

Supreme Court Justices Refuse To Review Alice Ax Of \$223M USAA Case

By [Ryan Davis](#) · [Listen to article](#)

Law360 (May 19, 2026, 9:53 AM EDT) -- The U.S. Supreme Court on Monday rejected the [United Services Automobile Association's](#) appeal of a Federal Circuit decision that wiped out \$223 million in judgments it won against [PNC Bank](#) and found the mobile check deposit patents at issue invalid for covering only abstract ideas.

The decision is the latest in a string of dozens of rulings where the justices have rejected appeals urging them to overturn or clarify the standards by which inventions are eligible for a patent, in the wake of the high court's [2014 ruling](#) in [Alice v. CLS Bank](#) that abstract ideas implemented using a computer cannot be patented.

Monday's order list notes that Justice Samuel Alito did not participate in the consideration of USAA's [January petition](#) for review. The company told the justices that the Federal Circuit has "systematically misclassified" any technological process as an abstract idea, which it said has "transformed the modest 'abstract idea' exception into a sinkhole that swallows technological processes."

The Federal Circuit case stems from two trials in the [Eastern District of Texas](#), where juries found that PNC infringed several USAA patents on technology that lets users deposit checks by taking a picture of them with a cellphone and sending it to a bank. The jury awarded [\\$218.5 million](#) in one trial and [\\$4.3 million](#) in the other.

However, the Federal Circuit [ruled last year](#) that four patents underlying the verdicts are invalid for covering nothing more than the patent-ineligible abstract idea of depositing a check using a handheld mobile device. The appeals court had previously found other patents in the cases to be invalid as obvious, so the ineligibility decisions wiped out both entire judgments against PNC.

USAA argued to the Supreme Court that depositing a check using a mobile device is a technological process that should be eligible for a patent, not an abstract idea.

The company told the justices that since the high court's 2014 Alice eligibility ruling, the Federal Circuit "has expanded the abstract-idea exception well beyond the categories described in this court's cases."

USAA urged the justices "to clarify that improving a user's experience while using a computer is not categorically beyond the protection of patent law."

In a [response brief](#) in April, PNC maintained that the Federal Circuit's decision was correct, and that USAA's patents "are plainly directed to an abstract idea, as they seek to monopolize the basic business practice of depositing a check."

PNC said USAA was challenging "purported bright-line rules that do not exist, in an effort to obtain case-specific relief on questions it did not raise below."

A USAA representative said Monday that the company was founded to serve military members and their families, and developed the mobile remote deposit capture technology with their needs in mind.

"While we respect the Supreme Court's decision, we will continue to advocate for technology that supports our members, and we remain confident in our extensive and growing portfolio of over 180 RDC patents not involved in the PNC litigation," the representative said. "The strength of that patent portfolio is further evidenced by the many financial institutions that have agreed to or continue to negotiate a license to use our technology."

A PNC spokesperson said Monday that "PNC is pleased that the U.S. Supreme Court declined to review the Federal Circuit's decisions in the USAA matter."

The patents-at-issue are U.S. Patent Nos. [10,402,638](#); [10,482,432](#); [10,013,681](#); and [10,013,605](#).

USAA is represented by William M. Jay and Jesse Lempel of [Goodwin Procter LLP](#) and Jason Sheasby, Lisa Glasser, Anthony Rowles and Stephen Payne of [Irell & Manella LLP](#).

PNC is represented by Mark Fleming, Gary Fox, Lauren Matlock-Colangelo, Andrew Nell, Joseph Mueller and Andrew Danford of [WilmerHale](#).

The case is United Services Automobile Association v. PNC Bank NA, case number [25-853](#), in the [Supreme Court of the United States](#).

--Editing by Daniel King.

Update: This story has been updated with comments from the parties.

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