

NOTE: This disposition is nonprecedential.

**United States Court of Appeals
for the Federal Circuit**

VIRNETX INC.,
Appellant

v.

APPLE INC.,
Appellee

**KATHERINE K. VIDAL, UNDER SECRETARY OF
COMMERCE FOR INTELLECTUAL PROPERTY
AND DIRECTOR OF THE UNITED STATES
PATENT AND TRADEMARK OFFICE,**
Intervenor

2022-1523

Appeal from the United States Patent and Trademark
Office, Patent Trial and Appeal Board in No. 95/001,682.

Decided: October 20, 2023

IGOR VICTOR TIMOFEYEV, Paul Hastings LLP, Washing-
ton, DC, argued for appellant. Also represented by
STEPHEN BLAKE KINNAIRD, NAVEEN MODI, JOSEPH PALYS,
DANIEL ZEILBERGER.

JOSHUA JOHN FOUGERE, Sidley Austin LLP, Washington, DC, argued for appellee. Also represented by THOMAS ANTHONY BROUGHAN, III, JEFFREY PAUL KUSHAN; SCOTT BORDER, Winston & Strawn LLP, Washington, DC.

SARAH E. CRAVEN, Office of the Solicitor, United States Patent and Trademark Office, Alexandria, VA, argued for intervenor. Also represented by THOMAS W. KRAUSE, MONICA BARNES LATEEF, AMY J. NELSON, FARHEENA YASMEEN RASHEED.

Before LOURIE, BRYSON, and CHEN, *Circuit Judges*.

BRYSON, *Circuit Judge*.

In this appeal from an *inter partes* reexamination proceeding before the Patent Trial and Appeal Board, the appellant VirnetX Inc. challenges the Board's decision holding that several claims of VirnetX's U.S. Patent No. 6,502,135 ("the '135 patent") are invalid. We *affirm*.

I

The '135 patent is directed to a system and method for communicating over the Internet and creating a virtual private network following a domain-name server look-up function.¹ Claim 18 of the '135 patent, which is the principal focus of VirnetX's appeal, provides as follows:

18. A method of transparently creating a virtual private network (VPN) between a client computer and a target computer, comprising the steps of

(1) generating from the client computer a Domain Name Service (DNS) request that requests an IP

¹ A domain name server uses a look-up table to correlate human-readable domain names to IP addresses and returns the IP address to the user.

address corresponding to a domain name associated with the target computer;

(2) determining whether the DNS request transmitted in step (1) is requesting access to a secure web site; and

(3) in response to determining that the DNS request in step (2) is requesting access to a secure target web site, automatically initiating the VPN between the client computer and the target computer, wherein:

steps (2) and (3) are performed at a DNS server separate from the client computer, and step (3) comprises the step of, prior to automatically initiating the VPN between the client computer and the target computer, determining whether the client computer is authorized to resolve addresses of non secure target computers and, if not so authorized, returning an error from the DNS request.

At the conclusion of the reexamination, the examiner found claim 18, along with several other claims of the '135 patent, to be invalid for anticipation and obviousness over several references. The Board reversed some of the examiner's rejections but affirmed the rejections of claims 10–14 and 17–18 on various grounds.

First, the Board upheld the examiner's rejection of claim 18 for obviousness over a combination of three references—Beser, Kent, and Blum.² Second, the Board upheld the examiner's rejection of claim 18 for anticipation based

² The Beser reference is U.S. Patent No. 6,496,867; the Kent reference is a November 1998 paper entitled "Security Architecture for the Internet Protocol"; and the Blum reference is U.S. Patent No. 6,182,141.

on a reference the Board referred to as BinGO.³ Third, the Board upheld the examiner's rejection of claims 10 and 12 as anticipated by BinGO. Fourth, the Board upheld the examiner's rejection of claim 11 as obvious over a combination of BinGO and a reference the Board referred to as Reed.⁴ The Board also affirmed the examiner's rejection of claims 13, 14, and 17, but VirnetX does not challenge the Board's rulings on those claims.

We affirm the Board's decision on appeal with respect to claims 10, 12, and 18 based on BinGO and, with respect to claim 11, based on the combination of BinGO and Reed. In view of our decisions regarding BinGO and the combination of BinGO and Reed, we do not find it necessary to address the Board's reliance on the combination of Beser, Kent, and Blum.⁵

II

A

At the outset of its discussion of BinGO, VirnetX complains that the Board "recrafted" claim 18, "ignored the claim language," and failed to address the limitations set forth in the claim. In particular, VirnetX argues that the Board misconstrued the "wherein" clause of claim 18, omitting the "prior to initiating the VPN" limitation and

³ The BinGO reference consists of the BinGO! User's Guide and the BinGO! Extended Feature Reference.

⁴ The Reed reference is a paper by Michael G. Reed, Paul F. Syverson, and David M. Goldschlag entitled Proxies for Anonymous Routing, presented at the 12th Annual Computer Security Applications Conference in December 1996.

⁵ We also find it unnecessary to address the Board's reliance on collateral estoppel with respect to issues concerning the combination of Beser and Kent. *See* J.A. 27–32.

mischaracterizing the “determining” limitation. As such, VirnetX argues, the Board analyzed only its own version of claim 18, not the actual language of the claim. VirnetX Br. 30.

We disagree with VirnetX’s characterization of the Board’s treatment of claim 18. To be sure, claim 18 is written in a manner that makes it hard to understand, and the Board confessed that it had difficulty in doing so, especially in its effort to map claim 18 on any portion of the ’135 written description.⁶

VirnetX’s quarrel with the Board’s treatment of claim 18 relates to the Board’s statement that it needed to decide “whether, as a general matter, the Beser, Kent, and Blum references would have rendered obvious determining whether a client has permission to access a web site and if not, returning an error message.” J.A. 31. That general characterization of the thrust of claim 18 does not indicate that the Board misunderstood the limitations of the claim, and particularly the “wherein” clause on which VirnetX focuses. In its discussion of obviousness, the Board accurately characterized that clause as requiring a determination of “whether a client is authorized to access a non secure target computer and returning an error if the

⁶ We agree with the Board that claim 18, as drafted, is not easy to understand. Moreover, the Board was correct in stating that the written description of the ’135 patent appears to contain nothing that describes the invention recited in claim 18. VirnetX seems to concede as much. As support for the claim, VirnetX points not to the written description, but to a canceled claim that was part of the initial application that ultimately matured into the ’135 patent.

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