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OFFICE OF PETITIONS

In re Patent No. 6,018,577 :
Peter Owen Roach, Jr. :
Issue Date: January 25, 2000 : FINAL AGENCY DECISION
Application No. 08/903,860 :
Filed: July 31, 1997 :
Atty Docket No. 8R031-010 :

This is a decision on the petition under 37 CFR 1.378(e), filed on December 1, 2008, requesting reconsideration of a prior decision which refused to accept under § 1.378(b) the delayed payment of a maintenance fee for the above-referenced patent.

The petition is DENIED.

This decision may be viewed as a final agency action within the meaning of 5 U.S.C. § 704 for purposes of seeking judicial review.

BACKGROUND

The patent issued January 25, 2000. The window for paying the first maintenance fee without surcharge opened on January 25, 2003 and closed on July 25, 2003. The window for paying the first maintenance fee with surcharge opened July 26, 2003 and closed on January 25, 2004. The grace period for paying the 3-½ year maintenance fee expired at midnight on January 25, 2004, with no payment received. (Had the patent not expired, the grace period for paying the 7-½ year maintenance fee would have expired at midnight on January 25, 2008).

On February 25, 2008, patentee filed the initial petition under 37 CFR 1.378(b), maintaining that the entire delay in filing the required maintenance fee was unavoidable. Patentee attributed the delay in paying the maintenance fees to failure of the computer on which the patent dates were docketed - the computer

suffered a hard disk crash. Patentee stated that his personal calendar noting those dates was not recovered after the crash. Patentee stated that had his hard drive not crashed, the normal docketing process would have identified that the maintenance fees were due and the fees would have been timely paid. Moreover, patentee asserted that had documentation on this patent not been stored in a computer with Selex documents, he would have been able to periodically review the status of the patent and pay the maintenance fees in a timely fashion. Patentee stated that he did not discover that the patent had lapsed until on or around February 15, 2008, when he was considering commercializing the patent.

By decision mailed October 1, 2008, the initial petition was dismissed. It was concluded that patentee had not met his burden of establishing that the entire delay in payment of the maintenance fee was unavoidable within the meaning of 37 CFR 1.378(b). It was noted that the petition was filed four years after the expiration of the patent. More importantly, patentee's showing failed to establish that reasonable steps had been undertaken to ensure timely payment of the maintenance fee. Patentee generally attributed the delay to failure of his computer and to his patent files being intermingled with those of the Selex company and thus, data on the patent being unavailable to him. However, patentee did not detail the entering of the maintenance fee due dates in this patent nor when the crash specifically occurred and how its crash impacted the data required to timely pay this maintenance fee. The Office asked that patentee detail the steps undertaken to ensure that this maintenance fee was timely paid such that the Office could conclude that patentee had a reasonable system in place designed and operated to ensure the timely payment of this maintenance fee.

On instant request for reconsideration, patentee continues to attribute the delay to failure of his computer and the intermingling of his files with the Selex company files. In support thereof, patentee submits an Affidavit, detailing the circumstances of the delay in paying the maintenance fee.

STATUTES, RULES AND REGULATIONS

35 U.S.C. § 41(c)(1) states that:

The Director may accept the delayed payment of any maintenance fee required ... after the six month grace period if the delay is shown to the satisfaction of the Director to have been unavoidable.

37 C.F.R. §1.378(b) provides that:

Any petition to accept an unavoidably delayed payment of a maintenance fee must include:

- (1) The required maintenance fee set forth in §1.20(e) through (g);
- (2) The surcharge set forth in §1.20(I)(1); and
- (3) A showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee was notified of, or otherwise became aware of, the expiration of the patent. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee, the date and the manner in which patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly.

As language in 35 U.S.C. 41(c)(1) is identical to that in 35 U.S.C. 133 (i.e., "unavoidable" delay), a late maintenance fee for the unavoidable delay standard is considered under the same standard for reviving an abandoned application under 35 U.S.C. 133. See Ray v. Lehman, 55 F.3d 606, 608-09, 34 USPQ2d 1786, 1787 (Fed. Cir. 1995) (quoting In re Patent No. 4,409,763, 7 USPQ2d 1798, 1800 (Comm'r Pat. 1988), aff 'd sub nom. Rydeen v. Quigg, 748 F. Supp. 900, 16 USPQ2d 1876 (D.D.C. 1990), aff 'd, 937 F.2d 623 (Fed. Cir. 1991) (table), cert. denied, 502 U.S. 1075 (1992)). Decisions on reviving abandoned applications on the basis of "unavoidable" delay have adopted the reasonably prudent person standard in determining if the delay was unavoidable:

The word 'unavoidable' ... is applicable to ordinary human affairs, and requires no more or greater care or diligence than is generally used and observed by prudent and careful men in relation to their most important business. It permits them in the exercise of this care to rely upon the

ordinary and trustworthy agencies of mail and telegraph, worthy and reliable employees, and such other means and instrumentalities as are usually employed in such important business. If unexpectedly, or through the unforeseen fault or imperfection of these agencies and instrumentalities, there occurs a failure, it may properly be said to be unavoidable, all other conditions of promptness in its rectification being present.

In re Mattullath, 38 App. D.C. 497, 514-15 (1912) (quoting Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (1887)); see also Winkler v. Ladd, 221 F. Supp. 550, 552, 138 U.S.P.Q. 666, 167-68 (D.D.C. 1963), aff'd, 143 U.S.P.Q. 172 (D.C. Cir. 1963); Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (1913). However, a petition cannot be granted where a petitioner has failed to meet his or her burden of establishing that the delay was "unavoidable." Haines v. Quigg, 673 F. Supp. 314, 316-17, 5 USPQ2d 1130, 1131-32 (N.D. Ind. 1987).

As 35 U.S.C. 41(b) requires the payment of fees at specified intervals to maintain a patent in force, rather than some response to a specific action by the Office under 35 U.S.C. 133, a reasonably prudent person in the exercise of due care and diligence would have taken steps to ensure the timely payment of such maintenance fees. Ray, 55 F.3d at 609, 34 USPQ2d at 1788. That is, an adequate showing that the delay in payment of the maintenance fee at issue was "unavoidable" within the meaning of 35 U.S.C. 41(c) and 37 CFR 1.378(b)(3) requires a showing of the steps taken to ensure the timely payment of the maintenance fees for this patent. Id. Thus, where the record fails to disclose that the patentee took reasonable steps, or discloses that the patentee took no steps, to ensure timely payment of the maintenance fee, 35 U.S.C. 41(c) and 37 CFR 1.378(b)(3) preclude acceptance of the delayed payment of the maintenance fee under 37 CFR 1.378(b).

OPINION

The patent issued January 25, 2000. The grace period for paying the 3-½ year maintenance fee expired at midnight on January 25, 2004, with no payment received. Moreover, the period for paying the 7-½ year maintenance fee elapsed with no action taken by patentee. The instant petition to accept the delayed payment of the maintenance fees was not filed until February 25, 2008, more than four years after the expiration of the patent. Petitioner has the burden of establishing that the entire delay from the

due date for the first maintenance fee until the filing of a grantable petition was unavoidable.

37 CFR 1.378(b) requires a showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee was notified of, or otherwise became aware of, the expiration of the patent. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee, the date and the manner in which patentee became aware of the expiration of the patent, and the steps taken to file the petition promptly.

Patentee still has not met this burden. The additional affidavit filed on renewed petition states that the computer crashed sometime between September and November 2002. However, the affidavit does not detail any actions undertaken thereafter to re-establish steps to ensure timely payment of future maintenance fees.

The window for paying the maintenance fee at issue opened on January 25, 2003 and closed on January 25, 2004. Had the computer continued to work, perhaps it might have served as a timely reminder that payment of the maintenance fee was due. However, the computer crashed in 2002, months before the fees involved here first became due. That is, between September and November 2002, patentee knew that his docketing system was destroyed and that the backup files or information he had was no longer available. So, he no longer had a system in place to ensure timely payment of maintenance fees. Thus, his arguments might be persuasive with respect to a fee that he showed was entered in the system and was due between September and November 2002. However, with respect to fees due in 2003 and 2004, it was not reasonable to continue to rely on crashed computer data. It was clear that in 2003 and 2004 the computer system would not remind him of any due dates. Yet, patentee does not show that for a continuous period of time after the crash of the computer he was working to reinstate the lost data. At the same time, there is no showing that patentee took any action to determine the status of his patent portfolio and to re-enter the due dates in a reliable system. In fact, for four years, it appears he was unaware of the status of this patent. Under the circumstances set forth, it was not reasonable to continue to rely on an inoperative system months after its destruction. The absence of a functioning docketing system at the time this

maintenance fee was due precludes a finding of unavoidable delay.

CONCLUSION

The prior decision which refused to accept under § 1.378(b) the delayed payment of a maintenance fee for the above-identified patent has been reconsidered. For the above-stated reasons, the delay in this case cannot be regarded as unavoidable, within the meaning of 35 U.S.C. § 41(c)(1) and 37 CFR 1.378(b). This is a final agency action, within the meaning of 35 U.S.C. § 704.

Since this patent will not be reinstated, the maintenance fee(s) and surcharge fee(s) submitted by petitioner will be refunded. The \$400 fee for reconsideration will not be refunded.

As stated in 37 CFR 1.378(e), no further reconsideration or review of this matter will be undertaken.

Telephone inquiries related to this decision may be directed to Nancy Johnson, Senior Petitions Attorney, at (571) 272-3219.



Anthony Knight
Director
Office of Petitions