

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ORACLE CORPORATION,
Petitioner

v.

VIRTAMOVE, CORP.,
Patent Owner

Case No.: IPR2025-01002
U.S. Patent No. 7,519,814
Issue Date: April 14, 2009

Title: SYSTEM FOR CONTAINERIZATION OF APPLICATION SETS

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

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LISTING OF EXHIBITS

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1001	U.S. Patent No. 7,519,814 (“the ’814 patent”)
1002	Declaration of Dr. Darrell Long, Ph.D.
1003	Osman et al., <i>The Design and Implementation of Zap: A System for Migrating Computing Environments</i> , 5 Proc. of the Symposium on Operating Systems Design and Implementation (2002) (“Osman”)
1004	U.S. Patent No. 7,437,556 (“Tucker”)
1005	U.S. Provisional Patent Application No. 60/469,558 (“Tucker Provisional”)
1006	U.S. Patent Publication No. 2002/0171678A1 (“Bandhole”)
1007	<i>Virtual Private Servers and Security Contexts</i> (“Gélinas”)
1008	File history of the ’814 patent
1009	Solaris 9 press release from Sun Microsystems
1010	B. Walters, “VmWare Virtual Platform.” Linux Journal, 1999.
1011	Soltesz et al., <i>Container-based operating system virtualization: a scalable, high-performance alternative to hypervisors</i> (2007)
1012	D. Price and A. Tucker. <i>Solaris zones: Operating system support for consolidating commercial workloads</i> . In Proceedings of the 18th Usenix LISA Conference, 2004.
1013	U.S. Provisional Patent Application No. 60/502,619
1014	U.S. Provisional Patent Application No. 60/512,103
1015	Declaration of Rachel Watters Regarding Osman
1016	Declaration of Jacques Gélinas Regarding Linux VServer
1017	Message to Linux Kernel Mailing List Regarding Linux VServer
1018	Slashdot post Regarding Linux VServer
1019	Amazon’s Opening Claim Construction Brief in <i>VirtaMove, Corp. v. Amazon.com, Inc. et al.</i> , No. 7:24-cv-30-ADA-DTG (W.D. Tex.) (the “Amazon Litigation”)

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1021	Excerpts from deposition of named inventor Donn Rochette from the Amazon Litigation
1022	J. Ball, “Managing Initscripts with Red Hat’s chkconfig.” <i>Linux Journal</i> , 2001.
1023	Kravetz, et al. “Enhancing Linux scheduler scalability.” <i>Proceedings of the Ottawa Linux Symposium</i> , Ottawa, CA. 2001.
1024	Scheduling order from the Amazon Litigation
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1029	Plaintiff VirtaMove Corp.’s Preliminary Disclosure of Asserted Claims and Infringement Contentions, in <i>VirtaMove, Corp. v. Oracle Corp.</i> , 7:24-cv-00339 (W.D. Tex.) (Mar. 28, 2025)
1030	Scheduling Order, Dkt. No. 54, in <i>VirtaMove, Corp. v. Oracle Corp.</i> , 7:24-cv-00339 (W.D. Tex.) (Sept. 9, 2025)
1031	Excerpt from Defendant Oracle Corp.’s Second Amended Preliminary Invalidity Contentions, in <i>VirtaMove, Corp. v. Oracle Corp.</i> , 7:24-cv-00339 (W.D. Tex.) (July 17, 2025)
1032	First Amended Complaint for Patent Infringement Against Oracle Corporation, Dkt. No. 21, in <i>VirtaMove, Corp. v. Oracle Corp.</i> , 7:24-cv-00339 (W.D. Tex.) (Apr. 11, 2025)
1033	The Future of Linux Containers, YouTube landing page and associated video, https://www.youtube.com/watch?v=wW9CAH9nSLs (Mar. 21, 2013)
1034	A. Avram, Docker: Automated and Consistent Software Deployments, https://www.infoq.com/news/2013/03/Docker/ (Mar. 27, 2013)

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1035	Kubernetes Blog: B. Killen, et al., 10 Years of Kubernetes, https://kubernetes.io/blog/2024/06/06/10-years-of-kubernetes/ (June 6, 2024)
1036	GitHub, First Commit – Kubernetes, https://github.com/kubernetes/kubernetes/commit/2c4b3a562ce34cddc3f8218a2c4d11c7310e6d56 (June 6, 2014)
1037	Docket Report, <i>VirtaMove Corp. v. Amazon.com, Inc., et al.</i> , 7:24-cv-00030 (W.D. Tex.) (as of Sept. 9, 2025)
1038	Docket Navigator District Court Litigation Report for VirtaMove Corp. (as of Sept. 9, 2025)

I. INTRODUCTION

Patent Owner's request for discretionary denial is based on the mischaracterization of critical facts and the omission of others. When all the facts are accurately described and considered, the *Fintiv* factors and other relevant considerations favor denial of Patent Owner's request.

To begin, Patent Owner mischaracterizes important facts. For example, Patent Owner mischaracterizes the status of the parallel district court action. The case is in its very early stages. The Court has yet to decide Oracle's motion to dismiss under Rule 12(b)(6) and a motion to transfer venue from the Western District of Texas. Oracle has yet to answer the complaint. General discovery has yet to open. Patent Owner also mischaracterizes the effect of Oracle's broad stipulation that eliminates overlap between this IPR and the district court action, and relies on speculation that Oracle *may* find other prior art and *may* use it in an *ex parte* reexamination.

Patent Owner also ignores critical facts. It also ignores facts that give rise to Oracle's settled expectations that the '814 patent should be reviewed by the Board. The public and Oracle have developed settled expectations since the late 1990s that weak patents can be challenged via congressionally enacted processes in parallel with district court litigation: first with *inter partes* reexaminations and later strengthened with *inter partes* review proceedings. Furthermore, Patent Owner fails

to disclose that the technology it is accusing of infringement in the district court action—third-party open-source technology—has been on the market since 2014, yet Patent Owner waited until 2024 to assert its patent against *anyone* (including Oracle). Because of Patent Owner’s inaction despite wide industry adoption of the accused technology, Oracle formed a settled expectation that the technology it uses is noninfringing.

For these reasons, and the additional reasons explained in this paper and the petition, Oracle respectfully requests that the Director deny Patent Owner’s Request for Discretionary Denial of Institution (Paper 9, the “Request”) and refer this *inter partes* review (IPR) to the merits panel for an institution decision.

II. ARGUMENT

A. The *Fintiv* Factors Weigh In Favor Of Institution

Patent Owner primarily relies on the *Fintiv* factors in arguing that the Director should discretionarily deny Oracle’s Petition. *See* Request at 2-10. But Patent Owner omits facts which show that the *Fintiv* factors collectively favor institution.

1. Factor 1 (Stay Potential) Is Neutral

Factor 1 is “whether the court granted a stay or evidence exists that one may be granted if a proceeding is instituted.” *Apple Inc. v. Fintiv, Inc.*, No. IPR2020-00019, Paper 11 at 6 (PTAB Mar. 20, 2020). Whether a stay will (or will not) issue in the parallel District Court action is speculative. Thus, this factor is neutral. Patent Owner agrees. Request at 3-4.

2. Factor 2 (Timing Of Trial and FWD) Is Neutral Because Of Oracle’s Pending Motion to Dismiss and Motion to Transfer

Factor 2 is the “proximity of the court’s trial date to the Board’s projected statutory deadline for a final written decision.” *Fintiv*, Paper 11 at 6.

Patent Owner’s assertion that the “trial date is November 16, 2026” is speculative. Request at 4. The Court has not ruled on Oracle’s motion to dismiss under Rule 12(b)(6) or on its motion to transfer venue to the Northern District of California. Should the Court dismiss the case, the trial is moot. And should the Court transfer the case against Oracle, the transferee court will need to ingest the case and set its own pretrial and trial schedule. This factor is neutral.

3. Factor 3 (Litigation Investment) Favors Institution Because the Parties’ Investment Is Minimal

Factor 3 is “investment in the parallel proceeding by the court and the parties.” *Fintiv*, Paper 11 at 6.

This factor weighs in favor of institution because the case is still in its early stages. The pleadings are not closed because the Court has yet to rule on Oracle’s motion to dismiss, so Oracle has not yet answered the complaint. Moreover, the Court has not ruled on Oracle’s motion to transfer venue to the Northern District of California. The Court has not yet held a *Markman* hearing. The general discovery period has not commenced, and expert reports and summary judgment are many months away. Ex. 1030 at 3. If the Court transfers the case against Oracle (just as

the Court did with respect to similar cases filed by patent owner on the same patents against Google and Amazon), the transferee court will need to ingest the case and set its own pretrial and trial schedule. This factor weighs in favor of institution.

4. Factor 4 (Issue Overlap) Favors Institution Because Oracle Stipulated to Eliminate Issue Overlap

Factor 4 is “overlap between issues raised in the petition and in the parallel proceeding.” *Fintiv*, Paper 11 at 6.

Oracle filed a stipulation to prevent issue overlap should this IPR be instituted. *See* Paper 8. Oracle’s stipulation will prevent Oracle from litigating in district court over the same prior art raised in this proceeding should the Board institute this IPR. *See id.* The Board has found such stipulations, which eliminate the overlap between the co-pending proceedings, to weigh in favor institution. *See Sotera Wireless, Inc. v. Masimo Corp.*, No. IPR2020-01019, Paper 12 at 18-19 (PTAB December 1, 2020) (precedential).

Oracle’s stipulation is a *Sotera* stipulation, which is broader than a *Sand Revolution* stipulation. Oracle stipulated that it would not pursue in the district court proceeding “(i) the specific grounds raised in IPR2025-01002, (ii) any other ground that could have reasonably been raised before the Board in that instituted proceeding (i.e., any other ground that could have reasonably been raised under §§ 102 or 103 on the basis of prior art patents or printed publications).” Paper 8.

While Patent Owner discounts the value of Oracle's *Sotera* stipulation, it does not dispute that Oracle's *Sotera* stipulation will prevent Oracle from bringing any ground it raised or could have raised in this IPR in the district court proceeding, eliminating overlap between that proceeding and this IPR. Request at 5-9. Oracle's stipulation applies the full scope of 35 U.S.C. § 315(e) to the district court proceeding.

Instead, Patent Owner argues that Oracle's stipulation is insufficient for two reasons: (1) the stipulation does not cover system prior art described by the prior art used in this IPR (Request at 5-7); and (2) *ex parte* reexamination remains an available procedure to challenge the patentability of the patent (Request at 8-9).

Patent Owner's first reason ignores the efficiency gains from removing printed prior art grounds. It is also incorrect. For Ground 1, the petition relies on the Osman (Ex. 1003) prior art reference. Oracle does not use Osman to describe any system prior art that Oracle asserts in its invalidity contentions in the parallel district court proceeding. *See* Ex. 1031.

Patent Owner's second reason misapprehends the application of estoppel under 35 U.S.C. § 315(e) and relies entirely on speculation. The preclusive effect of 35 U.S.C. § 315(e) is broader than Patent Owner lets on because it prohibits Oracle from maintaining at the Patent Office any invalidity grounds that it "raised or **reasonably could have raised**" after a final written decision is entered. Oracle

has already served invalidity contentions in the parallel proceeding and filed petitions for IPR of the patent. Patent Owner's argument is pure speculation about art that Oracle may find in the future that is different from what it reasonably could have raised in its invalidity contentions and IPR petitions. *See* 35 U.S.C. § 315(e).

Because Oracle's broad *Sotera*-type stipulation will eliminate overlap between this IPR and the parallel district court proceeding, this factor weighs in favor of institution.

5. Factor 5 (Identity Of the Parties) Is Neutral

Factor 5 is "whether the petitioner and the defendant in the parallel proceeding are the same party." *Fintiv*, Paper 11 at 6.

Both Oracle and Patent Owner are parties in the parallel proceeding. This, however, is of little moment because parallel proceedings often result in party overlap. *See Nokia of Am. Corp. v. Soto*, No. IPR2023-00680, Paper 30 at 13 (PTAB Dec. 3, 2024) ("*Fintiv* factor 5 is neutral" where the Petitioner and a defendant in a parallel district court proceeding are the same). Furthermore, this factor is "neutral or weighs slightly in favor of not exercising discretionary denial" when the trial in the parallel district court proceeding "may not occur before the entry of a final written decision." *BOE Tech. Grp. Co., Ltd. v. Optronix Sci. LLC*, No. IPR2024-01130, Paper 16 at 13-14 (PTAB Jan. 27, 2025). As explained in §§ II.A.2-II.A.3, should the Court grant Oracle's motion to dismiss, the trial date will be moot. Should

the Court grant Oracle's motion to transfer to the Northern District of California, the transferee court will need to ingest the case and set its own pretrial and trial schedule. This factor is neutral.

6. Factor 6 (Other Circumstances) Favors Institution

Factor 6 is "other circumstances that impact the Board's exercise of discretion, including the merits." *Fintiv*, Paper 11 at 6.

As explained below (§ II.B), other circumstances weigh in favor of institution: (1) Oracle has a settled expectation that the decade-old technology that Patent Owner is only now accusing of infringement is noninfringing; (2) the public, Oracle, and Patent Owner have a settled expectation that patents are subject to challenge at the PTO; and (3) Oracle's petition is strong and has substantive merit.

B. Other Considerations, Including Discretionary Considerations Of The March 26, 2025 Interim Processes For PTAB Workload Management, Weigh In Favor Of Institution

The factors listed in the Director's March 26, 2025 memorandum¹ weigh in favor of institution. The factors for consideration listed in the Interim Process include: (1) "Settled expectations of the parties"; and (2) "The strength of the unpatentability challenge."

¹ <https://www.uspto.gov/sites/default/files/documents/InterimProcesses-PTABWorkloadMgmt-20250326.pdf> ("Interim Process").

1. Settled Expectations Favor Institution

The Interim Process calls for consideration of the “[s]ettled expectations of the parties.” Interim Process at 2. This factor favors institution because (1) Patent Owner sat on its patents for a decade after the accused third-party open-source technology was released before asserting claims of infringement, and (2) the public, Oracle, and patent owners have expectations that the validity of patents may be reviewed, and their claims may be cancelled, during the life of issued patents.

First, Oracle developed a settled expectation that the accused technology is noninfringing. Oracle adopted technology that was brought to market over a decade ago by third parties, yet VM did not claim that the technology infringes its patent until 2024.

Specifically, Patent Owner asserts that the use of technology called Docker and Kubernetes infringes its patent. *See* Ex. 1032. Docker debuted and was made open source in 2013. *See* Exs. 1033-1034. Kubernetes was publicly available when it was first pushed to GitHub on June 6, 2014. *See* Exs. 1035-1036.

Despite this, Patent Owner sat on its patents for a decade. Patent Owner did not start its current litigation campaign against various cloud computing companies that use Docker and Kubernetes technology (including Oracle) until 2024. *See* Ex. 1037. Indeed, Docket Navigator indicates that the patent was never asserted—whether by VirtaMove or anyone else—in *any* litigation prior to the current litigation

campaign. *See* Ex. 1038. Because Patent Owner did not assert this patent against *anyone* over *any* technology—let alone against Oracle and its use of decade-old technology—Oracle developed settled expectations that the technology is not infringing.

Second, over several decades, patent owners, Oracle, and the public developed a settled expectation that issued patents are subject to review and possible cancellation at the Patent Office during their lifetime, even when they are the subject of parallel district court litigation. Before Congress created the *inter partes* review framework, the Patent Office offered the *inter partes* reexamination procedure, which was added to the then-existing *ex parte* reexamination procedure on November 29, 1999, as a part of the American Inventors Protection Act of 1999. *See* MPEP § 2601 (Rev. 1, Nov. 2024).

Congress enacted an even more robust mechanism in 2011 for challenges to patents regardless of their age: the *inter partes* review. The point of the IPR procedure is to strengthen the patent system by ensuring patents of spurious quality can be challenged efficiently outside of costly litigation. *See, e.g.*, H.R. Rep. No. 112-98, at 39–40 (2011) (“The legislation is designed to establish a more efficient and streamlined patent system that will improve patent quality and limit unnecessary and counterproductive litigation costs.”).

The expectation that “patent owners have had for nearly four decades” is “that patents are open to PTO reconsideration and possible cancelation.” *Celgene Corp. v. Peter*, 931 F.3d 1342, 1361-62 (Fed. Cir. 2019); *See also NHK Spring Co. Ltd. v. Intri-Plex Techs., Inc.*, No. IPR2018-00752, Paper 8 at 19 (PTAB Sept. 12, 2018) (precedential) (rejecting patentee’s contention that ten-year delay in challenging patent warranted discretionary denial). The fact that the patent is old does not remove this expectation, especially considering that Patent Owner waited until only last year to levy allegations of infringement against decade-old technology.

Patent Owner cannot now suggest that any patent that reaches an arbitrary age is insulated from the review mechanism Congress enacted to *allow for* review of issued patents regardless of age. Patent Owner provides *no* authority suggesting that the age of the patent insulates it from challenge or is the only consideration that can support that a party had “settled expectations.” Request at 10-11. Overall, this consideration favors institution.

2. The Strength Of Oracle’s Petition Favors Institution

The Interim Process calls for a consideration of “[t]he strength of the unpatentability challenge.” Interim Process at 2. This factor favors institution because the grounds in Oracle’s Petition are strong.

Specifically, according to the examiner, the application was allowed because the prior art of record did not disclose “the various aspects of applications software

not being sharable between the plurality of secure (and isolated) containers of application software, and unique root file systems different from an operating system's root file system, so as to allow for different versions of the same operating system running on the same system/server environment.” Ex. 1008 (12/10/2008 Notice of Allowance) at 2-3.

The Petition presents grounds that include prior art disclosing the missing features that formed the sole reason for the patent's allowance. Specifically, the petition provides three different grounds, each relying on a primary reference that discloses the missing features. For Ground 1, the petition relies on Osman's disclosure of “Zap Pods,” which is a system to isolate groups of computer processes and associated files into “pods,” where the pods are isolated from both the underlying operating system and other “pods.” *See* Pet. at 6-7, 29-30; Ex. 1003. For Ground 2, the petition relies on Tucker's disclosure of Solaris Zones, which allows for a user to create container “zones” within which applications and their files are stored and executed in isolation from the rest of the system (including from other zones), in part by using a separate root file system for each zone. *See* Pet. at 5-6, 52-53; Exs. 1004-1005. For Ground 3, the petition relies on Gélinas's disclosure of Linux VServer that “split[s] a Linux server into virtual ones with as much *isolation* as possible,” in part by using the “chroot” command, which confines a VServer into its own root file system. *See* Pet. at 4-5, 62; Ex. 1007. Had the examiner considered

any of these references during prosecution, the patent would not have issued in the first place.

C. Oracle’s Filing Of Parallel Petitions Does Not Support Discretionary Denial

Patent Owner argues that institution should be denied because Oracle filed four petitions against the ’814 patent. Request at 11-12. But this is misleading because Oracle filed two of those IPR petitions because of the large number of patent claims that need to be addressed. Specifically, Oracle’s petitions in IPR2025-01001 and IPR2025-01002 rely on the same combinations of prior art but apply those combinations to two different sets of claims.² Thus, there is no substantive overlap between two of Oracle’s petitions for IPR of the ’814 patent.

This is not a late-filed “serial” petition nor is it an attempt to leverage Patent Owner’s papers in other IPRs to “roadmap” a later petition. Rather, Oracle filed four parallel “copycat” IPR petitions on the same day (May 16, 2025). Paper No. 3 at 1-2. Along with each petition, Oracle filed a Ranking of its petitions, including an explanation of the material differences between the petitions and why multiple petitions were filed. *Id.* at 2-5. Those differences include: (1) potential priority

² IPR2025-01001 relies on three grounds of prior art to challenge claims 1, 2, 4, 6, 8-10, and 13-14. IPR2025-01002 relies on the same three grounds of prior art to challenge claims 3, 5, 7, 11-12, 15-16, and 31-34.

disputes arising from Patent Owner's vague assertion in the parallel district court action that the patent is entitled to a priority date "at least as early as September 15, 2003" (*id.*); and (2) each petition presents arguments directed to different prior art references, different challenged claims, or both. *Id.* This petition presents unpatentability and obviousness issues materially distinct from, and non-cumulative of, any of Oracle's other petitions. *See id.*

Furthermore, each of Oracle's petitions for IPR present strong merits with compelling grounds. *See* § II.B.2. This weighs in favor of institution.

III. CONCLUSION

Institution is appropriate for the reasons outlined above and in the Petition. Oracle respectfully requests that the Director deny Patent Owner's request to discretionarily deny institution of Oracle's petition for IPR.

Respectfully submitted,
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Dated: September 11, 2025

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CERTIFICATE OF SERVICE

The undersigned hereby confirms that the foregoing paper was caused to be served on September 11, 2025 via electronic mail, upon the following attorneys of record for the Patent Owner:

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