

Federal Circuit Backs PayPal

APRIL 30, 2025

In December 2022, Winston convinced Judge Albright of the W.D. Tex. to reverse his tentative construction and invalidate four patents based on means-plus-function indefiniteness at claim construction in the district court. Winston also persuaded Judge Albright to deny Fintiv's motion for reconsideration the next month. Fintiv appealed to the Federal Circuit, which affirmed the district court in a precedential opinion in April 2025. Winston overcame a significant amount of sleight of hand from Fintiv, which continually shifted the purported structure of the "payment handler" term through claim construction, its motion for reconsideration, and appellate briefs, muddying the record. Ultimately the opinion clearly distinguished the factual record from that in *Dyfan v. Target*, curbing patentees' abilities to argue that all code or applications are a "class of structures" and not indefinite under 112(f). The Federal Circuit affirmed four of the five patents Winston invalidated for PayPal, effectively foreclosing Fintiv's ability to revive these patents for assertion. Winston also invalidated the fifth patent at the PTAB; Fintiv's appeal of that Final Written Decision is pending.

Fintiv v. PayPal Holdings, Inc. (Case No. 6:23-cv-00490, U.S.D.C., W.D. Tex.; PTAB, IPR2023-00744; Case No. 25-1225, U.S.C.A., Fed. Cir.)

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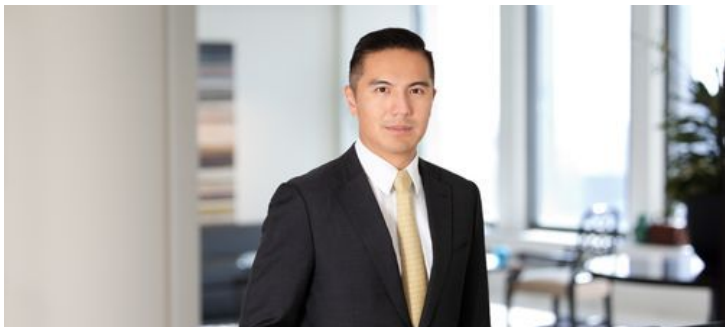
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