Paper 24

Date: October 3, 2014

### UNITED STATES PATENT AND TRADEMARK OFFICE

# BEFORE THE PATENT TRIAL AND APPEAL BOARD

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MICROSOFT CORP. and APPLE INC., Petitioner,

v.

VIRNETX INC., Patent Owner.

Case IPR2014-00404<sup>1</sup>

Patent 7,987,274 B2

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

SIU, Administrative Patent Judge.

DECISION Request for Rehearing 37 C.F.R. § 42.71(d)

<sup>&</sup>lt;sup>1</sup> Case IPR2014-00484 has been joined to Case IPR2014-00404.



# I. BACKGROUND

VirnetX, Inc. ("Patent Owner"), in its Request for Rehearing ("Req." or "Request"), seeks reversal of the Board's Decision ("Decision") to institute an *inter partes* review of claims 1–5, 7, 8, 10, 12, 15, and 17 of U.S. Patent 7,987,274 B2 ("the '274 Patent," Ex. 1001) and to join IPR2014-00484 with the instant proceeding. See Paper 22, 1 ("Req. Reh'g."). For the reasons that follow, the Board denies the requested relief.

The applicable standard for a request for rehearing is set forth in 37 C.F.R. § 42.71(d), which provides in relevant part:

A party dissatisfied with a decision may file a request for rehearing, without prior authorization from the Board. The burden of showing a decision should be modified lies with the party challenging the decision. The request must specifically identify all matters the party believes the Board misapprehended or overlooked, and the place where each matter was previously addressed in a motion, opposition, or a reply.

### II. DISCUSSION

Patent Owner has not shown an abuse of discretion or an overlooked material point. Patent Owner argues that Apple Inc. ("Petitioner") "relies on an expert declaration that makes no mention of *Kiuchi* or the '274 patent." Req. Reh'g 4–5. However, Petitioner proposes grounds of unpatentability for claims 1–4, 7, 8, 10, 12, 15, and 17 as anticipated by Kiuchi and includes claim charts mapping specific citations of Kiuchi to claim limitations recited in the '274 patent. *See, e.g.,* '484 IPR Pet. 17–31. Petitioner provides similar arguments with respect to Kiuchi in combination with other references. *See, e.g.,* '484 IPR Pet. 31–39. Patent Owner does not explain persuasively how we overlooked a point in '484 IPR Petition that would render institution and joinder deficient.



Patent Owner also argues that "the flaws in Apple's petition render it incapable of providing the explanation and particularity required by 35 U.S.C. §§ 312(a)(3)-(4) and 37 C.F.R. §§ 42.104(b)(4)-(5)." Req. Reh'g 5. Specifically, Patent Owner argues that "Apple at least fails to explain why Kiuchi's 'REQUEST' message allegedly discloses the 'access request message' of claim 1" and that "none of these issues was addressed in the Board's Decision instituting Apple's petition." Req. Reh'g. 7–8. Contrary to Patent Owner's contention, both Microsoft ('404 IPR) and Apple ('484 IPR) argue that the Kiuchi discloses an "access request message." See, e.g., '404 IPR Pet. 36; '484 IPR Pet. 27–28. Patent Owner does not point out any specific differences in these contentions.

As we stated in the Decision, with respect to Kiuchi, "[w]e incorporate our previous analysis regarding the . . . asserted grounds of unpatentability." '484 IPR Decision 6. In the Decision in the '404 IPR (incorporated into the Decision of the '484 IPR), we explained the basis of our conclusion to institute *inter partes* review with respect to the "access request message" claim limitation. '404 IPR Pet. 5–6, 13–15. Thus, we disagree with Patent Owner's contention that the issue of the "access request message of claim 1" was supposedly not "addressed in the Board's Decision."

Patent Owner argues that our incorporation of the '404 IPR Decision in the '484 IPR Decision is improper because "Apple's contentions regarding Kiuchi in IPR2014-00484 are in fact different than the contentions made by Microsoft in IPR2014-00404." Req. Reh'g 8–9. Patent Owner does not point out specific material differences between the contentions made in the '404 IPR with respect to contentions made in the '484 IPR that would preclude the incorporation of the '404 IPR Decision with that of the '484 IPR.



Patent Owner argues that joinder of the '484 IPR with the '404 IPR is improper because Patent Owner would need to "address two different expert declarations [which would] requir[e] significant additional analysis and expense by [Patent Owner]." Req. Reh'g 11-12. Patent Owner does not point out how "significant" the additional analysis or expense would be to analyze an expert declaration or how such "significance" would, in fact, be prohibitive.

# III. CONCLUSION

Based on the foregoing discussion, Patent Owner's requested relief for a reversal of the Decision is denied because Patent Owner has not shown that the Decision overlooks or misapprehends a material point.

### IV. ORDER

For the reasons given, it is

ORDERED that the Request for Rehearing is denied.



# IPR2014-00404 Patent 7,987,274 B2

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