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Cisco Sues Arista, a Rival Run by Former Cisco Employees

By Julie Bort



Not all is sunny and care-free.

Photo by Justin Sullivan/Getty Images

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Cisco has slapped its upstart rival, Arista Networks with a patent and copyright infringement lawsuit.

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Cisco filed the suit on Friday in the Federal District Court for the Northern District of California, claiming Arista is violating 14 Cisco patents and copying a lot of specific Cisco



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But this isn't just another patent complaint where one company tries to shake down another. It's more like a war between a parent and a child. Many of Arista's leaders and engineers are former Cisco employees. The lawsuit documents almost make Cisco sound like a jilted ex:

Arista was founded by former Cisco employees, many of whom are named inventors on Cisco's networking patents. Among others, Arista's: 1) founders, 2) President and CEO, 3) Chief Development Officer, 4) Chief Technology Officer, 5) Senior Vice President for Customer Engineering, 6) Vice President of Business Alliances, 7) former Vice President for Global Operations and Marketing, 8) Vice President of Systems Engineering and Technology Marketing, 9) Vice President of Hardware Engineering, 10) Vice President of Software Engineering, and 11) Vice President of Manufacturing and Platform Engineering **all were employed by Cisco prior to joining Arista. Moreover, four out of the seven members of Arista's Board of Directors were previously employed by Cisco.**

Cisco wants Arista to stop using the infringing technology, a spokesperson tells *Business Insider*. It wouldn't mind if Arista is forced into re-doing big chunks of its technology.

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Both companies make equipment used to build computer networks. Cisco claims that Arista is using technology invented when its founders, leaders, and employees worked at Cisco according a blog post by General Counsel Mark Chandler. **Chandler writes:**

The heart of our action regards Arista's deliberate inclusion in its products of 12 discrete and important Cisco features covered by 14 different U.S. patents. All of these features are being used by Cisco currently and in products we ship to our customers. None of the implementations are incorporated in industry standards. They were patented by individuals who worked for Cisco and are now at Arista, or who at Cisco worked with executives who are now at Arista. These Cisco-created features and implementations are incorporated by Arista in their entirety into Arista's products.

Chandler adds that such tactics by Cisco are extremely rare:

In the thirteen years I've been General Counsel of Cisco, I can count on one hand the number of times we've initiated suit against a competitor, supplier or customer.

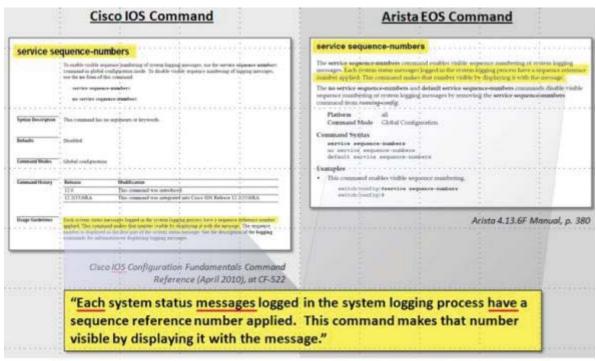
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Because so many of Arista's leaders and engineers are former Cisco employees, Arista is treated as enemy No. 1 within Cisco—more so than Cisco's traditional competitors, Juniper and HP.

Former Cisco employees include Arista's famous billionaire co-founder Andy Bechtolsheim, who co-founded Sun Microsystems and later earned billions by angel investing in Google. He also founded and sold a couple of startups, including Granite Systems, a networking startup sold to Cisco in 1996. He stuck around at Cisco for seven years after that, leading a team that developed one of Cisco's successful lines of network equipment, (the Catalyst 4500).

Then there's Arista's CEO, Jayshree Ullal, who prior to Arista was a 15-year Cisco alum. She famously led Cisco's core switching and networking division, **taking over the role after Cisco's star engineer, Mario Mazzola, left to develop a new Cisco product.**

In one of the funnier examples of the alleged infringement, Cisco's lawyers contend that Arista didn't just copy some of Cisco's technology, it also copied the user manual that shows people how to use those features, right down to the typos.



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Arista sent Business Insider this statement: "We just became aware of the lawsuit and have



player in the market, we are disappointed that they have to resort to litigation rather than simply compete with us in products."

And Ullal had this to say, "I am disappointed at Cisco's tactics. Its not the Cisco I knew."

Cisco is asking for a jury trial, but it may never go to court. Patent infringement cases almost always lead to a settlement of some kind.

This is another event in an endless sequence of drama for Arista. It's the second incestuous litigation for the network equipment company. Its other famous billionaire co-founder, David Cheriton, **quit Arista and filed a lawsuit last summer** on behalf of his other startup, OptumSoft, a sister-company/partner with Arista. Arista had a wildly successful IPO this year, but was also outed **for offering pre-IPO shares to journalists.**

But Arista is doing really well despite the drama. That's probably what got Cisco's goat. Founded a decade ago, Arista is profitable. It reported **an excellent quarter last month, a huge beat**. Quarterly revenue of \$155.5 million was up over 50 percent from the year-ago quarter. Profits hit \$28.1 million, or 40 cents per diluted share, when analysts were expecting 28 cents.

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