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On Jan. 27, 2025, a Federal Circuit panel of Judges Lourie, Dyk, and Hughes issued a unanimous decision in *Apple Inc. v. Gesture Tech. Partners, LLC*, Case Nos. 2023-1501, 2023-1554 (Fed. Cir. 2025). The Federal Circuit determined that the United States Patent Trial and Appeal Board (the Board) has jurisdiction to review claims of a patent that has expired. Slip op. at 3.

Gesture Technology Partners, LLC (Gesture) is the owner of U.S. Patent No. 8,878,949 (the '949 patent), entitled "Camera Based Interaction and Instruction." Id. at 2-3. In June 2021, Apple Inc. (Apple) filed an inter partes review (IPR) petition, asserting that each claim of the '949 patent was unpatentable as obvious over two prior art references. Id. at 4. However, at the time of the IPR, the '949 patent had already expired. Id. Gesture argued that the Board "could not exercise jurisdiction" over the IPR because "the '949 patent expired in May 2020, before Apple filed its petition in June 2021." Id. at 5. Gesture argued that "[s]ince the patentee's right becomes limited to collecting damages ... in an Article III court" upon expiration of a patent, "jurisdiction over the expired patent" is also limited to the Article III courts at that time. Id. at 5.

The Federal Circuit noted that although they "have not squarely addressed whether the Board may institute IPRs for patents after they have expired," the Court has "implicitly assum[ed] that the Board has jurisdiction in such cases." Id. Here, the Federal Circuit confirmed that "the Board has jurisdiction over IPRs concerning expired patents." Id.

Under the public-rights doctrine, "Congress may assign some matters either to the Article III judiciary or to a non-Article III forum." Id. at 6. Citing the United States Supreme Court, the Federal Circuit stated that "Congress has the authority to assign non-Article III forums those matters arising between the government and others, which from their nature do not require judicial determination and yet are susceptible of it." Id. (internal citations and quotations omitted). The Federal Circuit cited to [*Oil States Energy Services, LLC v. Greene's Energy Group, LLC*, 584 U.S. 325 \(2018\)](#), in which the Supreme Court held "the Board's jurisdiction over IPRs does not run afoul of Article III under the public-rights doctrine." Id. As the Supreme Court stated, IPRs provide a "second look" at a previous grant of a patent, which involves the same public interest in ensuring that patent monopolies are kept within the appropriate scope. Id. And such review falls within the public-rights doctrine. Id.

The Federal Circuit rejected Gesture's argument that this review "ceases to exist" upon the expiration of a patent, finding that such logic is "incompatible" with the holdings of the Supreme Court. *Id.* "The review of an earlier grant of a patent ... inherently involves the adjudication of a public right, and it is irrelevant whether the patent has expired, since the patent itself continues to confer a limited set of rights to the patentee." *Id.* at 7. The Federal Circuit noted that although a patentee has fewer rights upon the expiration of patent, "it nevertheless maintains some rights." *Id.* "The existence of those rights creates a live case or controversy, which can be adjudicated by an IPR and in proceedings before this court on appeal." *Id.* The Federal Circuit found no compelling argument as to why the lack of the "prospective right" to exclude others falls outside the scope of the public-rights doctrine. As such, the Board could review the patentability of an expired patent. *Id.*

Federal Circuit: No Estoppel on Unadjudicated Claims

On Feb. 10, 2025, a Federal Circuit panel of Judges Prost, Reyna, and Taranto issued a unanimous decision in *Kroy IP Holdings, LLC v. Groupon, Inc.*, Case No. 2023-1359 (Fed. Cir. 2025). The Federal Circuit reversed and remanded after the district court granted Defendant Groupon, Inc.'s (Groupon) motion to dismiss. Slip op. at 2. In October 2017, Kroy IP Holdings, LLC (Kroy) sued Groupon for infringement of U.S. Patent No. 6,061,660. *Id.* In October 2018, Groupon filed two inter partes review (IPR) petitions challenging 21 claims of the '660 patent. *Id.* After Groupon's deadline for filing IPR petitions on the '660 patent passed, Kroy amended its complaint to include claims of the '660 patent that were not subject to IPR review. *Id.* The Patent Trial and Appeal Board (Board) found all 21 of the challenged claims of the '660 patent unpatentable, and the Federal Circuit affirmed the decision. *Id.*

Then, in March 2022, Kroy filed a second amended complaint alleging infringement of 14 claims of the '660 patent, none of which were subject to IPR proceedings. *Id.* at 3. Groupon filed a motion to dismiss, arguing that the Board's rulings on the 21 challenged claims "collaterally estopped Kroy from asserting" the newly asserted claims. *Id.* In doing so, the district court addressed two principles: first, that "the Board's final judgment on the unpatentability of a patent claim ha[s] preclusive effect on any pending or co-pending district court actions involving the same claim;" and second, that "collateral estoppel may apply to patent claims that were not previously adjudicated if the differences between the unadjudicated claims and the adjudicated claims do not materially alter the question of invalidity." *Id.* (internal citations and quotations omitted). The district court therefore determined that "if the Board issues a final judgment ruling that a patent claim is unpatentable, and that claim is immaterially different for purposes of invalidity from another claim, collateral estoppel precludes the patentee from asserting the immaterially different claim." *Id.*

The district court then assessed whether the newly-asserted claims were materially different from the claims the Board found unpatentable. *Id.* at 3-4. The district court noted that collateral estoppel has four requirements: 1) the identical issue was

previously adjudicated; 2) the issue was actually litigated; 3) the previous determination was necessary to the decision; and 4) the precluded party was fully represented in the prior action. *Id.* The parties agreed there was no dispute that requirements 2 and 4 were met. *Id.* at 4. With respect to requirement 1, the district court compared the two sets of claims and determined that each newly-asserted claim was "immaterially different" from one or more of the 21 claims of the '660 patent found unpatentable by the Board. *Id.* at 4. The district court also found that the third requirement was met. *Id.* As such, the district court found that the requirements for collateral estoppel were met, and granted Groupon's motion to dismiss. *Id.*

The Federal Circuit found that the case presented a distinct question of Federal Circuit collateral estoppel law: "whether a prior final written decision of the Board that certain patent claims are unpatentable precludes a patentee from asserting other claims from the same patent, even assuming the asserted claims are immaterially different from the unpatentable claims for purposes of invalidity." *Id.* at 5. Kroy argued that because an IPR proceeding "requires a lower burden of proof to prove unpatentability than the burden of proof in district court," collateral estoppel should not apply. *Id.* The Federal Circuit acknowledged that an exception to collateral estoppel includes "when the second action involves application of a different legal standard, such as a different burden of proof." *Id.* at 5-6 (internal citations and quotations omitted).

The Federal Circuit was guided by a similar case it decided in 2024, [*ParkerVision, Inc. v. Qualcomm Inc.*, 116 F.4th 1345 \(Fed. Cir. 2024\)](#). *Id.* at 6. There, the Board determined that apparatus claims of the patent-in-suit were invalid as obvious. *Id.* In a parallel district court litigation involving method claims of the same patent-in-suit, the district court precluded an expert from offering testimony to support the validity of those method claims, finding that "collateral estoppel barred [Plaintiff] from asking it or a jury to reach factual conclusions regarding the validity of the method claims that would conflict with the Board's fact findings for the apparatus claims." *Id.* In that case, the Federal Circuit reversed, finding that collateral estoppel did not apply "due to the differing burdens of proof." *Id.*

The Federal Circuit found ParkerVision analogous here. *Id.* Specifically, Groupon proved the unpatentability of the challenged claims by a preponderance of the evidence. *Id.* at 7. But before the district court, Groupon will be required to prove the unpatentability of the new claims by clear and convincing evidence. *Id.* As such, collateral estoppel did not apply, and "[t]o hold otherwise would deprive patent owners of their property right without first requiring proof of patent invalidity that satisfies the statutorily-prescribed clear and convincing evidence standard." *Id.*

The Federal Circuit specifically differentiated this case from a situation where the same claim found unpatentable before the Board was then asserted in a district court litigation. Although the different burdens of proof between the Board and the district court remain, once a claim is ruled unpatentable, it no longer exists. *Id.* A separate claim not adjudicated to be unpatentable remains presumptively valid. *Id.* The newly-asserted claims have not been challenged in an IPR proceeding, and thus "continue to exist." *Id.* As such, the Federal Circuit found that "a prior final written decision of the

Board of unpatentability on separate patent claims reached under a preponderance of the evidence standard cannot collaterally estop a patentee from asserting other, unadjudicated patent claims in district court litigation." *Id.* at 8.

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