Paper No. 2

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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APPLE INC.

Petitioner,

v.

VIRNETX, INC. AND SCIENCE APPLICATION INTERNATIONAL

CORPORATION,

VirnetX

Patent No. 7,921,211
Issued: Apr. 5, 2011
Filed: Aug. 17, 2007
Inventors: Victor Larson, *et al.*
Title: Agile network protocol for secure communications using secure domain names

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*Inter Partes* Review No. IPR2015-00185 and -00186

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**PETITIONER'S MOTION FOR JOINDER**

## I. INTRODUCTION

Apple Inc. ("Apple") moves to join its concurrently filed petitions for *inter partes* review involving U.S. Patent No. 7,921,211 (the '211 patent) with the consolidated *inter partes* reviews requested by Microsoft Corp. ("Microsoft") against the '211 patent, *Microsoft Corp. v. VirnetX Inc.*, IPR2014-00615 and -00618 (the Microsoft IPRs). The Board instituted trial in those proceedings on October 15, 2014.

The Apple petitions are timely filed under 35 U.S.C. § 315(c), as they are filed within one month of the date that the Microsoft IPRs were instituted. *See e.g.*, IPR2014-00615, Paper 9 at 1, 27-28. As the statute provides and the Board has explained, the one-year filing window specified in § 315(b) and Rule 42.101(b) "shall not apply to a request for joinder under subsection (c)." 35 U.S.C. § 315(b); *Dell Inc. v. Network-1 Security Solutions, Inc.*, IPR2013-00385, Paper 17 at 4-5 (granting joinder beyond the one-year window); *Microsoft Corp. v. Proxyconn, Inc.*, IPR2013-00109, Paper 15 at 4-5 (same); Rule 42.122(b) (the "time period set forth in §42.101(b) shall not apply when the petition is accompanied by a request for joinder.").

Joinder is appropriate because of the substantial similarity between the Apple petitions and the Microsoft IPRs. Each of the Apple petitions relies on the ***same*** grounds as those instituted by the Board in the Microsoft IPRs. Additionally,

Apple has included new grounds of unpatentability based on a single claim (claim 5) and based on the same prior art involved in the instituted proceedings: Kiuchi and Provino. These new grounds against claim 5 present substantially the same patentability considerations as those raised by claims 23 and 47; each relies on the same prior art, the same rationale, and even the same citations. Moreover, VirnetX has consistently treated claims 5, 23, and 47 as rising and falling together. *See, e.g.*, 95/001,789, Appeal Brief in *Inter Partes* Reexamination, p. 40 (Aug. 23, 2014).

Other factors relevant to joinder favor granting this motion, including that: (i) the same schedule for various proceedings can be adopted, (ii) Apple is not advancing any new expert testimony, and thus, discovery will not be impacted by joinder, and (iii) joinder will not materially affect the range of issues needing to be addressed by the Board and by the parties in the joined proceedings. *See Kyocera Corp. v. Softview LLC*, IPR2013-00004, Paper No. 15 at 4 (Apr. 24, 2013). Because all these factors support joining these proceedings, Apple requests the Board to grant this motion for joinder.

## II. RELEVANT FACTS

The ’211 patent is a member of a family of patents owned by VirnetX that includes U.S. Patent Nos. 6,502,135, 7,490,151, and 7,418,504. The specifications of these patents are nearly identical. VirnetX has asserted varying sets of claims of

the ’211 and other of its patents against Apple and other entities in numerous lawsuits. In August of 2010, VirnetX sued Apple and five other entities (the “2010 Litigation”). VirnetX asserted “at least” claims 1, 2, 5, 6, 14-23, 26-28, 33-47, 50-52, and 57-60 of the ’211 patent against Apple and claims 1, 6, 8, 9, 14-17, 19-23, 26-36, 38-41, 43-47, and 50-60 against co-defendant Cisco. After trial, VirnetX obtained a judgment of infringement against Apple on, *inter alia*, claims 36, 37, 47, and 51 of the ’211 patent. In September 2014, this judgment was reversed-in-part by a Federal Circuit panel, and VirnetX presently has a pending request for rehearing en banc. *See VirnetX, Inc. v. Cisco Systems, Inc.*, No. 2013-1489, 2014 WL 4548722 (Fed. Cir. Sept. 16, 2014).

On December 31, 2012, VirnetX served a new complaint on Apple asserting infringement of “at least” claims 1, 2, 5, 6, 14-23, 26-28, 33-47, 50-52, and 57-60 of the ’211 patent (the “2012 Litigation”). The new complaint led to a civil action, now pending in the Eastern District of Texas, that will go to trial on October 13, 2015.

## III. ARGUMENT

Joinder with the Microsoft IPRs is justified because each factor identified by the Board as supporting joinder is met. For example, the Board has explained that a motion for joinder should: (1) explain the reasons why joinder is appropriate; (2) identify any new grounds of unpatentability asserted in the petition; (3) explain

what impact (if any) joinder would have on the trial schedule for the existing review; and (4) address specifically how briefing and discovery may be simplified. *Kyocera Corp. v. Softview LLC*, IPR2013-00004, Paper 15 at 4 (representative order). Each of these factors is addressed below, and, when considered together, strongly support granting this motion for joinder.

### A. Joinder Is Appropriate

Joinder between the instant petitions and the Microsoft IPRs is appropriate because they involve the same patent, the same art, the same expert declaration, and the same arguments and legal rationales. With the exception of the new ground for claim 5 (discussed below), Apple's proposed grounds of invalidity are ***identical*** to Microsoft's.

Granting joinder would also simplify litigation issues between the parties. A final written decision from the Board would simplify issues that need to be resolved during the October 2015 trial. Granting the present joinder motion will therefore further the statutory purpose of the *inter partes* review system by ensuring the "just, speedy, and inexpensive resolution" of a disagreement between parties over patent validity. *See* Office Patent Trail Guide, 77 Fed. Reg. 48756, 48758 (Aug. 14, 2012).

Permitting joinder will not prejudice Microsoft. Apple raises no issues that are not already before the Board, such that joinder would not affect the timing of

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