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UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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APPLE INC.  
Petitioner

v.

VIRNETX INC.  
Patent Owner

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Case IPR2013-00394  
Patent 7,418,504

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**VIRNETX'S OPPOSITION TO APPLE'S  
MOTION FOR JOINDER**

**TABLE OF CONTENTS**

I. INTRODUCTION .....1

II. PRECISE RELIEF REQUESTED .....2

III. STATEMENT OF FACTS .....2

IV. ARGUMENT.....4

    A. Joinder Will Significantly Increase the Complexity and  
    Duration of the New Bay IPR Proceeding and Prejudice  
    VirnetX.....4

    B. Apple Will Not Be Prejudiced if the Board Denies Joinder .....7

    C. Granting Apple's Motion for Joinder Is Statutorily Barred.....7

V. CONCLUSION.....10

**TABLE OF AUTHORITIES**

**Page(s)**

**PATENT TRIAL AND APPEAL BOARD DECISIONS**

*ABB Inc. v. Roy-G-Biv Corp.*,  
IPR2012-00282, Paper 6 (May 30, 2013).....6

*Ariosa Diagnostics v. ISIS Innovation, Ltd.*,  
IPR2012-00022, Paper 35 (May 1, 2013).....7

*Dell, Inc. v. Network-1 Security Solutions, Inc.*,  
IPR2013-00071, Paper 17 (July 29, 2013) .....8, 10

*Dell, Inc. v. Network-1 Security Solutions, Inc.*,  
IPR2013-00385, Paper 17 (July 29, 2013) .....6

*Microsoft Corp. v. Proxyconn, Inc.*,  
IPR2013-00109, Paper 14 (Feb. 25, 2013).....6

*Motorola Mobility LLC v. Softview LLC*,  
IPR2013-00256, Paper 10 (June 20, 2013).....4

*Sony Corp. of America et al. v. Network-1 Security Solutions, Inc.*,  
IPR2013-00386, Paper 16 (July 29, 2013) .....6

**FEDERAL STATUTES**

35 U.S.C. § 311 ..... 4, 8-10

35 U.S.C. § 315 ..... 4, 8-10

**LEGISLATIVE HISTORY**

Meeting of the H. Comm. on Judiciary,  
Transcript of Markup of H.R. 1249 (Apr. 14, 2011).....9

Statement of Senator Kyl,  
154 Cong. Rec. S9982-93 (daily ed. Sep. 27, 2008) .....9

## I. INTRODUCTION

Patent Owner VirnetX Inc. respectfully requests that the Board deny Apple Inc.'s motion requesting joinder of IPR2013-00393 and IPR2013-00394 ("Apple IPRs") with IPR2013-00377 ("New Bay IPR").<sup>1</sup> The Apple IPRs and the New Bay IPR each concern U.S. Patent No. 7,418,504 ("the '504 patent").

The Board should deny Apple's motion because joinder will add several new substantive issues to the New Bay IPR, require additional discovery and expert testimony, prevent a timely conclusion of the New Bay IPR, and prejudice VirnetX. In some of its *inter partes* review petitions, New Bay identified similar reasons for opposing joinder. *See, e.g.*, IPR2013-00375, Paper No. 4 at 4. In addition, joinder of Apple's untimely IPRs is statutorily barred.

Denying joinder will not prejudice Apple, which has a pending validity challenge to the '504 patent in *inter partes* reexamination (control no. 95/001,788), and has previously challenged claims of the '504 patent in district court. Apple argues that joining its IPRs with the New Bay IPR "will minimize duplication of effort by the Board and the Court" (Apple Mot. at 4), but Apple itself has invited duplication by first seeking *inter partes* reexamination and then seeking two *inter*

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<sup>1</sup> Apple also asks the Board to join its own IPR2013-00393 and -00394 with each other. Apple Mot. at 1. The Board did not authorize Apple to move for this type of joinder, and it should be denied for the reasons stated in this opposition.

*partes* reviews based on the same primary references. The Board and the Patent Owner should not be tasked with minimizing the burden of Apple's duplicative proceedings.

## II. PRECISE RELIEF REQUESTED

VirnetX requests that the Board deny Apple's motion for joinder.

## III. STATEMENT OF FACTS

On August 18, 2010, VirnetX served Apple with a complaint alleging infringement of certain VirnetX patents. Ex. 2001. On April 5, 2011, VirnetX served Apple with an amended complaint, alleging that certain Apple products infringe claims 1, 2, 5, 6, 14-23, 26-28, 33-47, 49-52, and 57-60 of the '504 patent. Ex. 2005 (Second Amended Complaint, *VirnetX Inc. v. Cisco Systems, Inc. et al.*, No. 6:10-cv-417 (E.D. Tex. Apr. 5, 2011)). A jury found that those products infringe and that the tried claims of the '504 patent are valid. Ex. 2002.

On October 18, 2011, Apple initiated an *inter partes* reexamination of all claims 1-60 of the '504 patent. The Office assigned that proceeding control no. 95/001,788 ("the '1,788 reexamination"). On June 25, 2013, the Office issued a Right of Appeal Notice (Ex. 1071), in response to which VirnetX filed a Notice of Appeal on July 25, 2013. Briefing for the appeal is currently underway.

On December 31, 2012, VirnetX served Apple with another complaint, alleging that additional Apple products infringe claims 1, 2, 5, 6, 14-23, 26-28, 33-

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