

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NETAPP INC.
Petitioner,

v.

CROSSROADS SYSTEMS, INC.,
Patent Owner.

Case IPR2015-00776
Patent 7,934,041 B2

Before NEIL T. POWELL, KRISTINA M. KALAN, J. JOHN LEE, and
KEVIN W. CHERRY, *Administrative Patent Judges*.

POWELL, *Administrative Patent Judge*.

DECISION
Denying Institution of *Inter Partes* Review
37 C.F.R. § 42.108

I. INTRODUCTION

NetApp Inc. (“Petitioner”) filed a Petition requesting *inter partes* review of claims 1–53 of U.S. Patent No. 7,934,041 B2 (Ex. 1001, “the ’041 Patent”). Paper 3 (“Pet.”). Crossroads Systems, Inc. (“Patent Owner”) filed a Preliminary Response. Paper 10. We have jurisdiction under 35 U.S.C. § 314(a), which provides that an *inter partes* review may not be instituted “unless . . . there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.”

For the reasons below, based on the circumstances of this case, we exercise our discretion under 35 U.S.C. § 325(d) to deny the Petition and, therefore, decline to institute *inter partes* review.

A. The ’041 Patent (Ex. 1001)

The ’041 Patent discloses “[a] storage router and storage network [that] provide virtual local storage on remote storage devices.” Ex. 1001, [57]. One embodiment of the storage network appears in Figure 3, reproduced below. *Id.* at col. 3, ll. 19–21, col. 4, ll. 25–27.

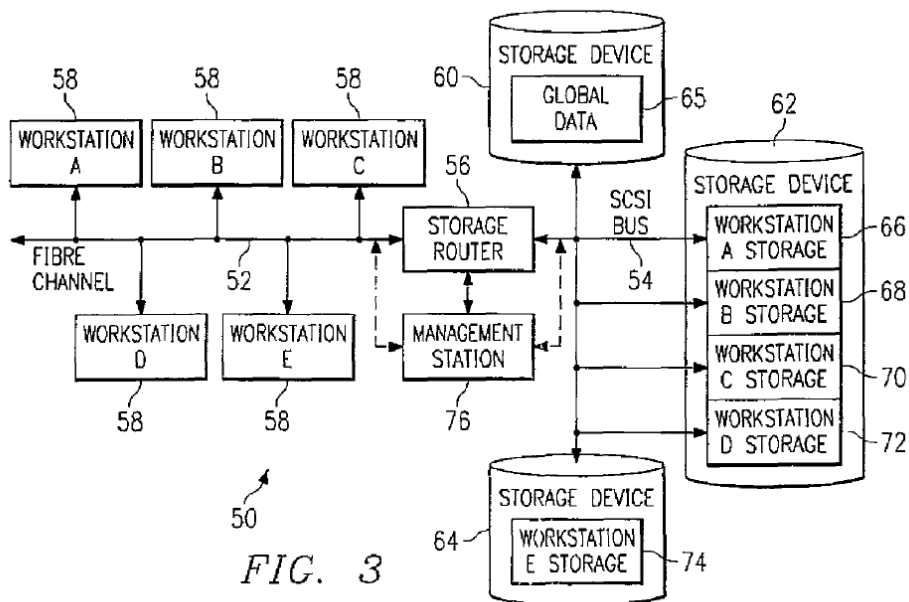


Figure 3 of the '041 Patent shows storage network 50, which includes storage router 56 bridging Fibre Channel high speed serial interconnect 52 and SCSI bus 54. *Id.* at col. 4, ll. 25–30. Storage router 56 allows a number of workstations 58 to interconnect on a common storage transport and “access common storage devices 60, 62 and 64 through native low level, block protocols.” *Id.* at col. 4, ll. 30–33. Storage router 56 also implements security controls to allow each workstation 58 to access a specific subset of data stored in storage devices 60, 62, and 64. *Id.* at col. 4, ll. 35–39.

B. Illustrative Claim

Petitioner challenges claims 1–53 of the '041 Patent. Claims 1, 20, and 37 are independent. Each of claims 2–19, 21–36, and 38–53 depends directly or indirectly from one of claims 1, 20, and 37. Claim 1 is illustrative and is reproduced below:

1. A storage router for providing virtual local storage on remote storage devices, comprising:
 - a first controller operable to interface with a first transport medium, wherein the first medium is a serial transport media; and
 - a processing device coupled to the first controller, wherein the processing device is configured to:
 - maintain a map to allocate storage space on the remote storage devices to devices connected to the first transport medium by associating representations of the devices connected to the first transport medium with representations of storage space on the remote storage devices, wherein each representation of a device connected to the first transport medium is associated with one or more representations of storage space on the remote storage devices;

control access from the devices connected to the first transport medium to the storage space on the remote storage devices in accordance with the map; and

allow access from devices connected to the first transport medium to the remote storage devices using native low level block protocol.

Ex. 1001, col. 9, ll. 35–56.

C. The Prior Art

Petitioner relies on the following references and Declaration in support of its grounds for challenging the identified claims of the '041 Patent (Pet. iv, 3):

Exhibit Nos.	References and Declaration
1003	CMD Technology, Inc., CRD-5500 SCSI RAID Controller User's Manual, (1996) ("CRD-5500 User Manual")
1004	CRD-5500 RAID Disk Array Controller, (Dec. 4, 1996), http://web.archive.org/web/19961226091552/http://www.cmd.com/brochure/crd5500.htm (last visited July 23, 2014) ("CRD-5500 Data Sheet")
1005	Judith A. Smith and Meryem Primmer, <i>Tachyon: A Gigabit Fibre Channel Protocol Chip</i> , Hewlett-Packard J., 1–17 (1996) ("Smith")
1006	U.S. Pat. No. 6,219,771 B1, issued Apr. 17, 2001 ("Kikuchi")
1007	U.S. Pat. No. 6,073,209, issued June 6, 2000 ("Bergsten")
1008	Japanese Patent Application Publication No. HEI 5[1993]-181609, pub. July 23, 1993 ("Hirai")
1010	Declaration of Jeffrey S. Chase, Ph.D. ("Chase Declaration")

D. The Asserted Grounds of Unpatentability

Petitioner challenges the patentability of claims 1–53 of the '041 Patent based on the following grounds (Pet. 3):

Reference[s]	Basis	Claims Challenged
CRD-5500 User Manual, CRD-5500 Data Sheet, and Smith	§ 103	1–53
Kikuchi and Bergsten	§ 103	1–53
Bergsten and Hirai	§ 103	1–53

E. Related Proceedings

The '041 Patent has been asserted against Petitioner in *Crossroads Systems, Inc. v. NetApp, Inc.*, Case No. 1-14-cv-00149 (W.D.Tex.). Pet. 1; Ex. 1036; Paper 8, 2; Paper 9, 2. The '041 Patent is also the subject of other district court proceedings. Paper 8, 2.

Additionally, the '041 Patent was the subject of a petition filed by Petitioner and others in IPR2014-01177 (the “'1177 proceeding”). Paper 8, 3, Paper 9, 2; Pet. 1. In the '1177 proceeding, petitioners Oracle Corp., Huawei Technologies, Co., Ltd, and NetApp, Inc. challenged (1) claims 1–53 as unpatentable over the CRD-5500 User Manual, the CRD-5500 Data Sheet, and Smith; (2) claims 1–53 as unpatentable over Kikuchi and Bergsten; and (3) claims 1–53 as unpatentable over Bergsten and Hirai. *Oracle Corp. v. Crossroads Systems, Inc.*, Case IPR2014-01177, slip op. at 6 (PTAB Jan. 28, 2015) (Paper 13) (“'1177 Dec.”). In the '1177 proceeding, *inter partes* review was not instituted based on any of the challenges raised. *Id.* at 7–16.

The '041 Patent is also the subject of an instituted *inter partes* review

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in IPR2014-01463. Paper 8, 3, Paper 9, 2; Pet. 1. The '1463 proceeding includes pending challenges of claims 1–53 as unpatentable over the CRD-5500 User Manual and other references. *Cisco Sys., Inc., v. Crossroads Sys., Inc.*, Case IPR2014-01463, slip op. at 9–20 (PTAB Mar. 17, 2015) (Paper 9).

Additionally, the '041 patent belongs to a family of patents, a number of which are involved in *inter partes* reviews or are or were the subject of *inter partes* review petitions, including Case Nos. IPR2014-01197, IPR2014-01207, IPR2014-01209, IPR2014-01226, IPR2014-01544, IPR2015-00772, IPR2015-00773, IPR2015-00777, IPR2015-00822, IPR2015-00825, IPR2015-00852, IPR2015-00854, IPR2015-01063, IPR2015-01064, and IPR2015-01066. Paper 8, 3–4; Paper 9, 2–3.

II. DISCUSSION

The present Petition advances the same challenges to claims 1–53 on which we declined to institute *inter partes* review in the '1177 proceeding. *Compare* Pet. 3 *with* '1177 Dec. 7–16. Petitioner states that “IPR2014-01177 . . . corresponds generally to this petition.” Pet. 58; *see also* Prelim. Resp. 2–5 (asserting that same arguments and evidence were presented in '1177 proceeding and that present petition corrects deficiencies of petition in '1177 proceeding).

Patent Owner urges us to exercise our discretion under 35 U.S.C. § 325(d) to deny the present Petition because “it is nothing more than Petitioner’s attempt at a ‘second bite at the apple,’” in that it is a “‘do-over’ Petition in an attempt to correct defects in the 1177 Petition,” and it “does not raise any new prior art or evidence or offer any arguments that could not have been submitted in the 1177 IPR.” Prelim. Resp. 1. Patent Owner also

asserts that the Petition should be denied because it “raises substantially the same prior art that was previously submitted in IPR2014-01463.” *Id.* at 2.

In determining whether to institute an *inter partes* review, the Board may “deny some or all grounds for unpatentability for some or all of the challenged claims.” 37 C.F.R. § 42.108(b); *see* 35 U.S.C. § 314(a). Also, as set forth in 35 U.S.C. § 325(d):

In determining whether to institute or order a proceeding under this chapter, chapter 30, or chapter 31, the Director may take into account whether, and reject the petition or request because, the same or substantially the same prior art or arguments previously were presented to the Office.

The Petition in this proceeding presents the same prior art and substantially the same arguments previously presented in the ’1177 proceeding. As in the ’1177 proceeding, Petitioner relies on the CRD-5500 User Manual, the CRD-5500 Data Sheet, Smith, Kikuchi, Bergsten, and Hirai. *Compare* Pet. 2 *with* ’1177 proceeding Paper 5, 5–6 (“’1177 Pet.”). Petitioner also presents substantially the same arguments regarding the proposed combinations of (1) the CRD-5500 User Manual, the CRD-5500 Data Sheet, and Smith; (2) Kikuchi and Bergsten; and (3) Bergsten and Hirai. *Compare* Pet. 6–57 *with* ’1177 Pet. 13–58. To the extent that there are any substantive differences in the arguments, or any new arguments, we agree with Patent Owner that those different or new arguments could have been submitted in the ’1177 proceeding. *See* Prelim. Resp. 1. For the foregoing reasons, we determine that, in the present Petition, the “same or substantially the same prior art or arguments previously were presented to the Office” in the ’1177 proceeding.

Also, the Petition in this proceeding was filed less than a month after

issuance of the decision denying institution in the '1177 proceeding. The Petition itself notes that “the Board declined to institute [in the '1177 proceeding] on the basis that the evidence was not presented in the petition in the manner required by the rules” (Pet. 58) and contends that “this petition properly presents the prior art by identifying all of the prior art evidence within the four corners of the petition” (*id.* at 59). Thus, the Petition makes clear that this case been guided by, and has received the benefit of, seeing the decision addressing the same grounds in the '1177 proceeding. *See id.* at 58–59. Absent a good reason, a subsequently filed petition that only corrects defects identified by a Board decision in a prior petition is not typically granted. *See, e.g., Butamax Advanced Biofuels LLC v. Gevo, Inc.*, Case IPR2014-00581, slip op. at 12–13 (PTAB Oct. 14, 2014) (Paper 8). Petitioner’s contention that “this petition properly presents the prior art by identifying all of the prior art evidence within the four corners of the petition” and “is not filed for any improper purpose such as harassment or delay” (Pet. 60) does not amount to a persuasive reason to institute an *inter partes* review in view of the circumstances of this case and its related cases.

Based on the totality of the facts before us, we exercise our discretion under 35 U.S.C. § 325(d) and deny the Petition in this proceeding.

III. CONCLUSION

For the foregoing reasons, based on the circumstances of this case, we exercise our discretion under 35 U.S.C. § 325(d) and deny the Petition in this proceeding.

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IV. ORDER

In consideration of the foregoing, it is hereby:

ORDERED that the Petition is denied as to claims 1–53 of the '041
Patent.

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