

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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APPLE INC.,  
Petitioner,

v.

VIRNETX INC.,  
Patent Owner.

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Case IPR2014-00238  
Patent 8,504,697 B2

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

SIU, *Administrative Patent Judge*.

FINAL WRITTEN DECISION  
*35 U.S.C. § 318(a) and 37 C.F.R. § 42.73*

I. BACKGROUND

Apple Inc. (“Petitioner”) filed a Petition (Paper 1) (“Pet.”) seeking an *inter partes* review of claims 1–11, 14–25, and 28–30 of U.S. Patent No. 8,504,697 B2 (Ex. 1001, “the ’697 patent”) pursuant to 35 U.S.C. §§ 311–319. On May 14, 2014, the Board instituted an *inter partes* review of claims 1–11, 14–25, and 28–30 (Paper 15) (“Dec. on Inst.”).

Subsequent to institution, VirnetX (“Patent Owner”) filed a Patent Owner Response (Paper 30) (“PO Resp.”), and Petitioner filed a Reply (Paper 33) (“Pet. Reply”). An Oral Hearing was conducted on February 9, 2015.

The Board has jurisdiction under 35 U.S.C. § 6(c). This final written decision is issued pursuant to 35 U.S.C. § 318(a) and 37 C.F.R. § 42.73.

For the reasons that follow, we determine that Petitioner has shown by a preponderance of the evidence that claims 1–11, 14–25, and 28–30 of the ’697 patent are unpatentable.

*A. The ’697 Patent (Ex. 1001)*

The ’697 patent describes methods for communicating over the internet. Ex. 1001, 10:7–8.

*B. Illustrative Claim*

Claim 1 of the ’697 patent is reproduced below:

1. A method of connecting a first network device and a second network device, the method comprising:
  - intercepting, from the first network device, a request to look up an internet protocol (IP) address of the second network device based on a domain name associated with the second network device;
  - determining, in response to the request, whether the second network device is available for a secure communications service; and
  - initiating a secure communication link between the first network device and the second network device based on a determination that the second network device is available for the secure communications service;

wherein the secure communications service uses the secure communication link to communicate at least one of video data and audio data between the first network device and the second network device.

*C. Cited Prior Art*

Wesinger                      US 5,898,830                      Apr. 27, 1999                      (Ex. 1008)

H. Schulzrinne, et al., *SIP: Session Initiation Protocol*, Network Working Group, Request for Comments: 2543, Bell Labs, March, 1999 (“RFC 2543” Ex. 1012).

*D. Instituted Grounds of Unpatentability*

References	Basis	Claims Challenged
Wesinger	§102	1–3, 8–11, 14–17, 22–25, and 28–30
Wesinger and RFC 2543	§103	4–7 and 18–21

*E. Claim Interpretation*

*Secure communication link*

Patent Owner argues that the term “secure communication link” must include encryption. *See, e.g.*, PO Resp. 11, 13–19. Patent Owner, however, does not demonstrate sufficiently that the construction of this term impacts any issue in this proceeding. Therefore, we decline to construe this term.

*Virtual Private Network*

In the Decision, we construed the term “Virtual Private Network” to include a secure communication link that includes a portion of a public network. Dec. on Inst. 9–10. Patent Owner argues that “the Board need not construe this term . . . and [the construction of this term] does not appear to impact any of the issues in this case.” PO Resp. 21. In view of Patent

Owner's observation that the construction of this term does not impact any of the issues in this case, we decline to construe this term.

*Intercepting a request*

In the Decision, we construed the term "intercepting" a request as receiving a request pertaining to a first entity at another entity. Dec. on Inst. 12. Patent Owner states that "it does not appear that the construction of 'intercepting' will bear on the outcome of the issues in this *inter partes* review." PO Resp. 23. In view of Patent Owner's observation that the construction of the term "intercepting" has no bearing on the issues in this proceeding, we decline to construe this term.

*Determining in response to the request*

Patent Owner disputes the construction of this term in related IPR2014-00237. Patent Owner does not specify how the construction of the term "determining" is relevant in the present proceeding. Because the relevance of the construction of this term with any particular issue in this proceeding has not been established, we decline to construe the term "determining" in this proceeding.

Neither party has expressed disagreement with the constructions of other claim terms of the '697 patent, and we see no reason to modify these constructions based on the evidence introduced during trial. We maintain these constructions for this Final Written Decision.

## II. ANALYSIS

### A. *Wesinger*

For at least the foregoing reasons, we find that Petitioner has demonstrated that claims 1–3, 8–11, 14–17, 22–25, and 28–30 are anticipated by *Wesinger* under 35 U.S.C. § 102.

Claim 1, for example, recites “determining, in response to the request, whether the second network device is available for a secure communication service.” Claim 16 recites a similar feature. Patent Owner argues that *Wesinger* fails to disclose this feature. PO Resp. 37.

In particular, Patent Owner argues that *Wesinger* discloses “two distinct requests: a ‘DNS [query]’ and ‘an ensuing connection request.’” PO Resp. 40. Patent Owner further alleges that *Wesinger* discloses the “DNS query” is “for the network address of the destination D” but that “*Wesinger’s* firewall decides whether to allow or deny a requested connection upon receiving a connection request” and “does not perform its firewall allow/disallow processing . . . in response to [the] DNS request [or query].” PO Resp. 38, 39. We are not persuaded by Patent Owner’s argument.

Even if Patent Owner’s contention that *Wesinger* discloses a “connection request” is correct, Patent Owner does not demonstrate sufficiently that *Wesinger* fails to disclose that the “connection request” is, in fact, not associated with the “look up [of] an internet protocol (IP) address of the second network device based on a domain name associated with the second network device.” For example, *Wesinger* explicitly discloses that, responsive to the “connection request,” an IP address (e.g., “virtual host X.X.X.X., where X.X.X.X. represents an IP address,” Ex. 1008, 10:60–61)

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