

Federal Circuit Clarifies Scope of IPR Estoppel

by Robert J.M. Lee

In a precedential opinion entered on May 7, 2025, the United States Court of Appeals for the Federal Circuit affirmed a jury verdict invalidating claims of two patents for anticipation and obviousness over the prior art. A key issue in the case was whether estoppel should have applied to preclude presentation of certain prior art at trial. The case is *Ingenico, Inc. v. IOENGINE, LLC*.

Plaintiff-Appellee Ingenico filed a declaratory judgment action against Defendant-Appellant IOENGINE related to certain IOENGINE patents. Before trial, Ingenico had also commenced *inter partes* review (“IPR”) proceedings related to IOENGINE’s patents, resulting in final written decisions invalidating some claims of the patents.

Under 35 U.S.C. § 315(e)(2), a petitioner in an IPR proceeding that results in a final written decision is estopped from asserting in a later civil action that a claim is invalid “on any ground that the petitioner raised or reasonably could have raised during that inter partes review.” This is referred to as IPR estoppel.

At trial, Ingenico introduced evidence related to a particular prior art system and argued that the system invalidated claims of IOENGINE’s patents because the claimed invention was either “on sale” or “in public use” under pre-AIA Section 102(b) or “known or used by others” under pre-AIA Section 102(a). IOENGINE argued on appeal that Ingenico should have been estopped from presenting portions of the evidence related to the prior art system because the evidence was cumulative and substantively identical to certain printed publications that reasonably could have been raised during IPR.

The issue of IPR estoppel turned on the interpretation of the term “ground” in Section 315(e)(2), which was an issue of first impression at the Federal Circuit. The Federal Circuit recognized that lower courts had interpreted the term “ground” in different ways. In relevant part, some courts have interpreted “ground” to refer to the particular prior art that was presented, or reasonably could have been presented, during an IPR.

The Federal Circuit held that IPR estoppel did not apply to the invalidity grounds

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asserted by Ingenico at trial. Specifically, the court held that “IPR estoppel applies only to a petitioner’s assertions in district court that the claimed invention is invalid under 35 U.S.C. §§ 102 or 103 because it was patented or described in a printed publication (or would have been obvious only on the basis of prior art patents or printed publications).” The court explained that the term “ground” refers to “the theories of invalidity available to challenge a claim under 35 U.S.C. §§ 102 and 103” in an IPR (i.e., that the invention was patented, described in a printed publication, or obvious in view of patents or printed publications). The court, thus, explained that “IPR estoppel does not preclude a petitioner from asserting the same prior art raised in an IPR in district court, but rather precludes a petitioner from asserting grounds that were raised or reasonably could have been raised during an IPR.” This means that “IPR estoppel does not preclude a petitioner from relying on the same patents and printed publications as evidence in asserting a ground that could not be raised during the IPR, such as that the claimed invention was known or used by others, on sale, or in public use.”

The Federal Circuit’s holding resolves a split among the lower courts and makes clear that patent challengers can potentially assert the same prior art in both IPRs and district court proceedings, so long as they assert a different legal basis for invalidity in the district court. For example, patent challengers can argue in district court proceedings that an invention was in public use, on sale, or otherwise available to the public based on the same prior art previously asserted in an IPR because these “grounds” cannot be asserted in an IPR.

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