

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

NETAPP INC.,
Petitioner,

v.

CROSSROADS SYSTEMS, INC.,
Patent Owner.

Case IPR2015-00777
Patent 6,425,035 B2

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

CHERRY, *Administrative Patent Judge*.

DECISION

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

I. INTRODUCTION

NetApp Inc. (“Petitioner”) filed a Petition (Paper 2, “Pet.”), requesting institution of an *inter partes* review of claims 1–14 of U.S. Patent No. 6,425,035 B2 (Ex. 1001, “the ’035 patent”). Crossroads Systems, Inc. (“Patent Owner”) timely filed a Preliminary Response (Paper 10, “Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 314.

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 ’035 Patent (Ex. 1001)*

The ’035 patent relates to a storage router and method for providing virtual local storage on remote Small Computer System Interface (“SCSI”) storage devices to Fiber Channel (“FC”) devices. Ex. 1001, 1:16–19. Computing devices can access local storage through native low level, block protocols, but to access the storage on a remote network server, they must translate file system protocols into network protocols, which then are translated by the remote network server into low level requests. *Id.* at 1:37–60. A storage router can interconnect a SCSI storage transport medium and a FC high speed serial interconnect to provide access to devices on the other medium so that no network server is involved. *Id.* at 3:30–40.

The ’035 patent has 14 claims, all of which are being challenged. Claims 1, 7, and 11 are the independent claims, and claim 1 is reproduced below:

1. A storage router for providing virtual local storage on remote storage devices to devices, comprising:

a buffer providing memory work space for the storage router;

a first controller operable to connect to and interface with a first transport medium;

a second controller operable to connect to and interface with a second transport medium; and

a supervisor unit coupled to the first controller, the second controller and the buffer, the supervisor unit operable to map between devices connected to the first transport medium and the storage devices, to implement access controls for storage space on the storage devices and to process data in the buffer to interface between the first controller and the second controller to allow access from devices connected to the first transport medium to the storage devices using native low level, block protocols.

Id. at 9:13–31.

B. Challenges

Petitioner challenges the claims as follows, all on the basis of obviousness:

References	Claims Challenged
CRD-5500 User Manual ¹ , CRD-5500 Data Sheet ² , and Smith ³	1–14

¹ CMD Technology, Inc., CRD-5500 SCSI RAID Controller User's Manual, (1996) (Ex. 1003).

² 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) (Ex. 1004).

References	Claims Challenged
Kikuchi ⁴ and Bergsten ⁵	1–4 and 7–14
Kikuchi, Bergsten, and Smith	5 and 6
Bergsten and Hirai ⁶	3, 7–10 and 13

C. Related Proceedings

The '035 patent is the subject of multiple district court proceedings. Pet. 1; Exs. 1009, 1026, 1034, 1035, 1036; Paper 4, 2–3.

The '035 patent is also involved in Cases IPR2014-01197 (“the ’1197 proceeding”), IPR2014-01226 (“the ’1226 proceeding”), IPR2015-00822, IPR2015-00825, and IPR2015-01063. See Paper 4, 3–4. Further, the '035 patent belongs to a family of patents that are or were the subject of multiple *inter partes* review petitions, including: IPR2014-01207, IPR2014-01209, IPR2014-01233, IPR2014-01463, IPR2014-01544, IPR2015-00772, IPR2015-00773, IPR2015-00776, IPR2015-00852, IPR2015-00854, IPR2015-01064, and IPR2015-01066. See *id.*

In the '1197 proceeding, we determined that petitioners Oracle Corp.; Huawei Technologies, Co., Ltd; and NetApp, Inc. demonstrated a reasonable likelihood of prevailing on the grounds that (1) claims 1, 2, 4, 11, 12, and 14 are unpatentable over Bergsten and Hirai and (2) claims 5 and 6 are

³ Judith A. Smith and Meryem Primmer, *Tachyon: A Gigabit Fibre Channel Protocol Chip*, Hewlett-Packard J., 1–17 (1996) (Ex. 1005).

⁴ U.S. Pat. No. 6,219,771 B1, iss. Apr. 17, 2001 (Ex. 1006).

⁵ U.S. Pat. No. 6,073,209, iss. June 6, 2000 (Ex. 1007).

⁶ JP Patent Application Publication No. Hei5[1993]-181609, published July 23, 1993 (Ex. 1008).

unpatentable over Bergsten, Hirai, and Smith. *Oracle Corp. v. Crossroads Systems, Inc.*, Case IPR2014-01197, slip op. at 14–15 (PTAB Jan. 29, 2015) (Paper 13) (“’1197 Dec.”).

We, however, declined to institute an *inter partes* review of:
(1) claims 1–14 as unpatentable over CRD-5500 User Manual, CRD-5500 Data Sheet, and Smith; (2) claims 1–4 and 7–14 as unpatentable over Kikuchi and Bergsten; (3) claims 5 and 6 as unpatentable over Kikuchi, Bergsten, and Smith; and (4) claims 3, 7–10, and 13 as unpatentable over Bergsten and Hirai. *Id.* at 6–13.

II. DISCUSSION

The challenges that we did not institute in the ’1197 proceeding are presented in the Petition in this case. *Compare* Pet. 3 with ’1197 Dec. 6–13. Petitioner also states that “IPR2014-01197 . . . corresponds generally to this petition.” Pet. 59; *see also* Prelim. Resp. 3–5 (asserting that same arguments and evidence were presented in the ’1197 proceeding and that the instant petition corrects the deficiencies of the petition in the ’1197 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 1197 Petition,” and it “does not raise any new prior art or evidence or offer any arguments that could not have been submitted in the 1197 IPR.” Prelim. Resp. 1. Patent Owner also responds that the Petition should be denied because it “raises substantially the same prior art that was previously submitted in IPR2014-01226.” *Id.* at 2.

Patent Owner further argues that the present Petition should be denied “because *Kikuchi* is not prior art to the ’035 Patent” and “because it fails to identify all real parties-in-interest and is time-barred under 35 U.S.C. § 315(b).” Prelim. Resp. 2; *see also id.* at 27–33 (presenting arguments regarding conception before the filing date of *Kikuchi* and diligent reduction to practice), 34–39 (arguing petitioners in the ’1197 proceeding omitted for the present case are real parties-in-interest).

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 ’1197 proceeding. As in the ’1197 proceeding, Petitioner relies on CRD-5500 User Manual, CRD-5500 Data Sheet, Smith, *Kikuchi*, Bergsten, and Hirai. *Compare* Pet. 3 with ’1197 proceeding Paper 1, 5 (“’1197 Pet.”). Petitioner also presents substantially the same arguments regarding the proposed combinations of (1) the CRD-5500 User Manual, CRD-5500 Data Sheet, and Smith; (2) *Kikuchi* and Bergsten; (3) *Kikuchi*, Bergsten, and Smith; and (4) Bergsten and Hirai. *Compare* Pet. 6–57 with ’1197 Pet. 11–56. To the extent that there are any substantive differences in the arguments or new arguments, we agree with Patent Owner that those different or new

arguments could have been submitted in the '1197 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 '1197 proceeding.

Also, the Petition in this proceeding was filed less than a month after our Decision to Institute in the '1197 proceeding issued. The Petition itself notes that “the Board declined to institute [in the '1197 proceeding] on the basis that the evidence was not presented in the petition in the manner required by the rules” 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.” Pet. 59, 60. Thus, the Petition makes clear that this case has been guided by, and has received the benefit of, seeing the decision addressing nearly identical grounds in the '1197 proceeding. *See id.* at 59–60. Petitioner also would have had the benefit of seeing the decision in the '1226 proceeding, instituted on January 30, 2015. '1226 proceeding (PTAB Jan. 30, 2015) (Paper 9). 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” (*id.* at 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.

Further, *inter partes* review in the '1197 proceeding was instituted on the grounds that: (1) claims 1, 2, 4, 11, 12, and 14 of the '035 patent are obvious over Bergsten and Hirai; and (2) claims 5 and 6 are obvious over Bergsten, Hirai, and Smith. Claims 1–14 of the '035 patent are also involved in the '1226 proceeding, in which *inter partes* review was instituted on the grounds that: (1) claims 1–5 and 7–14 are obvious over the CRD-5500 Manual and a reference containing Smith; and (2) claim 6 is obvious over the CRD-5500 Manual, the reference containing Smith, and another reference. '1226 proceeding, slip op. at 15 (PTAB Jan. 30, 2015) (Paper 9). Although the claims are not challenged by a combination including the CRD-5500 Data Sheet or Kikuchi, a combination including at least the CRD-5500 Manual and Smith challenges each claim of the '035 patent in the '1226 proceeding.

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.

IV. ORDER

Accordingly, it is

ORDERED that the Petition is *denied* as to claims 1–14 of U.S. Patent No. 6,425,035 B2, and no trial is instituted.

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