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Paper 17
Date Entered: November 2, 2015

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,

v.

VIRNETX INC.,
Patent Owner.

Case IPR2015-00810 (Patent 8,868,705 B2)
Case IPR2015-00811 (Patent 8,868,705 B2)
Case IPR2015-00812 (Patent 8,850,009 B2)
Case IPR2015-00866 (Patent 8,458,342 B2)
Case IPR2015-00868 (Patent 8,516,131 B2)
Case IPR2015-00870 (Patent 8,560,705 B2)
Case IPR2015-00871 (Patent 8,560,705 B2)[1]

Before KARL D. EASTHOM, JENNIFER S. BISK, and GREGG I. ANDERSON, *Administrative Patent Judges.*

ANDERSON, *Administrative Patent Judge*.

DECISION
Motion to Submit Supplemental Information
37 C.F.R. § 42.123(a)(1)

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[1] This Decision addresses issues that are identical in all cases. We exercise our discretion to issue one Decision to be filed in each case. The parties are not authorized to use this style heading for any subsequent papers.

I. INTRODUCTION

Petitioner, Apple Inc., filed a Motion to Submit Supplemental Information Pursuant to 37 C.F.R. § 42.123(a). Paper 17 ("Motion" or "Mot.").[2] Patent Owner, VirnetX Inc., opposed the Motion. Paper 19 ("Opposition" or "Opp."). The Motion requests that supplemental information, represented by Exhibits 1057 to 1065 in IPR2015-00811 and -00871 and Exhibits 1060 to 1065 in IPR2015-00810, -00812, -00866, -00868, and -00871, be made of record in the respective proceedings. Mot. 1 n1.

Petitioner asserts Exhibits 1057 to 1059 are relevant to the public availability of Aventail Connect (Exhibits 1009–1011) and Exhibits 1060–1065 are relevant to the public availability of RFC 2401 (Ex. 1008). Mot. 1. Accordingly, Petitioner asserts that Aventail Connect and RFC 2401 were publicly available prior to the effective filing date of, in CBM2015-00811, US Patent 8,868,705 (the "'705 patent"). *Id.* Petitioner asserts public availability is an issue raised by Patent Owner in its Preliminary Response (Paper 6, 1–6, "Prelim. Resp.") and Request for Rehearing (Paper 12, 3–4). *Id.* at 4.

For the reasons set forth below, the Motion is granted.

II. DISCUSSION

Pursuant to 37 C.F.R. § 42.123 (a), after institution of trial, a petitioner may request authorization to file a motion to submit supplemental information. The rule states:

[2] Unless otherwise noted, we refer to the papers in IPR2015-00811, which includes all supplemental information under consideration in all cases.

> § 42.123 Filing of supplemental information.
>
> (a) *Motion to submit supplemental information*. Once a trial has been instituted, a party may file a motion to submit supplemental information in accordance with the following requirements:
>
> (1) A request for the authorization to file a motion to submit supplemental information is made within one month of the date for which the trial has been instituted.
>
> (2) The supplemental information must be relevant to a claim for which the trial has been instituted.

Although Petitioner met the threshold requirements recited in subparts (a)(1) and (2) of 37 C.F.R. § 42.123(a) and was authorized via email to file a motion to submit supplemental information, authorization does not guarantee that the motion will be granted. The burden of proof remains with Petitioner to establish that it is entitled to the requested relief. 37 C.F.R. § 42.20(c). In construing our Rules, we are guided by our mandate "to secure the just, speedy, and inexpensive resolution" to this proceeding. *See* 37 CF.R. § 42.1(b).

A. Exhibits 1057–1059 (Aventail Connect Exhibits)

Exhibits 1022, 1023, and 1043 were filed with the Petition and relate to public availability of Aventail Connect. Mot. 5 n.2. For example, Exhibit 1023, the Declaration of Chris Hopen ("Hopen Declaration"), describes the availability of Aventail Connect. *Id.* at 5 (citing Ex. 1023 ¶¶ 13–16)). Prior to the filing of the Motion, Patent Owner objected to Exhibits 1022, 1023, and 1043 ("First Objection,"

Paper 11, 1).[3] In response to the First Objection, Petitioner served Exhibits 1057–1059 as supplemental evidence under 37 C.F.R. § 42.64(b)(2). *Id.* 5 n.2.

Petitioner contends Exhibits 1057–1059 contain testimony from Mr. Hopen that corroborates the reliability of Exhibits 1022, 1023, and 1043 and are supplemental information. Mot. 5 n.2 (citing *Valeo North Am., Inc. v. Magna Elects., Inc.*, IPR2014-01204, Paper 26 at 5 (PTAB Apr. 10, 2015)). Specifically, Exhibit 1057 is a rough transcript of Mr. Hopen's deposition in the related District Court litigation and Exhibit 1058 is an exhibit from that deposition. *Id.* at 6 (citing Ex. 1057, 4–6, 191; Ex. 1058, i (marked as deposition exhibit "P4")). Exhibit 1059 is a transcript of part of the trial in the related District Court litigation. *Id.* at 8. Petitioner asserts that Exhibits 1057–1059 support its contention that Aventail Connect is prior art to the challenged claims. Mot. 8.

Patent Owner argues that all of the exhibits offered as supplemental information prejudicial, amount to almost 900 pages. Opp. 1, 3. Patent Owner also points out that "Petitioner was in possession of the majority of the supplemental information well prior to the filing of its original Petition and thus must have knowingly omitted them." *Id.* at 2 (citing Mot., Attachment A). Patent Owner argues that the "intentional delay" in obtaining or presenting

[3] Patent Owner objected on the grounds that the exhibits are: (1) not relevant to the grounds upon which trial was instituted; and (2) inadmissible hearsay. Paper 11, 1.

information does not "further the ability of the Office to complete IPR proceedings in a timely manner." *Id.* at 2–3. Patent Owner concludes all of the exhibits Petitioner seeks to make of record as supplemental information should have been filed with the Petition. *Id.* at 3–4.

Preliminarily, that Exhibits 1057–1059 have been served as supplemental evidence does not preclude those same exhibits from being supplemental information. "Nothing in the Board's rules prohibits a party from filing, as supplemental information, evidence which also is responsive to evidentiary objections." *Valeo*, Paper 26, at 5.

Under 37 C.F.R. § 42.123(a), unlike 37 C.F.R. § 42.123(b), Petitioner need not "show why the supplemental information reasonably could not have been obtained earlier." While Petitioner does not allege the delay was unintentional, Petitioner argues that it is not relevant to the analysis under 37 C.F.R. § 42.123(a) that the supplemental information "could not have been obtained earlier." *See* Mot. 2. Patent Owner asserts the delay was "intentional" without any evidence or authority that, even if the delay was intentional, we should preclude the supplemental information. Thus, we are not persuaded by Patent Owner's argument regarding "intentional delay."

We are not persuaded that there is any undue prejudice to Patent Owner by allowing the supplemental information as part of the record in this proceeding. Patent Owner's prejudice argument relies on the volume of the exhibits, almost 900 pages. However, based on the quoted portions of the exhibits in the Motion the volume of

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