

Petitioner's Opposition to Patent Owner's  
Request for Discretionary Denial of Institution  
U.S. Patent No. 8,397,282

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

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**BEFORE THE PATENT TRIAL AND APPEAL BOARD**

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FORTINET, INC.,  
Petitioner,

v.

NETSKOPE, INC.,  
Patent Owner.

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Case No. IPR2026-00041

U.S. Patent No. 8,397,282

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

**TABLE OF CONTENTS**

<b>I.</b>	<b>INTRODUCTION</b> .....	<b>1</b>
<b>II.</b>	<b>PO DROPPED ALL '282 CLAIMS FROM THE DISTRICT COURT LITIGATION</b> .....	<b>2</b>
<b>III.</b>	<b>SETTLED EXPECTATIONS HEAVILY WEIGH AGAINST DENIAL</b> .....	<b>2</b>
	A. RPX Owned the '282 Patent From 2016-2024, Effectively Taking the '282 Patent off the Market .....	3
	B. PO Readily Admits it Has Not Commercialized, Licensed, Marked, or Previously Asserted the '282 Patent .....	4
	C. PO's Discretionary Denial Request Does not Address, or Even Acknowledge, the Ownership History of the '282 Patent, or <i>Proxense</i> .....	5
	D. Petitioner's Citation To the '282 Patent In Prior Patent Filings Does Not Warrant Discretionary Denial .....	5
<b>IV.</b>	<b>THE DISTRICT COURT CASE INVOLVES A LARGE NUMBER OF PATENTS WITH DIVERSE SUBJECT MATTER</b> .....	<b>6</b>
<b>V.</b>	<b>THE <i>FINTIV</i> FACTORS HEAVILY WEIGH AGAINST DENIAL</b> .....	<b>7</b>
	A. Factor 1: Evidence Confirms Petitioner's Pending Stay Motion Is Likely to Be Granted .....	8
	B. Factor 2: No Scheduled Trial Date.....	10
	C. Factor 3: Little Investment in the Litigation .....	11
	D. Factor 4: No Risk of Overlapping Issues .....	12
	E. Factor 5: Overlapping Parties.....	12
	F. Factor 6: The Merits of the Petition Are Strong .....	12
<b>VI.</b>	<b>CONCLUSION</b> .....	<b>15</b>

Petitioner's Opposition to Patent Owner's  
Request for Discretionary Denial of Institution  
U.S. Patent No. 8,397,282

**TABLE OF EXHIBITS**

<b>Exhibit No.</b>	<b>Document</b>
1001	U.S. Patent No. 8,397,282 ("the '282 patent")
1002	File History of the '282 patent
1003	Declaration of John R. Black
1004	U.S. Patent No. 6,154,775 ("Coss")
1005	U.S. Patent Publication No. 2003/0041266 ("Ke")
1006	<i>Sotera Plus</i> Stipulation filed in <i>Netskope, Inc. v. Fortinet, Inc.</i> , Case no. 4:25-cv-02360-HSG
1007	August 2, 2012 Assignment of '282 Patent from Rocksteady Technologies LLC to RPX Corporation ("RPX")
1008	July 1, 2024 Assignment of '282 patent from RPX to Netskope
1009	Webpage from RPX website, available at <a href="http://rpxcorp.com/about">http://rpxcorp.com/about</a> (last accessed, Jan. 7, 2026)
1010	RPX Corporation Form 10-K for fiscal year 2017
1011	Netskope's Preliminary Infringement Contentions in <i>Netskope, Inc. v. Fortinet, Inc.</i> , Case no. 4:25-cv-02360-HSG
1012	Netskope's Preliminary Disclosure of Damages Contentions in <i>Netskope, Inc. v. Fortinet, Inc.</i> , Case no. 4:25-cv-02360-HSG
1013	U.S. District Court Time-to-Trial Statistics for NDCA
1014	Netskope's Identification of Proposed Claim Terms for Construction Pursuant to Patent Local Rule 4-1 in <i>Netskope, Inc. v. Fortinet, Inc.</i> , Case no. 4:25-cv-02360-HSG

Petitioner's Opposition to Patent Owner's  
Request for Discretionary Denial of Institution  
U.S. Patent No. 8,397,282

<b>Exhibit No.</b>	<b>Document</b>
1015	Netskope's Patent L.R. 4-2 Preliminary Claim Constructions and Extrinsic Evidence in <i>Netskope, Inc. v. Fortinet, Inc.</i> , Case no. 4:25-cv-02360-HSG
1016	Joint Stipulation And [Proposed] Order Re: Narrowing Of Claim Terms And Extension Of Briefing Schedule in <i>Netskope, Inc. v. Fortinet, Inc.</i> , Case no. 4:25-cv-02360-HSG

## I. INTRODUCTION

The Director should deny Netskope, Inc.'s ("PO's") request for discretionary denial (Paper 6) ("Request") because PO has no settled expectations, the '282 patent is no longer at issue in the district court litigation, so there is no concern of overlapping issues, and the *Fintiv* factors weigh heavily against denial.

The settled-expectations doctrine does not apply because PO only recently purchased the '282 patent from a third-party broker, RPX Corporation ("RPX"), for the sole purpose of asserting it against Fortinet, Inc. ("Fortinet" or "Petitioner"). RPX had owned the '282 patent for over ten years, from 2012 through 2024. RPX is a defensive patent aggregator—its business model is to effectively take patents off the market so those patents cannot be asserted in litigation. In its public SEC filings, RPX has confirmed that it does *not* assert the patents it acquires. Petitioner had no reason to expect that the '282 patent would be asserted and no reason to challenge its validity.

PO similarly had no reason to expect the '282 patent would go unchallenged when it acquired the patent on July 1, 2024, to assert against Petitioner shortly thereafter. PO acquired the patent after RPX kept it off the market for ten years. Moreover, PO has readily admitted in district court that it does not practice the '282 patent, and it has not licensed or otherwise commercialized the patent either. There

are no settled expectations that support discretionary denial.

The *Fintiv* factors also weigh heavily against discretionary denial. PO has dropped all claims from the '282 patent in the district court litigation and, accordingly, there is no basis to deny under the *Fintiv*. And, contrary to PO's mischaracterizations, Petitioner's '282 IPR petition (the "Petition") is strong on the merits; at least Coss discloses and/or renders obvious the Challenged Claims. For these reasons, and as discussed below, the Request should be denied.

## **II. PO DROPPED ALL '282 CLAIMS FROM THE DISTRICT COURT LITIGATION**

On December 19, 2026, the Parties filed a Joint Stipulation in the district court litigation in which PO "agrees to drop the following claims without prejudice: . . . **U.S. Patent No. 8,397,282; all asserted claims.**" EX1016 (emphasis added). Given the fact that PO is no longer asserting the '282 in the district court litigation, there is no risk of overlapping issues.

## **III. SETTLED EXPECTATIONS HEAVILY WEIGH AGAINST DENIAL**

There are compelling reasons why the Director should find there are no "settled expectations" for the '282 patent: (1) RPX, a *defensive* patent aggregator, owned the '282 Patent until July 1, 2024, when PO acquired it for purposes of asserting it; and (2) PO admits that the '282 patent has not been practiced, commercialized, asserted, marked, or licensed. For both of these reasons, the

settled-expectations doctrine does not apply. *See Intel Corp. v. Proxense LLC*, No. IPR2025-00327, Paper 12 at 2-3 (P.T.A.B. June 26, 2025) ("*Proxense*").

**A. RPX Owned the '282 Patent From 2016-2024, Effectively Taking the '282 Patent off the Market**

RPX owned the '282 patent from August 2, 2012, until assigning it to PO on July 1, 2024. *See* EX1007; EX1008. RPX is a *defensive* patent aggregator. As RPX explains, it "offer[s] a platform that includes defensive buying of patent rights . . . to mitigate and manage the risk of potential patent assertions for our growing client network." EX1009 at 1. RPX represents in SEC filings and public press releases that it *never* asserts its patents in litigation. *See, e.g.*, EX1010 at 11 ("We have not asserted and *will not assert* our patents. We have *never* initiated patent infringement litigation, and our clients receive guarantees that we will never assert patents against them.").

The '282 patent was effectively taken off the market by RPX, and PO only recently acquired the patent, so PO should not be able to argue that it had settled expectations. If anything, *Petitioner* had a reasonably settled expectation that the '282 patent would *not* be asserted. *Petitioner*, therefore, should not be faulted for failing to challenge the '282 patent earlier. *See, e.g., Home Depot U.S.A. v. H2 Intellect LLC*, IPR2025-00480, Paper 11 at 2-3 (Sep. 4, 2025). In *Home Depot*, the *Petitioner* "did not have reason to anticipate assertion of the patent against it"

because PO had "only previously targeted smartphones, tablets, and watches, whereas Petitioner, Home Depot, is the proprietor of a chain of hardware stores." *Id.* The Acting Director found that "[t]hese considerations weigh against Patent Owner's settled expectations and weigh in favor of Petitioner's expectations and outweigh the considerations favoring discretionary denial." *Id.* The same reasoning applies here: because the patents were assigned to RPX, which does not target *anyone*, there was no reason for Petitioner to anticipate assertion of the '282 patent against it.

**B. PO Readily Admits it Has Not Commercialized, Licensed, Marked, or Previously Asserted the '282 Patent**

Moreover, PO has alleged it has not commercialized, licensed, marked, or previously asserted the '282 patent. In its infringement contentions and throughout the district court case, PO has repeatedly confirmed it "does not allege that it practices the Asserted Claims," EX1011 at 7, and did not produce any documents related to alleged licensed products. The '282 patent was never previously asserted. PO has confirmed it has never licensed the '282 patent either. EX1012 at 6. And PO has not identified any products that were marked, or that should have been marked. *See* EX1011 at 9 (identifying no documents for Patent L.R. 3-2(i), which requires a production of documents sufficient to show marking).

The Acting Director refused to discretionarily deny petitions under facts similar to those here. *E.g.*, *Shenzhen v. Stratasys, Inc.*, No. IPR2025-00438, Paper

10 at 3 (P.T.A.B. July 17, 2025) ("The patent challenged in [IPR2025-00531] has been in force for approximately ten years, creating strong settled expectations for Patent Owner. Petitioner, however, presents evidence that the challenged patents have never been 'commercialized, asserted, marked, licensed, or otherwise applied' in Petitioner's 'particular technology space.'") (quoting *Proxense*, Paper 12 at 2-3). Similar to the *Shenzhen* matter and for the reasons provided in *Proxense*, the Director should find no settled expectations and deny the Request.

**C. PO's Discretionary Denial Request Does not Address, or Even Acknowledge, the Ownership History of the '282 Patent, or *Proxense***

In its Request, PO wholly fails to acknowledge, let alone address (1) the assignment history of the '282 patent, (2) the fact that it was owned by RPX for ten years, and (3) PO's own admissions in district court as to the lack of commercialization or licensing of the '282 patent. Instead, the decisions PO cites only stand for the proposition that settled expectations may apply for patents of similar vintage. *See* Request at 3-4 (citing decisions where settled expectations apply but notably failing to address any of the analysis under *Proxense*).

**D. Petitioner's Citation To the '282 Patent In Prior Patent Filings Does Not Warrant Discretionary Denial**

PO argues that denial is warranted here because prior patent applications by Petitioner reference or discuss the '282 patent. Request, 4. But PO's argument fails

to acknowledge the fact that it only recently acquired the '282 patent from RPX, who owned it for over 10 years, with no settled expectation that the '282 patent would not be challenged. Indeed, as noted above, given RPX's ownership of the patent for more than 10 years, Petitioner had a reasonable expectation that the '282 patent would not be used offensively and therefore had no reason to challenge it. *See Home Depot*, IPR2025-00480, Paper 11 at 2-3. Moreover, the cases PO cites in support are inapposite. In *Qualcomm*, there was no similar assignment history at issue where the patent owner there purchased the challenged patent shortly before asserting it. *Qualcomm Incorporated v. Collabo Innovations, Inc.*, IPR2025-01015, Paper 10 at 2.; *iRhythm, Inc. v. Welch Allyn, Inc.*, IPR2025-00374, Paper 13 at 3. More importantly, *Qualcomm's* challenge there was the third such challenge of the same patent after two prior denials on the merits. *Id.*, at 2-3. There are no corresponding "repeated prior challenges" here weighing against institution.

Because RPX effectively removed the '282 patent from the market for ten years and PO only recently acquired the patent in July 2024, PO cannot argue it has "settled expectations" that the '282 patent would not be challenged.

#### **IV. THE DISTRICT COURT CASE INVOLVES A LARGE NUMBER OF PATENTS WITH DIVERSE SUBJECT MATTER**

The '282 patent is no longer at issue in the district court, so there is no concern of overlapping subject matter. EX1016. Further, the parties' general involvement

in a co-pending district court case does not weigh against institution. In the district court litigation, PO originally asserted 176 claims across nine patents from eight different patent families. Although PO has since dropped the '282 patent and a handful of other claims, there are still eight asserted patents and 135 asserted claims in the district court litigation. The fact that this is a complex and diverse litigation also weighs against discretionary denial. *See Tesla, Inc., v. Intell. Ventures II LLC*, IPR2025-00217, Paper 9 at 2-3 (P.T.A.B. June 13, 2025) ("*Tesla*") (denying discretionary denial petitions for a nine-patent-family case because "[t]he large number and vast scope of the patents asserted in the district court litigation . . . weighs against discretionary denial, as the Board is better suited to review a large number of patents involving diverse subject matter.").

#### **V. THE *FINTIV* FACTORS HEAVILY WEIGH AGAINST DENIAL**

The *Fintiv* factors are no longer at issue since PO dropped the '282 patent from the district court litigation. EX1016. But even if they were at issue, the factors heavily weigh against denial as well. There is no trial date set in the district court action. In fact, there is no schedule at all in that case beyond the February 6, 2026 *Markman* hearing. Most of the work in the parallel case still needs to occur. And the Petition is strong on the merits.

**A. Factor 1: Evidence Confirms Petitioner's Pending Stay Motion Is Likely to Be Granted**

Petitioner filed a motion to stay the parallel Northern District of California case (*Netskope, Inc. v. Fortinet, Inc.*, Case No. 4:25-cv-02360-HSG) on October 22, 2025. Although the Court denied that motion pre-institution, the denial was *without* prejudice, and if the IPRs are instituted, there is a high likelihood that the case will be stayed. The litigation is before Judge Gilliam, who routinely stays cases pending IPR decisions. *See, e.g., DSS Tech. Mgmt., Inc. v. Apple, Inc.*, No. 14-CV-05330-HSG, 2015 WL 1967878 (N.D. Cal. May 1, 2015); *Finjan, Inc. v. Symantec Corp.*, 139 F. Supp. 3d 1032 (N.D. Cal. 2015); *Google LLC v. EcoFactor, Inc.*, No. 21-CV-03220-HSG, 2024 WL 88003 (N.D. Cal. Jan. 8, 2024). Even PO admits that Judge Gilliam "has demonstrated propensity to stay the litigation pending IPR institution." Request at 5.

The Northern District of California Court considers three factors in determining whether to grant a stay: "(1) whether discovery is complete and whether a trial date has been set; (2) whether a stay will simplify the issues in question and trial of the case; and (3) whether a stay would unduly prejudice or present a clear tactical disadvantage to the non-moving party." *DSS Tech.*, 2015 WL 1967878, at \*2 (citation omitted). All three factors weigh heavily in favor of a stay.

Stage of the litigation. The early stage of this litigation weighs heavily in

Petitioner's Opposition to Patent Owner's  
Request for Discretionary Denial of Institution  
U.S. Patent No. 8,397,282

favor of a stay. *See, e.g., Google*, 2024 WL 88003, at \* 2. In the district court case, the Court has not issued a scheduling order covering events after the *Markman* hearing or set a trial date, a partial motion to dismiss is still pending, Petitioner only recently answered the complaint in October 2025, PO and Petitioner have barely engaged in fact discovery (no fact depositions have even been scheduled), and the Court has not issued a claim construction order—all circumstances the Court consistently finds warrant granting a stay. *See id.* (finding first factor weighed in favor of stay when the Court had not yet issued a claim construction order or set a trial date, and the parties had "engaged in virtually no discovery"); *see also Finjan*, 139 F. Supp. 3d at 1035-36 (granting stay even though claim construction briefing and hearing had been completed).

Simplification of the issues. As PO admits, Judge Gilliam routinely grants motions to stay pending IPRs under similar circumstances because of the likelihood that the litigation issues will be narrowed. *See DSS Tech.*, 2015 WL 1967878, at \*4 ("Were the Court to deny the stay until a decision on institution is made, the parties and the Court would expend significant resources on claim construction proceedings that could eventually be mooted by the IPR decision.").

No undue prejudice. As described above, PO has dropped the '282 patent from the litigation. EX1016. And Petitioner filed its IPR petitions approximately

seven months after the complaint, well within the statutory period. As such, PO has no claim to prejudice. Even if the '282 patent were still at issue, as described above, PO has repeatedly admitted it does not practice the '282 patent (or any of the other patents at issue in the district court case). *See DSS Tech.*, 2015 WL 1967878, at \*4; *see also CF Traverse LLC v. Amprius, Inc.*, No. 20-CV-00484-RS, 2020 WL 6820942, at \*1 (N.D. Cal. Nov. 6, 2020) (granting motion to stay based in part because the court "struggle[d] to imagine any 'undue prejudice'" from a stay when non-moving party did not practice the asserted patents); *Evolutionary Intel. LLC v. Yelp Inc.*, No. C-13-03587-DMR, 2013 WL 6672451 (N.D. Cal. Dec. 18, 2013), at \*8 ("If the parties are not competitors (meaning that the plaintiff does not market any products or services covered by the claims of the patents-in-suit and does not seek a preliminary injunction), the plaintiff does not risk irreparable harm by the defendant's continued use of the accused technology and can be fully restored to the *status quo ante* with monetary relief.").

**B. Factor 2: No Scheduled Trial Date**

There is no trial date in the district court case. This factor weighs heavily against denial. Even if the Northern District of California Court schedules a trial date, it will be long after the Board's expected Final Written Decision ("FWD") date. EX1013 (time-to-trial average for N.D. Cal. of 34.5 months). PO admits that Judge

Gilliam's average time to trial is about 35 months. Request at 6. Moreover, as PO acknowledges, Judge Gilliam also has a propensity to stay cases pending IPR (*id.* at 5), which further confirms that any trial date would be after a FWD. *See, e.g., Google LLC v. Brodti Inc.*, No. IPR2025-00472, Paper 19 at 2 (P.T.A.B. June 25, 2025) (weight towards referral when no trial date is scheduled and median time to trial statistics suggest trial would begin significantly after the projected FWD).

**C. Factor 3: Little Investment in the Litigation**

Factor 3 weighs against discretionary denial because the district court proceedings are still in their early stages. Investment in the related proceedings has been minimal, as there is no scheduling order. Per *Fintiv*, "[i]f, at the time of the institution decision, the district court has not issued orders related to the patent at issue in the petition, this fact weighs against exercising discretion to deny institution...." *Apple Inc. v. Fintiv, Inc.*, No. IPR2020-00019, Paper 11 at 10 (P.T.A.B. Mar. 20, 2020).

Here, the Court has not yet issued any decisions related to the '282 patent. Petitioner's motion to dismiss PO's second amended complaint remains pending. The Court's *Markman* hearing is not until February 6, 2026.

As PO readily acknowledges in its Request, the work done in the litigation has been primarily limited to the exchange of contentions under the local patent rules

and some initial fact discovery. Request at 7. Aside from the deposition of PO's *Markman* expert, no other depositions have occurred. There is no schedule for the close of fact discovery, expert discovery, or for trial.

**D. Factor 4: No Risk of Overlapping Issues**

The '282 patent is no longer at issue in the district court litigation (EX1016), so there is no risk of overlapping issues. Moreover, none of the references relied on in the Petition were found by, cited by, or relied on by the Examiner during the original prosecution of the patent.

**E. Factor 5: Overlapping Parties**

Factor 5 does not outweigh the other factors.

**F. Factor 6: The Merits of the Petition Are Strong**

PO's arguments on the merits would be better suited for review during the merits consideration of the Director's review of the petition, not during discretionary denial. Regardless, PO's arguments are wrong, as explained further below.

**First**, PO argues that Grounds 1 and 2 are unclear because Petitioner combined the narrative analysis for §102 and §103. This is wrong. As the title of the grounds lays out, Coss alone both anticipates and renders obvious each of the Challenged Claims.

PO further complains that, for some limitations (e.g., [1A]), Petitioner sets forth an obviousness position in addition to its anticipation position. But the Petition

fully sets forth the basis for both grounds, each of which stands on its own. *See* Petition, 14-15 (citing and explaining Coss's disclosures of a "firewall [] designed [to] 'support multiple security domains' with 'separate security polic[ies]'" and why those disclosures meet the limitation and, at minimum, render it obvious). It is common for petitioners to argue obviousness in the alternative of anticipation because all arguments must be made in the petition, and petitioners do not have the benefit of understanding which limitations the patent owner will challenge. Combining the analysis for readability and brevity is common, and multiple recently instituted petitions have done so. *See* IPR2025-01179, Paper 1 (Grounds 1A and 1B); IPR2025-01264, Paper 1 (Grounds 1 and 2).

And contrary to PO's unsupported assertion, for each Challenged Claim, Petitioner explicitly mapped each limitation of the claim to disclosures in the prior art reference to show anticipation and obviousness. *E.g.*, Petition, 14-15 (citing Coss, 3:36-4:3, 6:18-28, FIG. 1), 30 (referring back to disclosures in claims 1, 3, and 4). But PO's arguments, that PO's positions are merely "conjecture masquerading as obviousness" are, in effect, claim construction disputes—arguing that associating distinct rule sets with the corresponding domains is somehow distinguishable from the prior art disclosures that different rules are applied to different domains. Request, 15. But this argument is undermined by its prior district court claim

construction positions, where it never sought a narrowing construction on this point.  
EX1014, EX1015.

**Second**, PO insists that the Petition relies upon a POSITA's knowledge instead of prior art disclosures. Not so. For each claim, the Petition explicitly cites and explains the disclosures of Coss that anticipate and/or render obvious the Challenged Claim.

For example, PO complains about the Petition's treatment of claim 5, which requires two subsets of rules to be either "the same or at least partially different" from one another. Request 19. PO's argument ignores that the Petition cites directly back to the discussions in claims 1, 3, and 4, all of which explain what these different subsets of rules are. Petition, 30. Moreover, the Petition does not backfill gaps with the knowledge of a POSITA, rather it directly interprets the claim—using basic logic—that any two sets of information "are necessarily either the same, or *at least partially* (if not completely) different." *Id.* PO does not take issue with this logic, as it cannot. And the Petition further explains that, based on the earlier citations, Coss discloses two sets of rules, which necessarily meet the claim language. *Id.* Thus, Petitioner properly relied on Coss's express disclosures with a simple and uncontroversial explanation for how those disclosures meet the limitations of claim 5.

**VI. CONCLUSION**

For the above reasons, Petitioner respectfully requests that the Director refrain from exercising his discretion to deny this petition and instead consider the merits.

Respectfully submitted,

Dated: January 20, 2026

/s/ Andrew D. Gish  
Andrew D. Gish (Reg. # 67,562)

ATTORNEY FOR PETITIONER

Petitioner's Opposition to Patent Owner's  
Request for Discretionary Denial of Institution  
U.S. Patent No. 8,397,282

**CERTIFICATE OF SERVICE**

Pursuant to 37 C.F.R. § 42.6, I hereby certify that on January 20, 2026 the foregoing document was served via email on the following counsel of record:

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