

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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MICROSOFT CORPORATION,  
Petitioner

v.

VIRNETX, INC.,  
Patent Owner

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Case IPR2014-00558  
Patent 6,502,135

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**PETITIONER'S REPLY TO  
PATENT OWNER'S OPPOSITION TO  
PETITIONER'S MOTION FOR JOINDER**

Mail Stop Patent Board  
Patent Trial and Appeal Board  
U.S. Patent and Trademark Office  
P.O. Box 1450  
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## **I. Introduction**

Microsoft's motion for joinder satisfies the requirements of 35 U.S.C. § 315(c), 37 C.F.R. §§ 42.20-22, 42.24, and 42.122(b), as well as prior Board precedent. *See e.g., Kyocera Corp. v. Softview LLC*, IPR2013-00004, Paper No. 15 at 4 (PTAB, Apr. 24, 2013). VirnetX's arguments to the contrary revolve around incorrect interpretations of 35 U.S.C. § 315, an unfounded view that joinder would adversely impact the trial schedule of IPR2014-00171, and an incomplete portrayal of Microsoft's opportunities in previous proceedings.

## **II. VirnetX's Interpretations of 35 U.S.C. § 315 is Incorrect**

First, VirnetX asserts that a petition subject to the time limit of § 315(b) does not "warrant[] the institution of an *inter partes* review" and, as a result, joinder under § 315(c) is not available. Paper No. 6 at 4. VirnetX's argument ignores qualifying language that appears in § 315(c): "warrants the institution of an *inter partes* review under section 314." 35 U.S.C. § 315(c) (emphasis added). Accordingly, only the section 314 thresholds need to be considered when evaluating joinder.

Second, VirnetX asserts that the one-year time bar applies even when joinder is requested, despite § 315(b)'s provision that the time limitation does not apply. Paper No. 6 at 6-7. The Board has consistently and correctly interpreted the last sentence of 35 U.S.C. § 315(c) to mean that a request for joinder will

“obviate the time bar under 35 U.S.C. § 315 (b)” when including a motion for joinder and a corresponding petition for *inter partes* review pursuant to 35 U.S.C. 315(c). See *Apple Inc. v. VirnetX, Inc.*, IPR2013-00349, Paper 14 at 4 (PTAB, Dec. 13, 2013); see also *Microsoft Corp. v. Proxyconn, Inc.*, IPR2013-00109, Paper 15 at 3-4 (PTAB, Feb. 25, 2013). This interpretation is consistent with § 315(b), § 315(c), and legislative history.

With respect to § 315(b), the first sentence establishes a time constraint for filing a petition. By expressly referring back to the time constraint of the first sentence (“set forth in the preceding sentence”), the second sentence provides an exception to the first sentence’s time constraint for filing a petition. Thus, the second sentence cannot be read separately from the first sentence as VirnetX proposes. Moreover, the second sentence specifies the exception applies to requests for joinder under § 315(c). Because subsection (c) establishes that joinder is contingent on the filing of a petition for *inter partes* review by the party seeking joinder, Microsoft’s request for joinder (i.e., the required combination of its petition and motion for joinder) satisfies the exception of § 315(b).

With respect to § 315(c), VirnetX relies heavily on an incorrect interpretation of “properly file[d].” VirnetX cites to portions of Senator Kyl’s comments regarding the term “properly filed” as used in § 315(c), but fails to cite the section of Senator Kyl’s comments that supports the Board’s previous

interpretation. *See* Paper No. 6 at 8. Relevant portions of Senator Kyl’s statement that were omitted by VirnetX appear in the following excerpt: “a petition is properly filed when it is delivered and accepted in compliance with applicable rules governing filings, though particular claims within filings be barred on other procedural grounds, and that time deadlines for filing petitions must be complied with in all cases.” Ex. 2009 at 7 (emphasis added). In full, his comments support making a determination of whether a petition has been “properly filed” independent of whether the petition is barred on other procedural grounds (e.g., the timing requirements of § 315(b)).

**III. Joinder of this Proceeding with IPR2014-00171 Will Not Substantially Increase the Complexity or Duration of the Proceedings or Prejudice VirnetX**

Though VirnetX broadly asserts that there are “significant differences between the petitions,” the only difference VirnetX is able to expressly identify is that Microsoft relies upon its own expert declaration. VirnetX contends that this single difference will overly complicate the proceedings. But, as Microsoft’s motion for joinder made clear, the Guerin Declaration relates to grounds already raised by the RPX IPR and it supports conclusions already set forth in that IPR. Paper No. 3 at 8. Simply employing a different expert, particularly when addressing grounds in a prior petition, does not overly complicate that proceeding.

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