

Served on behalf of: VirnetX Inc.

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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 IPR2014-00614

Patent 7,418,504 B2<sup>1</sup>

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**PATENT OWNER'S MOTION TO SEAL**

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<sup>1</sup> Case IPR2014-00613 has been consolidated with the instant proceeding.

Patent Owner VirnetX Inc. (“VirnetX”) requests permission to seal the documents contained in Exhibit 2042 under 37 C.F.R. § 42.54. Exhibit 2042 is a transcript of a conference call that contains confidential information regarding a confidential settlement agreement between Petitioner Microsoft Corporation (“Microsoft”) and Patent Owner. Because Exhibit 2042 contains confidential information, Patent Owner respectfully requests permission to seal Exhibit 2042.

### **I. Exhibit 2042**

On December 19, 2014, the Board held a conference call with the parties to discuss the filing of a Motion to Terminate in light of a settlement between Patent Owner and Petitioner. Exhibit 2042 is a transcript of that call and contains a description of terms within the confidential settlement agreement. Because of its confidential nature, Exhibit 2042 should be sealed.

### **II. Good Cause Exists for Sealing Exhibit 2042**

In determining whether to grant a Motion to Seal, the Board must “strike a balance between the public’s interest in maintaining a complete and understandable file history and the parties’ interest in protecting truly sensitive information.” *Office Patent Trial Practice Guide*, 77 Fed. Reg. 48771, 48760 (Aug. 14, 2012). “A party intending a document or thing to be sealed shall file a motion to seal concurrent with the filing of the document or thing to be sealed.” 37 C.F.R. § 42.14. “The rules identify confidential information in a manner consistent

with Federal Rule of Civil Procedure 26(c)(1)(G), which provides for protective orders for trade secret or other confidential research, development, or commercial information.” *Trial Practice Guide* at 48760. “The Board may, for good cause, issue an order to protect a party or person from disclosing confidential information.” 37 C.F.R. § 42.54.

Exhibit 2042 is a transcript of a conference call between the Board and the parties that is being filed concurrently with this motion. The transcript includes a discussion of terms within the confidential settlement agreement. The discussion of terms constitutes confidential business information. Both Patent Owner and Petitioner have an expectation that the details of the settlement agreement will remain confidential, as evidenced by their filing of a Joint Request to Treat the Settlement Agreement as Business Confidential Information (Paper No. 17). Thus, Patent Owner respectfully submits that good cause exists for filing this exhibit under seal in this proceeding.

### **III. Certification of Non-Publication**

On behalf of Patent Owner, undersigned counsel certifies the information sought to be sealed by this Motion to Seal has not, to their knowledge, been published or otherwise made public. Efforts to maintain the confidentiality of this type of information have been undertaken by Patent Owner and Petitioner in the related district court proceeding between the parties.

**IV. Proposed Protective Order**

Patent Owner proposes that the default protective order found in Appendix B of the Trial Practice Guide be entered.

**V. Certification of Conference with Opposing Party Pursuant to 37 C.F.R. § 42.54**

Patent Owner has in good faith conferred with Petitioner as to the scope of the proposed Protective Order. Petitioner has agreed to the provisions in the Board's Default Protective Order set forth in the Office Patent Trial Practice Guide (77 Fed. Reg. 48771 (Aug. 14, 2012)) and also agrees with the redactions to Exhibit 2042.

Dated: January 2, 2015

Respectfully submitted,

/Joseph E. Palys/  
Joseph E. Palys  
Registration No. 46,508

Counsel for VirnetX Inc.

**CERTIFICATE OF SERVICE**

I hereby certify that on this 2nd day of January 2015, a copy of the foregoing Motion to Seal was served by electronic mail upon the following:

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Dated: January 2, 2015

Respectfully submitted,

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