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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.
Petitioner

v.

VIRNETX INC.
Patent Owner

Case IPR2014-00486
Patent 8,051,181

PATENT OWNER'S OPPOSITION TO APPLE'S MOTION FOR JOINDER

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I. INTRODUCTION

Apple asks the Board to take the unprecedented step of joining *inter partes* review proceedings on different patents—a premature request that is statutorily barred, would add new substantive issues and unnecessary complexity to the proceedings, is prejudicial to VirnetX, and overlooks that Apple is already pursuing invalidity challenges in the Office through *inter partes* reexamination and in a district court litigation. Though Apple contends that joinder will allow for “efficient[]” and “timely” resolution (Paper No. 3 at 1), the facts show otherwise. Apple proposes combining four of its IPR petitions with two of Microsoft's, adding to Microsoft's proceedings one new patent, twenty-nine new claims, six additional prior art references, nineteen new grounds of unpatentability, three new declarations totaling over 660 pages, and one new declarant. Accordingly, Patent Owner respectfully requests that the Board deny Apple's request to join its IPR2014-00485 and -00486 of U.S. Patent No. 8,051,181 (“the '181 patent”) and its IPR2014-00483 and -00484¹ of U.S. Patent No. 7,987,274 (“the '274 patent”) with Microsoft's IPR2014-00403 and -00404 of the '274 patent.

¹ Apple's joinder requests are procedurally defective because Apple only filed them in the '181 proceedings and failed to file joinder requests in its '274 proceedings. They are also defective to the extent they seek to join Microsoft's

II. PRECISE RELIEF REQUESTED

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

III. STATEMENT OF FACTS

On November 1, 2011, VirnetX served Apple with a complaint alleging that certain Apple products infringe '181 patent claims 1, 2, 4-12, 17, 19, 21, 22, and 24-29. Ex. 2001. The litigation was stayed pending resolution of an International Trade Commission case between VirnetX and Apple. The stay has since been lifted and the litigation was consolidated with another case before the same court involving the same parties and related patents—*VirnetX Inc. v. Apple, Inc.*, No. 6:12-cv-855 (E.D. Tex. Nov. 6, 2012). The consolidated cases remain pending.

On March 28, 2012, Apple initiated *inter partes* reexamination 95/001,949 of all claims 1-29 of the '181 patent (“the '181 reexamination”). Most recently in this reexamination, the Office issued a Right of Appeal Notice and VirnetX filed its opening Appeal Brief on March 14, 2014.²

petitions on the '274 patent to one another. “Joinder may be requested by a patent owner or petitioner.” 37 C.F.R. § 42.122. Apple is neither a petitioner nor patent owner in relation to the Microsoft proceedings, so it cannot request this joinder.

² Prosecution was improperly closed, so VirnetX filed a petition to reopen prosecution when it filed its appeal brief. It awaits further action by the Office.

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