

What Patent Claim 'Invalidity' Means In Different Forums

By **Jason Hoffman** (August 18, 2025)

In patent litigation, "invalidity" is a term of art, but not all findings of invalidity are created equal. Depending on the forum and procedural posture, a claim that has been invalidated may still be asserted elsewhere, and it may or may not cast a shadow over similar claims from the same patent.

The U.S. Court of Appeals for the Federal Circuit's recent **denial** of an en banc rehearing in Kroy IP Holdings LLC v. Groupon Inc. underscores just how fractured the landscape has become. This fragmentation creates uncertainty for both patentees and accused infringers, making it critical to understand not just whether a claim has been invalidated, but where and how that invalidation occurred.



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This article breaks down the three key venues where patent claims are commonly invalidated — district court, the U.S. International Trade Commission and the Patent Trial and Appeal Board — and explains what each type of invalidity actually means.

District Court Invalidity: Final and Preclusive

When a district court finds a patent claim invalid by clear and convincing evidence and that judgment becomes final, either because it is not appealed or is affirmed on appeal, the claim is invalid for all purposes. It cannot be asserted in future litigation.

In addition, the patentee is collaterally estopped from asserting substantially similar claims, ones that do not materially alter the question of invalidity, even if those claims were not part of the original case. This is the most robust form of invalidity.

Invalidity in district court can be raised either as a defense to an infringement claim or through a separate declaratory judgment action, provided the challenger can demonstrate an injury-in-fact sufficient to establish standing. This procedural flexibility makes district court invalidity a powerful tool for accused infringers seeking certainty and finality.

ITC Invalidity: Limited and Non-Preclusive

The ITC can adjudicate patent validity in Section 337 investigations. But even if the ITC finds a claim invalid, and even if the Federal Circuit affirms that finding, the claim is not invalid in the broader legal sense. This is because the ITC lacks authority to cancel claims or bind Article III courts.

Its determinations are limited to exclusion orders and cease-and-desist relief. A patentee can still assert the same claim in district court. The ITC's invalidity finding may have persuasive value, but it has no preclusive effect.

Unlike district court proceedings, invalidity at the ITC can only be raised as a defense to a patentee's complaint for infringement. There is no mechanism for a declaratory judgment action in the ITC and no statutory cancellation of claims. As a result, ITC invalidity functions more as a defensive maneuver to stop the potential of an exclusion order rather than a definitive resolution.

PTAB Invalidity: Binding on the Claim But Not Its Siblings

When the PTAB invalidates a claim in an inter partes review or post-grant review and that decision is not appealed or is affirmed on appeal, the claim is statutorily canceled. It cannot be asserted in district court or at the ITC. The claim is, for all practical purposes, dead.

But what about substantially similar claims that weren't challenged in the IPR or PGR? The Federal Circuit recently addressed the issue in *Kroy IP Holdings LLC v. Groupon Inc.*

The Federal Circuit held that collateral estoppel does not apply in district court to claims that are patentably indistinct from those invalidated in an IPR. The panel reasoned that the differing burdens of proof — a preponderance of the evidence in an IPR versus clear and convincing evidence in district court — preclude estoppel from attaching to claims not actually adjudicated in the IPR.

The Federal Circuit has now denied the petition for en banc rehearing and did so over a strong dissent. The dissent argued that not applying collateral estoppel to similar claims undermines the America Invents Act's goal of providing a cost-effective alternative to district court litigation.

The dissent warned that patentees could now sidestep IPR and PGR outcomes by asserting slightly modified claims in district court, claims that are functionally indistinguishable from those already invalidated. The result of this decision may incentivize the patentee to delay asserting a subset of a patent's claims until after the one-year IPR filing deadline passes.

It is also worth noting that IPRs and PGRs can be filed by anyone, not just accused infringers. However, the director of the [U.S. Patent and Trademark Office](#) retains broad discretion to deny institution, and that discretion is being exercised with increasing frequency for a growing list of policy-based reasons.

This evolving gatekeeping function adds another layer of complexity to PTAB practice and may influence how parties structure their invalidity strategy. This discretion also introduces unpredictability into the process, requiring accused infringers to carefully assess timing, claim selection and the likelihood of institution.

And another consideration for the accused infringer, assuming institution of an IPR or PGR is estoppel: If the challenged claim is found not invalid, the accused infringer is barred from asserting invalidity in district court based on any patents or printed publications, for an IPR, or on any grounds, for a PGR, that were raised or reasonably could have been raised before the PTAB.

Strategic Takeaways

Understanding the nuances of invalidity is essential for both alleged infringers and patentees.

- District court invalidity is the gold standard. It not only kills the claim but also bars its close relatives.
- ITC invalidity is persuasive but not preclusive. The patentee can reassert the same claim in district court.

- PTAB invalidity cancels the claim, but leaves the door open for asserting infringement of similar claims.

Under this rubric, alleged infringers need to be strategic about which claims to challenge in an IPR or PGR and coordinate closely with the parallel district court litigation or ITC action.

For patentees, this rubric offers a road map to preserve enforcement options even after an IPR or PGR loss. The forum selected and the procedural posture pursued can dramatically affect not only the outcome of a single claim but the viability of an entire patent portfolio.

Moreover, parties should consider these distinctions when evaluating litigation risk and advising on enforcement strategy. A PTAB win may not offer the finality a business needs to close the book on a dispute, while a district court judgment can provide broader protection against future assertions.

Conversely, a patentee facing an IPR challenge may still have viable paths to enforcement if similar claims remain untouched.

Understanding these dynamics is critical for weighing the cost, timing and strategic value of each forum.

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