

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

CRUSOE ENERGY SYSTEMS, LLC,
Petitioner,

v.

UPSTREAM DATA, INC.,
Patent Owner.

Case PGR2023-00039
Patent 11,574,372

**PETITIONER'S REPLY TO
PATENT OWNER'S PRELIMINARY RESPONSE**

EXHIBIT LIST

- EX1001 U.S. Patent No. 11,574,372 to Stephen Barbour et al. (“the ‘372 Patent”)
- EX1002 Excerpts from the Prosecution History of the ‘372 Patent (“the Prosecution History”)
- EX1003 Declaration and Curriculum Vitae of Michael Nikolaou
- EX1004 Declaration and Curriculum Vitae of Vernon Kasdorf
- EX1005 WO2015123257A1 (Dickerson)
- EX1006 CryptoKube brochure from the WaybackMachine dated March 5, 2016 (“CryptoKube Brochure”)
- EX1007 CryptoKube Bitcoin Mining Data Center Tour(CC) (“CryptoKube Video-Part1”)
- EX1008 CryptoKube Bitcoin Mining Data Center Tour Transcript
- EX1009 Szmigielski, Albert. Bitcoin Essentials. Packt Publishing Ltd, 2016 (“Szmigielski”)
- EX1010 U.S. Patent Publication No. 2016/0125040 (“Kheterpal”)
- EX1011 PCT Patent Publication No. WO2015072989 (“Belady-989”)
- EX1012 U.S. Patent No. 9,394,770 (“Boot”)
- EX1013 Sanders, Gerald, and Johnson Space Center. "Gas Conversion Systems Reclaim Fuel for Industry." (“Sanders”)
- EX1014 US Patent Publication No. 2015/0368566 (“Young”)
- EX1015 Mining Container ~100kW by Polivka GmbH (“Bitcointalk Forum Post”)

- EX1016 Mining with free natural gas _ r _Bitcoin (“Reddit”)
- EX1017 U.S. Patent Publication No. 2014/0096837 (“Belady-837”)
- EX1018 U.S. Patent Publication No. 2018/0109541 (“Gleichauf”)
- EX1019 Polivka Mining Container Setup on Vimeo (“Polivka Video”)
- EX1020 Declaration of June Ann Munford
- EX1021 U.S. Patent No. 6,161,386 (“Lokhandwala”)
- EX1022 “Crypto you can mine from a home computer,” Brave New Coin (bravenewcoin.com) (July 18, 2023)
- EX1023 CryptoKube Bitcoin Mining Data Center Tour(CC) (“CryptoKube Video-Part2”)
- EX1024-1099 [RESERVED]
- EX1100 Complaint for Patent Infringement, *Upstream Data Inc. v. Crusoe Energy Systems LLC*, Case No. 1:23-cv-01252 (D. Colo. May 18, 2023)
- EX1101 Email from the Board dated November 15, 2023, authorizing Petitioner to file a response to Patent Owner’s Preliminary Response

Petitioner submits this reply to Patent Owner's Preliminary Response

("POPR"), as authorized by the Board's email of November 15, 2023. EX1101.

In the Petition, the following references were asserted against the independent claims: Dickerson (EX1005), CryptoKube (EX1006-1008, EX1023), Sanders (aka MAGS) (EX1013-1014), and Polivka (EX1015, EX1019). Pet., 3. The POPR alleges these references are substantially the same as certain file history references, and argues that discretionary denial under Section 325(d) is thus appropriate. POPR, 26-32, 58-62. PO is wrong. Discretionary denial under §325(d) is inappropriate because (1) none of the foregoing references (Dickerson, CryptoKube, MAGS, Polivka) were made of record, and (2) the same or substantially the same prior art and arguments were *not* previously presented to the Office.

During prosecution, the Examiner found that Belady-837 disclosed "using a gas generator to power a data center" and that it was obvious to repurpose Belady-837's datacenter to mine crypto in view of Gleichauf. EX1002, 336-337. In response, PO did not identify any claim limitation that was missing in the prior art. Instead, PO attacked the motivation to combine and argued that "[b]lockchain mining is not synonymous with regular data center processing and **cannot be compared as such.**" EX1002, 222. The Examiner was persuaded, erroneously, stating that "there does not appear to be sufficient grounds for combining or

modifying the prior art of record to adequately arrive at the claimed invention.”

EX1002, 7. Thus, the reason for allowance was not that a certain claim limitation was missing, but rather that there was no good motivation to combine allegedly.

I. The Prior Art and Arguments in the File History and Petition Differ Substantially

A. Dickerson Is Not Cumulative of Belady-837

For Dickerson, the POPR points to Belady-837. POPR, 26-30. However, Dickerson and Belady-837 have important structural and functional differences. For example, unlike Belady-837, Dickerson is a portable (i.e., mobile) container system, leading to a new and stronger motivation to combine. IPR2019-00975, Paper 15 at 16 (finding that, unlike a previously presented reference, the asserted prior art’s implant screw grooves were located at a different portion of the screw, providing a new motivation to combine).

Also, according to the POPR, a person skilled in the art allegedly would not have been motivated to combine Belady-837 with a blockchain miner because Belady-837’s “pressure regulating valve” supposedly would shut off the generator, purportedly making it unfit for crypto mining. POPR, 68-69. But Dickerson does not have this alleged deficiency and thus provides a stronger motivation to combine.

Further, claims 17, 18, 19, 20, and 21 all require a portable containerized system, which is disclosed by Dickerson, but not Belady-837.

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