

UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE PATENT TRIAL AND APPEAL BOARD

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BLACK SWAMP IP, LLC,  
Petitioner,

v.

VIRNETX INC.,  
Patent Owner.

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Case IPR2016-00957  
Patent 7,921,211 B2

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

SIU, *Administrative Patent Judge*.

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

Black Swamp IP, LLC (“Petitioner”) requested *inter partes* review of claims of U.S. Patent No. 7,921,211 B2 (“the ’211 patent”). We issued a Decision to institute an *inter partes* review (Paper 8, “Inst. Dec.”) of claims 1, 2, 5, 6, 15, 16, 23, 27, 36, 37, 39, 40, 47, 51, and 60 of the ’211 patent under 35 U.S.C. § 102 as anticipated by Kiuchi.<sup>1</sup> Inst. Dec. 2, 10.

After institution of trial, VirnetX Inc. (“Patent Owner”) filed a Patent Owner’s Response (Paper 10, “PO Resp.”), to which Petitioner replied (Paper 12, “Pet. Reply”). In response, Patent Owner filed “Patent Owner’s Identification of New Issues in Petitioner’s Reply Brief” (Paper 13, “PO Identification”). Oral argument was not requested by any of the involved parties.

We have jurisdiction under 35 U.S.C. § 318(a). After considering the evidence and arguments of both parties, and for the reasons set forth below, we determine that Petitioner met its burden of showing, by a preponderance of the evidence, that claims 1, 2, 5, 6, 15, 16, 23, 27, 36, 37, 39, 40, 47, 51, and 60 of the ’211 patent are unpatentable.

#### RELATED MATTERS

The ’211 patent is the subject of the following civil actions: (i) Civ. Act. No. 6:13-cv-00211 (E.D. Tex.); (ii) Civ. Act. No. 6:12-cv-00855 (E.D. Tex.); and (iii) Civ. Act. No. 6:10-cv-00417 (E.D. Tex.); Civ. Act. No. 6:11-cv-00018 (E.D. Tex.); Civ. Act. No. 6:13-cv-00351 (E.D. Tex.); Civ. Act.

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<sup>1</sup> Takahiro Kiuchi and Shigekoto Kaihara, C-HTTP – *The Development of a Secure, Closed HTTP-Based Network on the Internet*, PROCEEDINGS OF THE SYMPOSIUM ON NETWORK AND DISTRIBUTED SYSTEM SECURITY, IEEE 64-75 (1996) (Ex. 1005, “Kiuchi”).

No. 6:13-mc-00037 (E.D. Tex.); and Civ. Act. No. 9:13-mc-80769 (E.D. Fla). Pet. 2.

The '211 patent is also the subject of Reexamination Control Nos. 95/001,789 and 95/001,856. Pet. 2.

### THE '211 PATENT (EX. 1001)

The '211 Patent discloses a system and method for communicating over the internet. Ex. 1001 3:10-11.

### ILLUSTRATIVE CLAIM(S)

Independent claim 1 is representative of the claimed subject matter. Claim 1 is reproduced below:

1. A system for providing a domain name service for establishing a secure communication link, the system comprising:
  - a domain name service system configured and arranged to be connected to a communication network, store a plurality of domain names and corresponding network addresses, receive a query for a network address, and indicate in response to query whether the domain name service system supports establishing a secure communication link.

### OVERVIEW OF PRIOR ART

#### *Kiuchi (Exhibit 1005)*

Kiuchi discloses closed networks (closed HTTP (Hypertext Transfer Protocol)-based network (C-HTTP)) of related institutions on the Internet. Ex. 1005, 64. A client and client-side-proxy “asks the C-HTTP name server whether it can communicate with the [specified] host.” *Id.* at 65. If “the query is legitimate” and if “the requested server-side proxy is registered in the closed network and is permitted to accept the connection,” the “C-HTTP

name server sends the [requested] IP address.” *Id.* After confirmation by the C-HTTP name server “that the specified server-side proxy is an appropriate closed network member, a client-side proxy sends a request for connection to the server-side proxy, which is encrypted.” *Id.*

The server-side proxy “accepts [the] request for connection from [the] client-side proxy” (*id.* at 65) and, after the C-HTTP name server determines that “the client-side proxy is an appropriate member of the closed network,” that “the query is legitimate,” and that “the client-side proxy is permitted to access . . . the server-side proxy,” the “C-HTTP name server sends the IP address [of the client-side proxy].” *Id.* at 66. Upon receipt of the IP address, the server-side proxy “authenticates the client-side proxy” and sends a connection ID to the client-side proxy. After the client-side proxy “accepts and checks” the connection ID, “the connection is established,” after which time the client-side proxy forwards “requests from the user agent in encrypted form using C-HTTP format.” *Id.*

## ANALYSIS

Petitioner explains that Kiuchi discloses a “C-HTTP name server [that] operate[s] as a domain name service system [and] is connected to the Internet (which is a communication network).” Pet. 20 (citing Ex. 1005, 64). According to Petitioner, “Kiuchi discloses that the C-HTTP name server stores IP addresses and corresponding hostnames” because Kiuchi discloses that “each proxy will register an IP address and a hostname . . . with the C-HTTP name server . . . [that] correspond to one another [such that] the IP address is a network address and the hostname is a domain name.” Pet. 20–21 (citing Ex. 1005, 65).

Petitioner also argues that Kiuchi discloses that a “client-side proxy asks the C-HTTP name server whether it can communicate with the host specified in a given URL,” “and, if so, [the C-HTTP name server] provides an IP address (i.e., a network address) to the client-proxy.” Pet. 21, 22 (citing Ex. 1005, 65). In other words, according to Petitioner, Kiuchi discloses that the domain name service system of Kiuchi (i.e., the C-HTTP name server) receives a query for a network address (i.e., a client-side proxy “asks” the server for a network address, or an “IP address”).

Petitioner also states that “the C-HTTP name server [of Kiuchi] facilitates the establishment and operation of a secure communication link between the client-side proxy and the server-side proxy” and that “[t]he establishment and operation of a secure communication link in Kiuchi . . . is in and of itself ‘an indication that the domain name service system supports establishing a secure communication link.’” Pet. 23.

#### Claim 1 – Indication

Claim 1 recites indicating that “the domain name service system supports establishing a secure communication link.” As indicated above, Petitioner argues that “Kiuchi’s C-HTTP name server . . . determines if a query from the client-proxy is legitimate [and, if so,] . . . the C-HTTP name server provides an IP address . . . of the server-side proxy to the client-side proxy.” Pet. 22 (citing Ex. 1005 65). Also as indicated above, Petitioner also argues that “[t]he establishment . . . of a secure communication link in Kiuchi . . . is in and of itself ‘an indication . . .’” Pet. 23.

Claim 1 recites a domain name service system that indicates “whether the domain name service system supports establishing a secure

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