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Paper No. 13
Filed: January 25, 2016

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE, INC.,
Petitioner,

v.

VIRNETX INC.,
Patent Owner.

Case IPR2016-00063
Patent 7,490,151 B2

Before MICHAEL P. TIERNEY, KARL D. EASTHOM, and STEPHEN C. SIU, *Administrative Patent Judges.*

SIU, *Administrative Patent Judge*.

DECISION
Institution of *Inter Partes* Review
37 C.F.R. § 42.108

I. INTRODUCTION

Apple, Inc. ("Petitioner") filed a Petition ("Pet.") on October 26, 2015 (Paper 1) requesting *inter partes* review of claims 1, 2, 6–8, and 12–14 of U.S. Patent No. 7,490,151 ("the '151 Patent," Ex. 1001). Along with the

Petition, Petitioner filed a Motion for Joinder (Paper 2, "Mot.") with IPR2015-01047, *The Mangrove Partners Master Fund, Ltd. v. VirnetX Inc.*, a pending *inter partes* review involving the '151 patent.

VirnetX Inc. ("Patent Owner") filed a Preliminary Response (Paper 10, "Prelim. Resp.") and an Opposition to the Motion for Joinder (Paper 9, "Opp.") on January 8, 2016. Petitioner filed a Reply to Patent Owner's Opposition to the Motion for Joinder on January 15, 2016 (Paper 12, "Reply"). For the reasons described below, we institute an *inter partes* review of all the challenged claims and grant Petitioner's Motion for Joinder.

II. INSTITUTION OF *INTER PARTES* REVIEW

The Petition in this proceeding asserts the same grounds as those on which we instituted review in the IPR2015-01047. On October 7, 2015, we instituted a trial in the IPR2015-01047 matter on the following grounds:

Reference(s)	**Basis**	**Claims challenged**
Kiuchi[1]	§ 102	1, 2, 6–8, and 12–14
Kiuchi and RFC 1034[2]	§ 103	1, 2, 6–8, and 12–14
Kiuchi and Rescorla[3]	§ 103	1, 2, 6–8, and 12–14
Kiuchi and RFC 1034 and Rescorla	§ 103	1, 2, 6–8, and 12–14

[1] Takahiro Kiuchi and Shigekoto Kaihara, *C-HTTP – The Development of a Secure, Closed HTTP-Based Network on the Internet*, PROCEEDINGS OF THE SYMPOSIUM ON NETWORK AND DISTRIBUTED SYSTEM SECURITY, IEEE 64–75 (1996) (Ex. 1002, "Kiuchi").
[2] P. Mockapetris, *Domain Names – Concepts and Facilities*, Network Working Group, Request for Comments: 1034 (1987) (Ex. 1005, "RFC1034").
[3] E. Rescorla and A. Schiffman, *The Secure HyperText Transfer Protocol*, Internet Draft (Feb. 1996) (Ex. 1004, "Rescorla").

The Mangrove Partners Master Fund, Ltd. v. VirnetX Inc., Case IPR2015-01047, slip. op. at 12 (PTAB October 7, 2015) (Paper 11) ('1047 Decision); *See also* IPR2015-01047, slip. op. at 1–2 (PTAB December 10, 2015) (Paper 24) ('1047 Errata).

In view of the identity of the challenge in the instant Petition and in the petition in IPR2015-01047, we institute an *inter partes* review in this proceeding on the same grounds as those on which we instituted *inter partes* review in IPR2015-01047.

III. GRANT OF MOTION FOR JOINDER

An *inter partes* review may be joined with another *inter partes* review, subject to the provisions of 35 U.S.C. § 315(c), which governs joinder of *inter partes* review proceedings:

> (c) JOINDER. – If the Director institutes an inter partes review, the Director, in his or her discretion, may join as a party to that inter partes review any person who properly files a petition under section 311 that the Director, after receiving a preliminary response under 313 or the expiration of the time for filing such a response, determines warrants the institution of an inter partes review under section 314.

As the moving party, Petitioner bears the burden of proving that it is entitled to the requested relief. 37 C.F.R. § 42.20(c). A motion for joinder should: (1) set for the reasons joinder is appropriate; (2) identify any new grounds of unpatentability asserted in the petition; and (3) explain what impact (if any) joinder would have on the trial schedule for the existing review.

The Petition in this proceeding has been accorded a filing date of October 26, 2015 (Paper 4), which satisfies the joinder requirement of being

filed within one month of our instituting a trial in IPR2015-01047 (i.e., within one month of October 7, 2015). 37 C.F.R. § 42.122.

Patent Owner argues that Petitioner's Motion for Joinder "is barred by 35 U.S.C. § 315(b) . . . [b]ecause [Petitioner's] untimeliness precludes institution under § 315(b) [and so] it also precludes joinder under § 315(c)." Opp. 4. However, 35 U.S.C. § 315(b) states that "[t]he time limit . . . shall not apply to a request for joinder." 35 U.S.C. § 315(b). Hence, if a party filing a time-barred petition requests joinder, the one-year time bar "shall not apply." This is confirmed by the Board's rules, which provide that a petition requesting *inter partes* review may not be "filed more than one year after the date on which the petitioner, the petitioner's real party-in-interest, or a privy of the petitioner is served with a complaint alleging infringement of the patent," but the one-year time limit "shall not apply when the petition is accompanied by a request for joinder." 37 C.F.R. §§ 42.101(b), 42.122(b); *see also* IPR2013-00109, Paper 15 and IPR2013-00256, Paper 10 (permitting joinder of a party beyond the one-year window). The Board's rules do not conflict with the language of the statute as Patent Owner suggests.

We have considered Patent Owner's arguments regarding an alternate interpretation of the statute. *See, e.g.*, Opp. 4–8. However, we do not find these arguments persuasive for at least the reasons set forth by Petitioner. *See, e.g.*, Reply 2–3.

Patent Owner also argues that "joining . . . will have an impact on the '047 proceeding." Opp. 8. In particular, Patent Owner argues that the "petition raises additional issues and evidence." Opp. 8. Patent Owner does not provide details about any specific "additional issue" that is allegedly

raised. However, Petitioner states that Petitioner has filed "additional evidence confirming that RFC 1034 and Rescorla are printed publications that were publicly available before the earliest effective filing date of the challenged claims." Pet. 54. Hence, Patent Owner appears to argue that the Petition in this matter raises the "additional issue" of whether RFC 1034 or Rescorla is a printed publication that was publicly available before the earliest effective filing date of the challenged claims.

We note that Patent Owner previously argued that "the burden is on Petitioner to establish that RFC 1034 and Rescorla . . . . were 'sufficiently accessible to the public interested in the art'" but that Petitioner allegedly failed to do so. IPR2015-01047, Prelim. Resp. 18. In other words, the issue of whether RFC 1034 and Rescorla are printed publications that were publicly available before the earliest effective filing date of the challenged claims was previously raised by Patent Owner. Thus, this issue cannot be an "additional issue" raised subsequently by Petitioner. In any event, even assuming that this issue is an "additional issue" raised by Petitioner, Patent Owner does not explain sufficiently how this "additional issue" would impact this proceeding adversely or how an impact, if any, would preclude joinder.

Patent Owner requests that in the event that Petitioner's Motion for Joinder is granted, the Scheduling Order in IPR2015-01047 should be adopted, that Mangrove "will be responsible for the preparation and filing of any papers," that "Mangrove will conduct the deposition of any VirnetX witness," that "Mangrove will be responsible for any redirect of its expert," and that "Mangrove will conduct all oral arguments." Opp. 10.

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