UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

NOTICE OF ENTRY OF JUDGMENT ACCOMPANIED BY OPINION

OPINION FILED AND JUDGMENT ENTERED:

The attached opinion announcing the judgment of the court in your case was filed and judgment was entered on the date indicated above. The mandate will be issued in due course.

Information is also provided about petitions for rehearing and suggestions for rehearing en banc. The questions and answers are those frequently asked and answered by the Clerk's Office.

Costs are taxed against the appellee in favor of the appellant under Rule 39. The party entitled to costs is provided a bill of costs form and an instruction sheet with this notice.

The parties are encouraged to stipulate to the costs. A bill of costs will be presumed correct in the absence of a timely filed objection.

Costs are payable to the party awarded costs. If costs are awarded to the government, they should be paid to the Treasurer of the United States. Where costs are awarded against the government, payment should be made to the person(s) designated under the governing statutes, the court's orders, and the parties' written settlement agreements. In cases between private parties, payment should be made to counsel for the party awarded costs or, if the party is not represented by counsel, to the party pro se. Payment of costs should not be sent to the court. Costs should be paid promptly.

If the court also imposed monetary sanctions, they are payable to the opposing party unless the court's opinion provides otherwise. Sanctions should be paid in the same way as costs.

Regarding exhibits and visual aids: Your attention is directed Fed. R. App. P. 34(g) which states that the clerk may destroy or dispose of the exhibits if counsel does not reclaim them within a reasonable time after the clerk gives notice to remove them. (The clerk deems a reasonable time to be 15 days from the date the final mandate is issued.)

FOR THE COURT

/s/ Daniel E. O'Toole
Daniel E. O'Toole
Clerk of Court

15-1212 - Straight Path IP Group, Inc. v. Sipnet EU S.R.O.
United States Patent and Trademark Office, Case No. IPR2013-00246

United States Court of Appeals for the Federal Circuit

STRAIGHT PATH IP GROUP, INC.,
Appellant

v.

SIPNET EU S.R.O.,
Appellee

2015-1212

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

Decided: November 25, 2015

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.

SANJAY PRASAD, Prasad IP, PC, Los Altos, CA, argued for appellee. Also represented by PAVEL POGODIN, Trans-Pacific Law Group, Palo Alto, CA.

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.

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 disconnected from the connection server 26. Accordingly, 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 connection server 26," which "searches the database 34 to determine 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 address. *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 connection 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-

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