

NOTE: This disposition is nonprecedential.

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

BT AMERICAS, INC.,
Appellant

v.

PALO ALTO NETWORKS, INC.,
Appellee

2025-1572

Appeal from the United States Patent and Trademark
Office, Patent Trial and Appeal Board in No. IPR2023-
00889.

Decided: October 29, 2026

JONATHAN ROBERTS, Nixon & Vanderhye P.C., Arlington, VA, argued for appellant. Also represented by NOLAN M. GOLDBERG, BALDASSARE VINTI, Proskauer Rose LLP, New York, NY.

WILLIAM MILLIKEN, Sterne Kessler Goldstein & Fox PLLC, Washington, DC, argued for appellee. Also represented by DANIEL S. BLOCK, STEVEN PAPPAS, MICHAEL D. SPECHT, JONATHAN TUMINARO.

Before CHEN, STOLL, and STARK, *Circuit Judges*.

CHEN, *Circuit Judge*.

BT Americas (BTA) appeals the final written decision of the Patent Trial and Appeal Board (Board) ruling that claims 1–25 of U.S. Patent No. 7,895,641 ('641 patent), owned by Palo Alto Networks (PAN), are unpatentable under 35 U.S.C. § 103. *Palo Alto Networks, Inc. v. BT Americas Inc.*, No. IPR2023-00889, 2024 WL 4709942 (P.T.A.B. Nov. 7, 2024) (*Decision*). We *affirm*.

BACKGROUND

The '641 patent recognizes the problem that “[s]ystem administrators normally do not have the time or ability to read through large amounts of constantly updated audit information, looking for attacks on their systems.” '641 patent col. 1 ll. 36–39. To address this problem, the '641 patent discloses a system “for *dynamic* network intrusion monitoring, detection and response,” where the system, through one or more probes, collects data, filters or analyzes such data, and then transmits noteworthy information. *Id.* col. 1 ll. 57–59 (emphasis added); *see id.* col. 3 ll. 10–20. The patent discloses that “[t]he software and filters of probe . . . may be manually updated offline or *dynamically (that is, during actual operation)*.” *Id.* col. 5 ll. 32–35 (emphasis added).

The parties’ disputes center on independent claim 1 and dependent claim 6. Claim 1 recites, among other limitations, “a modification control system for *dynamically modifying an analysis capability* of the probe during operation thereof based on the received feedback¹.” *Id.* col. 33

¹ The “received feedback” refers to “information reflecting operation of the security monitoring system.” *Id.* col. 33 ll. 39–42.

ll. 43–45 (emphasis added). Claim 6, which depends on claims 1 and 2², requires that the claimed system must perform a “multi-stage analysis” during the identifying step, which includes “analysis at the probe and *analysis at a secure operations center* [SOC³].” *Id.* col. 33 ll. 54–57 (emphasis added).

BTA filed an *inter partes* review petition challenging claims 1–25 of the ’641 patent. The Board determined that claims 1–7 and 15–17 would have been obvious in view of Duvall⁴ and Chu⁵. *Decision*, 2024 WL 4709942, at *52. For the remaining challenged claims, the Board relied on additional other grounds and determined that the claims were unpatentable.⁶ *Id.* The Board denied BTA’s request for rehearing.

BTA timely appealed. We have jurisdiction under 28 U.S.C. § 1295(a)(4)(A).

² Claim 2 recites “[t]he system of claim 1, wherein the identifying step includes performing a multi-stage analysis of the status data.” *Id.* col. 33 ll. 45–47. The “identifying step” refers to “a filtering subsystem coupled to analyze status data *to identify* potentially security-related events” as recited in claim 1. *Id.* col. 33 ll. 30–33 (emphasis added).

³ According to the ’641 patent, a probe is “located within the customer’s firewall [network],” *id.* col. 3 ll. 14–17, whereas a SOC is “connected to [secure] networks,” *id.* col. 2 l. 65 – col. 3 l. 3.

⁴ U.S. Patent No. 5,884,033.

⁵ Yang-hua Chu, *Trust Management for the World Wide Web*, M.I.T. (June 13, 1997).

⁶ BTA has not challenged the Board’s decision as to these additional other grounds on appeal. *See, e.g.*, Appellant Br. 27–32.

DISCUSSION

“Obviousness is a question of law based on underlying facts.” *Virtek Vision Int’l ULC v. Assembly Guidance Sys., Inc.*, 97 F.4th 882, 886 (Fed. Cir. 2024). “We review the Board’s ultimate determination of obviousness de novo and its underlying facts for substantial evidence.” *Id.* “Motivation to combine is one of those underlying factual issues.” *Voice Tech Corp. v. Unified Pats., LLC*, 110 F.4th 1331, 1342 (Fed. Cir. 2024) (citation omitted).

First, BTA argues that (1) neither Duvall nor Chu teaches “dynamically modifying an analysis capability of the probe during operation” and (2) the Duvall-Chu system must be significantly altered to perform the claimed dynamic modification. *See* Appellant Br. 33–39. BTA faults the Board for crediting PAN’s expert testimony that Duvall’s database of filters could be dynamically modified, because, in BTA’s view, that testimony relates to merely dynamically modifying the database, not the claimed “analysis capability of the probe.” *Id.* at 35. We are not persuaded. The Board found that Duvall’s system is “not only at least capable of, but configured to, perform dynamic modification via online editing.”⁷ *Decision*, 2024 WL 4709942, at *25. The Board also reasonably credited PAN’s expert, who testified that the dynamically modified database results in dynamically changing Duvall’s “analysis capability of the probe during operation” because “a database entry [is] queried (i.e., read) [during the analysis] while simultaneously being written to.” *Id.* at *25. In other words, as soon as the filter database is updated, the probe’s analysis capability, through use of that updated database,

⁷ The Board noted the parties’ agreement that claim 1 only requires that the modification control system “is reasonably capable of” dynamic modification. *Decision*, 2024 WL 4709942, at *23 (citing *ParkerVision, Inc. v. Qualcomm Inc.*, 903 F.3d 1354, 1361 (Fed. Cir. 2018)).

is likewise altered during operation. We hold that these factual findings are supported by substantial evidence.

As to BTA’s argument that the Duvall-Chu system must be “significantly altered” to perform the claimed dynamic modification, substantial evidence supports the Board’s contrary finding. *See Decision*, 2024 WL 4709942, at *25. The Board credited PANs expert, who testified that “implementation and use of [Duvall’s] editing manager, [which allows modification of a filter database], are generally based on known database editing techniques” and that “a main benefit of databases is that entries can be edited or added without taking the system offline, which prevents [Duvall’s] filtering system from being down during updates.” *Id.* at *24. For a similar reason, we also reject BTA’s assertion that the dynamic modification of Duvall’s database would not dynamically affect “an analysis capability of the probe” because Duvall’s system relies on “a cached copy of the database,” not the original. Appellant Br. 36. But Duvall does not *require* using a cached copy of the database. J.A. 865 col. 3 ll. 42–49 (discussing one embodiment where “a filtering system [that] resides in [a] client computer . . . *could* be copied to RAM during operation.” (emphasis added)). The Board’s rejection of BTA’s argument was reasonable, crediting PAN’s expert testimony that “any modification to Duvall’s database [to support the claimed dynamic modification] would have been implicit or routine given that dynamic modification was a common database feature at the time of the invention.” *Decision*, 2024 WL 4709942, at *25.⁸

⁸ We also reject BTA’s arguments challenging the Board’s motivation-to-combine findings. Appellant Br. 44–54. Substantial evidence supports the Board’s finding that a skilled artisan would have been motivated to combine Duvall and Chu to “further optimize and uniformly handle

Second, BTA argues that the Board’s analysis of claim 6 lacks substantial evidence because it fails to identify the claimed “analysis at a [SOC]” that occurs as a part of the “identifying step” of claim 1. *See* Appellant Br. 55. BTA points to claim 2 (which claim 6 depends on), which recites “wherein the identifying step includes performing a multi-stage analysis of the status data,” and argues that PAN’s mapping for “analysis at a [SOC]” points to Duvall-Chu’s “analyst system” that receives information about residue data but does not perform any analysis. *Id.* at 56.

BTA misunderstands PAN’s petition, and as a result, the Board’s obviousness analysis. PAN relied on two different “analyst systems.” The first analyst system is at a SOC (e.g., a secure remote site) and takes part in Duvall’s multi-stage analysis to identify residue data. *Decision*, 2024 WL 4709942, at *36; *see* J.A. 82–84, 150 (finding that “the combined system of Duvall-Chu flags (identifies) unresolved residue data processed during [the identifying step]”). The second analyst system is at the probe that receives the residue data and later modifies Duvall’s filter database. *Decision*, 2024 WL 4709942, at *37; *see* J.A. 43, 47, 150 (finding that the Duvall-Chu system “sends information about that *identified residue data from the SOC* to the corporation⁹) (emphasis added). Accordingly, contrary to BTA’s assertion, the Board did identify the “analysis at a [SOC]” as recited in claim 6. *See Decision*, 2024 WL 4709942, at *37. And the Board reasonably credited PAN’s discussions about a skilled artisan’s understanding that “it was common in the industry at the time to provide off-site

unresolved data” with Chu’s teaching of human intervention. *Decision*, 2024 WL 4709942, at *20–21.

⁹ The “corporation . . . includes the analyst system at the probe.” *Decision*, 2024 WL 4709942, at *37.

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security [referring to the SOC].” *Decision*, 2024 WL 4709942, at *36.

Lastly, BTA contends that the Board lacked jurisdiction over the ’641 patent, which expired before the petition was filed, because the expired patents “no longer implicate any public rights.” Appellant Br. 59. We previously rejected this argument in *Apple Inc. v. Gesture Technology Partners*, 127 F.4th 364, 368–69 (Fed. Cir. 2025), for being incompatible with the Supreme Court’s reasoning in *Oil States Energy Servs. v. Greene’s Energy Grp.*, 584 U.S. 325, 334–35 (2018). We are not permitted to deviate from our precedential holding in *Gesture Technology* and anyway see no persuasive reason to do so.

CONCLUSION

We have considered BTA’s remaining arguments and find them unpersuasive. For the foregoing reasons, we affirm.

AFFIRMED