

<u>GRIT ENERGY SOLUTIONS, LLC v. OREN TECHS., LLC.</u>, Appeal No. 2019-1063 (Fed. Cir. April 30, 2020). Before <u>Prost</u>, Newman, and Wallach. Appealed from PTAB.

## Background:

Oren Technologies ("Oren") sued Grit Energy Solutions ("Grit") for infringement of one of its patents ("the '341 Patent") directed to a proppant discharge system with a container and a support structure for hydraulic fracking. Grit filed a petition for IPR, alleging that the claims of the patent were unpatentable as obvious. Exemplary claim 1 of the patent required "(a) the container to have a gate with a pin fixedly affixed thereto, and (b) the support structure to have an actuator with a receptacle" ("the '341 configuration").

The reference at issue was a French patent that taught two containers joined together, one on top of the other. "Both containers have an 'orifice[] used for transferring' product 'from one container to another' and a shutter device for opening and closing the respective orifices." Claim 5 of the reference recites "the means for mechanical connection of the shutters are constituted by at least one stud (15) provided on one of the shutter blades (8) that lodges in a corresponding orifice (16) of the blade of the other shutter." However, the "non-limiting examples" disclosed by the reference only taught the stud (alleged "pin") being fixed to the shutter blade (8) of the alleged "support structure," and the reference numerals in claim 5 of the reference similarly referred to this same configuration, which is the opposite of the '341 configuration.

Grit argued that "even though the claims include reference numerals to a figure depicting the stud and orifice in only the opposite of the '341 configuration, claim 5's reference to these numerals does not limit its disclosure." Relying particularly on the reference numerals in claim 5 of the reference, the PTAB disagreed, determining that the reference did <u>not</u> disclose the features of claim 1 of the patent and instead discloses <u>only</u> the opposite of the '341 configuration. The PTAB thus ruled in favor of Oren, finding the claims nonobvious over the cited reference.

## Issue/Holding:

Did the PTAB err in finding the claims nonobvious? Yes, reversed and remanded.

## Discussion:

Grit appealed the PTAB's decision to the Federal Circuit, arguing that the PTAB misinterpreted the French reference's claim 5 by construing the parenthetical reference numerals as limiting and that the PTAB's ruling was thus unsupported by substantial evidence. The Federal Circuit agreed and reversed the ruling, stating that "[c]laim 5 of [the reference] expressly discloses that the stud is 'provided on one of the shutter blades' and the orifice is provided on 'the blade of the other shutter.' Thus, claim 5 plainly teaches that the stud and orifice can be either in the '341 configuration or the opposite of the '341 configuration." In support of this, the Federal Circuit stated that the reference "expressly describes the referenced embodiment as a 'non-limiting example.' . . . The claims are broader than what is depicted by the non-limiting embodiment."

Judge Newman dissented, arguing that "[i]t is improper for the reviewing court to change the text of a reference to enlarge its disclosure by removing explicit limitations." She stated that her "concern is with the majority's treatment of [the reference], where the court edits claim 5 . . . to remove its reference numerals to the structure in the specification."

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