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PTAB Reverses Course, Upholds Teleconferencing Patent

By **Natalie Olivo**

Law360, New York (May 24, 2016, 8:55 PM ET) -- The Patent Trial and Appeal Board on Monday upheld claims in a Straight Path IP Group online communication patent, following a rare reversal by the Federal Circuit that found the PTAB used an incorrect claim construction when it previously invalidated the claims.

Upon remand from the Federal Circuit, the PTAB rejected Sipnet EU SRO's challenges to many claims of Straight Path IP Group Inc.'s patent related to real-time video teleconferencing, U.S. Patent Number 6,108,704, finding Sipnet failed to show the challenged claims are unpatentable. The PTAB's decision aligned with the Federal Circuit panel's November 2-1 **opinion**, which hinged on the meaning of the word "is."

"We determine that petitioner has not shown by a preponderance of the evidence that claims 1-7 and 32-42 of the '704 patent are unpatentable," the PTAB said in its Monday decision.

The Federal Circuit's opinion, which reversed and remanded the PTAB's initial decision on Straight Path's patent, was only the second time the appeals court has reversed a PTAB decision invalidating claims of a patent in an America Invents Act proceeding, with the **first ruling** doing so in June. The Federal Circuit **in November** had also found that the board incorrectly found patent claims valid in two cases.

The Straight Path patent describes a method of facilitating real-time communication between two users over the Internet that involves a database of Internet Protocol addresses. The patent describes the first user querying the database as to whether the second user "is connected to the network."

Initially, the PTAB found in October 2014 that 18 of the 44 claims of Straight Path's patent are invalid as anticipated, in a victory for Sipnet. Nearly a year later, the Federal Circuit reversed that decision, finding after **arguments in September** that the board misconstrued the phrase "is connected to the computer network."

The PTAB found that under its "broadest reasonable interpretation" claim construction standard, the phrase means that the query need only request the connection information in the database about the second user, even if it is inaccurate, that is to say, if it lists the second user being online when they are not.

Based on that construction, the board found that the patent is invalid as anticipated by a 1992 technical standard and a 1994 Microsoft Windows user guide.

However, in an opinion by Circuit Judge Richard Taranto, the Federal Circuit said that such an interpretation contradicts the language of the claim, "which has a meaning that can only

be called plain."

"The present tense 'is' in 'is connected to the computer network' plainly says that the query transmitted to the server seeks to determine whether the second unit is connected at that time, i.e., connected at the time that the query is sent," the court said.

Circuit Judge Timothy Dyk dissented, writing that the word "is" does not require "absolute currency," as the majority held, and that the patent itself recognizes that the connection information will be only "relatively current."

The PTAB cited the same 1992 technical standard and 1994 Microsoft Windows user guide in Monday's decision, this time saying they fail "to teach or suggest the claims as construed."

Michael Newman, a Mintz Levin Cohn Ferris Glovsky & Popeo PC attorney who represented Straight Path, told Law360 on Tuesday that the decision is "a positive sign for patent owners."

Straight Path's victory marked an end to the last of 17 challenges to several of its patents, according to a statement released Monday by Mintz Levin. The firm cited several Straight Path patent disputes that were previously stayed on the district court level, saying the company "is moving swiftly to have the stays lifted and is looking forward to having its day in court."

Attorneys for Sipnet did not respond on Tuesday to a request for comment.

The PTAB **in March** upheld the validity of two widely asserted Straight Path networking patents, including the one challenged by Sipnet, dealing a blow to Samsung Electronics Co. Ltd. and other companies accused of infringement.

A month earlier, LG, Hulu and others had **urged the PTAB** to again invalidate Straight Path's networking patent, arguing it is still precluded by prior art even though the Federal Circuit revived it.

The patent-in-suit is U.S. Patent Number 6,108,704.

Straight Path is represented by James Wodarski, William Meunier, Nicholas Armington, Sandra Badin, Michael Newman and Michael Renaud of Mintz Levin Cohn Ferris Glovsky & Popeo PC.

Sipnet is represented by Sanjay Prasad of Prasad IP PC and Pavel Pogodin of Transpacific Law Group.

The case is Sipnet EU SRO v. Straight Path IP Group Inc., case number IPR2013-00246, before the Patent Trial and Appeal Board.

--Additional reporting by Ryan Davis. Editing by Aaron Pelc.

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