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OFFICE OF PETITIONS

In re Patent No. 5,587,295
Issue Date: December 24, 1996
Application No. 08/276,914
Filed: July 19, 1994
Attorney Docket No. 25036-001

ON PETITION

This is in response to the petition under 37 CFR 1.378(e), filed June 17, 2005, and supplemented on November 29, 2005, requesting reconsideration of the prior decision which refused to accept under 37 CFR 1.378(b) the unavoidably delayed payment of the first maintenance fee for the above-identified patent.

The request to accept the delayed payment of the first maintenance fee is DENIED.

BACKGROUND

The patent issued December 24, 1996.

The grace period for paying the first maintenance fee expired at midnight on December 24, 2000.

A first petition to accept late payment of the maintenance fee under 37 CFR 1.378(b) was filed on October 28, 2004. The petition was dismissed in the decision of February 18, 2005, on the grounds that petitioner had not carried the burden of proof to establish to the satisfaction of the Director that the delay was unavoidable.

A petition under 37 CFR 1.183 to waive the provisions of 37 CFR 1.378(e) and increase the 2 month period for reply set in the decision on petition mailed February 18, 2005, by an additional 2 months, i.e., until June 18, 2005, was granted on April 13, 2005.

Additionally, please note, a number of the exhibits submitted in support of the instant petition only refer to patent no. 5,489,510 and not to the instant patent, patent no. 5,587,295.

Petitioner has noted that the assignee, International Medical Innovations, Inc. ("IMI"), "has at all times considered that [Swabey Ogilvy Renault] assumed responsibility for paying the maintenance fees for both the [5,587,]295 and the [5,489,]510 patents." (Statement Accompanying Petition for Reconsideration under 37 CFR 1.378(e), Pg. 6). Further petitioner states, "It is not entirely clear from our records whether Swabey Ogilvy Renault had instructions to take over the handling of the maintenance fees for the Patent. However, based on the information contained in Mr. Norton's (Brett Norton, President, CEO and Director of IMI) Declaration and Mr. Carrier's recollection of relevant events, it appears that IMI intended to have the Firm assume responsibility for the payment of the maintenance fees for this patent as well as its European counterparts." (May 15, 2005, Robert Mitchell Declaration, ¶ 45).

Additionally, petitioner has listed numerous instances wherein Swabey Ogilvy Renault (SOR) handled issues dealing with the above-identified patent.

However, it is important to note that none of the documentary evidence submitted in support of the instant petition contains any direct reference to the above-identified patent. As such, none of the documents submitted confirm that the responsibility for paying the maintenance fee for the above-identified patent was actually transferred to SOR. However, assuming *arguendo*, that the responsibility to pay the maintenance fee was transferred to SOR, this decision shall address the petition.

STATUTE AND REGULATION

35 USC 41(c)(1) states:

"The Director 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 Director 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 Director may accept late payment of the maintenance fee if the delay is shown to the satisfaction of the Director to have been "unavoidable"; 35 USC 41(c)(1).

Acceptance of a late 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, or reinstating patents, 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 USPQ 666, 167-68 (D.D.C. 1963), *aff'd*, 143 USPQ 172 (D.C. Cir. 1963); *Ex parte Henrich*, 1913 Dec. Comm'r Pat. 139, 141 (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 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).

A petition to accept the delayed payment of a maintenance fee under 35 USC 41(c) and 37 CFR 1.378(b) must be accompanied by:

- (1) an adequate, verified showing that the delay was unavoidable, since reasonable care was taken to insure 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,
- (2) payment of the appropriate maintenance fee, unless previously submitted, and
- (3) payment of the surcharge set forth in 37 CFR 1.20(i)(1).

The instant petition does not satisfy requirement (1), above.

It appears from the original petition, submitted on October 28, 2004, that petitioner asserts a docket or clerical error was the cause of delay in acting to prevent the patent from expiring. Further, the maintenance fee information was not docketed when it was transferred to SOR in May 1999, and therefore, was not paid when due. Specifically, petitioner believes that the maintenance fee for the above-identified patent failed to be docketed and paid as a result of a miscommunication between patent agent Robert Carrier's assistants and clerks in the File Management Department at SOR even though SOR employed a sophisticated, accurate and reliable system for docketing and paying maintenance fees.

The system in place at SOR for docketing maintenance fees consists, in pertinent part, of the following:

"Since approximately 1980, the patent agency practice of the Firm and its predecessor operated in the same general fashion. Each patent agent, whether a partner or an associate, dealt directly with clients and foreign associates with support from two or more assistants. These assistants were generally secretaries who had been trained in patent prosecution by the Firm." (May 15, 2005, Robert Mitchell Declaration, ¶ 12). ...

"The number of assistants assigned to each patent agent depended on the technology involved and the ratio of local clients. Each patent agent operated in a semi-autonomous manner with his assistants within the Firm. Assistants were able to open new files and had access to Jurivox™, the automated file management system used by the Firm to manage all files and applicable deadlines at the relevant time." (May 15, 2005, Robert Mitchell Declaration, ¶ 14).

"As mentioned in my Declaration in this proceeding of October 2004, Jurivox™ is a commercially available system for diarizing maintenance fee due dates. Appropriate maintenance fee due dates for Canadian and foreign (including U.S. and European) cases are entered in the Jurivox™ system as provided by the various jurisdictions. The Jurivox™ system requires that these dates be entered twice, by two separate clerks, to ensure accuracy, and maintenance fee due dates are double checked. The dates were entered by the File Management Department. *Therefore, a Patent Assistant would open a new file including a specific matter number and then send the file to the File Management Department in order that all relevant deadlines be entered.*" (May 15, 2005, Robert Mitchell Declaration, ¶ 15). (Emphasis added).

Petitioner has shown that SOR had a docketing system in place that had proven itself to be reliable. According to petitioner, "[SOR] successfully handled over 10,000 maintenance and renewal fees in each of 1999 and 2000 without, until the matters addressed in the instant petition, being aware of a single missed fee payment." (Statement Accompany Petition for Reconsideration under 37 CFR 1.378(e), Pg. 6), (May 15, 2005, Robert Mitchell Declaration, ¶ 17).

A delay resulting from an error on the part of an employee in the performance of a clerical function may provide the basis for a showing of "unavoidable" delay, provided it is shown that:

- (1) the error was the cause of the delay at issue;
- (2) there was in place a business routine for performing the clerical function that could reasonably be relied upon to avoid errors in its performance;
- (3) and the employee was sufficiently trained and experienced with regard to the function and routine for its performance that reliance upon such employee represented the exercise of due care. See MPEP 711.03(c)(III)(C)(2).

Thorough review of the showing provided by petitioner indicates that the docket system as specified above, was not followed or used by patent agent Robert Carrier to docket the maintenance fee payment for the above-identified patent and patent no. 5,489,510. As such, even though a business routine for performing the clerical function that could reasonably be relied upon to avoid errors in its performance was in place and the clerical or administrative employees that interacted with that business routine were sufficiently trained and experienced with regard to its function, it was not the error that caused the failure to timely submit the maintenance fee.

Robert Carrier was responsible for the above-identified patent. Mr. Carrier is not a clerical or administrative employee. Mr. Carrier is a patent agent registered to practice before the United States Patent and Trademark Office. Mr. Carrier failed to use SOR's reliable docket system and said failure, therefore, is the reason why the maintenance fee was not docketed and timely submitted.

"Robert Carrier, a chemical patent agent, had three patent assistants dedicated to his patent prosecution practice in May 1999, namely Nicole Jean-Paul, Saida Hassein and Ilsa Wyse. (May 15, 2005, Robert Mitchell Declaration, ¶ 18).¹

"Each patent agent within the Firm was also supported by various office services, including the File Management Department. Nicole Filion was the Supervisor of the File Management Department." (May 15, 2005, Robert Mitchell Declaration, ¶¶ 22,24).²

"Venus Anagnostou was the most senior clerk in the File Management Department in May 1999. She was responsible for the payment of Canadian maintenance fees." (May 15, 2005, Robert Mitchell Declaration, ¶ 41).

¹ "Nicole Jean Paul was the most senior patent assistant in the Firm at the time. However, she was on personal leave at the relevant time due to the death of her father and serious illness of her husband. As a result, she has no personal knowledge of the matters at issue in this proceeding." (May 15, 2005, Robert Mitchell Declaration, ¶ 19).

"Ilsa Wyse was also an assistant in Mr. Carrier's department. She also assisted other agents as a 'floater' when necessary. I have spoken to Ms. Wyse and confirm that she has no personal recollection of the Patent at issue in this proceeding." (May 15, 2005, Robert Mitchell Declaration, ¶ 21).

² Nicole Filion is deceased.

It should be noted that much of the substance as to the events involving Robert Carrier are found in the "Declaration of Robert Mitchell."³ As stated in the declaration of Mr. Mitchell:

"Robert Carrier left the Firm in June 2004 and has been under medical and psychiatric care following his departure. His state of mental health did not allow him to remember, with any clarity or reliability, the facts relevant to this matter, nor to file an informed and reliable declaration in this proceeding. He is often confused and contradictory in his recollections and statements. I have met with Robert Carrier on at least four occasions over the last seven months and had as many telephone discussions with him. His answers to the questions that I have asked him and comments on the documents that I have shown him, are confusing, unclear and inconsistent. My best understanding of his recollections are as set out in paragraphs 26 to 33 and 37 herein." (May 15, 2005, Robert Mitchell Declaration, ¶ 7).⁴

Robert Mitchell states, "Mr. Carrier appeared to remember Brett Norton of IMI calling him to discuss the Patent on May 25, 1999. Mr. Carrier appears to recall Mr. Norton telling him that IMI had received a letter from the U.S. firm regarding the payment of maintenance fees in respect to the Patent. Mr. Carrier appears to remember Mr. Norton telling him that IMI wanted the Firm to assume responsibility for the payment of maintenance fees in respect of the Patent. Mr. Carrier further appears to recall asking Mr. Norton to send him a copy of the letter that IMI had received from the U.S. Firm as confirmation of his instructions." (May 15, 2005, Robert Mitchell Declaration, ¶ 29).

"The letter from IMI of May 25, 1999, must have been received by fax and delivered to Nicole Filion, as there was no file number entered in Jurivox™." (May 15, 2005, Robert Mitchell Declaration, ¶ 31).

³ Robert Mitchell is a Senior Partner of Ogilvy Renault (previously Swabey Ogilvy Renault, collectively, the "Firm"). Mr. Mitchell was a member of the Firm at the time of the events at issue and has access to all the relevant files and personnel.

⁴ Mr. Carrier does not appear able to remember with any "clarity or reliability." Additionally, Mr. Carrier is "often confused and contradictory" in his recollections and statements. Furthermore, petitioner now attempts to recall and recreate events that occurred 6 years ago. As such, it may be impossible to ascertain, with any complete certainty and clarity, the actual events that took place at SOR in May 1999.

"The November 28, 2005 Mitchell Declaration reports that Mr. Carrier was hospitalized for a mental condition in 1996, and was out of work for about two months during this time (November 28, 2005 Mitchell Declaration, ¶5)." (Statement Accompanying November 28, 2005 Declaration of Robert Mitchell, Pgs. 2-3).

"Robert appeared well in the following years, although he appeared to me to be working very hard and under considerable stress while maintaining his considerable contribution to the Firm's billings. For instance, he seemed to be more withdrawn and more nervous than in the past. In addition, he was prone to making sudden physical movements and utterances reminiscent of the symptoms associated with Tourette Syndrome (although without the use of obscene language)." (November 29, 2005, Robert Mitchell Declaration, ¶7).

Mr. Carrier's family raised further concerns with SOR about Mr. Carrier's health in the fall of 2001 (November 28, 2005 Mitchell Declaration, ¶8)." (Statement Accompanying November 28, 2005 Declaration of Robert Mitchell, Pg. 3).

A copy of the May 25, 1999 fax was submitted in support of the petition on October 28, 2004 and with the instant request for reconsideration on June 17, 2005. It must be noted that the document only refers to "U.S. Patent No. 5,489,510 – U.S. Serial No. 08/146,974."

Mr. Mitchell continues, "Mr. Carrier told me that the letter from IMI then must have been delivered to his office in a file folder, in keeping with Firm policy regarding 'loose' letters. Mr. Carrier also told me that the note on the cover page of the fax (i.e., "le dossier n'est pas dans Jurivox") was probably written by Nicole Filion of the File Management Department to let him know that "the file is not in Jurivox" (translation). This would have been a relevant piece of information, as deadlines could not be entered into the Jurivox™ system unless a file number had been assigned." (May 15, 2005, Robert Mitchell Declaration, ¶ 32).

"Mr. Carrier told me that after reviewing the letter, he asked Nicole Filion to do whatever was necessary to enter the deadlines in Jurivox™. Mr. Carrier then wrote a note on the letter to confirm that he had spoken to Nicole Filion about the deadlines (translation: "Replied May 27, 1999 RC"). Mr. Carrier also recalls asking Saida Hassein to put the letter into the "general" file.⁵ (May 15, 2005, Robert Mitchell Declaration, ¶ 33).

As set forth previously, the proper docketing procedure at SOR was, "*a Patent Assistant would open a new file including a specific matter number and then send the file to the File Management Department in order that all relevant deadlines be entered.*" Had Mr. Carrier, a patent agent, followed the established SOR docketing procedure, it should have been that when Ms. Filion gave the letter back to Mr. Carrier, he should have given it to one of his patent assistants, either Saida Hassein or Ilsa Wyse (though Ms. Wyse does not appear to be involved with any of the events in May 1999) with instructions to open a new file in Jurivox™ regarding the maintenance fee and then send the file to Ms. Filion at the File Management Department to enter the due dates. However, it appears that Mr. Carrier failed to follow the established procedures at SOR. In fact, it appears that Mr. Carrier bypassed his patent assistants all together and asked Ms. Filion of the File Management Department "to do whatever was necessary to enter the deadlines in Jurivox™."

Furthermore, rather than instruct one of his patent assistants, Ms. Hassein or Ms. Wyse, to open a new file in Jurivox™ for the maintenance fee and then send the file to Ms. Filion at the File Management Department to enter the due dates, he instead asked Ms. Hassein to put the letter into the "general" file.⁶

⁵ For each client the Firm opens a "general" file and a "general" file existed for IMI since January 1997. (May 15, 2005, Robert Mitchell Declaration, ¶ 30).

⁶ "The client "general" file is a repository of correspondence which in the future may or may not lead to a mandate. The general file is sometimes also used when the mandate is of a very short duration and involves a very specific task, such as registering an assignment." (May 15, 2005, Robert Mitchell Declaration, ¶ 36).

"It is unclear from our records and from my conversations with Robert Carrier whether he asked his assistant, Saida Hassein, to open a Jurivox™ file by temporarily using the "general" file. However, Mr. Carrier recalls asking Ms. Filion to take care of this issue. (May 15, 2005, Robert Mitchell Declaration, ¶ 37).

It is noted that no instructions are found on or with the May 25, 1999 letter that indicates the matter should be entered into Jurivox™ or that maintenance fees need to be docketed. The only instructions found on the letter request that the letter be placed in the “general” file. However, this instruction does not indicate to whom it was directed to.

However, it appears that other personnel at SOR confirm that Mr. Carrier did not follow the established SOR procedures:

“[W]hen I reviewed the letter with one of Mr. Carrier’s assistants, Nicole Jean-Paul (who was on personal leave at the time), she told me that if she had been at work when the letter was received, she would have challenged Robert Carrier about putting the letter into the general file as opposed to opening a specific new matter number. (May 15, 2005, Robert Mitchell Declaration, ¶ 34).

“I also spoke to Venus Anagnostou and Johanne Fortin who were in the File Management Department at that time to see if they has any recollection of the events surrounding the receipt of the May 25 letter from IMI. Ms. Anagnostou and Mr. Fortin told me that they have no recollection of this letter or the Patent, but confirmed that if they had received these instructions, they would have returned the letter to Robert Carrier’s department to open a file and enter the deadlines in Jurivox™.” (May 15, 2005, Robert Mitchell Declaration, ¶ 35).

As such, it appears the patent agent Robert Carrier did not follow the established procedures at SOR when he asked Ms. Filion of the File Management Department “to do whatever was necessary to enter the deadlines in Jurivox™”, and when he asked his patent assistant, Ms. Hassein, to place the May 25, 1999 letter from IMI in the “general” file.

Petitioners have submitted a second relevant document in support of the instant petition. This document is a copy of a letter to IMI’s prior U.S. attorneys regarding maintenance fees that was faxed to SOR on May 28, 1999.⁷ Again, it is noted that the document only refers to “U.S. Patent No. 5,489,510 – US Serial No. 08/146,974.” It is also noted that no instructions are found on or

“Based on my review of documents, it appears that Robert Carrier used the “Gen.” File to open European files for IMI based on the same invention as in the Patent at issue in this proceeding...” (May 15, 2005, Robert Mitchell Declaration, ¶ 38).

“ Robert Carrier adopted this approach to allow maintenance fees to be entered into Jurivox™... (May 15, 2005, Robert Mitchell Declaration, ¶ 38).

Again, it appears that Mr. Carrier’s actions with the “general” file were non-standard and did not follow the SOR protocol for docketing maintenance fees.

⁷ The File Management Department maintains a control file for each client in which all written instruction from clients are kept. There is one control file for each client, including IMI. The May 28 letter was not found in the control file, but it was found in the “general” file belonging to Mr. Carrier.” (May 15, 2005, Robert Mitchell Declaration, ¶ 44).

with the May 28, 1999 letter that indicate the matter should be entered into Jurivox™ or that maintenance fees need to be docketed.

“On this letter, there is a note stating “cc to Venus”. Venus Anagnostou was the most senior clerk in the File Mangement Department in May 1999. She was responsible for the payment of Canadian maintenance fees. Ms. Anagnostou reported to Ms. Filion and was assisted by Johanne Fortin, Kim Fraser and Debby-Ann Wilisky.” (May 15, 2005, Robert Mitchell Declaration, ¶ 41).

“Although Ms. Wilisky was technically responsible for the payment of U.S. and foreign maintenance fees, some agents corresponded with Venus Anagnostou as she was the most senior clerk in the group. Upon receipt, Venus Anagnostou typically reassigned letters to the appropriate person for payment. This appears to be the reason why Mr. Carrier wrote “copy to Venus” on his copy of the May 28 letter.” (May 15, 2005, Robert Mitchell Declaration, ¶ 42).

“I interviewed Venus Anagnostou and Johanne Fortin prior to preparing this Declaration. Both of these individuals agreed that if they had received a letter such as the one from IMI dated May 28, they would have asked Mr. Carrier’s assistant whether a file should be opened in Jurivox™. However they do not recollect the circumstances surrounding the May 28 letter. Debby Wilisky left the Firm on June 9, 2000 and could not be reached for comment.” (May 15, 2005, Robert Mitchell Declaration, ¶ 43).

It is noted that Mr. Robert Carrier’s declaration states:

“Unfortunately, I have not been able to remember what took place and I have been asked to offer this Declaration in order to state the reason therefor.” (May 6, 2005, Robert Carrier Declaration, ¶ 3).

“I have left the firm of Ogilvy Renault in June 2004 and have been under medical care following my departure. My current state of health does not allow me to remember with any degree of certainty the facts relevant to the handling by Swabey Ogilvy Renault of IMI’s patents nor IMI’s U.S. Patent Nos. 5,489,510 and 5,587,295.” (May 6, 2005, Robert Carrier Declaration, ¶ 4).

Again, it appears that patent agent Carrier failed to follow the SOR procedures by sending this document directly to the File Management Department, thereby skipping the important step of having the matter entered into Jurivox™ first by one of his patent assistants.

Patent agent Robert Carrier failed to use SOR’s reliable docket system and said failure, therefore, is the reason why the maintenance fee was not docketed and timely submitted. Patent agent Robert Carrier did not act in a reasonable and prudent manner when he failed to use the established SOR docketing procedures regarding the maintenance fees for the above-identified patent. The Patent and Trademark Office must rely on the actions or inactions of the patentee’s voluntarily chosen representative, and the patentee is bound by the consequences of those actions or inactions. Link v. Wabash, 370 U.S. 626, 633-34 (1962).

CONCLUSION

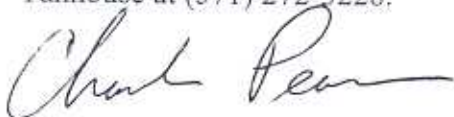
The prior decision, mailed February 18, 2005, which refused to accept under 37 CFR 1.378(b) the delayed payment of the first maintenance fee for the above-identified patent has been reconsidered. For the above stated reasons, the delay in this case cannot be regarded as unavoidable within the meaning of 35 USC 41(c) and 37 CFR 1.378(b) and the request to accept the delayed payment of the first maintenance fee is DENIED.

As the above-identified patent will not be reinstated, the fees submitted October 28, 2004, totaling \$3920.00, will be refunded to deposit account no. 50-0311. The \$400.00 fee for requesting reconsideration is not refundable.

This is a final agency action. No further reconsideration or review of this matter will be undertaken. *See* 37 CFR 1.378(e).

The file will be returned to Files Repository.

Telephone inquiries concerning this matter may be directed to Petitions Attorney Edward Tannouse at (571) 272-3228.



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