

1
2 UNITED STATES PATENT AND TRADEMARK OFFICE

3 -----
4 BEFORE THE PATENT TRIAL AND APPEAL BOARD

5
6 APPLE INC.

7
8 Petitioner

9
10 v.

11
12 VIRNETX INC. AND APPLICATION

13
14 INNTERNATIONAL CORPORATION

15
16 Patent Owner

17 -----
18 Case No. IPR2015-01047

19
20 TRANSCRIPT OF PROCEEDINGS

21
22 Thursday, April 14, 2016

23
24 BEFORE:

25 HON. MICHAEL TIERNEY

HON. STEPHEN SIU

HON. KARL EASTHOM

Reported by:

FRANCIS X. FREDERICK, CSR, RPR, RMR

JOB NO. 106359

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S :

SIDLEY AUSTIN

Attorneys for Petitioner, Apple Inc.

1501 K Street, N.W.

Washington, D.C. 20005

BY: JEFFREY KUSHAN, ESQ.

SCOTT BORDER, ESQ.

THOMAS BROUGHAN III, ESQ.

PAUL HASTINGS

Attorneys for Patent Owner, VirnetX Inc.

875 15th Street, N.W.

Washington, D.C. 20005

BY: DANIEL ZEILBERGER, ESQ.

JOSEPH PALYS, ESQ.

ALSO PRESENT:

THOMAS MARTIN, ESQ., Blackswamp

JAMES BAILEY, ESQ., Mangrove

PROCEEDINGS

1
2 JUDGE TIERNEY: Welcome everyone
3 to the conference call today regarding
4 IPR2015-01047. This is Judge Tierney.
5 My understanding is that the joint
6 petitioners had requested a call with the
7 Board to request additional discovery for
8 cross-examination of a declarant, Dr.
9 Short.

10 Petitioner, if you would begin the
11 call by giving a summary of what your
12 request is today and then we'll turn it
13 over to the patent owner after you've
14 given your summary.

15 MR. KUSHAN: Thank you, Your
16 Honor. It's Jeff Kushan. I can provide
17 the issue from Apple's perspective and I
18 would invite my other petitioner
19 colleagues to provide their own views.

20 We have seen filed with the patent
21 owner response, Exhibit 2050, which is
22 the declaration by Dr. Robert Short that
23 had been prepared during the proceeding
24 in the patent owner response which is
25 Paper 48 at pages 29 to 35. The patent

PROCEEDINGS

1
2 owner is relying on that testimony from
3 Dr. Short to contend send there has been
4 a number of secondary considerations
5 established, failure of others,
6 commercial success, et cetera.

7 And we went through the
8 petition -- I'm sorry -- the patent owner
9 response and saw that the bulk of that
10 argument has been supported by reliance
11 on the declaration from Dr. Short. So we
12 reached out to the patent owner to see if
13 they would produce Dr. Short for
14 cross-examination and the patent owner
15 declined.

16 We've had a couple rounds of back
17 and forth to see if there are alternative
18 ways of addressing the concerns we had.
19 We suggested that if they were not
20 prepared to produce Dr. Short for
21 deposition, they should perhaps withdraw
22 the declaration from the record and make
23 their reliance on it.

24 The patent owner also proposed to
25 allow us to rely on trial testimony from

PROCEEDINGS

1
2 Dr. Short in a case against Apple. We
3 had looked -- and they provided us with a
4 copy of the trial testimony of Dr. Short.

5 We went through that and found
6 that it did not address the topics that
7 are corresponding to the testimony he's
8 offering in the -- in this proceeding,
9 particularly the cross-examination of Dr.
10 Short by Apple at that trial. I note
11 that at the trial -- and we were not the
12 counsel for Apple in the trial -- we --
13 Apple did not go after the ground of
14 obviousness in the trial. They went
15 after anticipation.

16 There was not much of a
17 cross-examination of Dr. Short on the
18 factors relating to secondary
19 considerations or obviousness.

20 And so we've I think reached an
21 impasse unfortunately, Your Honor, that
22 we're unable to get either a deposition
23 of Dr. Short so that we can test his
24 testimony that's been presented to
25 support the secondary considerations

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.