

Filed on behalf of: VirnetX Inc.

By:

Joseph E. Palys

Paul Hastings LLP

875 15th Street NW

Washington, DC 20005

Telephone: (202) 551-1996

Facsimile: (202) 551-0496

E-mail: josephpalys@paulhastings.com

Naveen Modi

Paul Hastings LLP

875 15th Street NW

Washington, DC 20005

Telephone: (202) 551-1990

Facsimile: (202) 551-0490

E-mail: naveenmodi@paulhastings.com

UNITED STATES PATENT AND TRADEMARK OFFICE

---

BEFORE THE PATENT TRIAL AND APPEAL BOARD

---

MICROSOFT CORP. and APPLE INC.

Petitioners

v.

VIRNETX INC.

Patent Owner

---

Case IPR2014-00403<sup>1</sup>

Patent 7,987,274

---

**Patent Owner VirnetX's Motion for Rehearing of the Decision  
to Institute and Join IPR2014-00483 Under 37 C.F.R. § 42.71(d)**

---

<sup>1</sup> Case IPR2014-00483 has been joined with this case.

**Table of Contents**

- I. Introduction.....1
- II. Precise Relief Requested .....2
- III. Statement of Facts.....2
- IV. Legal Standards .....3
- V. Argument .....4
  - A. The Petition Fails to Comply with 35 U.S.C. §§ 312(a)(3)-(4) and 37 C.F.R. § 42.104(b).....4
  - B. The Board Relied on Evidence Not of Record.....8
  - C. The Board Improperly Granted Joinder .....11
- VI. Conclusion .....12

**Table of Authorities**

	<b>Page(s)</b>
<b>FEDERAL CASES</b>	
<i>CLIO USA, Inc. v. The Proctor and Gamble Co.</i> , IPR2013-00450, Paper No. 19 (Feb. 4, 2014) .....	4, 8
<i>Google Inc. et al. v. Everymd.com LLC</i> , IPR2014-00347, Paper No. 9 (May 22, 2014).....	6
<i>Apple Inc. v. Evolutionary Intelligence, LLC</i> , IPR2014-00079, Paper No. 8 (Apr. 25, 2014).....	6
<i>Wowza Media Sys., LLC et al. v. Adobe Sys., Inc.</i> , IPR2013-00054, Paper No. 16 (July 13, 2013) .....	6
<i>Tasco, Inc. v. Pagnani</i> , IPR2013-00103, Paper No. 6 (May 23, 2013).....	6
<i>Atrium Med. Corp. v. Davol Inc.</i> , IPR2013-00186, Paper No. 34 (Oct. 23, 2013) .....	6
<i>Synopsys, Inc. v. Mentor Graphics Corp.</i> , IPR2012-00041, Paper No. 16 (Feb. 22, 2013).....	6
<i>CaptionCall, LLC v. Ultratec, Inc.</i> , IPR2013-00549, Paper No. 20 (Apr. 28, 2014).....	6
<i>ScentAir Techs., Inc. v. Prolitec, Inc.</i> , IPR2013-00179, Paper No. 9 (Apr. 16, 2013).....	10
<i>Idle Free Sys., Inc. v. Bergstrom, Inc.</i> , IPR2012-00027, Paper No. 26 (June 11, 2013).....	10
<i>NetApp, Inc. v. PersonalWeb Technologies, LLC</i> , IPR2013-00319, Paper No. 18 (July 22, 2013) .....	10
<i>Sony Corp. of America v. Network-1 Sec. Solutions, Inc.</i> , IPR2013-00386, Paper No. 16 (July 29, 2013) .....	11

**FEDERAL STATUTES**

35 U.S.C. § 102.....2  
35 U.S.C. § 103.....2  
35 U.S.C. § 312.....2, 4, 5, 7, 8  
35 U.S.C. § 314.....10, 11  
35 U.S.C. § 315.....11

**FEDERAL REGULATIONS**

37 C.F.R. § 42.104.....2, 4, 5, 7, 8  
37 C.F.R. § 42.71 .....3, 4

## I. Introduction

The Board misapprehended or overlooked deficiencies in Apple's petition for *inter partes* review in IPR2014-00483 ("the '483 proceeding") and improperly instituted the petition based on evidence that was not of record in the proceeding. As a result of this oversight, the Board improperly joined Apple's petition to that in IPR2014-00403 ("the '403 proceeding"), further prejudicing Patent Owner VirnetX.

Throughout its petition, Apple repeatedly cites to an expert declaration to support and explain its unpatentability contentions for U.S. Patent No. 7,987,274 ("the '274 patent"). (*See generally* Petition in IPR2014-00483; Ex. 1011 in IPR2014-00483.)<sup>2</sup> But the declaration upon which Apple so heavily relies lacks any analysis of the '274 patent. (Ex. 1011 in IPR2014-00483.) Nevertheless, the Board instituted Apple's petition, incorporating its analysis from the '403 proceeding, which cites to an entirely different expert declaration. (Institution

---

<sup>2</sup> Apple was given a two-week extension to the five business day time period set in the Decision in IPR2014-00483 to refile its exhibits from IPR2014-00483 into IPR2014-00403. At the time of filing this Motion for Rehearing, Apple has not yet refiled its exhibits. Therefore, exhibits that are not yet of record in IPR2014-00403 are identified by the numbering set by Apple in IPR2014-00483.

# Explore Litigation Insights

Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

## Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time alerts** and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

## Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

## Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

## API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

## LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

## FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

## E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.