

LG ELECTRONICS INC. v. GESTURE TECHNOLOGY PARTNERS, LLC, Appeals Nos. 2023-1501 and 2023-1554 (Fed. Cir. Jan. 27, 2025). Before Dyk, Lourie, and Hughes. Appealed from the PTAB.

Background:

In an *inter partes* review (IPR) proceeding, the PTAB held that certain claims of Gesture Technology's patent were unpatentable, and it held that the other claims were not shown to be unpatentable. Gesture also argued that the USPTO did not have jurisdiction over expired patents, but the PTAB rejected this argument. Both parties appealed the mixed results to the Federal Circuit.

Issue/Holding:

Does the PTAB have jurisdiction over expired patents? Yes, affirmed.

Discussion:

Gesture argued that the PTAB could not exercise jurisdiction over the IPR because the patent in question expired in May 2020, well before the petitioner filed its petition in June 2021. Gesture cited to *Oil States Energy Services, LLC v. Greene's Energy Group, LLC*, 584 U.S. 325 (2018) as purportedly supporting this proposition because this case held that the "decision to grant a patent is . . . the grant of a public franchise. . . and once a patent expires the public franchise ceases to exist and the patent owner no longer has the right to exclude others." *Id.* at 334-35. Gesture argued that only an Article III court could exercise jurisdiction because a patentee's rights are limited to collecting damages for past actions.

The Federal Circuit rejected Gesture's arguments, and held that "although a patentee has fewer rights . . . when [its] patent has expired. . . it nevertheless maintains some rights, such as bringing an action for past damages. . . 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." As a result, the PTAB has jurisdiction over expired patents.

Furthermore, the *Oil States* case did not include any holding that would prevent the PTAB from exercising jurisdiction over Gesture's patent. This case merely held that Congress may authorize the Patent and Trademark Office to reconsider the validity of a granted patent without running afoul of Article III or the Seventh Amendment to the Constitution.

Although this case presented a novel question of law, the Federal Circuit noted that previous decisions had "implicitly assumed" that the PTAB has jurisdiction in cases involving expired patents.