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IPR2014-00481, Paper No. 34
IPR2014-00482, Paper No. 33
June 19, 2015

RECORD OF ORAL HEARING
UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

APPLE INC.,
Petitioner,
v.
VIRNETX INC.,
Patent Owner.

Case No. IPR2014-00481 (Patent 7,188,180)
Case No. IPR2014-00482 (Patent 7,188,180)
Technology Center 2100
Oral Hearing Held on Tuesday, June 2, 2015

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

The above-entitled matter came on for hearing on Tuesday, June 2,
2015, at 2:00 p.m., in Hearing Room A, taken at the U.S. Patent and
Trademark Office, 600 Dulany Street, Alexandria, Virginia.

APPEARANCES:

ON BEHALF OF THE PETITIONER:

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ON BEHALF OF THE PATENT OWNER:

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P R O C E E D I N G S

(2:00 p.m.)

JUDGE TIERNEY: Please be seated. Welcome, everyone, for today's hearing in IPR2014-00481 and IPR2014-00482. At today's hearing each side is presented with half an hour.

I would expect today that we are going to start with Petitioner, followed by Patent Owner. If there is rebuttal by Petitioner, that will follow it. And we will allow for closing statements should Patent Owner wish a closing statement today.

Because the issues are similar to those which we have seen before, each side was allotted 30 minutes. However, if either side feels that that is too constraining upon today, let us know and we would be willing to consider going a little longer but, again, you understand that the issues today are similar to those that have been presented before.

But before we begin, are there any issues of a procedural nature that we need to take care of today, starting with Petitioner?

MR. KUSHAN: Yes, Your Honor. One matter is we have a pending motion, a pro hac admission of Mr. Border, and we would like you to possibly act on that because we were intending Mr. Border to provide remarks today. This motion was filed in May and we believe it is sufficient.

1 JUDGE TIERNEY: Is there any objections to the
2 admission?

3 MR. PALYS: No, Your Honor.

4 JUDGE TIERNEY: The Panel has taken the matter
5 under consideration and the motion is granted. Thank you.

6 Are there any other situations that we need to take
7 care of today? Patent Owner, is there anything you wish to
8 raise?

9 MR. PALYS: No, Your Honor.

10 JUDGE TIERNEY: All right. We will begin with
11 the Petitioner. Please begin when you are ready.

12 MR. BORDER: Thank you, Your Honor.

13 JUDGE TIERNEY: Would you like to reserve any
14 time for rebuttal today?

15 MR. BORDER: Yes, Your Honor. I plan on
16 taking about 20 minutes, so hopefully about 10 minutes for
17 rebuttal.

18 JUDGE TIERNEY: Thank you.

19 MR. BORDER: Good afternoon, Your Honors, and
20 may it please the Board. We are here to discuss two
21 proceedings that are listed above, 2014-00481 and 482. This
22 involves U.S. Patent Number 7,188,180. If okay I will just
23 refer to it as the '180 patent.

24 Slide 7, please. The first proceeding, the 481
25 proceeding, primarily relies on the reference Provino, which

1 is a U.S. patent, Exhibit 1003. And as you can see, the
2 grounds are based on both anticipation and obviousness.

3 Slide 53. Please. In the 482 proceeding it relied
4 primarily on the Kiuchi reference and it, too, involved
5 grounds based on anticipation and obviousness.

6 And as Your Honor just mentioned, there are
7 similar issues from prior proceedings. So our focus today --
8 if you can go to slide 2 -- is just going to be on the unique
9 issues raised in these two proceedings.

10 And so what we have tried to do here is provide a
11 short road map of what we believe are the unique
12 proceedings -- excuse me, the unique issues raised in these
13 two proceedings, and I will briefly address each one.

14 Could you go to slide 3, please. And so what we
15 have done here is we've put claim 1, the '274 patent, next to
16 claim 1 of the '180 patent.

17 And just to identify some of the differences and
18 the similarities, each patent claims sending a query message
19 to a secure domain server. Each patent claims receiving from
20 a secure domain name service a response message. And each
21 patent describes sending an access request message using a
22 virtual private network link and, of course, each are directed
23 to methods of accessing a secure network address.

24 Go to slide 13, please. We have highlighted one
25 of the primary differences between the '180 and the '274, and

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