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In re Patent No. 5,047,736 :
Issue Date: September 10, 1991 :
Application No. 07/580,146 :
Filed: September 10, 1990 :
Inventor: Rabindra N. Ghose :

ON PETITION

This is a decision on the petition under 37 CFR 1.378(e), filed May 29, 1998, requesting reconsideration of a prior decision which refused to accept under 37 CFR 1.378(b) the delayed payment of a maintenance fee for the above-identified patent.

The request to accept the delayed payment of the maintenance fee under 37 CFR 1.378(b) is DENIED.

BACKGROUND

The patent issued September 10, 1991. The first maintenance fee could have been paid during the period from September 10, 1994, through March 10, 1995, or with a surcharge during the period from March 13, (March 11, 1995, being a Saturday) 1995 through September 10, 1995. The patent expired September 10, 1995 for failure to pay the first maintenance fee.

A petition under 37 CFR 1.378(b) to accept late payment of the maintenance fee was filed on December 1, 1997, and was dismissed in the decision of March 30, 1998.

The instant petition under 37 CFR 1.378(e) was filed on May 29, 1998.

STATUTE AND REGULATION

35 U.S.C. § 41(c)(1) states that:

"The Commissioner may accept the payment of any maintenance fee required by subsection (b) of this section... after the six-month grace period if the delay is shown to the satisfaction of the Commissioner to have been unavoidable."

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

"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."

OPINION

The Commissioner may accept late payment of the maintenance fee under 35 U.S.C. § 41(c) and 37 CFR 1.378(b) if the delay is shown to the satisfaction of the Commissioner to have been "unavoidable." 35 U.S.C. § 41(c)(1).

A late maintenance fee is considered under the same standard as that for reviving an abandoned application under 35 U.S.C. § 133 because 35 U.S.C. § 41(c)(1) uses the identical language, i.e., "unavoidable" delay. 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)). Decisions on reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable. Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (Comm'r Pat. 1887) (the term "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"); In re Mattullath, 38 App. D.C. 497, 514-15 (D.C. Cir. 1912); Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (Comm'r Pat. 1913). In addition, decisions on revival are made on a "case-by-case basis, taking all the facts and circumstances into account." Smith v. Mossinghoff, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982). Finally, a petition to revive an application as unavoidably abandoned cannot be granted where a petitioner has failed to meet his or her burden of establishing the cause of the unavoidable delay. Haines v. Quigg, 673 F. Supp. 314, 5 USPQ2d 1130 (N.D. Ind. 1987).

Petitioner (the putative assignee, Technology Research International, Inc.) urges that the decision of March 30, 1998, be reconsidered, given that the delay was unavoidable in that "it is presumed that Doctor Ghose [its registered practitioner Rabintra Ghose (Ghose), who is also the above-named patentee] maintained a docketing and calendaring system, but somehow that system failed." Petitioner bases this speculation in view of the fact that Ghose had successfully prosecuted this case before the PTO. Petitioner further contends that as Ghose became ill several years prior to his death in 1997, he apparently neglected his duties, and as such, the delay in payment was beyond the control of petitioner.

Petitioner has not carried his burden of proof to establish to the satisfaction of the Commissioner that the delay was unavoidable.

Acceptance of late payment of a maintenance fee is considered under the same standard as that for reviving an abandoned application under 35 USC 133 because 35 USC 41(c)(1) uses the identical language, i.e. "unavoidable delay". 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)). Decisions on reviving abandoned applications have adopted the "reasonably prudent person" standard in determining if the delay in responding to an Office action was unavoidable. Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (Comm'r Pat. 1887) (the term "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"); In re Mattullath, 38 App. D.C. 497, 514-515 (D.C. Cir. 1912); and Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141. In addition, decisions on revival are made on a "case-by-case basis, taking all the facts and circumstances into account." Smith v. Mossinghoff, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982). Finally, a petition to revive an application as unavoidably abandoned cannot be granted where a petitioner has failed to meet his or her burden of establishing the cause of the unavoidable delay. Haines v. Quigg, 673 F. Supp. 314, 316-17, 5 USPQ2d 1130, 1131-32 (N.D. Ind. 1987).

As 35 U.S.C. § 41(c) 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.

The record fails to establish that petitioner or Ghose took adequate steps to ensure timely payment of the maintenance fee as required by 37 CFR 1.378(b)(3). In fact, the record fails to indicate that any adequate steps were taken by patentee or Ghose to ensure timely payment of the maintenance fee. Since no steps were taken by patentee, 37 CFR 1.378(b) precludes acceptance of the delayed payment of the maintenance fee. While petitioner points to the successful prosecution of this application by Ghose such does not establish that Ghose was, or was capable of, scheduling the maintenance fees. There is a significant difference between simply replying within a few months to a specific written notice from the PTO during the prosecution of an application, and scheduling, in the absence of any written notice, an event like a maintenance fee payment for a patent some three to four years later. As 35 U.S.C. § 41(c) 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.

Assuming, *arguendo*, that petitioner did rely upon Ghose for payment of the maintenance fees, such reliance *per se* does not provide petitioner with a showing of unavoidable delay within the meaning of 37 CFR 1.378(b) and 35 USC 41(c). See California Medical Products v. Technol Med. Prod., 921 F.Supp. 1219, 1259. (D.Del. 1995). Rather, such reliance merely shifts the focus of the inquiry from petitioner to whether Ghose acted reasonably and prudently. Id. Nevertheless, petitioner is bound by any errors that may have been committed by Ghose. California, supra. As such, assuming that Ghose had been engaged to pay the maintenance fee, then it was incumbent upon petitioner to have demonstrated, via a documented showing, that Ghose had docketed this patent for payment of the maintenance fee in a reliable tracking system. Id. As noted in the previous decision, the record fails to provide a documented showing that there was any agreement between petitioner and Ghose for Ghose to track the maintenance fee due date for this patent, and make the payment.

By the time Ghose died on August 24, 1997, the patent in question had expired two years earlier. Petitioner has not made any showing as to why the PTO should conclude that an arrangement for paying the maintenance fees had been made with Ghose, when Ghose

apparently received a Maintenance Fee Reminder (Reminder) and the Notice of Patent Expiration (Expiration) in 1995, and yet took no steps to timely rectify the situation. As Ghose was alive at the time these Office communications were mailed, petitioner was constructively put on notice with respect to both the Reminder and Expiration some two and one half years prior to the filing of the petition. That is, notice given to applicant's representative of record constitutes notice to applicant.

Rosenberg v. Carr Fastener Co., 10 USPQ 106, 51 F.2d 1014 (2nd. Cir. 1931), cert. denied, 284 U.S. 652. Further, the negligence of, or lack of any diligent activity by, Ghose with respect to these Office communications, while Ghose was still alive and even after his death, did not discharge the duty of petitioner to exercise diligence, and diligence on the part of petitioner is essential to show unavoidable delay, as the death of Ghose did not cause the expiration of the patent. See Douglas v. Manbeck, 1991 U.S. Dist. LEXIS 16404, 21 USPQ2d 1697, 1700 (E.D. Pa. 1991), aff'd, 975 F.2d 869, 24 USPQ2d 1318 (Fed. Cir. 1992) (notwithstanding counsel's lack of activity after his receipt of a notice of abandonment and subsequent death, petitioner's two and one half year lack of diligence overcame and superseded the negligence of his representative).

The acts or omissions of counsel are attributable to the patentee. Link v. Wabash, 370 U.S. 626, 633-634; California, supra. The Patent and Trademark Office must rely on the actions or inactions of duly authorized and voluntarily chosen representatives of the inventors, and petitioner is bound by the consequences of those actions or inactions. Link, supra; California, supra. Specifically, petitioner's delay caused by mistakes or negligence of his voluntarily chosen representative does not constitute unavoidable delay within the meaning of 35 USC 133 or 37 CFR 1.137(a). Haines, Id; Smith v. Diamond, id; Potter v. Dann, 201 USPQ 574 (D.D.C. 1978); Ex parte Murray, id; Douglas v. Manbeck, 21 USPQ2d 1697 (E.D. Pa 1991). Thus, even if petitioner had demonstrated that Ghose had in fact docketed this patent in a reliable system, the delay resulting from Ghose's total lack of diligence in paying the fee, or obtaining assistance in this effort, is a delay binding upon petitioner. See Huston v. Ladner, 973 F.2d 1564, 1567, 23 USPQ2d 1910, 1913 (Fed. Cir. 1992). Consequently, the delay caused by the failure of Ghose to timely remit the maintenance fee, or to promptly submit an appropriate petition for late acceptance of the second maintenance fee under 37 CFR 1.378, does not constitute unavoidable delay.

While petitioner asserts that Ghose's health and representation had deteriorated for some two years before his death, the record

consists entirely of assertions to that effect. Moreover, even assuming such were adequately documented, this would not excuse the failure to pay during the entire previous year in which the fee could have been timely paid, nor why Ghose, as a prudent and careful steward, could not have notified petitioner as to his illness, or obtained the assistance of another practitioner during a period that spanned some three years. Assuming that a fee has been docketed in a reliable system, the preparation and of a maintenance fee payment takes a secretary, much less a registered practitioner, but a few minutes to effect. Petitioner is advised that the Office is not the proper forum for resolving disputes between patentees and their [former] representatives. Ray, 55 F.3d at 610, 34 USPQ2d at 1789.

Petitioner acknowledges that the tracking system, if any, of Ghose cannot now be ascertained. However, it is petitioner's burden to conclusively establish the cause of the unavoidable delay. Haines, Id. In the absence of an adequate documented showing that Ghose had been engaged to track the maintenance fee due dates, that Ghose had in fact been tracking the due dates with a reliable tracking system such as would be used by prudent and careful men in relation to their most important business, and further, that Ghose's health caused the delay, petitioner cannot reasonably show that Ghose was the cause of the unavoidable delay. Rather, the delay was not unavoidable, because, notwithstanding the asserted illness and subsequent death of his attorney, had petitioner exercised the due care and diligence of a reasonably prudent person, he would have been able to act to correct the situation in a timely fashion. Douglas, Id. Specifically, diligence on the part of the equitable owner is necessary to show unavoidable delay when that owner's agent(s) fails to take timely and proper steps with respect to a proceeding before the Patent and Trademark Office. Futures Technologies v. Quigg, 684 F.Supp. 430, 431, 7 USPQ2d 1588, 1589 (E.D. Va. 1988). Moreover, there is no need in this case to determine the obligation between Ghose and petitioner, since the record fails to show that either Ghose or petitioner took adequate steps to ensure timely payment of the maintenance fee. In re Patent No. 4,461,759, 16 USPQ2d 1883, 1884 (Comm'r Pat. 1990). However, petitioner has not shown diligence with respect to any aspect of the payment of the maintenance fee for this patent.

Where, as here, petitioner cannot demonstrate that it had obligated Ghose to monitor and track the maintenance fee, much less demonstrate any putatively reliable system that Ghose had in place, then it was incumbent upon petitioner to have demonstrated the steps that petitioner *itself* had emplaced to pay the maintenance fee. California, supra. However, petitioner has not

been, outside of its asserted, but unsubstantiated, reliance upon Ghose, able to demonstrate any steps that were taken within the meaning of 37 CFR 1.378(b)(3). As such, petitioner has failed to demonstrate the due care and diligence of a prudent and careful person within the meaning of Pratt, supra.

CONCLUSION

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 above stated reasons, however, the delay in this case cannot be regarded as unavoidable within the meaning of 35 U.S.C. § 41 and 37 CFR 1.378(b).

Since this patent will not be reinstated, the \$525 maintenance fee and the \$700 surcharge fee submitted by petitioner have been credited to counsel's deposit account No. 15-0640. The \$130 fee for requesting reconsideration filed with the instant petition is not refundable.

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 should be directed to Special Projects Examiner Brian Hearn at (703) 305-1820.



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