

NOTE: This disposition is nonprecedential.

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

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**PALO ALTO NETWORKS, INC.,**  
*Appellant*

v.

**FINJAN, INC.,**  
*Appellee*

**ANDREI IANCU, UNDER SECRETARY OF  
COMMERCE FOR INTELLECTUAL PROPERTY  
AND DIRECTOR OF THE UNITED STATES  
PATENT AND TRADEMARK OFFICE,**  
*Intervenor*

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2019-2151

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Appeal from the United States Patent and Trademark  
Office, Patent Trial and Appeal Board in Nos. IPR2016-  
00151, IPR2016-01071.

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Decided: December 16, 2020

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lant. Also represented by DENA CHEN, Palo Alto, CA.

JAMES R. HANNAH, Kramer Levin Naftalis & Frankel

LLP, Menlo Park, CA, for appellee. Also represented by PAUL J. ANDRE; JEFFREY PRICE, New York, NY.

SARAH E. CRAVEN, Office of the Solicitor, United States Patent and Trademark Office, Alexandria, VA, for intervenor. Also represented by THOMAS W. KRAUSE, FARHEENA YASMEEN RASHEED, DANIEL KAZHDAN.

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Before REYNA, SCHALL, and WALLACH, *Circuit Judges*.

SCHALL, *Circuit Judge*.

This is an appeal of the final decision of the United States Patent Office, Patent Trial and Appeal Board (“Board”), in IPR2016-00151, following a remand from this court. *Palo Alto Networks, Inc. v. Finjan, Inc.*, No. IPR2016-00151, Paper 68 (P.T.A.B. May 15, 2019), J.A. 1–7 (“Remand FWD”).<sup>1</sup> In the Remand FWD, the Board held that claims 1–12 of U.S. Patent No. 8,141,154 (“the ’154 patent”), owned by Finjan, Inc. (“Finjan”), had not been shown to be unpatentable in the inter partes review proceeding brought by Palo Alto Networks, Inc. (“Palo Alto”). For the reasons set forth below, we *affirm*.<sup>2</sup>

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<sup>1</sup> IPR2016-01071, filed by Symantec Corp. (“Symantec”), sought review of the same claims as, and was ultimately joined with, IPR2016-00151. Due to a previous settlement, Symantec is not a party to this appeal, and no argument is raised by the parties with respect to IPR2016-01071. See Remand FWD at 1 n.1.

<sup>2</sup> Initially, Palo Alto argued that we should vacate and remand the Remand FWD because it was rendered by an unconstitutionally appointed panel of Administrative Patent Judges, citing our court’s decision in *Arthrex, Inc. v. Smith & Nephew, Inc.*, 941 F.3d 1320 (Fed. Cir. 2019). Appellant’s Br. 49. The U.S. Patent & Trademark Office

## BACKGROUND

## I

The '154 patent relates to anti-virus protection for computers, and specifically, to protection against dynamically generated malicious code or viruses, which are viruses generated at run-time. '154 patent col. 3 ll. 33–38 & col. 8 ll. 38–40. The '154 patent describes using a separate, remotely-located security computer to inspect incoming content to determine if it is safe to run the content on a client computer. *Id.* col. 4 ll. 35–54. More specifically, the '154 patent explains that when content is received at the client computer that includes “a call to an original function” and the call includes “an input to the function,” the call to the original function is replaced with a “call to a substitute function.” *Id.* col. 5 ll. 4–12. The substitute function causes the input to be sent to the security computer, which then determines whether it is safe for the client computer to invoke the original function with the input. *Id.* col. 5 ll. 12–20. If the security computer determines it is safe, the original function can be invoked at the client computer with the input. *Id.* col. 5 ll. 22–25.

Independent claim 1 of the '154 patent is representative. It provides as follows:

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intervened with respect to this issue. The Supreme Court subsequently granted certiorari in *Arthrex*, 2020 WL 6037208 (Oct. 13, 2020), and Palo Alto then filed a motion to stay this appeal, which our court denied. As the petitioner before the Board in IPR2016-00151, Palo Alto has forfeited its right to an *Arthrex* challenge. See generally *Ciena Corp. v. Oyster Optics, LLC*, 958 F.3d 1157 (Fed. Cir. 2020).

1. A system for protecting a computer from dynamically generated malicious content, comprising:

a content processor (i) for processing content received over a network, the content including *a call to a first function*, and the call including an input, and (ii) for invoking a second function with the input, only if a security computer indicates that such invocation is safe;

a transmitter for transmitting the input to the security computer for inspection, when the first function is invoked; and

a receiver for receiving an indicator from the security computer whether it is safe to invoke the second function with the input.

*Id.* col. 17 ll. 32–44 (emphasis added). The claimed “first function” refers to the substitute function, whereas the claimed “second function” refers to the original function that the client computer has been asked to perform. Thus, the term at issue, “a call to a first function,” refers to a call to the substitute function that causes the input to be sent to a security computer for inspection.

The only prior art at issue is U.S. Patent Application Publication No. 2007/0113282 to Ross (“Ross”). Ross describes systems and methods for detecting and disabling malicious script code. Specifically, Ross teaches a “hook”-based detection engine that is configured to review script code associated with incoming data content and detect function calls in the script code. Ross ¶¶ 10, 25. The hook-based detection engine includes a hook script generator that creates new “hooked” or “hook” functions that replace the standard functions originally set forth in the script code, thereby replacing potentially malicious functions contained in the script code. *Id.* at ¶¶ 10, 26, 35. As discussed below, the issue on appeal is whether Ross discloses “a call

to a first function,” as recited in the ’154 patent and as construed by the Board.

## II

On March 15, 2017, the Board issued a Final Written decision in IPR2016-00151. Final Written Decision, *Palo Alto Networks, Inc. v. Finjan, Inc.*, No. IPR2016-00151, 2017 WL 1040254 (P.T.A.B. Mar. 15, 2017) (“Original FWD”). In it, the Board construed “a call to a first function” to mean “a statement or instruction in a program requesting the services of a particular (i.e., first) function.” *Id.* at \*3–4. In the Original FWD, the Board determined that claims 1–8, 10, and 11 were patentable over Ross because Ross did not disclose the claimed “content including a call to a first function.” *Id.* at \*5–8.<sup>3</sup> The Board rejected Palo Alto’s argument that Ross’s hook function teaches or suggests the “call to a first function.” The Board concluded: “Ross teaches assigning the original function to the hooked function. In that manner, Ross invokes indirectly the hook function without any need to include a call to that hook function.” *Id.* at \*7.

Palo Alto sought rehearing of the Original FWD because the Board used different language in its construction of the term “call to a first function” in a Final Written Decision in IPR2015-01979, which issued the same day as the Original FWD and which also involved the ’154 patent. In the Final Written Decision in IPR2015-01979, the Board construed “a call to a first function” to mean “a statement

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<sup>3</sup> Palo Alto’s petition in IPR2016-00151 challenged claims 1–8, 10, and 11 of the ’154 patent as obvious under 35 U.S.C. § 103 over Ross and claims 9 and 12 as obvious over Ross and U.S. Patent App. Pub. No. 2002/0066022 to Calder (“Calder”). The Board instituted review of Palo Alto’s challenge to claims 1–8, 10, and 11, but declined to institute its challenge to claims 9 and 12.

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