

# McCombs, Goryunov and Bowser in Reuters: Federal Circuit Clarifies Application of Collateral Estoppel from IPRs

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**PRACTICES** Patent Office Trials, Patents, Intellectual Property

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Haynes Boone attorneys [David McCombs](#), [Eugene Goryunov](#) and [Jonathan Bowser](#) authored a new installment of IPR Tricks of the Trade with *Reuters* discussing when collateral estoppel might apply in a district court case following an invalidity determination.

Read an excerpt below.

In February 2025, the U.S. Court of Appeals for the Federal Circuit clarified when collateral estoppel might apply in a district court case following an invalidity determination by the Patent Trial and Appeal Board ("PTAB") in a parallel inter partes review (IPR). In [Kroy IP Holdings, LLC v. Groupon, Inc., No. 2023-1359, \(Fed. Cir. Feb. 10, 2025\)](#), Groupon filed two IPRs challenging 21 claims of the asserted patent.

The PTAB found all the challenged claims to be unpatentable, a finding that was appealed to the Federal Circuit and affirmed by the court. After Groupon's IPR filing deadline had passed, Kroy amended its complaint in district court to allege infringement of 14 additional claims, none of which were challenged in Groupon's IPRs.

Groupon filed a Rule 12(b)(6) motion to dismiss arguing that the PTAB's IPR determinations collaterally estopped Kroy from asserting the additional 14 claims in district court. The district court agreed, finding that the PTAB's determinations have preclusive effect on any pending or co-pending district court actions involving the same claims.

The court further determined that collateral estoppel applies to 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.'" The court then found that the 14 additional claims were "immaterially different" from the claims that were found invalid by the PTAB, and granted the motion to dismiss.

On appeal, the Federal Circuit disagreed.

The court agreed that collateral estoppel applies under the following conditions:

- (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 party being precluded from relitigating the issue was fully represented in the prior action.

The court, however, noted that application of collateral estoppel is subject to various exceptions, one of which is that collateral estoppel does not apply "when the second action involves application of a different legal standard, such as a different burden of proof."

To read the full article from *Reuters*, click [here](#).