶ 5(a)(i)(A)&(B) (docket no. 125). In addition, to the extent that defendant has expressed different views in different forums, no purpose would be served by this Court deciding the issues while the IPR petitions are pending before the PTAB.

MINUTE ORDER - 1

(2) In light of the above-imposed stay, the following claims remain pending:

	'389	'346	'789	'183
	Patent Redpath	Patent Hinton	Patent Garrett	Patent Haas
Zillow Group Media	X		X	X
Zillow Mobile Apps	X	X	X	X
Zillow Offers	X		X	X
Zillow Premier Agent				X
Zillow Promoted Communities	X		X	X
Zillow Website	X	X	X	X

At the status conference on Friday, January 22, 2021, the parties shall be prepared to address the following issues:

- (a) whether the Court should consider patentability (<u>i.e.</u>, any challenge under 35 U.S.C. § 101) on the '183 Patent first (a bellwether approach) or as to more or all of the patents identified in the above chart at the same time;
- (b) what briefing schedule the Court should establish depending on its ruling as to the issue in Paragraph 2(a), above;
- (c) whether materials beyond the patent and prosecution history must be considered in connection with a § 101 analysis;
- (d) whether the Court should issue a scheduling order <u>before</u> or <u>after</u> ruling on whether patentability may be decided in advance of discovery and, if so, whether the bellwether and/or other patents pass muster under § 101;
- (e) if the '183 Patent is not consistent with the requirements of § 101, whether the claims and counterclaims involving Zillow Premier Agent should be separated from this case and joined into Case No. C20-1130 TSZ;
- (f) if any patent survives § 101 review, how the litigation should proceed, including whether consumer-facing and business-facing products should be bifurcated, any issues relating to discovery, and the scope, timing, and procedures for claim construction and indefiniteness challenges; and
 - (g) any other matters raised in the Joint Status Report, docket no. 131
- (3) Defendant's unopposed motion for clarification, docket no. 145, is GRANTED. The Court is considering the appointment of a Rule 706 expert to assist in all stages of this litigation.

1 2	(4) At the status conference, the parties shall be prepared to discuss whether expert for each side should be permitted to present a 30-60 minute tutorial on patentability in advance of the Court's consideration of the issue. In addition, the parties						
	shall addres	s whether the Court should appoint a	Rule 706 expert to provide an				
3	_	t § 101 analysis on the '183 Patent au epert should be asked to provide a tut	_				
4	consideration of patentability.						
5	(5) record.	The Clerk is directed to send a cop	by of this Minute Order to all counsel of				
6	Dated	d this 19th day of January, 2021.					
7							
8			William M. McCool Clerk				
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			s/Gail Glass Deputy Clerk				
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