GIBSON DUNN

Gibson Dunn Wins Dismissal of Patent Infringement Suit Against Plaid, Inc.

Firm News | April 9, 2026

A Gibson Dunn Intellectual Property team has obtained a dismissal with prejudice of a patent infringement suit against financial services firm Plaid, Inc., with a Utah federal judge ruling that the asserted patent covering authentication processes for third-party transactions was directed to an abstract idea.

The win arises from an action brought by Secure Authentication Technologies LLC (SAT) alleging that Plaid's products, which enable consumers to connect their bank accounts to their fintech apps, infringe its patent relating to technology for enabling a third party to gain access to online accounts otherwise protected by multi-factor authentication. Plaid moved to dismiss the complaint under Rule 12(b)(6), arguing that the asserted claims are ineligible under 35 U.S.C. § 101.

Following a hearing in Salt Lake City in late February, Judge Kimball granted Plaid's motion and dismissed SAT's claims with prejudice. Judge Kimball found the claims were directed to the abstract idea of circumventing or managing an authentication process to facilitate a third-party intermediary transaction by maintaining account access. He also found the claims lacked any inventive concept, rejecting SAT's arguments that were not based on the language of the claims and that relied merely on the abstract idea itself. Because the court found amendment would be futile, it dismissed SAT's claims with prejudice.

The decision represents a significant win for Plaid, terminating the case early and sparing the company the burden of litigation against SAT. "From the time the Complaint was filed, it was clear that the plaintiff's patent was ineligible under settled case law, and that this case should never have been brought," partner Brian Rosenthal said in a statement. "We are very pleased that the Court vindicated our position. Our client Plaid looks forward to putting this meritless lawsuit behind it and continuing to provide best-in-class solutions to its customers."

The case is Secure Authentication Technologies LLC v. Plaid, Inc., No. 2:25-cv-00514-DAK-JCB (D. Utah).

The Gibson Dunn team representing Plaid was led by partner Brian Rosenthal and included partners Brian Buroker and Jaysen Chung and associates Hannah Bedard, Michelle Zhu, Zak Khan, and Alex Chiang.

Related Capabilities

Intellectual Property

Patent Litigation

Related People

Brian Rosenthal

Brian M. Buroker

Hannah L. Bedard

Michelle J. Zhu

Alex Chiang

© 2026 Gibson, Dunn & Crutcher LLP. All rights reserved. For contact and other information, please visit us at www.gibsondunn.com. | **www.gibsondunn.com**