P			
Filed:	January	16,	2015

Filed on behalf of: VirnetX Inc.

By:

Joseph E. Palys Naveen Modi

Paul Hastings LLP
875 15th Street NW
Washington, DC 20005

Paul Hastings LLP
875 15th Street NW
Washington, DC 20005

Telephone: (202) 551-1996 Telephone: (202) 551-1990 Facsimile: (202) 551-0496 Facsimile: (202) 551-0490

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC. Petitioner

v.

VIRNETX INC. Patent Owner

Case IPR2015-00189 Patent 7,418,504

Patent Owner's Preliminary Response to Petition for *Inter Partes* Review of U.S. Patent No. 7,418,504



Table of Contents

I.	Intro	duction	1
II.	Apple Remains Time-Barred and Institution Is Precluded by Statute		
III.	Apple's Petition Should Be Denied Under 35 U.S.C. §§ 315(d) and 325(d), Consistent with Board Precedent and Policy		3
	A.	Apple's Petitions Are the Eleventh and Twelfth <i>Inter Partes</i> Office Challenges to the '504 Patent	3
	B.	Denial of the Petition Under 35 U.S.C. §§ 315(d) and 325(d) Is Authorized and Appropriate	7
IV.	Institution Would Prejudice VirnetX, Yet Denial of Institution Would Not Unduly Prejudice Apple		13
V.	Conc	elusion	16



TABLE OF AUTHORITIES

	Page(s)
Federal Cases	
Butamax Adv. Biofuels LLC v. Gevo, Inc., IPR2014-00581, Paper No. 8 (Oct. 14, 2014)	3
Conopco, Inc. v. Procter & Gamble Co., IPR2014-00507, Paper No. 17 at 2 (July 7, 2014)	8, 9
Conopco, Inc. v. Procter & Gamble Co., IPR2014-00628, Paper No. 21 at 11 (Oct. 20, 2014)	12
Medtronic, Inc. v. Nuvasive, Inc., IPR2014-00487, Paper No. 8 (Sept. 11, 2014)	9, 10
Prism Pharma Co., Ltd. v. Choongwae Pharma Corp., IPR2014-00315, Paper No. 14 (July 8, 2014)	11
SAS Institute, Inc. v. Complementsoft, LLC, IPR2013-00581, Paper No. 15 (Dec. 30, 2013)	15
Standard Innovation Corp. v. Lelo, Inc., IPR2014-00907, Paper No. 10 (Dec. 1, 2014)	12, 15
Unified Patents, Inc. v. Personal Web Techs., LLC et al., IPR2014-00702, Paper No. 13 (July 24, 2014)	10, 11
VirnetX, Inc. v. Cisco Sys., Inc., 767 F.3d 1308 (Fed. Cir. 2014)	4
Federal Statutes	
35 U.S.C. § 311	2
35 U.S.C. § 314	2
35 U.S.C. § 315(b)	2, 3, 5, 13
35 U.S.C. § 315(c)	2, 3
35 U.S.C. § 315(d)	passim



Case No. IPR2015-00189

35 U.S.C. § 325(d)	passim
Regulations	
37 C.F.R. § 42.1(b)	13
37 C.F.R. § 42.11	13



I. Introduction

Board decisions and sound policy support denying the eleventh and twelfth Office challenges to U.S. Patent No. 7,418,504 ("the '504 patent")—Apple Inc.'s Petition here and in IPR2015-00188.

Apple itself initiated <u>seven</u> of these twelve challenges, either by itself or, as the Board found, through its "proxy" RPX Corporation. (IPR2014-00176, Paper No. 57 at 7 (redacted) (June 5, 2014) (finding that "RPX is Apple's proxy").) Apple filed two IPR petitions, which were both denied as time-barred. RPX filed two more IPR petitions, which were denied because Apple was an unnamed and time-barred real party-in-interest. Apple also initiated an *inter partes* reexamination of the '504 patent.

Three proceedings involving the '504 patent are now pending before the Office. These include Apple's own *inter partes* reexamination, a separate *inter partes* reexamination initiated by Cisco Systems, Inc., and two IPRs filed by Microsoft Corporation that have been consolidated with one another. Because Apple's Petition here and that in IPR2015-00188 seek to essentially replicate issues and evidence already before the Office, they should be denied under 35 U.S.C. §§ 315(d) and 325(d).

¹ Microsoft and VirnetX have settled and have filed a joint motion to terminate in the consolidated IPR. The motion to terminate is pending.



DOCKET

Explore Litigation Insights



Docket Alarm provides insights to develop a more informed litigation strategy and the peace of mind of knowing you're on top of things.

Real-Time Litigation Alerts



Keep your litigation team up-to-date with **real-time** alerts and advanced team management tools built for the enterprise, all while greatly reducing PACER spend.

Our comprehensive service means we can handle Federal, State, and Administrative courts across the country.

Advanced Docket Research



With over 230 million records, Docket Alarm's cloud-native docket research platform finds what other services can't. Coverage includes Federal, State, plus PTAB, TTAB, ITC and NLRB decisions, all in one place.

Identify arguments that have been successful in the past with full text, pinpoint searching. Link to case law cited within any court document via Fastcase.

Analytics At Your Fingertips



Learn what happened the last time a particular judge, opposing counsel or company faced cases similar to yours.

Advanced out-of-the-box PTAB and TTAB analytics are always at your fingertips.

API

Docket Alarm offers a powerful API (application programming interface) to developers that want to integrate case filings into their apps.

LAW FIRMS

Build custom dashboards for your attorneys and clients with live data direct from the court.

Automate many repetitive legal tasks like conflict checks, document management, and marketing.

FINANCIAL INSTITUTIONS

Litigation and bankruptcy checks for companies and debtors.

E-DISCOVERY AND LEGAL VENDORS

Sync your system to PACER to automate legal marketing.

