McCombs and Bowser in Westlaw Today: Federal Circuit Clarifies Scope of IPR Estoppel and Resolves District Court Split in Patent Law

July 10, 2025 David McCombs, Jonathan Bowser

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In the latest IPR Tricks of the Trade for *Westlaw Today*, Haynes Boone Partners David McCombs and Jon Bowser explore the Federal Circuit's decision in *Ingenico v. IOENGINE*, which narrows IPR estoppel by confirming that system prior art is not subject to estoppel, even if it's substantively identical to IPR-raised art.

Read an excerpt below.

Patent Trial and Appeal Board (PTAB) post-grant validity challenges — for example, *inter partes* review — are frequent components of a patent litigation strategy for defendants. Challenging the validity of a patent in an IPR does not come without risk, however.

A petitioner is subject to estoppel if the PTAB institutes trial for the petitioner's challenge and then, ultimately, upholds the validity of the challenged claims in a final written decision. This situation results in the unsuccessful petitioner being estopped from challenging the validity of a claim it previously challenged in district court or the International Trade Commission on any "ground" that the petitioner "raised or reasonably could have raised during" the IPR. This statutory estoppel is intended to prevent a petitioner from re-litigating validity issues that it raised or reasonably could have raised in its IPR petition.

There has been some uncertainty over the scope of IPR estoppel based on the meaning of the term "ground" in the IPR statute. In an IPR, a petitioner may challenge claims of a patent "only on a ground that could be raised under section 102 or 103 and only on the basis of prior art consisting of patents or printed publications."

By restricting a "ground" to only patents and printed publications, an IPR petitioner may not raise "system prior art" in an IPR petition. In general, "system prior art" includes a publicly available system (e.g., a commercial product) that was in public use, on sale, or otherwise accessible before the critical date of the challenged patent

The U.S. Court of Appeals for the Federal Circuit recently clarified what prior art may be part of a "ground" in an IPR and therefore subject to IPR estoppel. *Ingenico Inc. v. IOENGINE, LLC*, 136 F.4th 1354 (Fed. Cir. 2025). In doing so, the Federal Circuit resolved a split among district courts — even in the same district — over whether IPR estoppel includes "system prior art."

Some district court judges were sympathetic to patent owner arguments that an unsuccessful IPR petitioner should not be able to avoid IPR estoppel by relying on system prior art that is substantially similar to prior art that was raised or reasonably could have been raised in an IPR.

To read the full article from *Westlaw Today*, click here.