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(54) Computerized method for loaning securities

(57) The Invention relates to a method for automatic conduction of an auction for a loan of securities, comprising:

- posting a request to inquire the loan of securities on a site of a computer network,
- receiving an inquiry from a bidder of securities, said inquiry responding to said request via said site,
- receiving one or more offers for loan of securities from one or more offerors,
- selecting from the one or more offerors, the offeror, the offer of which matches best to said inquiry,
- notifying the bidder of that selection.

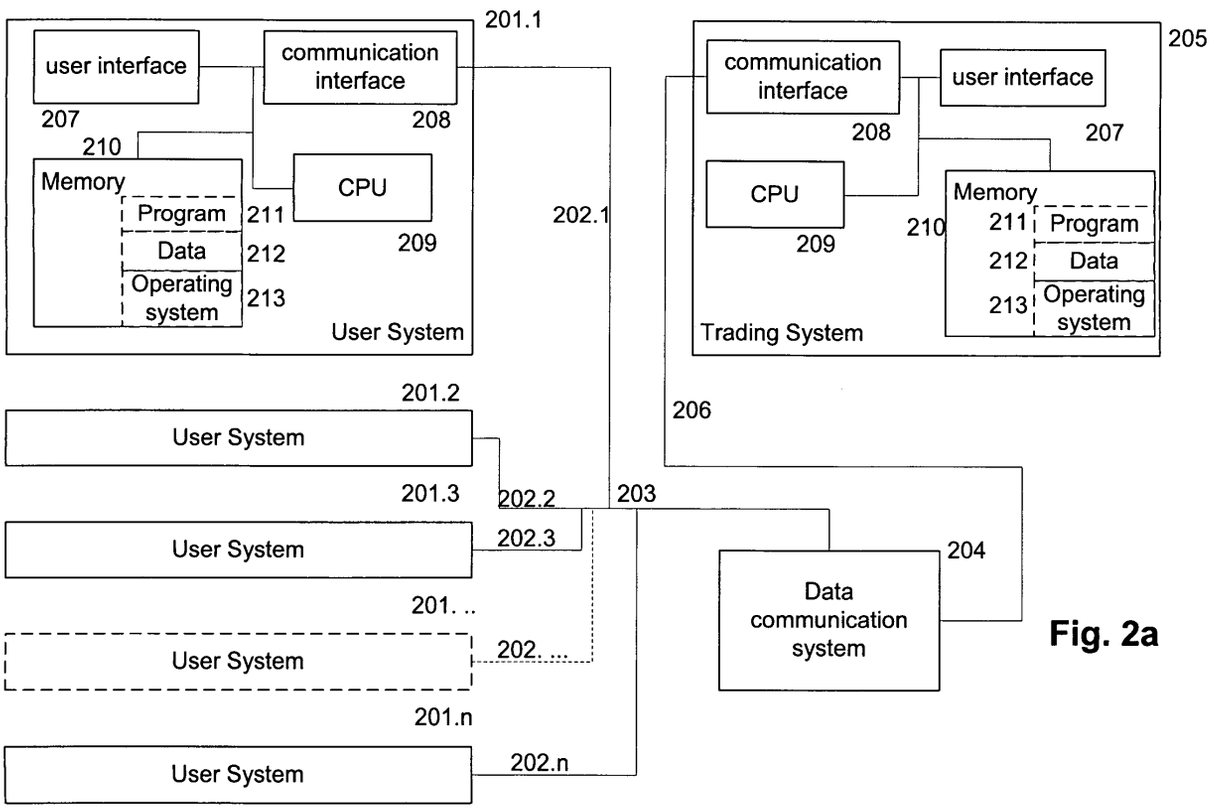


Fig. 2a

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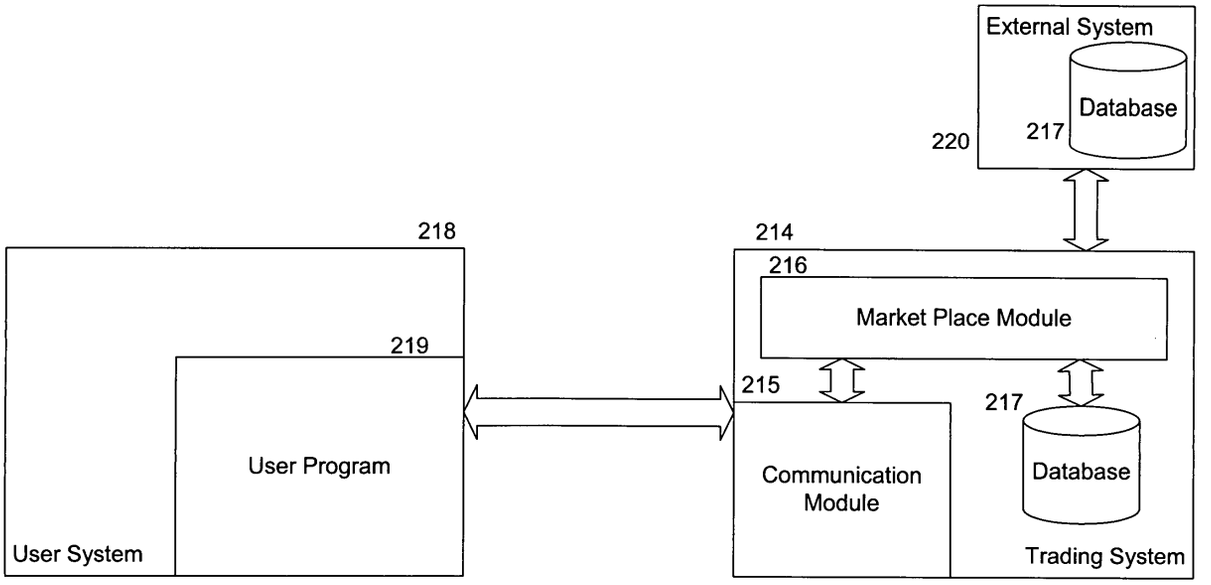

External System
Database
220
217
218
214
216
Market Place Module
219
215
217
User Program
Communication Module
Database
User System
Trading System

Fig. 2b

Description

Background of the Invention

Field of the Invention.

[0001] The technical field of this invention is in the area of electronic data processing. More particularly, the invention relates to methods, computer program products and systems for automated loaning systems and, still more particularly, for the use of a electronic marketplace for loaning securities.

Description of the Related Art

[0002] Loaning of securities is known from the state of the art. However, the problem regarding a loaning business is that a company who wants to borrow securities finds a partner, who wants to lend out the desired securities in a desired quantity and over a desired time. Vice versa, a company, who wants to lend out its securities, has the problem to find a partner, who wants to borrow the desired securities in a desired quantity and over a desired time and to the desired price. This problem is today partially solved by banks, who bring borrower and lender together and who in return charge one or both parties for a commission.

[0003] With respect to general trading of products and services, electronic market places exist, which allow computerized trading via the Internet. For example, WO 01/69464 A 1 discloses an electronic market places for a continuous computerized trading of products and services described by a given number of product parameters. This document especially concerns a method for computerized trading of state products and an automatic trading machine.

[0004] As a further example, WO 00/34899 A1 teaches an integrated auction for remote online bidders and life participants at an auction site. The document provides a method and apparatus for conducting an integrated auction that incorporates various features of traditional and online auctions.

[0005] The document US 2002/0038285 A1 discloses a marketplace that facilitates the business of education finance by providing a globally accessible exchange that facilitates transactions between educational institutions and lender, and between loan (credit) sellers and loan buyers. The document provides a system and a method for the selection of lender for placement on a school's preferred lender list.

[0006] Although the cited documents disclose the electronic trading of products, services and credits, the loaning of securities is neither disclosed nor suggested by these documents.

[0007] Thus, there is a need for a method, software application and/or data processing system providing a more efficient solution of the problems described above, particularly it is desirable to provide a software application having a mechanism for enabling the loaning of securities at lower costs.

[0008] The above description is based on the knowledge of the present inventors and not necessarily that known in the art.

Summary of the Invention

[0009] In accordance with the invention, as embodied and broadly described herein, methods and systems consistent with the principles of the invention provide a method for automatic conduction of an auction for a loan of securities, comprising:

- posting a request to inquire the loan of securities on a site of a computer network,
- receiving an inquiry from a bidder of securities, said inquiry responding to said request via said site,
- receiving one or more offers for loan of securities from one or more offerors,
- selecting from the one or more offerors, the offeror, the offer of which matches best to said inquiry,
- notifying the bidder of that selection.

[0010] An other aspect of an embodiment of the invention, is to provide a computer system for automatic conduction of an auction for a loan of securities, comprising:

- memory having program instructions;
- input means for receiving and entering data;
- output means for sending and presenting data
- storage means for storing data;
- at least one data communication interface;
- a processor responsive to the program instructions to:

- posting a request to inquire the loan of securities on a site of a computer network,
- receiving an inquiry from a bidder of securities, said inquiry responding to said request via said site,
- receiving one or more offers for loan of securities from one or more offerors,
- selecting from the one or more offerors, the offeror, the offer of which matches best to said inquiry,
- notifying the bidder of that selection. Such system is hereinafter alternatively referred to as trading system of an electronic or internet market place.

[0011] Embodiments of the invention are further directed to a computer system, a computer program, a computer readable medium and a carrier signal, each comprising program code or instructions for automatic conduction of an auction for a loan of securities according to the inventive method and its embodiments.

[0012] Such computer program can be installed as one or more programs or program modules on different hardware systems (computers or computer systems),

and run separately and independently of each other, in their entirety being capable of performing the inventive method and its embodiments. The different systems may be connected in the form of a network to communicate with each other.

[0013] Additional objects and advantages of the various embodiments of the invention will be set forth in part in the description, or may be learned by practice of the invention. The objects and advantages of the embodiments of the invention will be realized and attained by means of the elements and combinations particularly pointed out in the appended claims. Embodiments of the invention are disclosed in the detailed description section and in the dependent claims.

The various embodiments can include and/or exclude different aspects, features and/or advantages, where applicable. In addition, various embodiments can combine one or more aspects or features of other embodiments, where applicable.

[0014] It is understood that both the foregoing general description and the following detailed description are exemplary and explanatory only and are not restrictive of the embodiments of the invention, as claimed. The description of aspects, features and/or advantages of particular embodiments should not be construed as limiting other embodiments or the claims.

Brief Description of the Drawings

[0015] The accompanying drawings, which are incorporated in and constitute a part of this specification, illustrate embodiments of the invention and, together with the description, explain the principles of the invention. In the drawings,

Fig. 1 is a schematic view of an electronic market place comprising a trading system and user systems,

Fig. 2a is schematic block diagram of a trading system and a user system,

Fig. 2b is a schematic block diagram of the interaction of a user system and the trading system.

Fig. 3 is an exemplary flow diagram of a process to carry out a security loaning,

Fig. 4 is a schematic example of web page for a market place for security loaning.

Fig 5 is a schematic example of a web page following the web page of Fig. 4,

Fig. 6 is a schematic example of a web page following the web page of Fig. 5.

Fig. 7 is a schematic example of a web page to present a list of offerors to a bidder.

Detailed Description

[0016] Computer system and program are closely related. As used hereinafter, phrases, such as "the computer provides" and "the program provides or performs specific actions", "a user performs a specific action" are convenient abbreviation to express actions by a computer system that is controlled by a program or to express that the program or program module is designed to enable the computer system to perform the specific action or the enable a user to perform the specific action by means of a computer system.

[0017] It should be understood that the term "presentment" as used herein does not include the specialized definition normally associated with commercial paper, i. e. the production on a negotiable instrument to a drawee. Rather, the term refers to providing information via electronic means. This electronic presentment may e.g. take place through the use of an internet website or via email.

[0018] Within the concept of this specification, the terms used shall have their usual meaning in the context of the field of data processing unless defined otherwise. Particularly, a computer system can be a stand alone computer such as a PC or a laptop or a series of computers connected as a network, e.g. a network within a company, or a series of computers connected via the internet.

[0019] The method as described in the summary section can be implemented by a computer system connected to the internet, thus providing an internet market place. Said computer system may comprise one or more program modules for performing the steps described. Posting a request for an inquiry can e.g. be implemented by providing a corresponding web site in the internet or in an intranet. Such an internet web site can comprise one or more pages. One of said pages can comprise editable fields, into which an bidder can enter the securities he wants to borrow and the respective loan conditions. A bidder can edit such pages via a computer system and a web browser connected to the internet and the respective web site. The bidder sends the entered data (inquiry) to the market place, e.g. by applying a send function of the browser, and the market place recieves the data. The inquiry can then be presented to others by the trading system on a page of the web site. Analogous, the trading system can receive one or more offers for loan of securities via separate pages of said web site. The trading system can select the offer, which matches best to a received inquiry and can notify the bidder of that selection. This step can be implemented by comparing the loaning conditions, e.g. the price, and selecting the offeror of the offer, the conditions of which, e.g. the price, comes closest to the conditions of inquiry. Notification can be implemented by electronic means, email, SMS or the like. The selected offeror can be no-

tified as well.

[0020] A first embodiment of the inventive method is characterized in that the method further comprises a step of providing to the bidder means for entering loan conditions selected from the group consisting of: name and address of bidder, start and end time of the loan, name and ID of the security, ID of the bank depot of the securities, loan fee, duration of the inquiry. This can be implemented by a web page, which provides editable data fields to a user. The editable data fields can be coupled with tables from which predefinable values for the respective data field can be selected and entered into the respective data field.

[0021] A second embodiment of the inventive method is characterized in that the method further comprises receiving from the bidder loan conditions selected from the group consisting of: name and address of bidder, start and end time of the loan, name and ID of the security, ID of the bank depot of the securities, loan fee, duration of the inquiry.

This step is, e.g., accomplished when the loan conditions, which can be entered as described in the preceding paragraph, are stored in the internet market place.

[0022] A third embodiment comprises presenting to the bidder a list of offerors.

This step can be implemented by sending a file with the addresses of the offerors via email to the bidder. Alternatively, or additionally, a file with the addresses of the offerors can be made accessible to the bidder via the internet. In this case, a link to the file can be sent to the bidder via email. The list of offerors can alternatively or additionally be presented on a page of the web site, preferably for access of the respective bidder. The list can have selection functionality, e.g. check boxes, to enable the bidder the selection of an offeror for the loaning business.

[0023] A fourth embodiment is characterized in that said notification comprises at least part oft the loan conditions selected from the group consisting of: name and address of bidder, start and end time of the loan, name and ID of the security, ID of the bank depot of the securities, loan fee, duration of the inquiry.

[0024] A fifth embodiment is characterized in that said notification comprises a proposal of a loan contract. This can be implemented by a preformulated text document for a word processor, in which document the loan conditions are automatically inserted into respective fields.

[0025] A sixth embodiment is characterized by automatically generating a set of loan conditions from the inquiry and the offer and providing this set to the bidder and the selected offeror.

If the loan conditions of the bidder and offeror differ, averaged conditions can be calculated automatically.

[0026] In a seventh embodiment, the method comprises providing to the bidder and the selected offeror means for entering into a loan contract via the site of the computer network.

This embodiment can be implemented by presenting the loan conditions to both parties (bidder and offeror) via the internet, e.g. by sending a link to a web site to them, in which the loan conditions are presented, whereby said web site can comprise a confirmation functionality, e.g. an "ok button". The respective party can give its agreement to the conditions by applying the functionality (button). The legal grounds for the binding effect of such method may be provided by general terms and conditions of business, to which the partner have to agree before they enter an electronic or internet market place.

[0027] An eighth embodiment comprises in case a loan contract has been agreed upon between the bidder and the selected offeror, presenting an electronic representation of the contract conditions to the bidder and the selected offeror. This can be implemented by sending an electronic contract, e.g. a text document, in which the loan conditions agreed upon are entered automatically, by mail to both parties, e.g. for printout and handwritten signature. Furthermore, data files comprising the loaning conditions can be automatically sent to one or both parties for entering the data into their respective financial business software.

[0028] An other embodiment is characterized in that said securities are selected from the group consisting of: stocks, bonds and derivatives thereof.

[0029] In order to assure legal certainty to the participants of the loan market place, general trading conditions, which can define legal rights and obligations between offeror, bidders and an operator of the electronic market place, can be presented to offerors and bidders before they can get access to the loan market place. If a party does not agree to such conditions, access can be denied. Thus, a still further embodiment comprises presenting general trading conditions to offeror and/or bidder.

[0030] Processors suitable for the execution of a computer program include, by way of example, both general and special purpose microprocessors, and any one or more processors of any kind of digital computer. Generally, a processor will receive instructions and data from a read-only memory or a random access memory or both. The essential elements of a computer are a processor for executing instructions and one or more memory devices for storing instructions and data. Generally, a computer will also include, or be operatively coupled to receive data from or transfer data to, or both, one or more mass storage devices (storage means) for storing data, e.g., magnetic, magneto-optical disks, or optical disks. Information carriers suitable for embodying computer program instructions and data include all forms of non-volatile memory, including by way of example semiconductor memory devices, such as EPROM, EEPROM, and flash memory devices; magnetic disks such as internal hard disks and removable disks; magneto-optical disks; and CD-ROM and DVD-ROM disks. The processor and the memory can be supplemented by, or incorporated in, ASICs (application-specific integrated circuits).

[0031] To provide for interaction with a user, the invention can be implemented on a computer system having a display device such as a CRT (cathode ray tube) or LCD (liquid crystal display) monitor for displaying information to the user and a keyboard and a pointing device such as a mouse or a trackball by which the user can provide input to the computer. Other kinds of devices can be used to provide for interaction with a user as well; for example, feedback provided to the user can be any form of sensory feedback, such as visual feedback, auditory feedback, or haptic feedback; and input from the user can be received in any form, including acoustic, speech, or haptic input.

[0032] Reference will now be made in detail to the principles of the invention and its embodiments by an explanation on the basis of a data processing process, examples of which are illustrated in the accompanying drawings. Examples, mentioned therein, are for explanatory purpose only and shall not to limit the invention in any kind.

[0033] Fig. 1 depicts one example of an implementation of an embodiment of electronic market place.

[0034] The figure 1 shows an indefinite number of systems 101.1 to 101.n of market participants (users), whereby a system can be assigned to several users and one user can be assigned to several systems. In figure 1, the user systems are exemplary shown as computer systems, particularly as desktop computers and laptop computers. The user systems 101.1 to 101.n are connected to a communication system 103 by data communication connections 102.1 to v2.n. The communication system 103 can be a digital communication system, which allows data transfer in both directions. The communication system 103 can be based on various standards and can be a modem connection, a connection based on communication protocols like WAP, TCP/IP, CORBA etc., generally and internet connection, or a Datex- P connection, a LAN- or WAN- network etc. or any combination of this connections.

[0035] A trading system 105 is connected to the communication system 103 by a data communication connection 104. The trading system 105, which enables the virtual electronic market place, can be any electronic apparatus, particularly any computer system. In figure 1 the electronic market place is shown as a computer 105. Alternatively, the electronic market place can be arranged on two or more computer systems as well. The trading system 105 allows the simultaneous use of the market place by any number n of user systems 101.

[0036] Figure 2 shows schematically the internal structure of the user system 101 and of the trading system 105 of Fig. 1.

[0037] A user interface 207 allows a direct data input into the trading system 205 by a user. This can be useful e.g. for the system administration for the trading system 205. The user interface 207 can be a monitor including a keyboard, a disk drive, a CD-ROM drive etc. The trading system 205 further comprises a digital communication interface 208 by means of which the trading system 205 can exchange data with user systems 201.1 to 201.n, which are connected to the data communication system 204 via data communication connections 202.2 to 202.n. The trading system 205 is connected to the data communication system 204 via data communication connection 206. The communication interface 208 can send data to the data communication system 204 and can receive data from the communication system 204. The trading system 205 further comprises a central processing unit 209, which essentially performs the process of loaning securities via the virtual market place. Although only one CPU 209 is shown in figure 2, said process can also be performed by a plurality of such CPUs. The CPU 209 performs instructions, which are stored in a memory 210. The user interface 207, the communication interface 208, CPU 209 and memory 210 are interconnected by a data bus of the trading system 205. Memory 210 comprises a section 213, in which an operating system is stored. The operating system controls basic operations of the trading system 205 like data input and output, access to periphery devices, priority management of processes, which run on the CPU, etc. Memory 210 further comprises a section 211, in which one or more executable programs are stored. Memory 210 still further comprises a section 212, in which data for the access of the operating system and/or the executable programs can be stored. Memory 210 can consist in whole or in part of a RAM- or a ROM-memory. CD-ROMs, hard disk drives, other computers etc. can be used as memory as well.

[0038] As can be seen in figure 2, a user system 21.1 to 21.n is structured - in this example- analogous to the trading system 25.

[0039] Figure 2b shows schematically the interaction of a trading system 214 and a user system 218. A user program 219 is installed on the user system 218, and a communication module 215 is installed on the trading system 214. The user program 219 exchanges data with the communication module 214. The user program 219 is the interface by means of which a market participant can interact with the trading system 214. The communication module 215 receives the data from the user systems and sends them to one or more further internal processes 216 (market place module(s)), for further processing. The trading system 214 further comprises a series of data bases 217 for storage purpose. Such data bases can be internal and external 220. The user program 219 can be, for example, an Internet Explorer.

[0040] Fig. 3 shows an exemplary flow chart of a process for loaning securities. After a start step 301, a request for an inquiry is presented to potential bidders in step 302. This step can be implemented by providing a corresponding web site. An example of such a web site is given in figure 4. Fig. 4 shows a web site 401 comprising a header area 402 in which potential loaners are invited to enter the loan market place, i.e. the trading system 205, 214. The structured documents (XML- or

HTML- files) enabling such web sites can be stored in database 217 and can be accessed by the user program 219 of the user system 218, e.g. an internet explorer, via communication module 215 and market place module(s) 216. Users who want to borrow securities can use system 218, 219 to enter the market place by applying link 404 within their user program 219. Link 403 applies to users, who want to lend out their securities. Link 404 leads to a subsequent page 501 shown in Fig. 5. Web site 501 requires authentication of the interested user indicated in area 502. A link 504 leads to a subsequent authentication page, which is not shown in this example. Registered users can directly move forward by applying link 503. Link 503 leads to a subsequent web site 601, shown in Fig. 6. By means of web site 601, the user can enter the terms and conditions according to which he intends to borrow his securities. For that purpose web site 601 provides editable data fields 603a to 609a. Such fields can be connected with tables 603b to 609b, in which allowable values for the respective fields are stored for selection by the user and for automatic input of the selected value into the respective data field. In field 603a the type of the securities to be borrowed, e. g. stocks or bonds or derivatives thereof, can be entered, or selected via table 603b. In field 604a the name of the security can be entered, or selected via table 604b. Alternatively or simultaneously, an ID of the security can be entered in field 605a, or selected via table 605b. Start and end date of the loan period can be defined by means of fields 606a,b and 607a, b, respectively. The price for the loan can be entered in field 608a, and the duration of the offer in field 609a, b. Applying a send button 610 initiates the user program 219 to send the data to the communication module 215 of the trading system 214, which receives the inquiry data 312 according to step 303 in Fig. 3. The data are then sent to the market place module(s) 216 for storage and further processing. The trading system then waits for an offer of a offeror according to step 304. If no offer data 313 is received according to step 305 until the offer time has elapsed, step 314, a message of that content is sent to the bidder in step 316 and the process ends in step 311. Subsequent to step 305, the offer data 313 are compared with the inquiry data according to step 306.

After that comparison or parallel to it, a list of offerors available at the time is presented to the bidder in step 318. This can be performed by mailing a list to the bidder or, as in the example, by means of a web page 701, shown in Fig. 7, accessible to the bidder. Web page 701 comprises an area 702, in which textual information on the inquiry are shown. Page 701 further comprises an area 703, in which a table containing information of the offers are shown. The table comprises a first column with the name of the offeror, a second and third column for the number of the securities and price (rate), the offeror wants to achieve, and a fourth and a fifth column for the desired start and end date, respectively. Page 701 further comprises an area 704, in which results of the comparison of the offers with the inquiry are shown. In the example, the comparison revealed that the offer of Abc matches best according to preselectable matching conditions, i.e. it is the most advantageous, although not all of the conditions are met exactely. Page 701 further comprises an area 705 with radio check boxes 706, by means of which the bidder can select one or more offerors for the loaning business. Each of the businesses then may be conducted at different conditions. In the example Ghi is the partner of choice. In case the bidder wants to close page 701 without making any decision, he can apply a "back" button 708. In case he has selected a partner for the loan business, he can confirm this by applying an "ok" button 707. If the offer matches the inquiry, or matches the inquiry to a preselectable degree, or the bidder closes a page 702 by an "ok", a loan contract containing the offer data is sent to the bidder in step 308.

After receiving an approval or a disapproval from the bidder in step 309, a corresponding message is sent to the offeror in step 310 and the process ends in step 311. In a further preferred embodiment the securities can automatically be transferred from the deposit of the offeror to the deposit of the bidder.

If the result of the comparison of the inquiry and offer data in step 306 reveals the value "n" in step 307, the process braches back to step 304. If, after the offer time has elapsed, none of the offers matches the inquiry, a best match is created automatically in step 317, preferably from the inquiry data and the offer data, which comes closest to the inquiry data. The best match can e.g. contain mean values of price and start and/or end date. Then, a contract containing such best match values is sent as a proposal to the bidder in step 315 and the process continues with step 309 already described above.

The market place module(s) 216 can be configured in such a way that it can be chosen from the user, whether offeror or bidder, which of his data are sent to his (potential) loaning partner. Further, a web site comprising a list of offerors can be presented to an bidder.

[0041] Still further, a fee for using the trading system can be invoiced to bidders and/or offerors by an operator of the trading system.

[0042] Modifications and adaptations of the present invention will be apparent to those skilled in the art from consideration of the specification and practice of the invention disclosed herein. The foregoing description of an implementation of the invention has been presented for purposes of illustration and description. It is not exhaustive and does not limit the invention to the precise form disclosed. Modifications and variations are possible in light of the above teachings or may be acquired from the practicing of the invention. For example, the described implementation includes software, but systems and methods consistent with the present invention may be implemented as a combination of hardware and software or in hardware alone. Additionally, although as-

pects of the present invention are described for being stored in memory, one skilled in the art will appreciate that these aspects can also be stored on other types of computer-readable media, such as secondary storage devices, for example, hard disks, floppy disks, or CD-ROM; the Internet or other propagation medium; or other forms of RAM or ROM. It is intended that the specification and examples be considered as exemplary only, with a true scope and spirit of the invention being indicated by the following claims.

[0043] Computer programs based on the written description and flow charts of this invention are within the skill of an experienced developer. The various programs or program modules can be created using any of the techniques known to one skilled in the art or can be designed in connection with existing software. For example, programs or program modules can be designed in or by means of Java, C++, HTML, XML, or HTML with included Java applets or in SAP R/3 or ABAP. One or more of such modules can be integrated in existing e-mail or browser software.

[0044] While illustrative embodiments of the invention have been described herein, the present invention is not limited to the various preferred embodiments described herein, but includes any and all embodiments having equivalent elements, modifications, omissions, combinations (e.g., of aspects across various embodiments), adaptations and/or alterations as would be appreciated by those in the art based on the present disclosure. The limitations in the claims are to be interpreted broadly based on the language employed in the claims and not limited to examples described in the present specification or during the prosecution of the application, which examples are to be construed as non-exclusive. For example, in the present disclosure, the term "preferably" is non-exclusive and means "preferably, but not limited to." Means-plus-function or step-plus-function limitations will only be employed where for a specific claim limitation all of the following conditions are present in that limitation: a) "means for" or "step for" is expressly recited; b) a corresponding function is expressly recited; and c) structure, material or acts that support that structure are not recited.

Claims

1. A method for automatic conduction of an auction for a loan of securities, comprising:

   - posting a request to inquire the loan of securities on a site of a computer network,
   - receiving an inquiry from a bidder of securities, said inquiry responding to said request via said site,
   - receiving one or more offers for loan of securities from one or more offerors,
   - selecting from the one or more offerors, the offeror, the offer of which matches best to said inquiry,
   - notifying the bidder of that selection.

2. The method of claim 1, further comprising:

   providing to the bidder means for entering loan conditions selected from the group consisting of: name and address of bidder, start and end time of the loan, name and ID of the security, ID of the bank depot of the securities, loan fee, duration of the inquiry.

3. The method of claim 1 or 2, further comprising:

   receiving from the bidder loan conditions selected from the group consisting of: name and address of bidder, start and end time of the loan, name and ID of the security, ID of the bank depot of the securities, loan fee, duration of the inquiry.

4. The method of one or more of claims 1 to 3, further comprising:

   presenting to the bidder a list of offerors.

5. The method of one or more of claims 1 to 4, wherein said notification comprises at least part oft the loan conditions selected from the group consisting of: name and address of bidder, start and end time of the loan, name and ID of the security, ID of the bank depot of the securities, loan fee, duration of the inquiry.

6. The method of one or more of claims 1 to 5, further comprising:

   said notification comprises a proposal of a loan contract.

7. The method of one or more of claims 1 to 6, further comprising:

   automatically generating a set of loan conditions from the inquiry and the offer and providing this set to the bidder and the selected offeror.

8. The method of one or more of claims 1 to 7, further comprising:

   providing to the bidder and the selected offeror means for entering into a loan contract via the site of the computer network.

9. The method of one or more of claims 1 to 8, further comprising:

in case a loan contract has been agreed upon between the bidder and the selected offeror, presenting an electronic representation of the contract conditions to the bidder and the selected offeror.

10. The method of one or more of claims 1 to 9, wherein said securities are selected from the group consisting of:

stocks, bonds and derivatives thereof.

11. The method of one or more of claims 1 to 10, further comprising:

presenting general trading conditions to offeror and/or bidder.

12. A computer system for automatic conduction of an auction for a loan of securities, comprising:

- memory having program instructions;
- input means for receiving and entering data;
- output means for sending and presenting data
- storage means for storing data;
- at least one data communication interface;
- a processor responsive to the program instructions to:

- posting a request to inquire the loan of securities on a site of a computer network,
- receiving an inquiry from a bidder of securities, said inquiry responding to said request via said site,
- receiving one or more offers for loan of securities from one or more offerors,
- selecting from the one or more offerors, the offeror, the offer of which matches best to said inquiry,
- notifying the bidder of that selection.

13. The computer system of claim 12, further comprising:

providing to the bidder means for entering loan conditions selected from the group consisting of: name and address of bidder, start and end time of the loan, name and ID of the security, ID of the bank depot of the securities, loan fee, duration of the inquiry.

14. The computer system of claim 12 or 13, further comprising:

receiving from the bidder loan conditions selected from the group consisting of: name and address of bidder, start and end time of the loan, name and ID of the security, ID of the bank depot of the securities, loan fee, duration of the inquiry.

15. The computer system of one or more of claims 12 to 14, further comprising:

presenting to the bidder a list of offerors.

16. The computer system of one or more of claims 12 to 15, wherein
said notification comprises at least part oft the loan conditions selected from the group consisting of: name and address of bidder, start and end time of the loan, name and ID of the security, ID of the bank depot of the securities, loan fee, duration of the inquiry.

17. The computer system of one or more of claims 12 to 15, further comprising:

said notification comprises a proposal of a loan contract.

18. The computer system of one or more of claims 12 to 17, further comprising:

automatically generating a set of loan conditions from the inquiry and the offer and providing this set to the bidder and the selected offeror.

19. The computer system of one or more of claims 12 to 18, further comprising:

providing to the bidder and the selected offeror means for entering into a loan contract via the site of the computer network.

20. The computer system of one or more of claims 12 to 19, further comprising:

in case a loan contract has been agreed upon between the bidder and the selected offeror, presenting an electronic representation of the contract conditions to the bidder and the selected offeror.

21. The computer system of one or more of claims 12 to 20, wherein
said securities are selected from the group consisting of:

stocks, bonds and derivatives thereof.

22. The computer system of one or more of claims 12 to 21, further comprising:

presenting general trading conditions to offeror

and/or bidder.

23. A computer readable medium comprising instructions for automatic conduction of an auction for a loan of securities, comprising instructions for:

- posting a request to inquire the loan of securities on a site of a computer network,
- receiving an inquiry from a bidder of securities, said inquiry responding to said request via said site,
- receiving one or more offers for loan of securities from one or more offerors,
- selecting from the one or more offerors, the offeror, the offer of which matches best to said inquiry,
- notifying the bidder of that selection.

24. The computer readable medium of claim 23, further comprising:

providing to the bidder means for entering loan conditions selected from the group consisting of: name and address of bidder, start and end time of the loan, name and ID of the security, ID of the bank depot of the securities, loan fee, duration of the inquiry.

25. The computer readable medium of claim 23 or 24, further comprising:

receiving from the bidder loan conditions selected from the group consisting of: name and address of bidder, start and end time of the loan, name and ID of the security, ID of the bank depot of the securities, loan fee, duration of the inquiry.

26. The computer readable medium of one or more of claims 23 to 25, further comprising:

presenting to the bidder a list of offerors.

27. The computer readable medium of one or more of claims 23 to 26, wherein
said notification comprises at least part oft the loan conditions selected from the group consisting of: name and address of bidder, start and end time of the loan, name and ID of the security, ID of the bank depot of the securities, loan fee, duration of the inquiry.

28. The computer readable medium of one or more of claims 23 to 27, further comprising:

said notification comprises a proposal of a loan contract.

29. The computer readable medium of one or more of claims 23 or 28 further comprising:

automatically generating a set of loan conditions from the inquiry and the offer and providing this set to the bidder and the selected offeror.

30. The computer readable medium of one or more of claims 23 to 29, further comprising:

providing to the bidder and the selected offeror means for entering into a loan contract via the site of the computer network.

31. The computer readable medium of one or more of claims 23 to 30, further comprising:

in case a loan contract has been agreed upon between the bidder and the selected offeror, presenting an electronic representation of the contract conditions to the bidder and the selected offeror.

32. The computer readable medium of one or more of claims 23 to 31, wherein
said securities are selected from the group consisting of:

stocks, bonds and derivatives thereof.

33. The computer readable medium of one or more of claims 23 to 32, further comprising:

presenting general trading conditions to offeror and/or bidder.

34. A computer data signal embodied in a carrier wave comprising:

code for automatic conduction of an auction for a loan of securities, said code comprising instructions for:

- posting a request to inquire the loan of securities on a site of a computer network,
- receiving an inquiry from a bidder of securities, said inquiry responding to said request via said site,
- receiving one or more offers for loan of securities from one or more offerors,
- selecting from the one or more offerors, the offeror, the offer of which matches best to said inquiry,
- notifying the bidder of that selection.

35. An electronic market place for loaning securities comprising:

a first computer system according to one or more of claims 12 to 22,
a second computer system for sending loan offers to the first computer system,
a third computer system for sending enquiries to the first computer system,

said first second and third computer systems being connected by a data communication connection.

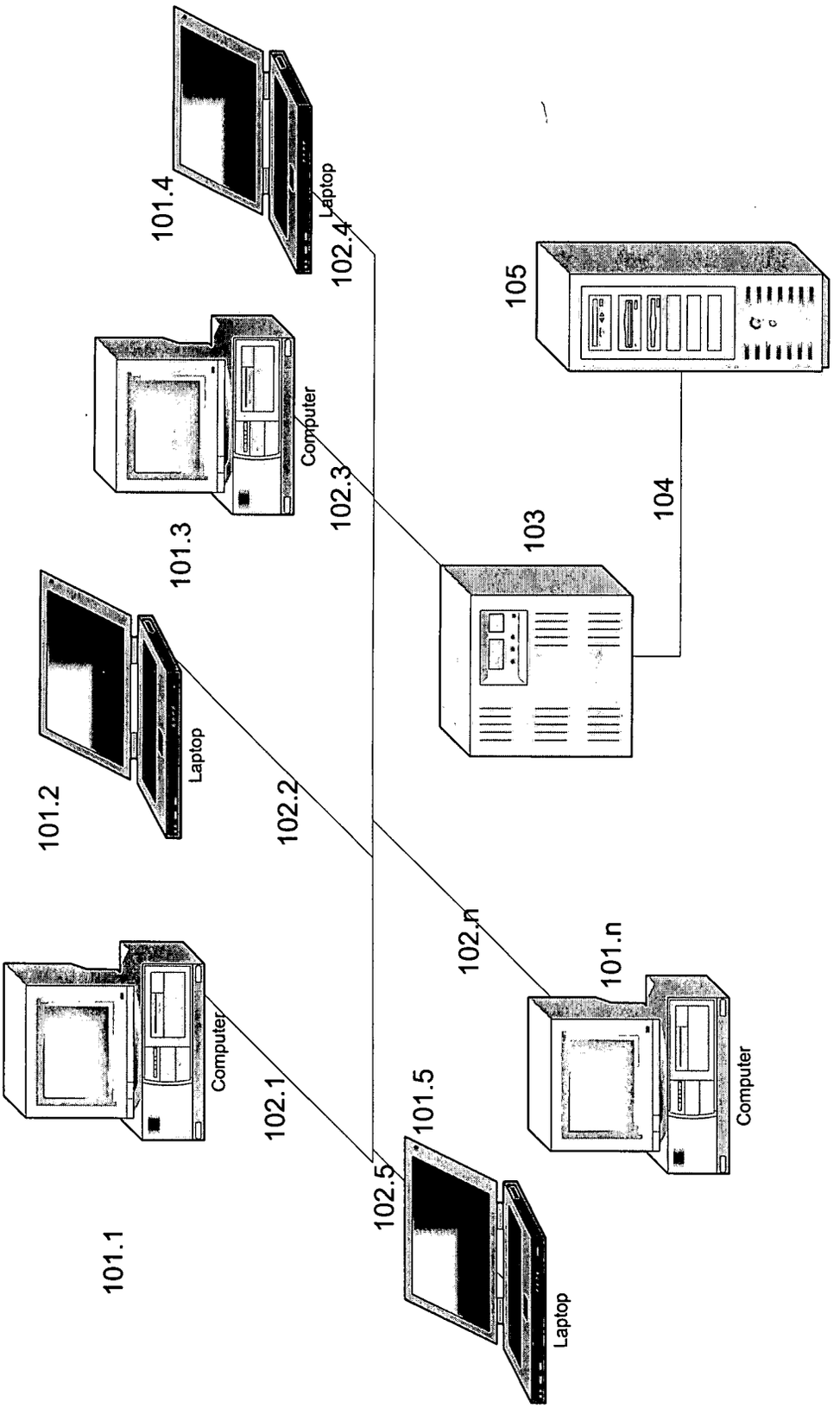

101.4
Laptop
102.4
105
101.3
Computer
102.3
104
103
101.2
Laptop
102.2
102.n
101.n
Computer
101.1
Computer
102.1
101.5
102.5
Laptop

Fig. 1

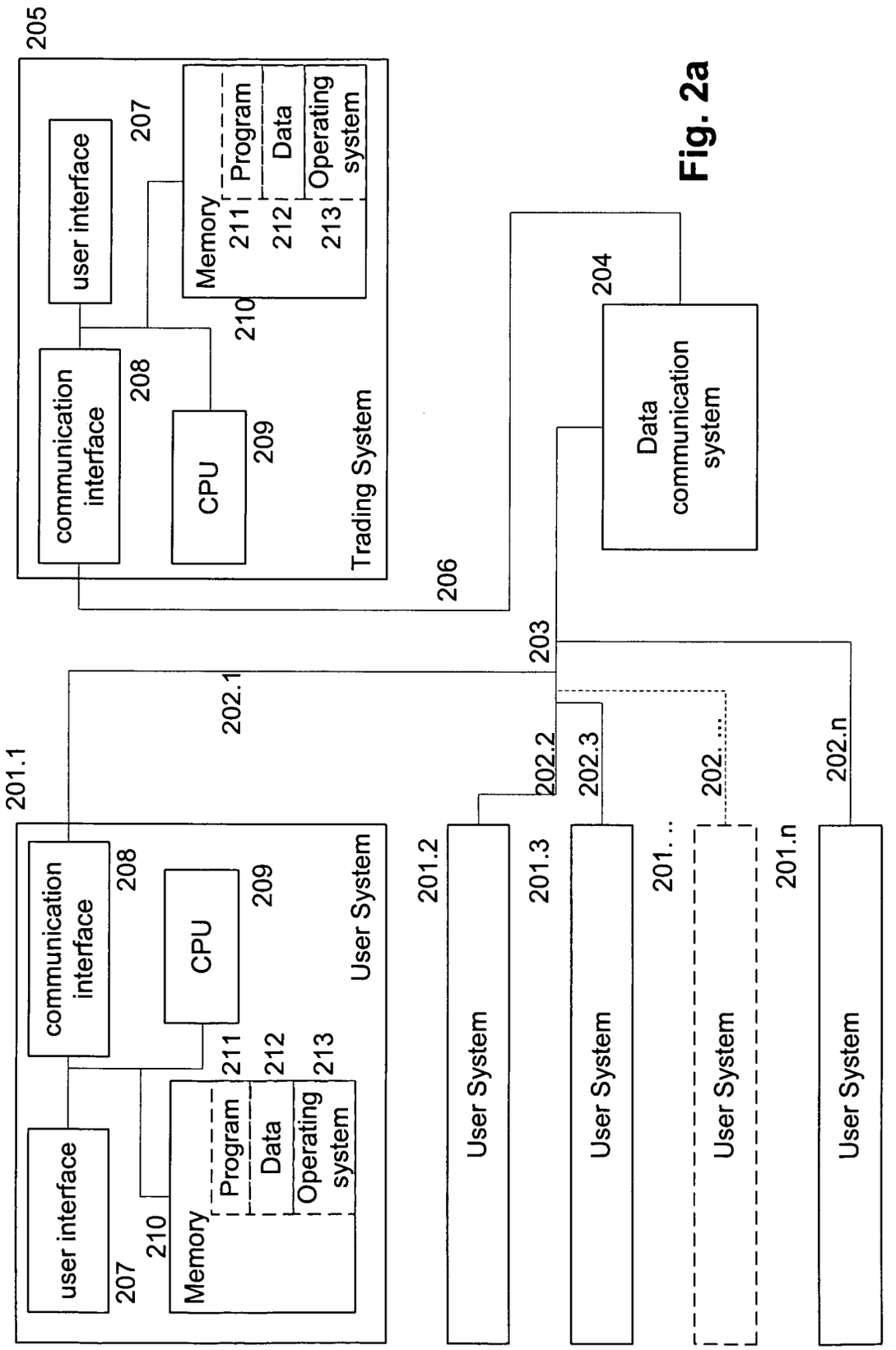

205
user interface
207
communication interface
208
CPU
209
Memory
210
Program
211
Data
212
Operating system
213
Trading System
206
204
Data communication system
203
202.1
202.2
202.3
202...
202.n
201.1
201.2
201.3
201...
201.n
User System
User System
User System
User System
User System

Fig. 2a

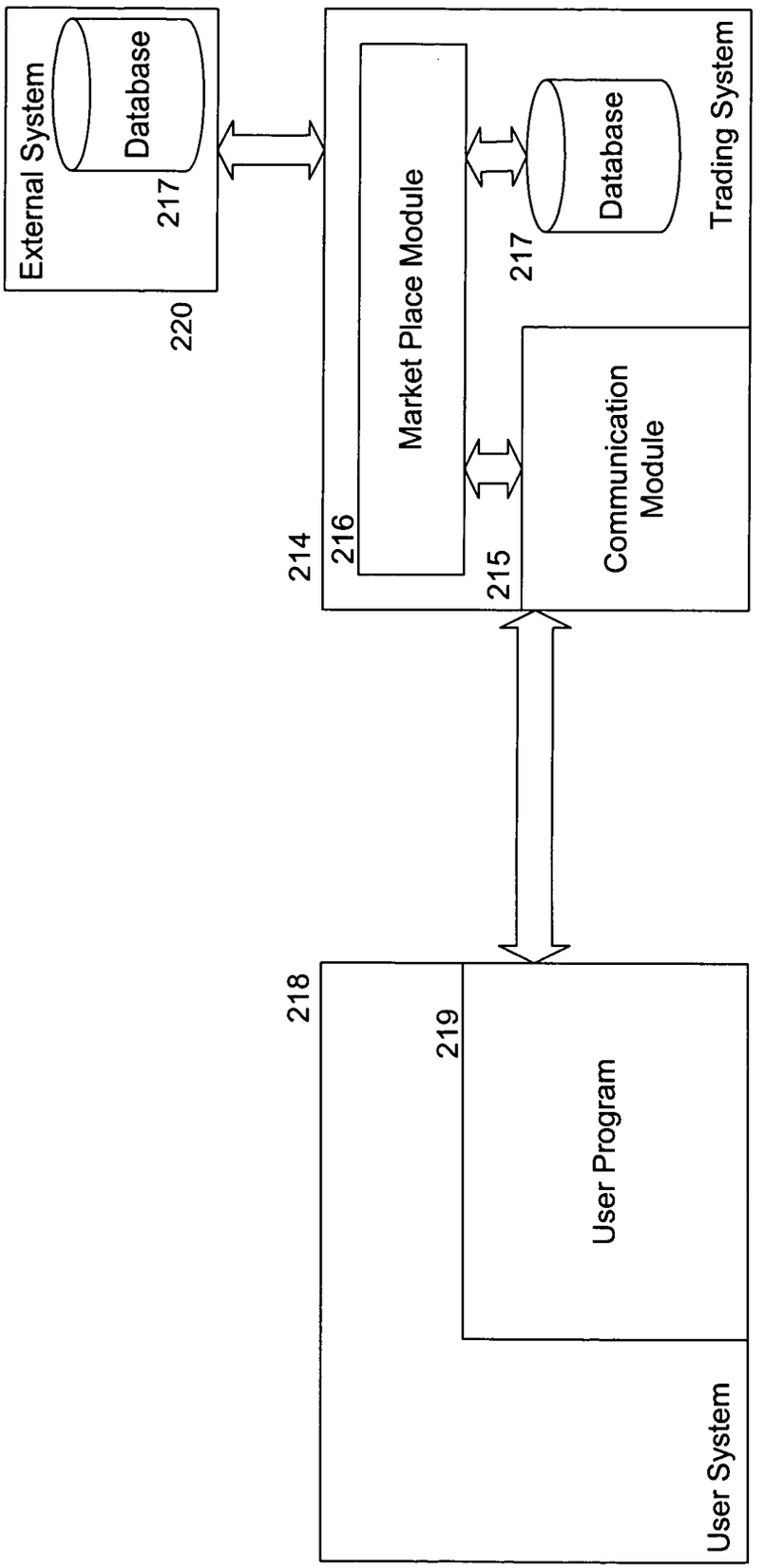

External System
Database
217
220
Trading System
Market Place Module
Database
217
214
216
215
Communication Module
218
219
User Program
User System

Fig. 2b

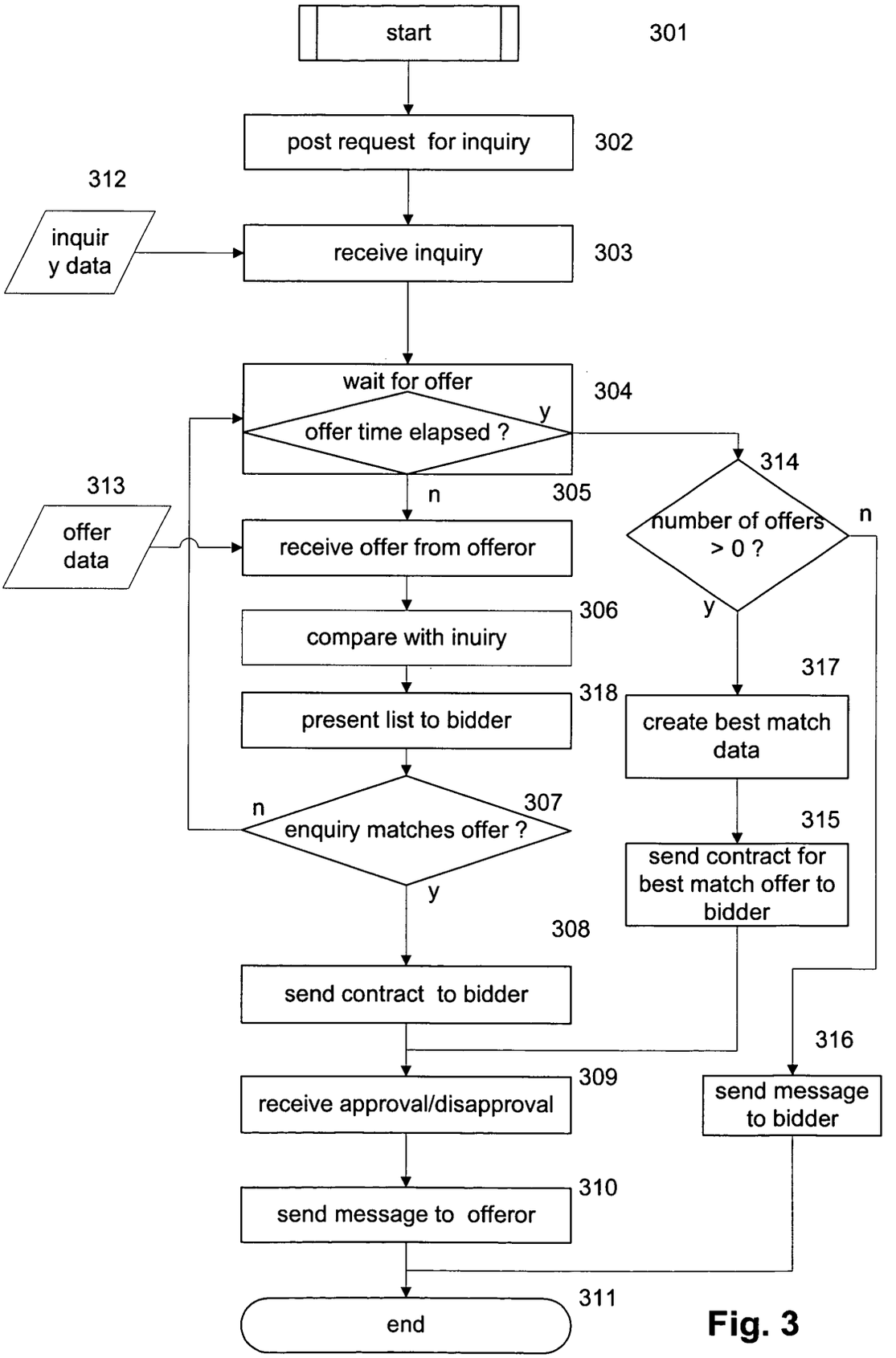

start
301
post request for inquiry
302
312
inquir y data
receive inquiry
303
wait for offer
offer time elapsed ?
y
304
n
305
313
offer data
receive offer from offeror
compare with inuiry
306
present list to bidder
318
n
enquiry matches offer ?
307
y
308
send contract to bidder
receive approval/disapproval
309
send message to offeror
310
end
311
314
number of offers > 0 ?
n
y
317
create best match data
315
send contract for best match offer to bidder
316
send message to bidder

Fig. 3

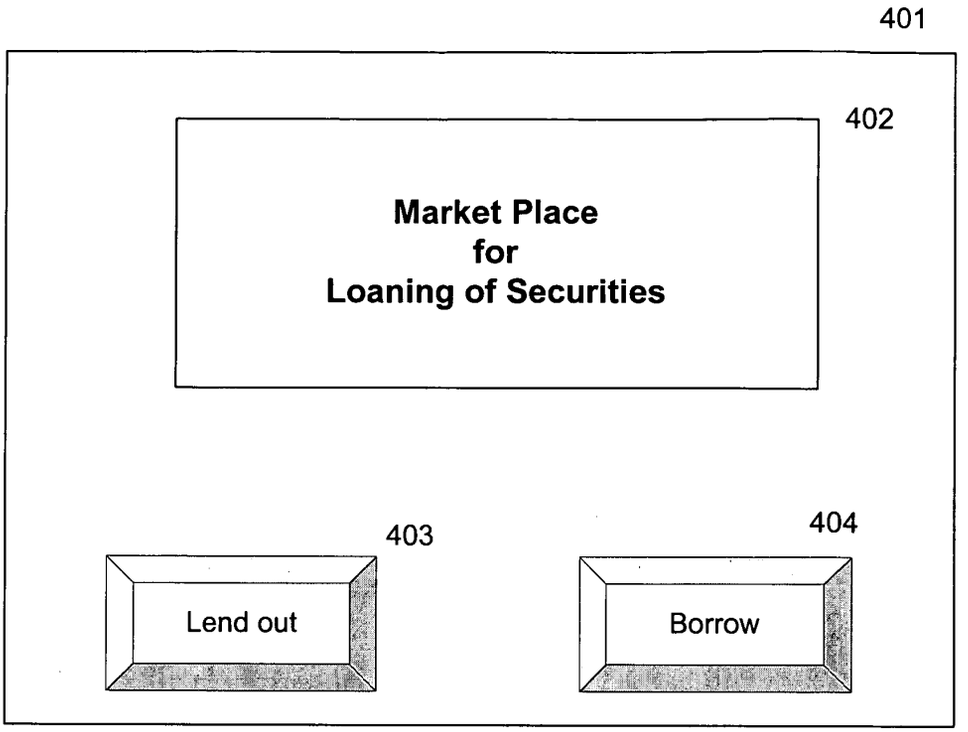

401
402
Market Place
for
Loaning of Securities
403
Lend out
404
Borrow

Fig. 4

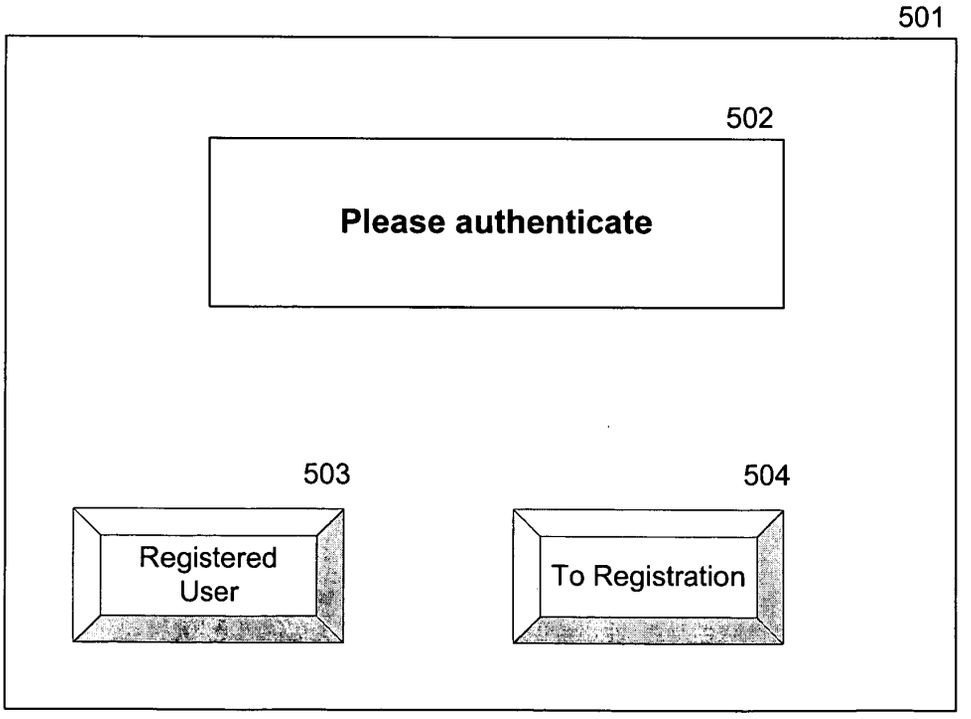

501
502
Please authenticate
503
Registered
User
504
To Registration

Fig. 5

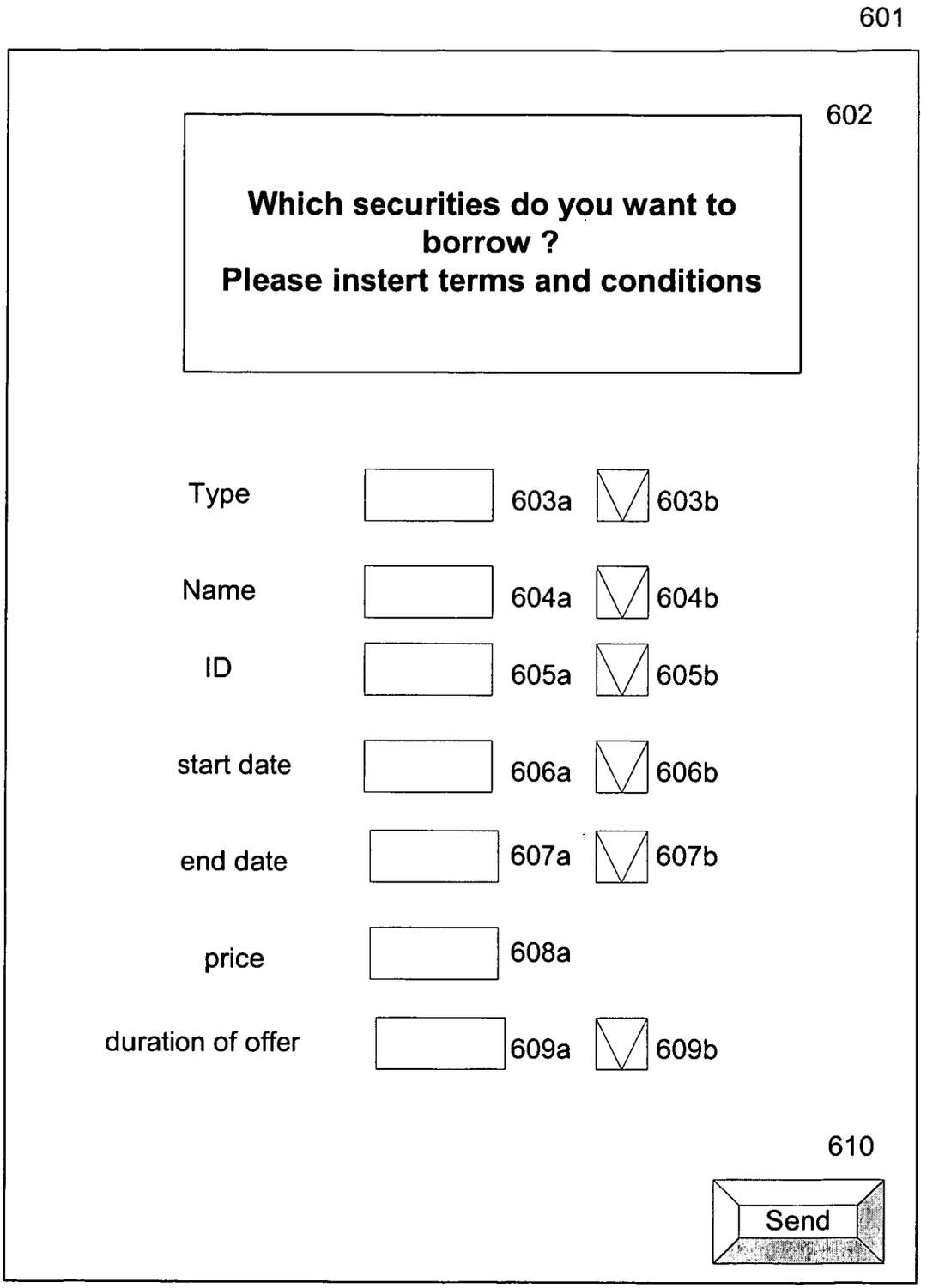

601
602
Which securities do you want to borrow ?
Please instert terms and conditions
Type
603a
603b
Name
604a
604b
ID
605a
605b
start date
606a
606b
end date
607a
607b
price
608a
duration of offer
609a
609b
610
Send

Fig. 6

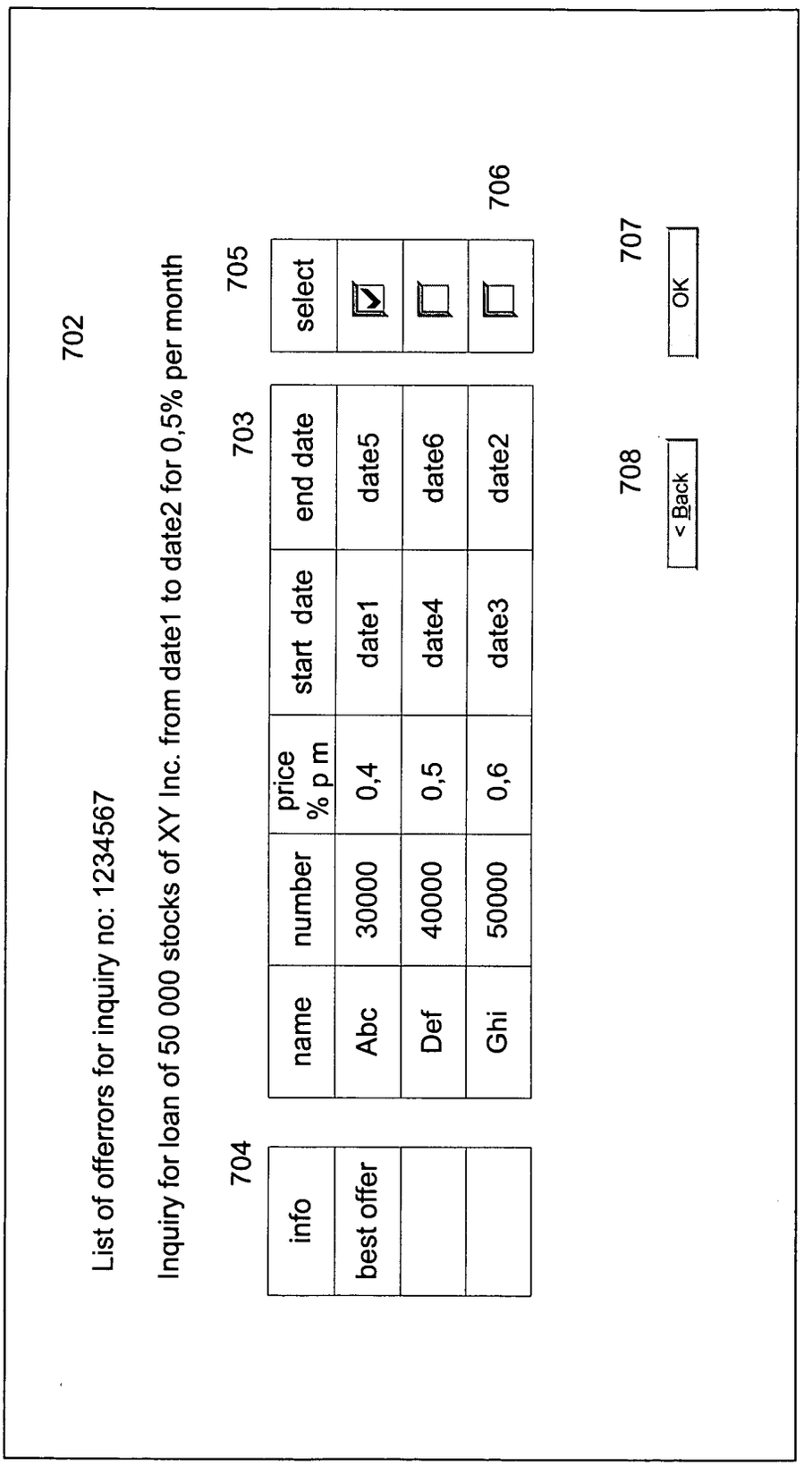

701
List of offerrors for inquiry no: 1234567
702
Inquiry for loan of 50 000 stocks of XY Inc. from date1 to date2 for 0,5% per month
704
703
705
706
info
name
number
price % p m
start date
end date
select
best offer
Abc
30000
0,4
date1
date5
Def
40000
0,5
date4
date6
Ghi
50000
0,6
date3
date2
708
< Back
707
OK

Fig. 7

European Patent Office

DECLARATION

which under Rule 45 of the European Patent Convention shall be considered, for the purposes of subsequent proceedings, as the European search report

Application Number EP 03 01 7594

The Search Division considers that the present application, does not comply with the provisions of the EPC to such an extent that it is not possible to carry out a meaningful search into the state of the art on the basis of all claims

Reason:

The search examiner is of the opinion that the description and claims of the present application fail to comply with the prescribed requirements of the EPC to such an extent that a meaningful search cannot be carried out.

In this regard is noted that the description does not allow a reliable determination of the underlying technical problem contrary to the requirements of Rule 27(1)(c) EPC.

It is further noted that insofar as the content of the application can be understood, it appears to relate primarily to subject matter excluded from patentability under the terms of Art. 52(2)(c) & (3) EPC, namely a method for conducting an auction for a loan of securities which is considered to be a scheme or method for doing business. Given that the claims are formulated in terms of such subject matter or merely specify commonplace features relating to its technological implementation, and having particular regard to the aforementioned lack of clarity in respect of the definition of the underlying technical problem, it was not possible to carry out a meaningful search into the state of the art (Rule 45 EPC; see also Guidelines for Examination in the EPO, Part B, Chapter VIII, 1-6).

The applicant's attention is drawn to the fact that a search may be carried out

-/--

CLASSIFICATION OF THE APPLICATION (Int.Cl.7)

G06F17/60

Place of search	Date	Examiner
MUNICH	23 February 2004	Corcoran, P

EPO FORM 1504 (P04C37)

European Patent Office

DECLARATION

which under Rule 45 of the European Patent Convention shall be considered, for the purposes of subsequent proceedings, as the European search report

Application Number EP 03 01 7594

The Search Division considers that the present application, does not comply with the provisions of the EPC to such an extent that it is not possible to carry out a meaningful search into the state of the art on the basis of all claims

Reason:

during examination following a declaration of no search under Rule 45 EPC, should the problems which led to the declaration being issued be overcome (see EPC Guideline C-VI, 8.5).

CLASSIFICATION OF THE APPLICATION (Int.Cl.7)

Place of search	Date	Examiner
MUNICH	23 February 2004	Corcoran, P

EPO FORM 1504 (P04C37)