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OFFICE OF PETITIONS

Decision on Petition

In re Patent of Greenway et al. :
Application No. 06/690,651 :
Patent No. 4,588,724 :
Filed: January 11, 1985 :
Issued: May 13, 1986 :
For: TREATMENT FOR SELECTIVE :
REDUCTION OF REGIONAL FAT :
DEPOSITS :

This is a decision on the renewed petition under 37 CFR § 1.378(e), filed December 2, 2002, to reinstate the above-identified patent.

The petition is **DENIED**.¹

Since this patent will not be reinstated, maintenance fees and surcharges submitted by petitioner will be scheduled for a refund. The \$130 fee for requesting reconsideration is not refundable. Therefore the Office will refund \$3,260 (\$1,010 + \$1,550 + \$700).

Background

The patent issued May 13, 1986. The 7.5 year maintenance fee could have been paid from May 13, 1993 through November 13, 1993, or with a surcharge during the period from November 14, 1993 to May 13, 1994. Petitioner did not do so. Accordingly, the patent expired May 14, 1994.

Petitions under 37 CFR 1.378(b) and 37 CFR 1.378(c) were filed April 22, 2002. A Request for Information was mailed on June 4, 2002. A response to the request for information was filed on July 30, 2002. The petitions were dismissed in the decision of October 2, 2002.

Applicable Statutes and Regulation

35 U.S.C. § 41(b) states in pertinent part that, "Unless payment of the applicable maintenance fee is received . . . on or before the date the fee is due or within a grace period of six months thereafter, the patent shall expire as of the end of such grace period."

35 U.S.C. § 41(c)(1) states that, "The Commissioner may accept the payment of any maintenance fee . . . after the six month grace period **if the delay is shown to the satisfaction of the Commissioner to have been unavoidable.**" (emphasis added)

¹ This decision may be viewed as a final agency action within the meaning of 5 USC § 704 for purposes of seeking judicial review. See MPEP 1002.02.

37 CFR 1.378(b)(3) states that any petition to accept delayed payment of a maintenance fee must include:

A showing that . . . reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee . . . 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.

Opinion

Petitioner must establish that petitioner treated the patent the same as a reasonable and prudent person would treat his or her most important business.

The general standard applied by the Office requires petitioner to establish that petitioner treated the patent the same as a reasonable and prudent person would treat his or her most important business.² However, "The question of whether an applicant's delay in prosecuting an application was unavoidable [will] be decided on a case-by-case basis, taking all of the facts and circumstances into account."³ Nonawareness of the content of, or a misunderstanding of, PTO statutes, PTO rules, the MPEP, or Official Gazette notices, does not constitute unavoidable delay.⁴ The statute requires a "showing" by petitioner. Therefore, petitioner has the burden of proof. The decision will be based solely on the written, administrative record in existence. It is not enough that the delay was unavoidable; petitioner must prove that the delay was unavoidable. A petition will not be granted if petitioner provides insufficient evidence to "show" that the delay was unavoidable.

Petitioner is responsible for possessing knowledge of the need to pay maintenance fees and the due dates for such fees. Petitioner is responsible for instituting a reliable docketing system to remind him or her when maintenance fees become due.

Petitioner is responsible for having knowledge of the need to pay maintenance fees and knowing when the fees are due.⁵ The Office has no duty to notify a patentee of the requirement to pay

² The Commissioner is responsible for determining the standard for unavoidable delay and for applying that standard. 35 U.S.C. 41(c)(1) states, "The Commissioner may accept the payment of any maintenance fee ... at any time ... if the delay is shown to the satisfaction of the Commissioner to have been unavoidable." (emphasis added).

³ Smith v. Mossinghoff, 671 F.2d 533, 538, 213 U.S.P.Q. (BNA) 977 (1982).

⁴ See Smith v. Mossinghoff, 671 F.2d 533, 538, 213 U.S.P.Q. (BNA) 977 (Fed. Cir. 1982) (citing Potter v. Dann, 201 U.S.P.Q. (BNA) 574 (D. D.C. 1978) for the proposition that counsel's nonawareness of PTO rules does not constitute "unavoidable" delay); Vincent v. Mossinghoff, 1985 U.S. Dist. LEXIS 23119, 13, 230 U.S.P.Q. (BNA) 621 (D. D.C. 1985) (Plaintiffs, through their counsel's actions, or their own, must be held responsible for having noted the MPEP section and Official Gazette notices expressly stating that the certified mailing procedures outlined in 37 CFR 1.8(a) do not apply to continuation applications.) (Emphasis added).

⁵ Nonawareness of PTO statutes, PTO rules, the MPEP, or Official Gazette notices, which state maintenance fee amounts and the dates they are due, does not constitute unavoidable delay. See footnote 4. Petitioner must act as a reasonable and prudent person in relation to his most important business. Upon obtaining the patent, a reasonable and prudent person, in relation to his most important business, would become familiar with the legal requirements of that business, in this case, the requirement to pay maintenance fees. In addition, a reasonable and prudent individual would read the patent itself and thereby become aware of the need to pay maintenance fees and the fact that such fee amounts are sometimes changed by law or regulation.

maintenance fees or to notify patentee when a maintenance fee is due.⁶ Even if the Office were required to provide notice to applicant of the existence of maintenance fee requirements, such notice is provided by the patent itself.⁷

A reasonable and prudent person, aware of the existence of maintenance fees, would not rely on Maintenance fee reminders or on memory to remind him or her when payments would fall due several years in the future. Instead, such an individual would implement a reliable and trustworthy tracking system to keep track of the relevant dates.⁸ The individual would also take steps to ensure that the patent information was correctly entered into the tracking system.

Reliance on a third party or attorney to pay fees or monitor due dates is not per se unavoidable delay.

The reliance on an attorney, or third party, to notify the patentee of relevant legal requirements such as maintenance fees does not, per se, constitute "unavoidable" delay.⁹ If the former attorney, or other third party, made any errors, petitioner is bound by such errors.⁹

⁶ "Congress expressly conditioned §§ 133 and 151 [of the United States Code] on a specific type of notice, while no such notice requirements are written into § 41(c) ... [T]he Commissioner's interpretation of 'unavoidable' and of the PTO's duty to provide reminder notices then, do not plainly contradict the statute. For this reason, we must accord deference to the Commissioner's no-timely-notice interpretation." Ray v. Comer, 1994 U.S. Dist. LEXIS 21478, 8-9 (1994), *aff'd on other grounds* Ray v. Lehman, 55 F.3d 606, 34 USPQ2d 1786 (Fed. Cir. 1995) (citing Rydeen v. Quigg, 748 F. Supp. 900, 905 (1990), Chevron U.S.A. Inc. v. Natural Resources Defense Council, Inc., 467 U.S. 837, 81 L. Ed. 2d 694, 104 S. Ct. 2778 (1984)). "The Court concludes as it did in Rydeen, that as a constitutional matter, 'plaintiff was not entitled to any notice beyond publication of the statute.'" Id. at 3 (citing Rydeen v. Quigg, 748 F. Supp. at 906, Texaco v. Short, 454 U.S. 516, 536, 70 L. Ed. 2d 738, 102 S. Ct. 781 (1982)).

⁷ See Ray v. Lehman, 55 F.3d 606, 610; 34 USPQ2d 1786, 1789 (Fed. Cir. 1995). The Letters Patent contains a Maintenance Fee Notice that warns that the patent may be subject to maintenance fees if the application was filed on or after December 12, 1980. While it is unclear as to who was and is in actual possession of the patent, Petitioner's failure to read the Notice does not vitiate the Notice, nor does the delay resulting from such failure to read the Notice establish unavoidable delay.

⁸ 37 CFR 1.378(b)(3) precludes acceptance of a late maintenance fee for a patent unless a petitioner can demonstrate that steps were in place to monitor the maintenance fee. The Federal Circuit has specifically upheld the validity of this properly promulgated regulation. Ray v. Lehman, 55 F.3d 606, 609; 34 U.S.P.Q.2d (BNA) 1786 (Fed. Cir. 1995). In Ray v. Lehman, petitioner claimed that he had not known of the existence of maintenance fees and therefore had no steps in place to pay such fees. The petitioner therefore argued that the PTO's regulations requiring such steps created to heavy a burden. The court stated, "Ray also takes issue with the PTO's regulation, 37 C.F.R. § 1.378(b)(3), supra, arguing that it 'creates a burden that goes well beyond what is reasonably prudent.' We disagree. The PTO's regulation merely sets forth how one is to prove that he was reasonably prudent, i.e., by showing what steps he took to ensure that the maintenance fee would be timely paid, and the steps taken in seeking to reinstate the patent. We do not see these as requirements additional to proving unavoidable delay, but as the very elements of unavoidable delay." Id.

A reasonable and prudent person would not rely on maintenance fee reminders from the Office for two reasons. First, the Office has indicated that such reminders are a mere courtesy and has reserved the right to discontinue such reminders at any time. Second, such reminders may be lost in the mail. A reasonable and prudent person, in regard to his most important business, would not rely solely on reminders that the Office may or may not send which may or may not be lost in the mail.

⁹ See California Med. Products v. Technol Med. Products, 921 F. Supp. 1219, 1259 (D. Del. 1995) (citing Smith v. Diamond, 209 U.S.P.Q. 1091, 1093 (D.D.C. 1981) (citing Link v. Walbath Railroad Co., 370 U.S. 626, 8 L. Ed. 2d 734, 82 S. Ct. 1386 (1962))).

A petitioner is responsible for a former attorney's conduct except in some cases of intentional misconduct rather than negligence. Petitioner has failed to prove any intentional misconduct. Petitioner has failed to establish that the attorney knew the fee was due

If [the] attorney somehow breach[es] his duty of care to plaintiff, then plaintiff may have certain other remedies available to him against his attorney. He cannot, however, ask the court to overlook [the attorney's] action or inaction with regard to the patent application. He hired the [attorney] to represent him. **[The attorney's] actions must be imputed to him.**¹⁰

Supreme Court precedent holds:

There is certainly no merit to the contention that dismissal of petitioner's claim because of his counsel's unexcused conduct imposes an unjust penalty on the client. Petitioner voluntarily chose this attorney as his representative in the action, and he cannot now avoid the consequences of the acts or omissions of this freely selected agent. Any other notion would be wholly inconsistent with our system of representative litigation, in which each party is deemed bound by the acts of his lawyer-agent and is considered to have 'notice of all facts, notice of which can be charged upon the attorney.'¹¹

The Seventh Circuit has stated,

The other assumption is that, if the complaints failed in their application through the negligence of their attorney, the delay would be unavoidable, which is wholly unwarranted in the law. It is of the very nature of negligence that it should not be unavoidable, otherwise it would not be actionable. The negligence of the attorney would be the negligence of the [client]. The purpose of the statute was to put an end to such pleas, and there would be no limit to a renewal of these applications if every application, however remote, could be considered under the plea of negligence of attorneys, by whom their business is generally conducted.¹²

The United States Court of Appeals for the Federal Circuit has stated,

If we were to hold that an attorney's negligence constitutes good cause for failing to meet a PTO requirement, the PTO's rules could become meaningless. Parties could regularly allege attorney negligence in order to avoid an unmet requirement.¹³

but intentionally failed to notify petitioner, that the attorney intentionally misrepresented the status of the patent when called by petitioner, that the attorney misappropriated funds, or that the attorney intentionally acted dishonestly in any other fashion.

¹⁰ Haines v. Quigg, 673 F. Supp. 314, 317, 5 U.S.P.Q.2d (BNA) 1130 (N.D. Ind.) (emphasis added) (citing Link v. Walbash Railroad Co., 370 U.S. 626, 8 L. Ed. 2d 734, 82 S. Ct. 1386 (1962) ("Petitioner voluntarily chose his attorney as his representative in the action and he cannot now avoid the consequences of the acts or omissions of this freely selected agent ... Each party is deemed bound by the acts of his lawyer-agent and is considered to have 'notice of all facts, notice of which can be charged upon the attorney.'" (emphasis added)); Inryco, Inc. v. Metropolitan Engineering Co., Inc., 708 F.2d 1225, 1233 (7th Cir. 1983) ("Courts hesitate to punish a client for its lawyers gross negligence, especially when the lawyer affirmatively misled the client" but "if the client freely chooses counsel, it should be bound to counsel's actions."); see also Wei v. State of Hawaii, 763 F.2d 370, 372 (9th Cir. 1985); LeBlanc v. I.N.S., 715 F.2d 685, 694 (1st Cir. 1983)). See also Smith v. Diamond, 209 U.S.P.Q. (BNA) 1091 (D. D.C. 1981).

¹¹ Link v. Walbash Railroad Co., 370 U.S. 626, 633-634, 8 L. Ed. 2d 734, 82 S. Ct. 1386 (1962).

¹² Lay v. Indianapolis Brush & Broom Mfg. Co., 120 F. 831, 836 (1903).

¹³ Huston v. Ladner, 973 F.2d 1564, 1567, 23 U.S.P.Q.2D (BNA) 1910 (Fed. Cir. 1992).

Application of the unavoidable standard to the present factsFacts:

Petitioner is a licensee of the patent.

Petitioner relied on inventor Frank Greenway to ensure that maintenance fees would be timely paid.¹⁴

Inventor Greenway relied on his attorney Greg Garmong. Specifically, Greenway's declaration states, "It was my first patent, I was unfamiliar with the rules regarding patents and I depended on the patent attorney to guide me when something needed to be done."

The patent issued May 13, 1986. The 7.5 year maintenance fee could have been paid from May 13, 1993 through November 13, 1993, or with a surcharge during the period from November 14, 1993 to May 13, 1994. Petitioner did not do so. Accordingly, the patent expired May 14, 1994.

During 1997, a sub-licensee notified petitioner that patent no. 4,525,359 had expired. The instant patent was filed as a divisional application of patent no. 4,525,359. The sub-licensee did not mention that the instant patent had expired.

Petitioner alleges that it assigned an employee, Mort Sterling, to contact the Patent and Trademark Office and check on the status of *both* patents. The record indicates that Mr. Sterling spoke with Marianne Morgan, a Legal Instruments Examiner in the Office of Petitions. A copy of a letter from Ms. Morgan to Mr. Sterling has been provided. The letter states, "Enclosed is the form for a petition under 37 CFR 1.378(c) to reinstate an unintentionally expired patent. . . . If you have any additional questions, please do not hesitate to contact me at (703) 308-6910." The letter does not provide any information regarding the instant patent. The letter merely supplies a form which may be used to reinstate any patents that Mr. Sterling may need to reinstate. Steps were taken to reinstate patent no. 4,525,359, but no steps were taken to reinstate the instate patent. Regarding maintenance fees for the instant patent, petitioner states, "Sterling was either given misinformation, believed it was already paid, or misunderstood what was required and did not alert us to a problem."¹⁵ Sterling has passed away, and a declaration by Sterling has not been provided.

"Dr. Greenway believed [the fees] covered both patents, and was not informed otherwise by Mr. Garmong."¹⁶ Dr. Greenway has submitted a statement "indicating that he believed that the revival action in 1997 satisfied whatever fees were due for both patents, since the [instant patent] was a divisional patent of [patent no. 4,525,359]."¹⁷ "This was most likely communicated to Mort Sterling."¹⁸

¹⁴ "Dr. Greenway confirms that it was he who was obligated to monitor and pay fees." Page 1 of July 30, 2002 petition. "[T]he patent and maintenance fees . . . were the contractual responsibility of the inventors. . . . [Petitioner] relied upon the inventors." Page 3 of July 30, 2002 petition.

¹⁵ Page 2, July 30, 2002 petition.

¹⁶ Id.

¹⁷ Page 3, December 2, 2002 petition.

¹⁸ Page 2, July 30, 2002 petition.

If the 7.5 year fee had been timely paid and the patent had been reinstated with the other patent, the patent would have expired on May 14, 1998, for failure to pay the 11.5 year fee.

In April of 2002, a sub-licensee notified petitioner that the instant patent was expired.

A petition to reinstate the patent was filed on April 22, 2002.

Analysis:

Petitioner's conduct until petitioner learned of the expiration of patent no. 4,525,359:

Petitioner is responsible for having knowledge of the need to pay maintenance fees for patents and for taking steps to ensure such fees are paid timely.

Petitioner has established that the following steps were taken:

- (1) a file for the patent was kept in petitioner's office, and
- (2) petitioner relied on Mr. Greenway.

As to (1), on January 17, 1994, an earthquake caused a flood in petitioner's office destroying hundreds of files including the file for the instant patent. Petitioner states that one of the consequences of the flood was that the maintenance fee was not paid for the instant patent. Petitioner has failed to prove that, but for the flood, the maintenance fee would have been timely paid. Mere retention of a file would not alert a party that a maintenance fee was due on a patent, especially if the business has hundreds of files. Petitioner has failed to establish steps taken to ensure due dates would not go unnoticed. Petitioner has failed to establish the existence of any docketing system. If a docketing system did exist, then petitioner has failed to establish that the docketing system was trustworthy and reliable, and failed to establish that the instant patent was entered into the docketing system. The causal relationship between the flood and the failure to pay the maintenance fee has not been established. Petitioner has not proven that, but for the flood, the maintenance fee would have been timely paid.

As to (2), petitioner relied on Greenway to pay the maintenance fees timely. The petitions state that Greenway was obligated to pay the fee. Reliance on a third party is not per se unavoidable delay. Instead, such reliance merely shifts the analysis to: did the third party treat the patent the same as a reasonable and prudent person would treat his or her most important business? A discussion of Mr. Greenway's conduct is included later in this decision. It should be noted that, even if petitioner was not bound by any errors made by Greenway, petitioner has failed to prove that petitioner was reasonable and prudent in relying on Greenway. Greenway admits that the two patents were his first patents. Greenway admits that he was unfamiliar with the rules regarding patents. Petitioner has failed to establish that Greenway ever made a representation, or ever established, that he was familiar with patent rules and/or qualified to ensure that all legal obligations regarding the patents would be met.

Petitioner has failed to establish that the delay from the time of expiration until petitioner learned of the expiration of patent no. 4,525,359, was unavoidable.

Petitioner's conduct during 1997:

During 1997, a sub-licensee notified petitioner that patent no. 4,525,359 was expired. The instant patent was filed as a divisional application of patent no. 4,525,359. The sub-licensee did not mention that the instant patent had expired.

Petitioner alleges that it assigned an employee, Mort Sterling, to contact the Patent and Trademark Office and check on the status of *both* patents. Petitioner has not proven the content of the exact instructions given to Mr. Sterling. A declaration from the person who provided Mr.

Sterling with instructions has not been provided. In addition, if such a declaration were provided, it would be made approximately five years after the event, in which case the ability of an individual to remember the exact words spoken would be hampered.

The record indicates that Mr. Sterling spoke with Marianne Morgan, a Legal Instruments Examiner in the Office of Petitions. A copy of a letter from Ms. Morgan to Mr. Sterling has been provided. The letter states, "Enclosed is the form for a petition under 37 CFR 1.378(c) to reinstate an unintentionally expired patent. . . . If you have any additional questions, please do not hesitate to contact me at (703) 308-6910." The letter merely supplies a form which may be used to reinstate any patents that Mr. Sterling may need to reinstate. The record fails to establish that Mr. Mortis asked Ms. Morgan the status of the instant patent.

Steps were taken to reinstate patent no. 4,525,359 but no steps were taken to reinstate the instant patent. Regarding maintenance fees for the instant patent, petitioner states, "Sterling was either given misinformation, believed it was already paid, or misunderstood what was required and did not alert us to a problem."¹⁹ The record fails to establish that Mr. Mortis believed he needed to check on the status of the instant patent or that he took any steps to check on the status of the patent. The record fails to establish that Mr. Mortis made any representation to any individual as to the status of the instant patent.

Sterling has passed away. Therefore, a declaration by Sterling has not been provided. However, petitioner still retains the burden of proof. The unfortunate death of Mr. Sterling will not shift the burden of proof from petitioner to the Office.

"Dr. Greenway believed [the fees] covered both patents, and was not informed otherwise by Mr. Garmong."²⁰ Dr. Greenway has submitted a statement "indicating that he believed that the revival action in 1997 satisfied whatever fees were due for both patents, since the [instant patent] was a divisional patent of [patent no. 4,525,359]."²¹ "This was most likely communicated to Mort Sterling."²² Petitioner has not established that Greenway ever told Sterling that reinstating patent no. 4,525,359, would also satisfy whatever fees were due for the instant patent since the instant patent was a divisional patent. In addition, if such a statement could be proven, petitioner has failed to establish that Sterling would be reasonable and prudent in relying on Greenway's knowledge of patent law.

Petitioner's conduct after 1997 until the learning of the expiration of the instant patent in April of 2002:

Petitioner has failed to establish any steps taken after 1997 to ensure that all maintenance fees would be paid for the instant patent. The record indicates Greenway did not pay the fee because he felt that the reinstatement of patent no. 4,525,359 satisfied any fees due for the instant patent. The December 2, 2002 petition states, "Greenway [had] no reason to institute a reliable docketing system on the [instant] patent because he believed the fees were paid." To the degree that petitioner relied on Greenway to pay the 11.5 year fee, petitioner must establish that Greenway's failure to make such payment timely was unavoidable. Greenway's conduct will be fully discussed later in this decision.

¹⁹ Page 2, July 30, 2002 petition.

²⁰ Id.

²¹ Page 3, December 2, 2002 petition.

²² Page 2, July 30, 2002 petition.

The December 2, 2002 petition states, "Petitioner relied upon the patent holders, the sub-licensees and the USPTO to provide accurate information."

Petitioner's reliance on the patent holders- the inventors- merely shifts the analysis to the conduct of the inventors. Petitioner only discusses the conduct of inventor Greenway. Greenway's conduct will be discussed later in this decision.

Petitioner states that it relied upon the conduct of sub-licensees. Petitioner has sublicensed both patents to five corporations. The petition states that each corporation exercised due diligence in determining the validity of the patents. Petitioner states that two of these corporations had major law firms perform these duties. The sub-licensees never mentioned the expiration of the instant patent until April of 2002. Petitioner has not proven actual reliance on the sub-licensees. Petitioner has not proven that, had petitioner not licensed out the patent to sublicensees and relied on such sublicensees, the maintenance fees would have been timely paid. Petitioner has not established that the sub-licensees ever instructed petitioner that they would ensure the patent had not expired for failure to pay maintenance fees. Petitioner has not proven that the sub-licensees agreed to inform petitioner if they discovered that a patent had expired.

Petitioner alleges that USPTO error contributed to the delay. Petitioner has submitted a copy of a page from PAIR which does not indicate that the patent is expired. However, the page does not indicate the patent is not expired. The page provides information regarding the patent but does not assert that it contains all relevant information regarding the patent. A party who had not paid the 7.5 year fee or 11.5 year fee would not rely on the page of information as proof that the patent was not expired because the page failed to explicitly list the fact that the patent was expired. Petitioner has failed to prove any actual reliance on the USPTO. Even if the page were incorrect, petitioner has not proven that petitioner ever researched the patent on PAIR and relied on a printout in deciding not to make a maintenance fee payment. The patent expired on May 14, 1994. A petition to reinstate the patent was filed during April of 2002. During the entire period of delay from May of 1994 to April of 2002, petitioner has failed to establish that petitioner ever checked or relied on Office records except during 1997. As to 1997, petitioner has failed to establish that the Office provided any inaccurate information during this time. A failure to notify petitioner of the instant patent's expiration if only asked about the procedure to reinstate a patent in general or asked the status of patent no. 4,525,359, is not an error. A reasonable and prudent person would not rely on the Office to independently investigate the status of all related patents and/or applications when one calls to inquire about a specific patent. The petition fails to prove that, but for an error by the USPTO, the fee would have been paid earlier. Even if petitioner, could prove a portion of the delay was unavoidable due to an error by the Office, petitioner would still have to show that the remaining period of delay was unavoidable. Petitioner has not provided such a showing.

Inventor Greenway's and attorney Garmong's conduct prior to petitioner learning of the expiration of patent no. 4,525,359:

The record is ambiguous as to the extent Greenway relied on his attorney, Greg Garmong, to notify him of due dates for maintenance fees. The December 2, 2002 petition states, "Once Dr. Greenway moved to Louisiana, there were no patent attorneys handling the maintenance fee issue for any of the parties." The exact date Mr. Greenway moved is not clear but it appears to be during the time that the 7.5 year maintenance fee could have been paid. The July 30, 2002 petition states, "Dr. Greenway believed [the fees] covered both patents, and was not informed otherwise by Mr. Garmong."²³ The previous statement implies that at the time patent no. 4,525,359 was reinstated, Greenway was still relying on Garmong to an unknown extent.

²³ Page 2, July 30, 2002 petition.

For the previously discussed reasons, the Office will analyze the conduct of both Greenway and Garmong.

The petition fails to establish that Greenway took reasonable steps to ensure the maintenance fees would be paid on time or obligated Garmong to take such steps. The petitions fail to establish that Greenway instituted a reliable and trustworthy system to ensure maintenance fees would be paid. To an unknown extent Greenway relied on reminders from the Office and reminders from his attorney.

Any reliance by Greenway on reminders from the Office does not constitute unavoidable delay. Greenway did not keep the Office informed of a current mailing address and did not request that the Office send maintenance fee reminders to his address. Even if Greenway had kept the Office informed of a current address and filed a proper request for fee reminders to be sent to his address instead of Garmong's, the failure to receive such reminders would not constitute unavoidable delay. The Patent Office, as a courtesy, tries to send maintenance fee reminders and notices of patent expiration to the address of record. However, the failure to receive the reminder notice, and the lack of knowledge of the requirement to pay the maintenance fee, will not shift the burden of monitoring the time for paying a maintenance fee from the patentee to the Office. See MPEP 2575, 2540, 2590. Petitioner does not have a right to personalized notice that this patent will expire if a certain maintenance fee is not paid, as the publication of the statute was sufficient notice. See Rydeen v. Quigg, 748 F. Supp. 900, 907 (1990). The ultimate responsibility for keeping track of maintenance fee due dates lies with the patentee, not the USPTO. Since the mailing of Notices by the Office is completely discretionary and not a requirement imposed by Congress, accepting an argument that failure to receive a Notice is unavoidable delay would result in all delays being unavoidable should the Office discontinue the policy. All petitions could allege non-receipt of the reminder, and therefore all petitions could be granted. This was clearly not the intent of Congress in the creation of the unavoidable standard.

The petition fails to establish that Greenway obligated Garmong to provide notice of due dates for maintenance fees to Greenway. Even if Greenway clearly obligated Garmong to provide reminders, reliance on an attorney is not per se unavoidable delay. Rather, such reliance shifts the burden to petitioner to prove the attorney treated the patent the same as a reasonable and prudent person would treat his or her most important business.

The written, administrative record does not prove that Greg Garmong took any steps to ensure the maintenance fee would be timely paid. Petitioner has not proven that Mr. Garmong entered the patent into a docketing system. Petitioner has not proven that Mr. Garmong kept current records for Mr. Greenway and that Mr. Greenway kept Mr. Garmong informed of a current address. The record fails to prove any facts regarding the actions or inactions of Mr. Garmong. It is not enough that the delay was unavoidable; petitioner must prove that the delay was unavoidable. A petition will not be granted if petitioner provides insufficient evidence to "show" that the delay was unavoidable.

Greenway and Garmong's conduct after petitioner learned of the instant patent's expiration:

Greenway's failure to understand patent laws led him to believe that paying fees and reinstating the parent application was sufficient to satisfy fees and reinstate the instant patent. Nonawareness of PTO statutes, PTO rules, the MPEP, or Official Gazette notices, which state maintenance fee amounts and the dates they are due, does not constitute unavoidable delay. See Smith v. Mossinghoff, 671 F.2d 533, 538, 213 U.S.P.Q. (BNA) 977 (Fed. Cir. 1982) (citing Potter v. Dann, 201 U.S.P.Q. (BNA) 574 (D. D.C. 1978) for the proposition that counsel's nonawareness of PTO rules does not constitute "unavoidable" delay); Vincent v. Mossinghoff, 1985 U.S. Dist. LEXIS 23119, 13, 230 U.S.P.Q. (BNA) 621 (D. D.C. 1985) (Plaintiffs, through their counsel's actions, or their own, must be held responsible for having noted the MPEP

section and Official Gazette notices expressly stating that the certified mailing procedures outlined in 37 CFR 1.8(a) do not apply to continuation applications.) (Emphasis added).\

The July 30, 2002 petition states, "Dr. Greenway believed [the fees] covered both patents, and was not informed otherwise by Mr. Garmong."²⁴ To the extent Greenway's failure to understand the implications of reinstatement of the parent application resulted from actions or inactions of Garmong, Greenway is bound by such actions or inactions.

Summary:

The record fails to prove that the entire delay from May 14, 1994 until April 19, 2002 (when the first petition was filed) was unavoidable. As to the initial delay, petitioner has failed to prove that any of the parties took reliable and trustworthy steps, such as entering the patent into a docketing system, to ensure fees would be paid timely. As to the later delay, petitioner has failed to prove that any of the parties took steps to ensure the fee had been paid for the instant patent. The periods of delay also appear to be the result of a failure of the parties to fully understand patent rules. Delay resulting from the parties failure to take steps to docket the patent or due to failure to fully understand patent rules is not unavoidable delay. Petitioner has failed to prove that reliance on sub-licensees or the Office rendered any of the delay unavoidable. However, even if reliance on sub-licensees or the Office rendered a portion of the delay unavoidable, such reliance would not render the entire delay unavoidable.

Petitioner has the burden of proof. This decision is based solely on the written, administrative record in existence. It is not enough that the delay was unavoidable; petitioner must prove that the delay was unavoidable. The petitions fail to provide sufficient evidence to prove that the entire delay was unavoidable.

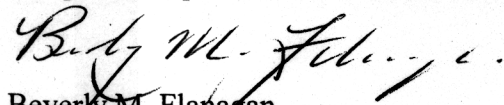
Decision

The prior decision which refused to accept under 37 CFR § 1.378(b) the delayed payment of a maintenance fee for the above-identified patent has been reconsidered. For the reasons herein and stated in the previous decision, the entire delay in this case cannot be regarded as unavoidable within the meaning of 35 USC § 41(c)(1) and 37 CFR § 1.378(b). Therefore, the petition is **denied**.

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

The patent file is being forwarded to Files Repository.

Telephone inquiries should be directed to Petitions Attorney Steven Brantley at (703) 306-5683.


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²⁴ Page 2, July 30, 2002 petition.