United States Court of Appeals for the Federal Circuit

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STRAIGHT PATH IP GROUP, INC.,
Appellant

v.

SIPNET EU S.R.O.,
Appellee

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2015-1212

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Appeal from the United States Patent and Trademark Office, Patent Trial and Appeal Board in No. IPR2013-00246.

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Decided: November 25, 2015

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JAMES M. WODARSKI, Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., Boston, MA, argued for appellant. Also represented by WILLIAM MEUNIER, NICHOLAS ARMINGTON, SANDRA BADIN, MICHAEL NEWMAN, MICHAEL T. RENAUD, ADAM PHILLIP SAMANSKY.

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BRIAN K. ERICKSON, DLA Piper US LLP, Austin, TX, for amici curiae Samsung Electronics Co., LTD, Samsung Electronics America Inc., Samsung Telecommunications America LLC. Also represented by AARON FOUNTAIN, Houston, TX; MARK D. FOWLER, East Palo Alto, CA.

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Before DYK, TARANTO, and HUGHES, *Circuit Judges.*

Opinion for the court filed by *Circuit Judge* TARANTO.

Opinion concurring in part and dissenting in part filed by *Circuit Judge* DYK.

TARANTO, *Circuit Judge.*

Straight Path IP Group, Inc. owns U.S. Patent No. 6,108,704, entitled "Point-to-Point Internet Protocol," which describes certain protocols for establishing communication links through a network. On a petition for inter partes review filed by Sipnet EU S.R.O., the Patent Trial and Appeal Board cancelled claims 1–7 and 32–42 of the '704 patent based on determinations of anticipation and obviousness. *Sipnet EU S.R.O. v. Straight Path IP Group, Inc.*, IPR 2013-246, 2014 WL 5144564 (PTAB Oct. 9, 2014). We now reject a claim construction on which the Board relied for its decision. We reverse the Board decision, and we remand for further proceedings under the correct construction.

BACKGROUND

The '704 patent identifies a deficiency in what the prior art taught about real-time voice or video communications between two processing units over a network, such as the Internet. According to the specification, the prior art disclosed successful protocols for such point-to-point communication between users and devices that maintained permanent network addresses. '704 patent, col. 1, lines 48–52. But for systems in which addressing is dynamic, *i.e.*, in which devices obtain only temporary

addresses on a network, "point-to-point communications in realtime of voice and video have been generally difficult to attain." *Id.*, col. 1, lines 53–56. To solve the problem, the summary of the invention identifies a "point-to-point Internet protocol" that "exchanges Internet Protocol (IP) addresses between processing units to establish a point-to-point communication link," based on the first unit's querying "a connection server to determine the on-line status of" a second unit. *Id.*, col. 1, lines 59–61, col. 2, lines 1–2. The summary also identifies a second protocol, which involves email signaling. *Id.*, col. 2, lines 10–21.

The specification provides some details of operation—whose significance for claim construction is disputed, as discussed below. A processing unit, upon joining a network such as the Internet, automatically transmits its temporary network address and email address to a connection server. *Id.*, col. 5, lines 25–29. The server stores the addresses in a database and timestamps them, *id.*, col. 5, lines 29–31, thus "establish[ing]" the unit as "an active on-line party available for communication using the disclosed point-to-point Internet protocol," *id.*, col. 5, lines 32–34; *see id.*, col. 5, lines 35–38 (same for a second unit). To reduce the staleness of the status information, the server "may use the timestamps to update the status of each processing unit; for example, after 2 hours, so that the on-line status information stored in the database 34 is relatively current." *Id.*, col. 5, lines 39–44. Another, seemingly even better means of keeping the database information accurate about true on-line status is this:

> When a user logs off or goes off-line from the Internet 24, the connection server 26 updates the status of the user in the database 34; for example, by removing the user's information, or by flagging the user as being off-line. The connection server 26 may be instructed to update the user's information in the database 34 by an off-line message, such as a data packet, sent automatically from the

processing unit of the user prior to being discon-
nected from the connection server 26. According-
ly, an off-line user is effectively disabled from
making and/or receiving point-to-point Internet
communications.

Id., col. 6, lines 6–16.

When a first unit seeks to set up a point-to-point
communication link with a second unit, it "sends a query,
including the E-mail address of the callee, to the connec-
tion server 26," which "searches the database 34 to de-
termine whether the callee is logged-in by finding any
stored information corresponding to the callee's E-mail
address indicating that the callee is active and on-line."
Id., col. 5, lines 55–60. "If the callee is active and on-line,
the connection server 26 then performs the primary point-
to-point Internet protocol; i.e., the IP address of the callee
is retrieved from the database 34 and sent to the first
processing unit 12." *Id.*, col. 5, lines 60–64. The protocol
does not include the actual establishing of the point-to-
point communication, but once the IP address is sent to
the first unit, the first unit "may then directly establish"
communication with the callee using the latter's IP ad-
dress. *Id.*, col. 5, lines 64–67. And: "If the callee is not on-
line when the connection server 26 determines the callee's
status, the connection server 26 sends an OFF-LINE
signal or message to the first processing unit 12." *Id.*, col.
6, lines 1–4.

The specification then describes the "secondary point-
to-point Internet protocol," which involves the sending of
messages to an email server—either as a supplement to or
independently of the "primary" protocol using the connec-
tion server. *See, e.g., id.* at col. 6, line 17, to col. 7, line 31.
And it states that, using the described protocols, real-time
point-to-point audio, video, and voice communication can
"be established and supported without requiring perma-

nent IP addresses to be assigned to either" the caller or callee. *Id.*, col. 7, lines 32–36.

Claim 1 of the '704 patent is representative of the asserted claims:

> 1. A computer program product for use with a computer system, the computer system executing a first process and operatively connectable to a second process and a server over a computer network, the computer program product comprising:
>
> > a computer usable medium having program code embodied in the medium, the program code comprising:
> >
> > program code for transmitting to the server a network protocol address received by the first process following connection to the computer network;
> >
> > program code for transmitting, to the server, *a query as to whether the second process is connected to computer network*;
> >
> > program code for receiving a network protocol address of the second process from the server, when the second process is connected to the computer network; and
> >
> > program code, responsive to the network protocol address of the second process, for establishing a point-to-point communication link between the first process and the second process over the computer network.

'704 patent, col. 11, lines 2–22 (emphasis added to highlight the key claim phrase at issue).

In its petition for inter partes review of the '704 patent under 35 U.S.C. § 312, Sipnet requested cancellation of claims 1–7 and 32–42 as anticipated by and obvious

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