

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

TESSELL, INC.,
Petitioner,

v.

NUTANIX, INC.,
Patent Owner.

Case IPR2025-00322
U.S. Patent No. 11,010,336

**PETITIONER'S RESPONSE TO PATENT OWNER'S
REQUEST FOR DISCRETIONARY DENIAL OF INSTITUTION**

EXHIBIT LIST

Exhibit	Description
1001	U.S. Patent No. 11,010,336
1002	Prosecution History of U.S. Patent No. 11,010,336
1003	Declaration of Dr. Samrat Bhattacharjee (“Bhattacharjee”)
1004	Curriculum Vitae of Dr. Bhattacharjee
1005	U.S. Patent No. 8,713,060 (“Sivasubramanian”)
1006	U.S. Patent No. 8,150,808 (“Zha”)
1007	U.S. Patent App. Pub. No. 2018/0232142 (“Shekar”)
1008	U.S. Patent No. 6,542,893 (“Quernemoen”)
1009	The American Heritage Dictionary of the English Language (5th ed. 2011) (“Heritage”)
1010	U.S. Patent No. 7,873,684 (“Souder”)
1011	U.S. Patent App. Pub. No. 2018/0324279 (“Barton”)
1012	Using Oracle Database Cloud Service – Creating a Database Deployment (2017) (“Oracle”) (Wayback Machine Capture, January 18, 2017), available at https://web.archive.org/web/20170118071307/https://docs.oracle.com/en/cloud/paas/database-dbaascloud/csdbi/create-db-deployment.html
1013	Amazon Relational Database Service User Guide (2016) (“RDS”) (Wayback Machine Capture, April 12, 2016), available at https://web.archive.org/web/20160412105355/http://docs.aws.amazon.com/AmazonRDS/latest/UserGuide/rds-ug.pdf
1014	U.S. Patent App. Pub. No. 2009/0319582 (“Simek”)
1015	U.S. Patent No. 7,331,000 (“Ohno”)
1016	U.S. Patent App. Pub. No. 2016/0182328 (“Bhasin”)
1017	U.S. Patent App. Pub. No. 2016/0077925 (“Tekade”)
1018	U.S. Patent App. Pub. No. 2019/0324865 (“Weissman”)
1019	U.S. Patent App. Pub. No. 2016/0335369 (“Picard”)
1020	U.S. Patent No. 11,308,114 (“Moghe”)

Exhibit	Description
1021	U.S. Patent App. Pub. No. 2014/0229698 (“Sivasubramanian-698”)
1022	“Taking a Backup Using Snapshots” (“LVM-Howto”) (Wayback Machine Capture, January 20, 2007), available at https://web.archive.org/web/20070120200004/https://tldp.org/HOWTO/LVM-HOWTO/snapshots_backup.html
1023	U.S. Patent App. Pub. No. 2004/0059878 (“Madany”)
1024	U.S. Patent App. Pub. No. 2006/0161879 (“Lubrecht”)
1025	PCT Pub. No. WO 2010/106578 (“Utsunomiya”)
1026	U.S. Patent No. 10,855,554 (“Freeman”)
1027	U.S. Patent No. 11,182,372 (“Jain”)
1028	U.S. Patent App. Pub. No. 2016/0057077 (“Gomatam”)
1029	U.S. Patent No. 11,036,696 (“Higginson”)
1030	U.S. Patent No. 9,305,068 (“Esposito”)
1031	U.S. Patent No. 7,873,610 (“Poulsen”)
1032	“Creating Instances,” Google Cloud (“Google”) (Wayback Machine Capture, September 18, 2018), available at https://www.archive.org/web/20180918103721/https://cloud.google.com/sql/docs/mysql/create-instance
1033	U.S. Patent App. Pub. No. 2003/0046353 (“Chung”)
1034	U.S. Patent App. Pub. No. 2006/0253472 (“Wasserman”)
1035	U.S. Patent App. Pub. No. 2005/0027661 (“Lober”)
1036	U.S. Patent App. Pub. No. 2018/0173452 (“Hu”)
1037	U.S. Patent No. 10,078,465 (“Wu”)
1038	U.S. Patent No. 9,830,082 (“Srinivasan”)
1039	U.S. Patent App. Pub. No. 2016/0266913 (“Achillopoulos”)
1040	U.S. Patent App. Pub. No. 2017/0262232 (“Zhao”)
1041	U.S. Patent App. Pub. No. 2019/0116237 (“Gibson”)
1042	U.S. Patent No. 10,206,092 (“Mellquist”)
1043	U.S. Patent No. 11,243,703 (“Watkins”)

Exhibit	Description
1044	U.S. Patent App. Pub. No. 2015/0207683 (“Adogla”)
1045	U.S. Patent App. Pub. No. 2014/0018947 (“Ales”)
1046	U.S. Patent App. Pub. No. 2013/0332251 (“Ionnidis”)
1047	U.S. Patent App. Pub. No. 2006/0107006 (“Green”)
1048	U.S. Patent App. Pub. No. 2008/0059894 (“Cisler”)
1049	U.S. Patent App. Pub. No. 2013/0110779 (“Taylor”)
1050	U.S. Patent App. Pub. No. 2016/0306840 (“Deshmukh”)
1051	U.S. Patent App. Pub. No. 2018/0121521 (“Bivol”)
1052	U.S. Patent No. 10,496,302 (“Gaurav”)
1053	U.S. Patent No. 10,268,551 (“Wong”)
1054	U.S. Patent App. Pub. No. 2014/0108339 (“Marsden”)
1055	U.S. Patent No. 8,335,765 (“McAlister”)
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1058	Affidavit of Nathaniel E. Frank-White
1059	RESERVED
1060	U.S. Patent No. 11,120,011 (“Priebe”)
1061	U.S. Patent No. 7,634,679 (“Quintanillo”)
1062	U.S. Patent App. Pub. No. 2009/0276771 (“Nickolov”)
1063	U.S. Patent App. Pub. No. 2016/0188421 (“Karinta”)
1064	U.S. Patent App. Pub. No. 2017/0243275 (“Goens”)
1065	U.S. Patent App. Pub. No. 2016/0378361 (“Uriel”)
1066	RESERVED
1067	U.S. Patent App. Pub. No. 2017/0228227 (“Winterfeldt”)
1068	U.S. Patent App. Pub. No. 2014/0337844 (“Jin-844”)
1069	U.S. Patent No. 9,582,297 (“Jin-297”)

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1070	U.S. Patent No. 10,572,292 (“Bhandari”)
1071	U.S. Patent App. Pub. No. 2015/0188775 (“VanDerWalt”)
1072	U.S. Patent App. Pub. No. 2018/0063088 (“Hardy”)
1073	U.S. Patent No. 4,742,482 (“Inskeep”)
1074	U.S. Patent App. Pub. No. 2015/0207682 (“Nichele”)
1075	U.S. Patent App. Pub. No. 2013/0232497 (“Jalagam”)
1076	U.S. Patent App. Pub. No. 2010/0017801 (“Kundapur”)
1077	U.S. Patent App. Pub. No. 2006/0029096 (“Babbar”)
1078	UK Patent Application No. GB2451943 (“Wren-Hilton”)
1079	U.S. Patent App. Pub. No. 2013/0238331 (“Mikan”)
1080	U.S. Patent App. Pub. No. 2016/0239637 (“Miller”)
1081	U.S. Patent App. Pub. No. 2016/0066201 (“Kerpez”)
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1083	U.S. Patent App. Pub. No. 2015/0188789 (“Jayaprakash”)
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1085	U.S. Patent App. Pub. No. 2006/0161462 (“Sharma”)
1086	RESERVED
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1088	<i>Supported Platforms: MySQL Database, available at https://web.archive.org/web/20181106221826/https://www.mysql.com/support/supportedplatforms/database.html (“MySQL”)</i>
1089	U.S. Patent No. 11,061,709 (“Cao”)
1090	U.S. Patent No. 10,705,755 (“Wang”)
1091	U.S. Patent App. Pub. No. 2017/0371547 (“Fruchtman”)
1092	U.S. Patent No. 10,824,522 (“Sadavarte”)
1093	U.S. Patent No. 8,146,080 (“Carter”)
1094	U.S. Patent App. Pub. No. 2009/0276833 (“Paul”)
1095	U.S. Patent App. Pub. No. 2017/0315877 (“Kaplingat”)

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1096	U.S. Patent App. Pub. No. 2002/0019920 (“Reuter”)
1097	U.S. Patent App. Pub. No. 2016/0246503 (“Phelan”)
1098	U.S. Patent App. Pub. No. 2017/0068469 (“Shankar”)
1099	U.S. Patent App. Pub. No. 2011/0138383 (“Le”)
1100	U.S. Patent App. Pub. No. 2017/0119753 (“Gong”)
1101	A screenshot of the Expedia webpage displaying the “Preferred class” dropdown menu in its expanded state, Expedia website (Wayback Machine Capture, July 15, 2018), available at https://web.archive.org/web/20180715133951%20https://www.expedia.com/#expand
1102	Excerpts of McGraw-Hil Dictionary of Scientific and Technical Terms (6 th ed. 2003) (“McGraw-Hill”)
1103	U.S. Patent App. Pub. No. 2018/0203771 (“Heidel”)
1104	U.S. Patent App. Pub. No. 2017/0357667 (“Auch”)
1105	Excerpts of New Oxford American Dictionary (1st ed. 2001) (“Oxford”)
1106	Order Granting Defendant’s Motion to Compel Arbitration, <i>Nutanix, Inc. v. Tessell, Inc.</i> , Case No. 3:24-cv-01729 (N.D. Cal. Mar. 12, 2025)
1107	Bala Kuchibhotla Employment Agreement
1108	Kamaldeep Singh Khanuja Employment Agreement
1109	RESERVED
1110	<i>Tessell to Showcase RDS+++ Solution, Enhanced with New AWS FSx for NetApp ONTAP Integration, at re:Invent 2024</i> , available at https://www.globenewswire.com/news-release/2024/12/03/2990986/0/en/Tessell-to-Showcase-RDS-Solution-Enhanced-with-New-AWS-FSx-for-NetApp-ONTAP-Integration-at-re-Invent-2024.html

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1. INTRODUCTION

Unable to muster a compelling argument under “existing Board precedent (including *Fintiv*, *General Plastic*, and *Advanced Bionics*)” (March 26, 2025 Interim Process for PTAB Workload Management (“Workload Memo”) at 2), Nutanix, Inc. (“Nutanix”) requests that the Director deny institution based on assignor estoppel. The Director should deny this request. Nutanix’s argument is not a new one. The Federal Circuit and Board have already held that assignor estoppel “has no place in IPR proceedings” and that its application in these proceedings would be inconsistent with Congressional intent. *See, e.g., Arista Networks, Inc. v. Cisco Sys., Inc.*, 908 F.3d 792, 804 (Fed. Cir. 2018); *see also Athena Automation Ltd. v. Husky Molding Sys. Ltd.*, IPR2013-00290, Paper 18 at 12-13 (Oct. 25, 2013) (precedential). There is no reason to disturb these decisions.

Nutanix itself admits that its argument is contrary to Federal Circuit and Board precedent that have unequivocally held that assignor estoppel does not apply to IPR proceedings. Nutanix nevertheless suggests that the Director may use her discretion to ignore this controlling precedent and rewrite the “broad statutory mandate” that allows **anyone** to file an IPR petition under 35 U.S.C. § 311(a). *Husky Injection Molding v. Athena Automation Ltd.*, 838 F.3d 1236, 1241 (Fed. Cir. 2016). Given both Federal Circuit and Director-designated Board precedent, Nutanix’s argument is entirely meritless and seeks to undermine “Congress’s **broad grant** of the ability

to challenge the patentability of patents through *inter partes* review.” *Id.* at 1246.¹ Nutanix’s other argument—that the parties’ expectations favors discretionary denial—also finds no support in the law (tellingly Nutanix cites none).

The factors the Board traditionally assesses in its discretionary denial analysis also strongly favor Petitioner, as discussed in the Petition. *See* Paper 2 (“Pet.”) at 83-87. Indeed, Nutanix does not even attempt to muster any argument under these cases, nor can it. These factors have only gotten stronger since the Petition was filed. For instance, the district court has now stayed the litigation involving the ’336 patent. EX1106, at 15-16. Thus, the final written decision will issue long before trial (if any occurs) such that there are no concerns regarding inefficiency and the possibility of conflicting decisions. *See Amazon.com Inc. v. NL Giken Inc.*, IPR2025-00250, -00407, Paper 14 (May 16, 2025), at 1-2 (finding “discretionary denial of institution is not appropriate” and emphasizing that “it is likely that a final written decision in this proceeding will issue before the district court trial occurs.”). The merits of the Petition are also strong. When looking at the various factors in the context of the Board’s pre-existing precedent under *Fintiv*, *General Plastic*, and *Advanced Bionics*, they clearly weigh against denial.

¹ All emphases added unless otherwise noted.

2. **BACKGROUND**

Petitioner Tessell, Inc. (“Tessell” or “Petitioner”) is a leading database-as-a-service (DBaaS) provider headquartered in California.

The inventors of the ’336 patent who now work for Tessell, Balasubrahmanyam Kuchibhotla, Kamaldeep Khanuja, Sujit Menon, and Maneesh Rawat, have extensive experience in the field of database technology. Before working at Tessell, they were employed at Oracle, and then Nutanix. As part of their employment at Nutanix, each signed an agreement pursuant to which any inventions during their employment would be automatically assigned to Nutanix. *See, e.g.*, EX1107-1108. Nutanix submits no evidence that the inventors were directly compensated (beyond their salary or bonus structure) for the assignment of any invention that may become a Nutanix-owned patent, or that their participation in the prosecution process was anything other than passive (*e.g.*, signing the assignment and oaths as required by their employment agreement with Nutanix).

Tessell developed a multi-cloud DBaaS platform that redefines enterprise data management with its comprehensive suite of AI-powered database service. The Tessell DBaaS dramatically simplifies and reduces the cost of creating, managing, and modernizing databases in the public cloud (*i.e.*, on platforms like Amazon Web Services (“AWS”), Microsoft Azure, or Google Cloud Platform). Nutanix, on the other hand, offers nothing like this. It sells one database-management product that

is a purpose-built, monolithic tool designed solely for use with Nutanix-managed hardware.

Tessell has received recognition for its innovations across technology categories since its founding. For instance, Tessell was named one of CRN's Stellar Startup Big Data Vendors of 2024. EX1110 at 2. Other recent recognitions include CRN's 2024 Big Data 100, 2024 Tech Innovator Award, and 2023 Stellar Startups List. *Id.*

3. **ARGUMENT**

a. **Nutanix's Assignor Estoppel Argument Has Been Rejected By The Board And The Federal Circuit**

The AIA is clear in its breadth: *anyone* except the patent owner may file an IPR petition. 35 U.S.C. § 311. The statutory text is a "broad statutory mandate." *Husky*, at 1241; *cf. Consumer Watchdog v. Alumni Research Foundation*, 753 F.3d 1258, 1261-62 (Fed. Cir. 2014) (finding pre-AIA 35 U.S.C. § 311 with respect to pre-AIA *inter partes* reexaminations "allow[s] any third party to request reexamination").

Consistent with these principles, the Federal Circuit and Board have held that 35 U.S.C. § 311(a)'s broad mandate prevents patent owners from raising assignor estoppel arguments in an IPR. For example, in *Arista*, the Federal Circuit addressed "the question of whether assignor estoppel should apply in the IPR context." *Arista*, at 798. The Court ultimately concluded that there is "*no room for assignor estoppel*

in the IPR context,” that assignor estoppel has “*no place in IPR proceedings*,” and that applying assignor estoppel in IPRs conflicts with the language of the statute and Congressional intent:

Arista contends that § 311(a) unambiguously leaves no room for assignor estoppel in the IPR context, given that the statute allows any person “who is not the owner of a patent” to file an IPR. We agree. Where “the statutory language is plain, we must enforce it according to its terms.” *King v. Burwell*, — U.S. —, 135 S.Ct. 2480, 2489, 192 L.Ed.2d 483 (2015); *see also Hardt v. Reliance Standard Life Ins. Co.*, 560 U.S. 242, 251, 130 S.Ct. 2149, 176 L.Ed.2d 998 (2010). In our view, *the plain language of this statutory provision is unambiguous.*

...

In sum, we conclude that § 311(a), by allowing “a person who is not the owner of a patent” to file an IPR, unambiguously dictates that *assignor estoppel has no place in IPR proceedings.*

Id. at 803. Similarly, in *Athena Automation Ltd. v. Husky Molding Sys. Ltd.*, IPR2013-00290, Paper 18 at 12-13 (Oct. 25, 2013) (precedential), the Board recognized that Section 311(a) “presents a clear expression of Congress’s **broad grant** of the ability to challenge the patentability of patents through *inter partes* review.” *Id.* Thus, the Board held that assignor estoppel does not “provide[] an exception to the *statutory mandate* that any person who is not the owner of a patent

may file a petition for an *inter partes* review.” *Id.* The Director should, therefore, decline Nutanix’s request both to undermine this clear Congressional intent and to ignore this Federal Circuit and Board precedent.

Nutanix concedes that “[t]he Board and the Federal Circuit have previously held that assignor estoppel does not apply in IPRs based on the language of 35 U.S.C. § 311(a),” but argues that the Director may ignore these decisions by “exercis[ing] its discretion under § 314(a).” Paper 12 (“Req.”), at 2 n.1. Not so. The fact that Nutanix is asking the Board to deny the IPR based on § 314(a) is a distinction that lacks merit. Not only is assignor estoppel inapplicable to these facts (*see infra* Section 3.b), but Nutanix also has failed to present any circumstances that distinguish its argument from a run of the mill assignor estoppel argument. To deny IPR under these facts would effectively be to hold that assignor estoppel serves as a bar to IPR—precisely what the Federal Circuit and the Board rejected in *Arista* and *Athena*.²

² While the law allows the Director to exercise discretion in accordance with 35 U.S.C. § 314, Nutanix’s request – that the Director interpret the Workload Memo as providing the Director absolute discretion regarding whether to institute IPR (including the discretion to ignore Federal Circuit authority) – is untenable because application of the Workload Memo in this fashion would violate the Administrative

Nutanix’s citation to *Minerva Surgical, Inc. v. Hologic, Inc.*, 594 U.S. 559, 574-75 (2021) supports Petitioner’s argument. Req., at 3. In *Minerva* the Federal Circuit held that assignor estoppel barred the defendant from challenging the validity of a first patent, the ’348 patent, in district court. *Hologic, Inc. v. Minerva Surgical, Inc.*, 957 F.3d 1256, 1267-1268 (Fed. Cir. 2020). As to a second patent that was found invalid in IPR, the ’183 patent, the Federal Circuit reaffirmed its decision that assignor estoppel did **not** preclude IPR proceedings. *Id.* at 1266 (“This court has held that the doctrine of assignor estoppel does not bar an assignor from filing a petition for IPR.”). On appeal, the Supreme Court did not disturb the Federal Circuit’s decision that the doctrine of assignor estoppel does not bar an assignor from filing a petition for IPR. *Minerva*, 594 U.S. 559. Moreover, the Supreme Court vacated the Federal Circuit’s broad application of assignor estoppel to bar the defendant from challenging the validity of the ’348 patent in the district court. *Id.* at 598. Far from supporting an expansion of the doctrine, *Minerva* evidences the Supreme Court’s desire to narrow its scope.

Procedures Act. See *SAS Institute, Inc. v. Iancu*, 584 U.S. 357, 370–371 (2018) (courts retain “power to ensure that an inter partes review proceeds in accordance with the law’s demands.”).

b. No “Unfair Dealings” Exist And The Equities Counsel Against The Application Of Assignor Estoppel

Nutanix argues that discretionary denial is justified on “fairness grounds.” Req., at 3. Citing to *Minerva*, Nutanix argues that the inventors should not “profit twice from their invention.” *Id.* As a preliminary matter, as discussed above, *Minerva* reaffirmed that assignor estoppel does **not** preclude IPR. See Section 3.a.

Even setting this fact aside, *Minerva* does not help Nutanix because it addresses the situation where “a person sells his patent rights ... to the buyer.” *Minerva*, 594 U.S. at 574-75. Here, the inventors of the ’336 patent did not assign their patent right to Nutanix for value. In fact, Nutanix does not submit any evidence that the inventors were directly compensated for the assignment of any invention and have not used any such invention at Tessell.

In fact, to the extent *Minerva* is relevant, it counsels against denial. As the Supreme Court explained, assignor estoppel “comes with limits” and it would not be “fair” to apply it to the situation where, as here, an inventor signs an invention assignment as part of their employment agreement that pertains to future inventions developed during their employment. See *Minerva*, 594 U.S. at 576 (“there is no ground for applying assignor estoppel” in certain “employment arrangement[s]” such as when “[a]n employee assigns to his employer patent rights in any future inventions he develops during his employment”); see also *Brilliant Instruments, Inc. v. GuideTech, Inc.*, No. 09-5517, 2014 WL 576244, *3 (N.D. Cal. Feb. 12, 2014)

(“there are a number of exceptions where the equities would weigh against assignor estoppel...in an increasingly common circumstance in the modern workplace, the inventor may be an employee who participated perfunctorily in the claims prosecution process, with very little say in drafting the scope of the claims, and the resulting patent may cover a far broader invention than the inventor intended to convey”). While at Nutanix, the inventors signed agreements pursuant to which any inventions during their employment would be automatically assigned to Nutanix. EX1107, at 3; EX1108, at 3. And Nutanix does not point to any evidence that the inventors actively participated in the prosecution of the ’336 patent. Thus, *Minerva* makes clear that its application to Petitioner would be unfair in these circumstances. The equities favor Petitioner.

c. Discretionary Denial Is Not Warranted Under The Board’s Pre-Existing Precedent

Although the Director asked the parties to evaluate “considerations enumerated in existing Board precedent (including *Fintiv*, *General Plastic*, and *Advanced Bionics*)” (Workload Memo at 2) Nutanix does not pay heed to any of those decisions.

The Petition demonstrated that the factors set forth in these cases counsel against discretionary denial. Pet., at 84-87. The factors continue to counsel against discretionary denial, and Petitioner’s position has strengthened even since the time the Petition was filed. For instance, Nutanix failed to apprise the Board of the fact

that the co-pending litigation has now been stayed pending the arbitration. *See* EX1106, at 15-16. Any final written decision in this IPR, therefore, is likely to issue long before any relevant litigation investment or decision.

d. The Remaining Workload Memo Factors Weigh Against Denial

The Workload Memo states that “parties are permitted to address all relevant considerations” and then identifies several example considerations. Workload Memo at 2. Nutanix analyzes only one of these factors: “long-settled expectations.” Req., at 4. That factor does not support Nutanix, nor do any of the other factors identified in the Workload Memo.

i. No Forum Has Adjudicated The Validity Or Patentability Of The Challenged Claims

The Workload Memo states that the Director may consider “whether the PTAB or another forum has already adjudicated the validity or patentability of the challenged claims.” Workload Memo at 2. Nutanix does not address this factor, but this factor strongly counsels against discretionary denial because no forum has adjudicated the validity or patentability of the challenged claims to date. And because the district court litigation involving the ’336 patent is stayed pending the arbitration, no forum will do so prior to the issuance of a Final Written Decision. Simply put, the Board is the most effective and efficient forum to resolve patentability.

ii. There Have Been No Changes In Law Or Judicial Precedent That May Affect Patentability

The Workload Memo states that the Director may consider “[w]hether there have been changes in the law or new judicial precedent issued since issuance of the claims that may affect patentability.” Workload Memo at 2. Nutanix does not address this factor and no relevant changes in the law or judicial precedent exist. The AIA’s broad statutory mandate remains the same. Thus, this factors counsels against discretionary denial.

iii. The Petition’s Reliance on Expert Testimony Does Not Warrant Discretionary Denial

The Director noted that one factor that may be considered is whether “extensive reliance on expert testimony and/or reasonable disputes between experts on dispositive issues may suggest that the questions are better resolved in an Article III court.” FAQs for Interim Processes for PTAB Workload Management (“FAQ”) #21. Nutanix did not argue that there are disputes raised by Petitioner’s expert that are better resolved by an Article III court; it did not address this factor at all. In any event, the patentability of the ’336 patent is not currently before any Article III court because the district court case has been stayed. The patentability question *cannot* be resolved by an Article III court at this time. This factor weighs against discretionary denial.

iv. The Parties Do Not Have Long-Settled Expectations Favoring Discretionary Denial

The Workload Memo states that the factor may consider “the length of time the claims have been in force.” Workload Memo at 2. Nutanix argues that this factor favors denial because Petitioner did not challenge the validity of the ’336 patent until 2024. Req, at 5. However, the claims of the ’336 patent did not issue until May 18, 2021. EX1001, at p. 1. Thus, the claims had only been in force approximately three years before Nutanix’s IPR challenge. Such a short period of time does not reflect any long-settled expectations with respect to the validity of the ’336 patent. Indeed, the Board has instituted IPR on patents whose claims were in force for a far longer time period. *Twitch Interactive, Inc. v. Razdog Holdings LLC*, IPR2025-00307, -00308, Paper 18 (May 16, 2025), at 1-2 (denying discretionary denial of IPR despite the challenged ’658 patent having been in force for **over 7 years**); *Amazon*, at 1-2 (denying discretionary denial of IPR despite the ’236 patent having been in force for **over 13 years** and the ’391 patent for **over 11 years**).

Moreover, Nutanix brought suit against Tessell on March 20, 2024. There was no reason for Tessell to expend the resources and cost associated with challenging the ’336 patent prior to this time. Thus, any time that passed between the issuance of the patent and this IPR does not reflect “settled expectations,” but rather a commonsense approach of not expending resources and burdening the Board with IPRs on patents that may never be asserted against Petitioner (or anyone).

e. The Petitioner's Strong Merits Counsel Against Discretionary Denial

The '336 patent claims nothing more than a database-provisioning user interface ("UI") that accepts certain parameters that were well-known inputs for provisioning databases. Pet., at 2-3. The Petition's unpatentability grounds are strong, mapping every claim limitation to specific disclosures in the prior art and providing detailed, well-supported explanations of motivation to combine and reasonable expectation of success. The only arguments raised in Nutanix's Preliminary Response (Paper 6, "POPR") against the Petition's grounds misstate the law of obviousness and mischaracterize the Petition's arguments.

i. The Claimed UI Would Have Been Obvious

Nutanix does not dispute that there is nothing novel about the database itself in the '336 patent, nor about how the patent provisions a database. Pet., at 2. Rather, the patent's claims recite simply accepting various known provisioning parameters via a UI and provisioning a database based on those parameters. In claim 1, for example, Elements [1Pre]-[1C] and [1G] recite receiving various user inputs related to provisioning a database, including parameters such as a "database engine type" and a "protection schedule" comprising certain "frequencies." Pet., at 88. Elements [1D]-[1E] recite doing certain well-known tasks with the collected information, *i.e.*, "provisioning" the database and "setting up...capturing" of "snapshots" and "transactional logs." *Id.* And Element [1F] explains what the "transactional logs"

are used for—again, there is no dispute that this was known. *Id.* The claim recites nothing novel about the database itself, how it is provisioned, or what input parameters are collected to do so, and Nutanix does not allege that it does.

Nutanix does not dispute that Sivasubramanian and Zha together disclose every element of claim 1 except for receiving an SLA selection as recited in [1C]. And even there, Nutanix’s argument essentially is that Sivasubramanian and Zha do not explicitly *label* the underlying configuration parameter as being part of an “SLA.” But the ’336 patent does not place any special requirements on what constitutes an “SLA” beyond what Sivasubramanian and Zha implement. The patent merely states that an “SLA is an agreement... that outlines, among other things, the protection scope of the database. The protection scope defines for how long data from the database being created or registered is retained.” EX1001, 19:12-23; Pet., at 45-46. In other words, an agreement that outlines a retention period for the database’s data can be an “SLA.”

Nutanix does not dispute that Zha discloses user-specified retention periods for data from the database. *See* Pet., at 45-46 (explaining that Zha discloses user-specified snapshot and transaction-log retention periods). Nor does Nutanix dispute that a POSA would have been motivated to implement Sivasubramanian’s customizable UI to collect user-specified retention periods (as taught by Zha) for use in protecting the provisioned database. *See* Pet., at 32-35, 45-50. The only disputed

aspect of [1C] is whether the user specification of the retention period (as Zha undisputedly teaches) is part of an SLA specification.

Yet nowhere does the '336 patent contend that there is anything inventive about putting the user specification of the retention period under the label of an SLA. And the Petition showed, with specific citations to multiple references corroborating what was well-known to POSAs, that putting the user specification of the retention period under the label of an SLA would have been obvious in view of a POSA's background knowledge, as discussed below.

The Petition showed that it was well-known to specify a "service level agreement" ("SLA") setting retention periods for database-protection-related data such as snapshots and transaction logs. Pet., at 32 (citing EX1017, [0046], Fig. 6; EX1024, [0120]; EX1025, [0004]; EX1026, 11:39-43; EX1027, 19:32-35; EX1028, [0046], [0056]-[0058]; EX1029, 9:4-7; EX1030, 3:62-4:6; EX1003, ¶¶133-134). The Petition amply established, given this background knowledge, that it would have been obvious to a POSA to provide the users the ability to specify the retention periods in Sivasubramanian's UI by specifying an SLA, in order to give the user a familiar UI and increase user convenience. Pet., at 33 (citing EX1017, Fig. 6; EX1013, 15-16; EX1014, Fig. 2; EX1029, 9:49-10:5; EX1031, 1:16-29; EX1003, ¶¶135-136).

Dr. Bhattacharjee’s testimony regarding a POSA’s background knowledge and motivations is un rebutted, as Nutanix has not submitted any contrary expert testimony. And the Petition’s approach of relying on corroborating documentary evidence and supporting expert testimony to demonstrate the POSA’s background knowledge showing the obviousness of a claim limitation was expressly endorsed by the Federal Circuit’s precedential decision in *Koninklijke Philips N.V. v. Google LLC*, 948 F.3d 1330, 1337-1338 (Fed. Cir. 2020) (“*Philips*”) (finding that the Board properly “relied on expert evidence, which was corroborated by [a background reference], in concluding that pipelining was not only in the prior art, but also within the general knowledge of a [POSA]” in order to find the obviousness of a limitation not expressly disclosed in the named reference in the petition’s ground).

ii. Nutanix’s Arguments Against The Petition’s Grounds Are Weak And Meritless

Nutanix’s arguments in its Preliminary Response against the obviousness of providing the known retention-period parameter in an SLA selection as [1C] recites are meritless, as explained below.

(1) Nutanix Repeatedly Mischaracterizes The Federal Circuit’s Obviousness Law

As discussed in Petitioner’s Pre-Institution Reply (“Reply,” Paper No. 10), Nutanix mischaracterizes *Arendi S.A.R.L. v. Apple, Inc.* (“*Arendi*”), 832 F.3d 1355, (Fed. Cir. 2016), by alleging that *Arendi* disfavors reliance on “a POSA’s

background knowledge” to show obviousness. POPR, at 11-12. In reality, what *Arendi* disfavored was reliance on mere “common sense” to supply a limitation instead of “reasoned analysis and evidentiary support.” *Arendi*, at 1362; Reply, at 1. As discussed *supra* §3.e.i, the Petition here provides plenty of “reasoned analysis and evidentiary support.”

In its Preliminary Sur-Reply (“Sur-Reply,” Paper No. 11), Nutanix contends that *DSS Technology Management, Inc. v. Apple Inc.*, 885 F.3d 1367 (Fed. Cir. 2018) (“*DSS*”), somehow supports Nutanix’s mischaracterization of *Arendi* as disfavoring reliance on background knowledge corroborated by documentary evidence. Sur-Reply, at 1-2. *DSS* does no such thing. In *DSS*, the Board relied on “ordinary creativity” alone, *without* citation to any corroborating evidence, to supply a missing limitation. *DSS*, at 1373. The Federal Circuit held that such “invocation of ‘ordinary creativity’ is no different from the reference to ‘common sense’ that [the Court] considered in *Arendi*.” *DSS*, at 1374. But here, as noted above, the Petition did not rely on mere uncorroborated statements about “common sense” or “ordinary creativity”; the Petition relies on extensive documentary evidence corroborating expert testimony to demonstrate a POSA’s background knowledge.

Nutanix finally claims Petitioner “fails to reconcile its positions with *Intel Corp. v. PACT XPP Schweiz AG*, No. 2023-1537, 2024 WL 5068112, at *2 (Fed. Cir. Dec. 11, 2024), in which the Federal Circuit upheld the Board’s refusal to

consider art not part of any ground.” Sur-Reply, at 2. There is no need to reconcile the Petition with *Intel* because *Intel* is inapplicable here. *Intel*’s result turned on a factual finding by the Board that Intel’s IPR petition had “relied on” a single reference, “Cline[,] to supply a missing claim limitation...not taught by either Nicol or Bhatia [the named references], ***rather than***, as Intel [later] argued, to describe the state of the art.” *Intel*, at *1. But here, the Petition expressly relies on “well-known background knowledge” of SLAs (Pet., at 32) and cites ***multiple*** corroborating references, in addition to Dr. Battacharjee’s testimony, as evidence of that background knowledge, as discussed *supra* §3.e.i. See Pet., at 32-33. Furthermore, to the extent Nutanix argues that *Intel*’s ***non-precedential*** ruling establishes a rule that a single reference cannot be used to establish background knowledge, this argument cannot stand in view of the Federal Circuit’s ***precedential Philips*** ruling, which endorsed the Board’s reliance on a single reference, “Hua,” to establish background knowledge. *Philips*, at 1338.

(2) Nutanix Ignores The Petition’s Arguments and Evidence

Nutanix argues that the Petition “attempts to fill [the SLA] gap using more than a dozen references that are not part of Petitioner’s grounds without providing any motivation as to why a POSA would have combined any of these references with Sivasubramanian and/or Zha with a reasonable expectation of success.” POPR, at 11. This allegation is doubly flawed. First, as discussed *supra* §3.e.i, *Philips*

plainly permits reliance on background knowledge corroborated by documentary evidence in establishing obviousness without making the documentary evidence “part of” the name of the combination used to describe the unpatentability ground. *Philips*, at 1338. Second, the allegation that the Petition provides no “motivation” or “reasonable expectation of success” in discussing the POSA’s background knowledge is false. Nutanix ignores the extensive evidence and reasoning that the Petition provided for why a POSA would have been motivated and reasonably expected success in implementing Sivasubramanian’s provisioning UI to accept the snapshot and log retention periods as part of an SLA-level selection. In particular, the Petition and Dr. Battacharjee discussed in detail Sivasubramanian’s own teachings about the flexibility of its UI. *See* Pet., at §VI.A.2 (pp. 24-25); EX1003, ¶¶102-107; EX1005 (Sivasubramanian), 12:53-13:64, 11:49-52, 2:23-26, 11:41-47, 6:7-12, 6:45-52, 13:1-5, 12:52-55, 23:4-16. The Petition and Dr. Bhattacharjee cited these teachings, Dr. Bhattacharjee’s knowledge of a POSA’s programming skill, and evidence regarding the desirability of having the retention period be specified via an SLA selection to demonstrate POSA’s motivation and expectation of success. Pet., at 33-34 (citing Petition, at §VI.A.2); EX1003, ¶¶137-143; EX1012, 7; EX1013, 5, 15-17, 111-12; EX1014, Fig. 2; EX1017, [0046], Fig. 6; EX1016, [0009]; EX1028, [0046], [00056]-[0058]; EX1029, 9:49-10:12, Fig. 4; EX1031, 1:16-29; EX1032, 2-3.

Nutanix also incorrectly argues that “[e]ven if fully considered, none of Petitioner’s many cited references teach selection of an SLA and a protection schedule to protect a database after provisioning, and Petitioner never argues otherwise.” POPR, at 13. Nutanix’s assertion that “none of Petitioner’s...references teach selection of” a “protection schedule to protect a database after provisioning” (POPR, at 13) is false; Zha teaches this, as the Petition noted. EX1006 (Zha), 11:33-54, 6:49-58, 17:63-66, 25:24-34; Pet., at 35, 46, 48-49; EX1003, ¶¶144-147, 174-175, 181-186. Nutanix’s assertion that none of the references “teach selection of an SLA...to protect a database after provisioning” (POPR, at 13) is also false; this is taught in numerous references, as the Petition and Dr. Bhattacharjee pointed out. *See* Pet., at 32; EX1003, ¶133; EX1017, [0046], Fig. 6 (“SLA protecting a database” including “snapshot policy” specifying retention period); EX1024, [0120]; EX1025, [0004]; EX1026, 11:39-43; EX1027, 19:32-35.

Moreover, Nutanix’s argument is a red herring, because the Petition’s combination is not premised on there being express disclosure of everything [1C] in a single reference—*i.e.*, specifying a retention period in a provisioning UI as part of something that is specifically labeled as an SLA (e.g., as opposed to labeled something else but having the same functionality). The Petition’s argument is that this would have been obvious in view of a POSA’s background knowledge, as attested to by Dr. Bhattacharjee and corroborated by numerous background

references, as discussed *supra* §3.e.1. It is black-letter law that “[t]he test for obviousness is not whether the features of a secondary reference may be bodily incorporated into the structure of the primary reference; ***nor is it that the claimed invention must be expressly suggested in any one or all of the references.*** Rather, the test is what the combined teachings of the references would have suggested to those of ordinary skill in the art.” *In re Keller*, 642 F.2d 413, 425 (C.C.P.A. 1981); *MCM Portfolio LLC v. Hewlett-Packard Co.*, 812 F.3d 1284, 1294 (Fed. Cir. 2015).

Nutanix’s reliance on *Xerox Corp. v. Bytemark, Inc.*, No. IPR2022-00624, Paper 12, at 5 (Feb. 10, 2023) (Director Review) (precedential) to argue that Dr. Bhattacharjee’s detailed testimony should be discounted (*see* POPR, at 14) is misplaced. *Xerox* endorsed discounting an expert’s testimony where the expert provided “conclusory assertions ***without underlying factual support.***” *Xerox*, at 5. Here, as noted above, the Petition and Dr. Bhattacharjee cited extensive “underlying factual support” for the assertions in both his testimony and the Petition, including “more than a dozen” references, as Nutanix admits. POPR, at 11. Thus, *Xerox* is inapplicable here. *See, e.g., Apple, Inc. v. Aire Tech., Ltd.*, IPR2022-01137, Paper 31 (FWD) (Dec. 15, 2023), at 22-23 (finding *Xerox* inapplicable and rejecting patent owner’s argument to “accord the testimony of [petitioner’s expert] little or no weight simply because it matches what Petitioner states in the petition” because the expert’s testimony was “supported by evidence”); *Samsung Elecs. Co., Ltd. v. Mfg.*

Resources Int'l., Inc., IPR2023-00220, Paper 57 (FWD) (Jun. 18, 2024), at 57 (finding *Xerox* inapplicable and “declin[ing] to discount [petitioner’s expert’s] testimony based solely on similarities with the Petition”).

None of Nutanix’s arguments against the Petition’s grounds hold water. The unpatentability grounds are strong, and the Petition should be instituted.

4. CONCLUSION

For these reasons, the Director should not exercise her discretion to deny and should submit this petition to the panel for review of its merits.

Respectfully submitted,

Dated: May 27, 2025

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CERTIFICATE OF WORD COUNT

Pursuant to 37 C.F.R. § 42.24, the undersigned certifies that the foregoing **PETITIONER’S RESPONSE TO PATENT OWNER’S REQUEST FOR DISCRETIONARY DENIAL OF INSTITUTION** contains 4,883 words excluding; a table of contents, a table of authorities, Mandatory Notices under § 42.8, a certificate of service or word count, or appendix of exhibits or claim listing. Petitioners have relied on the word count feature of the word processing system used to create this paper in making this certification.

Date: May 27, 2025

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CERTIFICATE OF SERVICE UNDER 37 C.F.R. § 42.6 (E)(4)

I certify that on May 27, 2025, a copy of the foregoing document, including any exhibits or appendices filed therewith, is being served via electronic mail, as previously consented to by Patent Owner, upon the following:

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