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Xockets Sues Amazon for Brazen Patent Infringement to Power Al Revolution

Seeks Damages and Injunctions to Restore its Exclusive Patent Rights

Temple, Texas – June 30, 2025 – Xockets, Inc., a Texas-based pioneer and the inventor of advanced Data Processing Units ("DPUs") that enable accelerated computing and artificial intelligence ("AI") in cloud data centers, today filed two lawsuits against Amazon.com, Inc. and Amazon Web Services in U.S. federal court alleging willful patent infringement. Xockets' patented DPU technologies form the foundation of modern clouds and the AI revolution.

The lawsuits, filed in the U.S. District Court for the Western District of Texas, Austin Division, allege that, for years, Amazon has brazenly infringed Xockets' exclusive patents rights to its DPU innovations—without Xockets' knowledge or permission.

Xockets' patented DPU technologies—or intellectual property—is what Amazon uses to supercharge its cloud computing performance and slash operating costs to stay competitive.

Xockets further alleges that Amazon's Annapurna Labs which designs, develops, and tests Amazon's accused cloud infrastructure in Austin, Texas is "ground zero" for the infringement. The infringement extends throughout Amazon's cloud, including to its compute, AI, and storage server systems, which today include Annapurna Labs' Nitro-branded DPUs integrated with cloud servers using Elastic Fabric Adapters (EFAs) and/or Elastic Network Adapters (ENAs).

"These lawsuits aren't just about patents. They're about laws of a higher order," said Robert Cote, a Xockets board member and early investor. "Innovation is sacred. Creation is divine."

"Xockets is a visionary startup that saw the future and built it, only to have it taken by one of the world's largest corporations without consent, compensation, or conscience," Cote added.

In May 2017, Amazon conducted what it called a "Deep Dive" meeting with Xockets and engaged in extensive diligence into Xockets' revolutionary DPU technologies under the premise of acquiring Xockets. Key Amazon executives and engineers, including the head of Annapurna Labs, attended the meeting and separately interviewed each Xockets engineer to learn all they could about how Xockets' technologies work. Amazon never acquired Xockets, but a year later, in 2018 through today, it began rolling out Nitro DPUs to the servers in its data centers.

Amazon has now widely deployed Nitro DPUs in more than 20 million servers, with each server having at least one DPU. The estimated financial benefits to Amazon based on industry studies and statements are staggering—in the range of \$15,000 to \$30,000 per server, representing hundreds of billions of dollars in aggregate benefit from the use of Xockets' DPU innovations.



Last year, in 2024, after discovering the infringement originating from inside Amazon's Annapurna Labs and documenting the evidence of use, Xockets approached Amazon in the hope of avoiding litigation but Amazon would not engage in meaningful discussions.

The first complaint is focused on three patents infringed by Amazon's use of Xockets' DPU computing architecture for a new cloud processor in cloud servers that can process data-intensive workloads independent of server processors to accelerate cloud infrastructure, without which Amazon would not have a competitive cloud business. Xockets patents asserted in the first complaint are U.S. Patent Nos. 11,080,209, 10,649,924, and 11,082,350.

The second complaint is focused on four patents infringed by Amazon's use of Xockets' DPU switching architecture for a new cloud fabric that can process data-intensive workloads independent of legacy cloud networks to accelerate distributed computing, without which Amazon would not have a competitive Al business. Xockets patents asserted in the second complaint are U.S. Patent Nos. 10,223,297, 10,212,092, 9,378,161, and 9,436,640.

The lawsuits seek injunctions to stop Amazon's ongoing infringement of Xockets' patents across its global cloud infrastructure and monetary damages.

The lawsuits also follow last week's show of unity by the U.S. Department of Justice's Antitrust Division and the U.S. Patent & Trademark Office in a joint statement urging U.S. federal courts to restore injunctions as a matter of course in patent cases—recognizing that without the ability to stop infringement, America's startups and its innovation economy are at grave risk.

Xockets seeks swift resolution given the widespread, willful infringement by Amazon and irreparable harm to its business and exclusive patent rights—justice delayed, is justice denied.

Xockets is represented in the lawsuits by the Texas-based law firm of Susman Godfrey LLP.

About Xockets

Xockets, Inc. (www.xockets.com) is the inventor of advanced Data Processing Units (DPUs)—a groundbreaking new class of cloud processors now widely deployed in modern data centers to enable dramatically faster, more efficient, and scalable cloud computing. These innovations laid the foundation for today's transition to Al-powered cloud infrastructure for training and deploying large-scale Al models across every industry. In 2011, Xockets Co-Founder Dr. Parin Dalal invented the world's first DPU computing and switching architectures to offload, accelerate, and isolate data-intensive workloads—such as security, networking, and storage tasks and data reduction operations—from server processors (CPUs and GPUs) in cloud data centers.

These breakthroughs extend computing intelligence into the network fabric, enabling data processing at network speeds (line rate) through programmable pipelines of hardware accelerators—rather than in software running on server processors. This frees CPUs and GPUs to focus on what they do best—running cloud applications and training AI models. As a result, AI models can now be trained in weeks or months, not years—powering the AI revolution.



Xockets was built by a visionary team of engineers and backed by world-class investors who saw the global impact of its DPU innovations and creations, including Dr. Greg Lavender, Intel CTO; Robert Cote, a leading IP investor and lawyer, and Xockets board member; and Jerry Yang, co-founder of Yahoo, who invested through AME Cloud Ventures—the venture capital firm he established to support the next wave of breakthroughs in cloud infrastructure.

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