

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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RPX CORP.,  
Petitioner,

v.

VIRNETX INC.,  
Patent Owner.

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Case IPR2014-00171  
Patent 6,502,135

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Before MICHAEL P. TIERNEY, KARL D. EASTHOM, and STEPHEN C. SIU,  
*Administrative Patent Judges.*

EASTHOM, *Administrative Patent Judge.*

DECISION  
Motion to Expunge  
*37 C.F.R. § 42.56*

## INTRODUCTION

On July 14, 2014, Petitioner, RPX Corp. (“RPX”), filed a Motion to Expunge (“Motion”), requesting two alternatives: 1) to expunge from the record all documents that have been filed under seal in this proceeding, or 2) to expunge, in their entirety, Exhibits 2044, 2045, 2049, and 2056, and to redact certain information contained in Papers 35, 46, and 49, and in Exhibits 2043, 2046–2048, 2050–2055, and 2058. Paper 54.

With its Motion, as part of the second alternative, Petitioner submitted redacted versions of Paper 35 (Paper 55), Paper 46 (Paper 56) and Paper 49 (Paper 57) and Exhibits 2043, 2046–2048, 2050–2055, and 2058. In addition to the newly redacted version of Paper 46 (Paper 56) and of Paper 49 (Paper 57), the record includes a previously redacted version of Paper 46 (Paper 47) and of Paper 49 (Paper 52). The record also includes previously redacted and sealed versions of many other exhibits and papers.

In our Decision Denying Institution (Paper 49), we determined that Apple Inc. (“Apple”) was an unnamed real-party-in interest in this proceeding. Apple, from whom VirnetX sought and obtained discovery, has participated throughout the proceeding with the named parties in determining what information to seal and redact. In its Motion, RPX outlines the positions by Apple and VirnetX concerning its opposition against, or agreement with, RPX’s Motion. (The Motion indicates that Apple and VirnetX communicated their respective positions to RPX, rather than filing papers.)

Under second alternative, the public will retain much more information than it would retain under the first alternative. Petitioner’s Motion under the *first alternative* is *denied* and under the *second alternative* is *granted*.

## PUBLIC POLICY

A strong public policy exists for making all information filed in a quasi-judicial administrative proceeding open to the public, especially in an *inter partes* review, which determines the patentability of claims in an issued patent and therefore affects the rights of the public.

Only “confidential information” is protected from disclosure. 35 U.S.C. § 316(a)(7)(“The Director shall prescribe regulations . . . providing for protective orders governing the exchange and submission of confidential information”). The Office Patent Trial Practice Guide, 77 Fed. Reg. 48,756, 48,760 (Aug. 14, 2012) (“TPG”), provides guidance:

The rules aim to strike a balance between the public’s interest in maintaining a complete and understandable file history and the parties’ interest in protecting truly sensitive information.

\* \* \*

*Confidential Information:* The rules identify confidential information in a manner consistent with Federal Rule of Civil Procedure 26(c)(1)(G), which provides for protective orders for trade secret or other confidential research, development, or commercial information. § 42.54.

Granting a motion to seal “confidential information” requires a showing of “good cause” 37 C.F.R. § 42.54 during a proceeding. A parallel rule, 37 C.F.R. § 42.56, implies the same standard applies to a motion to expunge “confidential information” “[a]fter denial of a petition to institute a trial or after final judgment in a trial.” The movant generally has the burden of proof in showing entitlement to the requested relief. 37 C.F.R. § 42.20(c). In this case, RPX must show that any information sought to be expunged constitutes confidential information, and that RPX’s interest in expunging it outweighs the public’s interest in maintaining a complete and understandable file history of this *inter partes* review.

## REQUEST TO EXPUNGE

### *RPX's First Alternative*

RPX does not carry its burden under the first proposed alternative. RPX and Apple essentially maintain that expunging from the record all documents that have been filed under seal in this proceeding, strikes the appropriate balance, because the parties and Apple previously balanced the interests and agreed upon the information to be sealed and redacted. In addition, according to RPX and Apple, the Board easily can implement the proposal. *See* Motion 3–4.

VirnetX opposes, arguing that Apple has not shown good cause. *See id.* at 5. When the documents were sealed and filed initially, the Board had not weighed the public interest from the perspective of creating a complete and *final* record, after rendering its Decision Denying Institution. RPX does not maintain that the parties and Apple weighed the public interest in reaching its agreements as to sealing and redacting the multitude of papers and exhibits during the proceeding.

RPX is correct that the Board reasoned that the previously redacted version of the Decision Denying Institution (Paper 52) struck the appropriate balance. *See* Motion 2–3 (citing Paper 53). Nevertheless, in rendering our Order (Paper 53) concerning the redaction of the Decision Denying Institution, we implicitly considered the public's interest in having immediate access to the Decision Denying Institution, and struck a balance that favored keeping more information confidential, at least for a limited time, to ensure that Apple's and RPX's interests were protected.

Now, however, from the perspective of creating a final, permanent, public record, including all the exhibits and papers sought to be expunged and redacted, and taking into account the parties interests, including real party-in-interest Apple's, we determine that RPX has not met its burden on the first alternative. Expunging all previously sealed information, and retaining the previously redacted

IPR2014-00171  
Patent 6,502,135

versions in their place, would result in less than “a complete and understandable file history” and result in an overly inclusive expungement of information that RPX does not show is “truly sensitive.” *See* TPG at 48,760.

Accordingly, we deny RPX’s first requested alternative: the request to expunge all papers and exhibits filed under seal.

*RPX’s Second Alternative*

*Exhibits 2043, 2046–2048, 2050–2055, and 2058*

RPX requests the removal of certain individual names from these exhibits, and in some of the exhibits, contact information. RPX proposes generally replacing the redacted names and/or contact information with the entity associated with the individual (i.e., either “Apple” or “RPX”). RPX makes further and similar showings with respect to requesting redaction of confidential information from a portion of Exhibit 2050. Apple does not oppose the requests. *See* Motion 11–13.

VirnetX argues that RPX did not show good cause, allegedly because individual names are not in the nature of a “trade secret or other confidential research, development, or commercial information.” *See* Motion 11 (quoting TPG at 43,761). *See id.* at 12–13.

RPX maintains that its employee’s names and contact information, and other information specified, are confidential. *See* Motion 11. The Board’s Decision Denying Institution does not rely on any such information, that information is not required for a complete understanding of the record, and VirnetX does not explain how the public has a discernable interest in these specific names and contact information, or the information sought to be redacted from Exhibit 2050. On balance, RPX shows good cause to retain, as public, the redacted versions of Exhibits 2043, 2046–2048, 2050–2055, and 2058, and to expunge the sealed versions thereof.

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