

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TEXAS
TYLER DIVISION**

VirnetX Inc.,

Plaintiff,

v.

Apple Inc.,

Defendant.

Civil Action No. 6:11-cv-563

Jury Trial Demanded

VirnetX Inc. and Science Applications
International Corporation,

Plaintiffs,

v.

Apple Inc.,

Defendant.

Civil Action No. 6:12-cv-855

Jury Trial Demanded

JOINT CLAIM CONSTRUCTION AND PREHEARING STATEMENT

Pursuant to Local Patent Rule 4-3, Plaintiffs, VirnetX Inc. and Leidos, Inc., formerly Science Applications International Corporation (collectively “VirnetX”) and Defendant, Apple Inc. (“Apple”) hereby file this Joint Claim Construction and Prehearing Statement in accordance with the Court’s Docket Control Order entered June 25, 2013 [Dkt. 56].

a) Terms on Which the Parties Agree

After several meet and confer telephone conferences, the parties were able to narrow the list of disputed claim terms and phrases for their P.R. 4-1 lists and P.R. 4-2 exchange of preliminary claim construction and extrinsic evidence. The parties, however, were unable to reach an agreement on the meaning of the disputed claim terms or phrases set forth in **Exhibit B** hereto.

b) Proposed Constructions

The parties have set forth their proposed constructions in four exhibits:

Exhibit A sets forth the proposed constructions of each agreed upon claim term of the VirnetX patents in suit, U.S. Patent No. 6,502,135 (“the ‘135 patent”), U.S. Patent No. 7,418,504 (“the ‘504 patent”), U.S. Patent No. 7,490,151 (“the ‘151 patent”), U.S. Patent No. 7,921,211 (“the ‘211 patent”), U.S. Patent No. 8,051,181 (“the ‘181 patent”) and 8,504,697 (“the ‘697 patent”) (collectively, “the Patents-in-Suit”). For those terms in Exhibit A previously construed by this Court, the parties request that those terms be given the meanings as adopted in the Court’s memorandum opinions in *VirnetX Inc. v. Cisco Sys. Inc.*, No. 6:10-cv-417-LED, Dkt. No. 266 (Apr. 25, 2012) and *VirnetX Inc. v. Mitel Networks Corp.*, No. 6:11-cv-18-LED, Dkt. No. 307 (Aug. 1, 2012).

Exhibit B sets forth VirnetX’s and Apple’s proposed respective constructions of each disputed claim term of the Patents-in-Suit. VirnetX and Apple have agreed to rest on the prior claim construction briefing for many of the terms that have already been construed. *See* No. 6:10-CV-00417-LED, Dkt. Nos. 173, 182, 192, 209, 366, 424. Where a party proposes a construction that was previously adopted by the Court, that party requests that the term be given the meaning as adopted in the Court’s memorandum opinions in *VirnetX Inc. v. Cisco Sys. Inc.*, No. 6:10-cv-417-LED, Dkt. No. 266 (Apr. 25, 2012) and *VirnetX Inc. v. Mitel Networks Corp.*, No. 6:11-cv-18-LED, Dkt. No. 307 (Aug. 1, 2012). The terms that the parties will rest on the prior briefing have been highlighted in green. The un-highlighted terms will be the subject of new briefing in this matter.

Exhibit C sets forth all references from the specification and prosecution history that support VirnetX’s proposed constructions and an identification of the extrinsic evidence known to VirnetX on which VirnetX intends to rely either to support its proposed construction of the claim language or to oppose Apple’s proposed construction of the claim language. VirnetX relies on the intrinsic

evidence as a whole relating to the Patents-in-Suit, including the claim language, the specification and figures, the file history, and the references cited on the face of the patent. In addition to the intrinsic and extrinsic evidence identified by VirnetX, VirnetX reserves the right to rely on the record of *VirnetX Inc. v. Microsoft Corp.*, No. 6:07-cv-80, *VirnetX Inc. v. Cisco Sys. Inc.*, No. 6:10-cv-417-LED, and *VirnetX Inc. v. Mitel Networks Corp.*, No. 6:11-cv-18-LED, and any intrinsic or extrinsic evidence identified by Apple in support of its proposed constructions. VirnetX may also rely upon intrinsic and extrinsic evidence, including the prosecution history and/or any re-examinations, to rebut the constructions proposed by Apple.

Exhibit D sets forth all references from the specification and prosecution history that support Apple's proposed constructions and an identification of the extrinsic evidence known to Apple on which Apple intends to rely either to support their proposed construction of the claim language or to oppose VirnetX's proposed construction of the claim language. Apple relies on the intrinsic evidence as a whole relating to the Patents-in-Suit, including the claim language, the specification and figures, the file history, and the references cited on the face of the patent. In addition to the intrinsic and extrinsic evidence identified by Apple, Apple reserves the right to rely on the record of *VirnetX Inc. v. Microsoft Corp.*, No. 6:07-cv-80, *VirnetX Inc. v. Cisco Sys. Inc.*, No. 6:10-cv-417-LED, and *VirnetX Inc. v. Mitel Networks Corp.*, No. 6:11-cv-18-LED, and any intrinsic or extrinsic evidence identified by VirnetX in support of its proposed constructions. Apple may also rely upon intrinsic and extrinsic evidence, including the prosecution history and/or any re-examinations, to rebut the constructions proposed by VirnetX.

c) Claim Construction Hearing Length

VirnetX anticipates that the length of time necessary for the Claim Construction Hearing is 1 hour, with the time being split equally between VirnetX and Apple.

Apple anticipates that the length of time necessary for the Claim Construction Hearing is 2 hours, with the time being split equally between VirnetX and Apple.

d) Witnesses, Including Experts, for the Claim Construction Hearing

Based on their current understanding of the parties' respective claim construction positions, as derived from the meet-and-confer process, VirnetX and Apple do not believe expert testimony is necessary for the Claim Construction Hearing. If testimony becomes necessary, VirnetX reserves the right to call Dr. Mark Jones and Apple reserves the right to call Dr. John Kelly.

e) Other Issues for the Hearing

VirnetX respectfully requests that the Court allow VirnetX to argue its motion to compel the production of Apple's source code [Dkt. No. 95] which is currently before the Court.

DATED: February 14, 2014

Respectfully submitted,

CALDWELL CASSADY & CURRY

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