

Filed on behalf of: VirnetX Inc.

By:

Joseph E. Palys
Paul Hastings LLP
875 15th Street NW
Washington, DC 20005
Telephone: (202) 551-1996
Facsimile: (202) 551-0496
E-mail:
PH-VirnetX-IPR@paulhastings.com

Naveen Modi
Paul Hastings LLP
875 15th Street NW
Washington, DC 20005
Telephone: (202) 551-1990
Facsimile: (202) 551-0490
E-mail:
PH-VirnetX-IPR@paulhastings.com

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

BLACK SWAMP INC.
Petitioner

v.

VIRNETX INC.
Patent Owner

Case IPR2016-00167
Patent 7,490,151

**Patent Owner's Preliminary Response
to Petition for *Inter Partes* Review
of U.S. Patent No. 7,490,151**

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I. Introduction

Black Swamp’s Petition represents the latest in a string of ten Office challenges to U.S. Patent No. 7,490,151 (“the ’151 patent”). Black Swamp’s attempt to jump on the bandwagon—with a purpose of merely extorting money from VirnetX—should be rejected for a number of reasons. For one, the Petition is completely devoid of any expert testimony. Lacking such expert testimony, the Petition fails to establish a reasonable likelihood that Petitioner will prevail with respect to any claim. In addition, the Petition should also be denied under 35 U.S.C. §§ 315(d) and 325(d) because it represents a serial attack on the ’151 patent that seeks to replicate issues and evidence already before the Office. Finally, although institution would prejudice VirnetX, denial of institution would not unduly prejudice Black Swamp.

II. Black Swamp’s Petition Should Be Denied Under 35 U.S.C. §§ 315(d) and 325(d), Consistent with Board Precedent and Policy

Given the number of serial challenges filed against the ’151 patent, and the fact that several are currently pending at the Office, the Board should invoke its authority under 35 U.S.C. §§ 315(d) and 325(d) to deny institution of this challenge.

A. Black Swamp’s Petition Is the Tenth *Inter Partes* Office Challenge to the ’151 Patent

Various entities have challenged the validity of the ’151 patent for years, both at the Office and in district court. For example, Apple Inc. challenged the

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