

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

GRIT ENERGY SOLUTIONS, LLC,
Petitioner,

v.

OREN TECHNOLOGIES, LLC,
Patent Owner.

IPR2017-01917
Patent 9,296,518 B2

Before MITCHELL G. WEATHERLY, KEVIN W. CHERRY, and
MICHAEL L. WOODS, *Administrative Patent Judges*.

WOODS, *Administrative Patent Judge*.

DECISION

Denying Petitioner's Request for Rehearing of Final Written Decision
37 C.F.R. § 42.71

I. INTRODUCTION

a. Background

Proppant Express Investments, LLC, and Proppant Express Solutions, LLC, (collectively, “Petitioner”), filed a Petition (Paper 1, “Pet.”) requesting *inter partes* review of claims 1–3, 6, 8, 10, 13, and 15 of U.S. Patent No. 9,296,518 B2 (Ex. 1001, “the ’518 patent”). Pet. 1. We issued a Decision to Institute an *inter partes* review of the challenged claims. Paper 19, 43.

We entered our Final Written Decision on February 14, 2019, in which we determined that Petitioner had shown that claims 1–3, 6, 8, and 15 of the ’518 patent are unpatentable. Paper 87, 50–51 (“Final Written Decision” or “Final Dec.”). In the Final Written Decision, we also determined that Petitioner *did not* show that either of dependent claim 10 or 13 is unpatentable. *Id.* at 51; Ex. 1002, 10:14–17, 10:28–30.

Petitioner filed a timely Request for Rehearing in which it asks that we modify the Final Written Decision to find challenged claim 13 unpatentable. Paper 102, 1 (“Reh’g Req.,” “Request,” or “Request for Rehearing”).

For the reasons that follow, we *deny* Petitioner’s Request to modify our Final Written Decision but address an alternative argument (the “safety factor” argument) presented in the Petition regarding dependent claim 13. We also confirm our conclusion that Petitioner failed to show that dependent claim 13 is unpatentable.

b. References Relied Upon

Petitioner relies on the following references:

Name	Reference	Ex. No.
Smith	US 2008/0226434 A1, published Sept. 18, 2008	1005
Hedrick	US 5,290,139, issued Mar. 1, 1994	1006
Krenek	US 2009/0078410 A1, published Mar. 26, 2009	1007
Claussen	US 2011/0127178 A1, published June 2, 2011	1008
Racy	US 3,752,511, issued Aug. 14, 1973	1048

c. Prior Art and Asserted Grounds

Petitioner asserts that claims 1–3, 6, 8, 10, 13, and 15 would have been unpatentable on the following grounds:

Claims Challenged	35 U.S.C. §	Reference(s)/Basis
1–3, 6, 10, 13, 15	103(a)	Smith, Krenek, Hedrick, Claussen
8	103(a)	Smith, Krenek, Hedrick, Claussen, Racy

d. Standard for Reconsideration

The party filing a request for rehearing of a final written decision has the burden of showing a decision should be modified, and the request for rehearing must specifically identify all matters the party believes the Board misapprehended or overlooked and the place where each matter was previously addressed in its papers. 37 C.F.R. § 42.71(d). Therefore, Petitioner bears the burden of establishing that we misapprehended or overlooked the matters that it requests that we review.

II. ANALYSIS

In its Request, Petitioner argues that the Board overlooked the “safety factor” argument in the Petition challenging dependent claim 13. See Reh’g Req. 1–2 (arguing that the Board “[l]eft unaddressed . . . Petitioners’ separate

argument . . . that each compartment of Smith’s container could have held about 30,000 lbs considering the safety factor Smith’s container would have possessed”). As requested in the Request, we address Petitioner’s “safety factor” argument as to dependent claim 13.

a. Dependent Claim 13

Claim 13 depends directly from independent claim 1 and further recites, “wherein the sidewalls have a rigidity suitable for retaining no less than *about 30,000 pounds* of proppant when positioned therein.” Ex. 1002, 10:28–30 (emphasis added).

b. Petition

In its Petition, Petitioner asserts that Smith’s sidewalls satisfy the “30,000 pounds” limitation of claim 13. Pet. 69–70 (citations omitted).

Petitioner asserts that Smith discloses that its compartments can hold a maximum of 26,250 pounds. *See id.* at 69 (citing in-part Ex. 1001 ¶ 188 (“Each of Smith’s two compartments . . . can therefore hold a maximum payload of 26,250 pounds”)). Because 26,250 pounds is not 30,000 pounds, Petitioner presents two separate arguments to meet the claimed limitation. *See id.* at 69–70 (citations omitted).

First, Petitioner argues that a “POSITA could have reasonably understood 26,250 lbs to fall within the range of ‘about 30,000 pounds,’” as required by claim 13. Pet. 69 (citations omitted). Dr. Wooley testifies that 26,250 pounds is about 30,000 pounds. Ex. 1001 ¶¶ 177–179.

Second, Petitioner presents its “safety factor” argument, and submits that “claim 13 is met because the compartments of Smith’s . . . container 10,

having maximum payloads of 26,250 lbs., would have been capable of holding 30,000 pounds of proppant *due to a safety factor*.” Pet. 70 (citing Ex. 1001 ¶¶ 180–81) (emphasis added). Dr. Wooley testifies that

To account for things like wear and tear, misuse, or unexpected loads, containers—like Smith’s—were (and are) designed using factors of safety, meaning those containers had capabilities that exceeded their maximums. In this instance, for the compartments of Smith’s container to be capable of holding 30,000 lbs of proppant, they would have had to have been designed using a *safety factor of 1.15* with respect to their maximum payloads.

Ex. 1001 ¶ 181 (emphasis added).

c. Final Written Decision

In our Final Written Decision, we determined that Petitioner failed to meet its burden of showing that claim 13 is unpatentable. Final Dec. 44 (“We agree with Patent Owner. Petitioner has not met its burden of showing that claim 13 is unpatentable.”). In that Final Written Decision, we addressed Petitioner’s first argument and explained that Petitioner failed to present adequate support for its position that 26,250 pounds is “about 30,000 lbs.” *Id.*

As pointed out correctly by Petitioner in its Request for Rehearing, however, our Final Written Decision *did not* expressly address Petitioner’s “safety factor” argument. Reh’g Req. 1–2. For this reason, we address this separate argument.

d. Rehearing Request

In its Rehearing Request, Petitioner asserts that the Board overlooked its “safety factor” argument. Reh’g Req. 1–2. Specifically, Petitioner argues that “each compartment of Smith’s container could have held about 30,000 lbs *considering the safety factor* Smith’s container would have possessed.” *Id.* at 2 (emphasis added). Petitioner asserts that even Patent Owner’s expert, Mr. Smith, “*unequivocally agreed* both with Dr. Wooley’s conclusion that Smith’s container has a safety factor.” *Id.* at 11–12 (citations omitted) (emphasis added).¹

Petitioner *also* argues that the Board “narrowly construed claim 13—for the first time at the FWD and contrary to the parties’ position—to require more than the capability to hold 30,000 lbs., contravening both the broadest reasonable interpretation of claim 13 and the Administrative Procedure Act.” *Id.* at 2.

e. Our Analysis

We agree with Petitioner that our Final Written Decision did not consider the “safety factor” argument (Reh’g Req. 1–2), which is why we address the argument here. The issue before us, however, does not involve the construction of claim 13, as Petitioner’s argument presumes. *See, e.g., id.* at 2 (arguing that the Board “narrowly construed claim 13—for the first time at the FWD”); *see also id.* at 2–11.

¹ For clarity, Mr. Fred Smith (Ex. 2049) is Patent Owner’s expert and is not the first-named inventor (Gordon O. Smith) of the primary reference (Ex. 1005), which is relied upon by Petitioner and discussed herein.

Rather, the issue is whether Petitioner has met its burden of showing that Smith’s “sidewalls have a rigidity suitable for retaining no less than about 30,000 pounds of proppant when positioned therein,” as recited in claim 13. Ex. 1002, 10:14–17. “In an [*inter partes* review], the petitioner has the burden from the onset to show with particularity why the patent it challenges is unpatentable.” *Harmonic Inc. v. Avid Tech., Inc.*, 815 F.3d 1356, 1363 (Fed. Cir. 2016).

Petitioner did not meet its burden.

In support of its “safety factor” argument, Petitioner relies on Dr. Wooley’s testimony that Smith has a safety factor of at least 1.15. See Pet. 70 (citing in relevant part Ex. 1001 ¶ 181); *see also supra* Part II.b.

Dr. Wooley’s testimony regarding Smith’s safety factor, however, is based on speculation and entitled to little weight. See *Velander v. Garner*, 348 F.3d 1359, 1371 (Fed. Cir. 2003) (according little weight to broad conclusory statements in expert testimony); *Gorelik v. Holder*, 339 F. App’x 70, 73 (2d Cir. 2009) (noting that “little weight” should be given to an expert’s testimony where the expert’s reasoning is “speculative”); *Jenkins v. Astrue*, 250 F. App’x 645, 647 (5th Cir. 2007) (holding that “hypothetical testimony” by a vocational expert, which is unsupported by the evidence, may be properly disregarded).

Smith is a patent document, not an engineering specification, and does not mention any safety factor, let alone one that is at least 1.15. We credit Mr. Smith’s testimony that confirms this fact. See, e.g., Ex. 2049 ¶ 139 (“Smith is silent about whether his containers are designed with any safety factor, let alone something as specific as Dr. Wooley’s assumed 1.15”) (citing Ex. 2048, 145:25–146:3). Simply because Dr. Wooley testifies that

Smith has a safety factor does not make it true. *See* Trial Practice Guide Update, 5 (August 2018) (“[E]xpert testimony . . . is not a substitute for disclosure in a prior art reference itself.”). We are mindful not to read into Smith that which is not disclosed; such hindsight bias has no role in an obviousness analysis.

We also credit Mr. Smith’s assessment that “Dr. Wooley did not provide any evidence to support his 1.15 safety factor and admitted on cross-examination that he did nothing to compute the safety factor of Smith’s containers.” Ex. 2049 ¶ 139. In Dr. Wooley’s cross-examination testimony, Dr. Wooley hypothesizes that Smith’s container may have a safety factor that ranges from 1.15, 2.0, 3.0, 3.5, to perhaps even 5. *See* Ex. 2048, 153:13–156:14. Dr. Wooley’s wide range of possible safety factors supports our finding that his estimates are nothing more than speculation on his part.

Furthermore, Petitioner mischaracterizes Mr. Smith’s testimony as “unequivocally agree[ing]” to Smith’s safety factor. *See* Reh’g Req. 11–12 (citing Ex. 2049 ¶ 141). To be precise, Mr. Smith testifies that a “POSITA would have understood that Smith’s maximum payload *already reflects* an appropriate safety factor.” Ex. 2049 ¶¶ 141–142 (emphasis added). Contrary to Petitioner’s assertion (Reh’g Req. 11–12), this is *not* an admission that an additional safety factor is present that would increase the capability of Smith’s containers to carry more weight. Although Patent Owner’s expert “imagines” that there may have been a safety factor, the record fails to demonstrate what that safety factor may have been, that the safety factor was not already reflected in the 26,250 pound maximum payload, or that it was “at least 1.15.” *See* Ex. 1082, 66:13–67:20 (“I would imagine [Smith’s containers have some set of safety factors]”).

We agree with Petitioner that our Final Written Decision did not address Petitioner’s “safety factor” challenge of claim 13 and modify our Final Written Decision as set forth above to address this particular argument. After considering this argument, however, Petitioner has still not shown that claim 13 is unpatentable.

f. Outcome of Decision on Rehearing

Claim	35 U.S.C. §	References	Denied	Granted
13	103	Smith, Krennek, Hedrick, Claussen	13	
Overall Outcome			13	

g. Final Outcome of Final Written Decision

Claims	35 U.S.C. §	References	Claims Shown Unpatentable	Claims Not Shown Unpatentable
1–3, 6, 10, 13, 15	103	Smith, Krennek, Hedrick, Claussen	1–3, 6, 15	10, 13
8	103	Smith, Krennek, Hedrick, Claussen, Racy	8	
Overall Outcome			1–3, 6, 8, 15	10, 13

III. ORDER

For the reasons given, it is
ORDERED that Petitioner’s Request for Rehearing is *denied*; and
FURTHER ORDERED that claim 13 has not been shown to be unpatentable.

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