



Paper No. 15

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SPECIAL PROGRAMS OFFICE
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ON PETITION

In re Patent No. 4,941,460
Issue Date: 17 July, 1990
Application No. 07/431,687
Filed: 3 November, 1989
Attorney Docket No. None

This is a decision on the renewed petition, filed 30 October, 1998, under 37 C.F.R. §1.378(e),¹ and specifically under the provisions of §1.378(b), to accept the

¹ The regulations at 37 C.F.R. §1.378 provide in pertinent part:

(a) The Commissioner may accept the payment of any maintenance fee due on a patent after expiration of the patent if, upon petition, the delay in the payment of the maintenance fee is shown to the satisfaction of the Commissioner to have been unavoidable (paragraph (b) of this section) or unintentional (paragraph (c) of this section) and if the surcharge required by §1.20(i) is paid as a condition of accepting payment of the maintenance fee. If the Commissioner accepts payment of the maintenance fee upon petition, the patent shall be considered as not having expired, but will be subject to the conditions set forth in 35 U.S.C. 41(c)(2).

(b) Any petition to accept an unavoidably delayed payment of a maintenance fee filed under paragraph (a) of this section 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.

(c) Any petition to accept an unintentionally delayed payment of a maintenance fee filed under paragraph (a) of this section must be filed within twenty-four months after the six-month grace period provided in §1.362(e) and 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 statement that the delay in payment of the maintenance fee was unintentional.

(Emphasis added.)

unavoidably delayed payment of a maintenance fee for the above-identified patent.²

The petition is **DENIED**.

STATUTES AND REGULATIONS

Under the applicable provisions of 35 U.S.C. §41(b) and (c):

- the Commissioner shall charge fees for maintaining in force all patents filed on or after 12 December, 1980, at the 3-year-6-month, 7-year-6-month, and 11-year-6-month intervals; and
- unless payment of the applicable maintenance fee is received in the PTO on or before the date the fee is due or within a grace period of six months thereafter, the patent will expire as of the end of the grace period; except that
- the Commissioner may accept the payment of any maintenance fee required by the statute if the payment is made:
 - within 24 months after the six-month grace period if the delay is shown to the satisfaction of the Commissioner to have been unintentional; or
 - at any time after the six-month grace period if the delay is shown to the satisfaction of the Commissioner to have been unavoidable.

While the burden is less onerous to show unintentional delay under the provisions of 37 C.F.R. §1.378(c), the application of that portion of the regulation is limited to those cases in which the 24-month time limitation is satisfied. (See: Fn 1.) However, in the instant case that requirement has not been and cannot be met.

A petition to accept the delayed payment of a maintenance fee under 35 U.S.C. 41(c) and 37 C.F.R. §1.378(b) must be accompanied by:

- (1) an adequate declaration or statement showing that the delay was unavoidable, since reasonable care was taken to ensure that the maintenance fee would be paid timely;

² Due to the time delay involved, consideration of this matter as an alternatively pleaded petition under 37 C.F.R. §1.378(c), as unintentionally delayed, is not possible.

(2) payment of the appropriate maintenance fees (which in this case already have been submitted); plus

(3) payment of surcharge set forth at 37 C.F.R. §1.20.(i)(1) if the late payment is unavoidable. (This also has been submitted.)

While the Commissioner may accept late payment of the maintenance fee if the delay is shown to the satisfaction of the Commissioner to have been "unavoidable," 35 U.S.C. 41(c)(1), the showing of record remains inadequate to establish unavoidable delay within the meaning of 35 U.S.C. 41(c)(1) and 37 C.F.R. §1.378(b).

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.³

In determining if a delay was unavoidable, decisions on reviving abandoned applications have adopted the standard of the reasonably prudent person acting in their most important business matters.⁴

In addition, decisions on revival are made on a "case-by-case basis, taking all the facts and circumstances into account."⁵

Finally, a petition to revive an application or patent as unavoidably abandoned or expired cannot be granted where a petitioner has failed to meet his or her burden of establishing the cause of the unavoidable delay.⁶

The regulations at 37 C.F.R. §1.378(b)(3) require a showing that:

- "the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely," and

³ Rav 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)).

⁴ 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).

⁵ Smith v. Mossinghoff, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982).

⁶ Haines v. Quigg, 673 F. Supp. 314, 5 USPQ2d 1130 (N.D. Ind. 1987).

- the showing must "enumerate the steps taken to ensure timely payment of the maintenance fee" as well as the reasons why payment was not timely made.

BACKGROUND AND OPINION

The record reflects that:

(1) the instant patent issued 17 July, 1990, to Loren Working (Working)--also known as Loren Working, Jr. The firm of Oldham & Oldham Co., L.P.A. (Oldham)--later Oldham, Oldham & Wilson Co., L.P.A.--represented Working in this prosecution;

(2) allegations that:

--Working underwent heart surgery sometime in 1991, and his health continued to decline thereafter (in sketchy fashion the record reflects hospitalizations including but not limited to periods in 1993 and emergency-room treatment in 1994);

--in early 1992 Working retained an attorney, Rebecca Killenger (Killenger)--practicing under the then-married name of Rebecca Cook--to represent him and his business, CMO Incorporated (CMO) in a litigation matter, and he authorized Oldham to release the patent files to Killenger.

Killenger reviewed and retained the files of the instant patent. Notably, Killenger's declaration herein states that she was not an attorney of record in the instant matter, and received no notice or other mailing from PTO in connection with the instant patent;⁷

--in March 1992 Oldham transferred the files in the instant patent to Killenger, following Working's February 1992 request and authorization. At the time of that transfer, Oldham wrote to Working and notified him that he must arrange for payment of the maintenance fees in each of the periods of July 1993-94, July 1997-98, and July 2001-02;

⁷ A search via www.uspto.gov of the registered attorney/agent listings reveals no record of a Rebecca Killenger or a Rebecca Cook authorized to practice before the Office.

--Working assigned his interests in the instant patent to CMO, and those assignments are recorded at: Reel 6072 Frame 0774, 8 April, 1992, and Reel 6309 Frame 0063, 22 October, 1992;

--Working's illness continued, with occasional moderation, until his death in July 1997;

(3) the first maintenance fee was not paid timely:

--within the window of 17 July, 1993, through 17 January, 1994;

--with a surcharge within the six-month grace period provided in 37 C.F.R. §1.362(e) between 18 January through 17 July, 1994; or

--with the filing of a petition under the provisions of 37 C.F.R. §1.378(c) within twenty-four (24) months--that began 18 July, 1994, and expired 17 July, 1996--of the six-month grace period provided in 37 C.F.R. §1.362(e) ;

(4) the first petition to accept delayed payment of the maintenance fee under the provisions of 37 C.F.R. §1.378(b) was filed (along with payment of the first and second maintenance fee and the petition fee) by Petitioner Loren Working III (Petitioner)--son of the patentee and purchaser and president of CMO--on 29 June and dismissed on 31 August, 1998. In that dismissal, Petitioner was informed that a renewed petition:

... must be accompanied by an adequate showing as to (1) petitioner's legal or equitable title to [the patent] prior to the expiration of the patent , (2) the arrangement between Working, CMO or Oldham concerning who was responsible for tracking and payment of the maintenance fees for this patent, (3) the steps taken by the responsible party to docket or otherwise track the maintenance fee due dates for this patent, especially the first maintenance fee, and (4) a showing which enumerates the date and the manner in which petitioner became aware of the expiration of the patent, and the steps taken to file the petition promptly.
(Emphasis supplied.)

(5) the instant renewed petition was filed 30 October, 1998, but is unable to satisfy the requirements set forth above, but rather only recites that:

--"it is [Petitioner's] belief that [his] father was relying on the docket system of [Oldham and/or Killenger] to provide reminders of maintenance fee due dates[]";

--"[i]n other legal matters, CMO, Inc., paid legal bills upon the receipt of an invoice or bill from an entity. In the case of maintenance fees, [Petitioner] understand[s] no bill is generated by the United States Patent and Trademark Office. [Petitioner] thus believe[s] [his] father was relying on receiving a reminder from one of the attorneys handling this patent file. [Petitioner] believe[s] that such reliance was reasonable given [his father's] reliance on the lawyer in 1992 to file the assignments. [Petitioner does] not know if such reminders were sent prior to the expiration of the patent and that even if a reminder were sent, [his] father's health condition would have prevented him from receiving and understanding the reminder. [Petitioner] understand[s] that a letter was sent after the patent was expired in 1994 from the lawyers at [Oldham]. It is [Petitioner's] belief that [his] father's health prevented him from receiving and understanding this notice of abandonment[]";

--"[t]he delay between 1994 and 1997 in uncovering the fact that the patent was expired resulted because the lawyers believed that the matter had been taken care of given the notice of expiration, that [Petitioner's] father did not know that the patent had been expired, and the fact that CMO, Inc. did not need to enforce the patent in this time period."

Moreover, while the record does document that Working was hospitalized for periods in 1993 and was seen in a hospital emergency room in 1994, there is no evidence of the term and severity of illness throughout the period of 18 July, 1993, through 17 July, 1996, that might begin to satisfy the evidentiary requirements of unavoidable delay under the provisions of 37 C.F.R. §1.378(b).

Further, there is neither allegation nor showing that at any time between the grant of patent in July 1990 and the final opportunity for payment under petition in July 1996 Working or Oldham or Killenger filed a Notice of Change of Address or Fee Address in

the instant matter to make possible Working's receipt of a courtesy mailing from PTO regarding the expiration of the instant patent. Nonetheless:

- such mailings are a courtesy and not a requirement, and
- Oldham was notified at the issuance of the patent as to the maintenance fee filing requirements,⁸ and the record does evidence that this information was communicated from Oldham to Working at the time of the patent grant in 1990 and again at the time of files transfer in 1992.

Finally, Petitioner states that Working "was relying on the docket system of the attorneys to provide reminders of maintenance fee due dates," and suggests that the failure of the attorneys to do so relieves Petitioner of carrying his burden of showing diligence in this matter.

Even on reconsideration, Petitioner fails to demonstrate that, with or without reliance upon counsel, there was in place: (a) a system or systems to assure proper and timely payment of the maintenance fee when due, and (b) the diligence required in this aspect of maintenance of the patent.

Petitioner simply suggests--without support--that there was a breach duty by former counsel. It is of no matter, since--in the absence of demonstrable deception by the attorney/agent⁹--the act(s) or omissions of the attorney/agent are imputed wholly to the

⁸ Under the provisions of 37 C.F.R. §1.362(d)(1), post issuance fees such as "[m]aintenance fees may be paid in patents without surcharge during the period extending respectively from 3 years through 3 years and six months after grant for the first maintenance fee," and the first maintenance fee under 37 C.F.R. §1.20(e), "is due by three years and six months after the original grant" or issue date.

The provisions of 37 C.F.R. §1.20(i) set forth the surcharges "for accepting payment of a maintenance fee after expiration of a patent for non-timely payment of a maintenance fee where the delay in payment is shown to the satisfaction of the Commissioner to have been [unavoidable or unintentional]."

Under the applicable provisions of 37 C.F.R. §1.366(b):

A maintenance fee and any necessary surcharge submitted for a patent must be submitted in the amount due on the date the maintenance fee and any necessary surcharge are paid. A maintenance fee or surcharge may be paid in the manner set forth in §1.23 Payment of a maintenance fee and any necessary surcharge . . . must be submitted within the periods set forth in §1.362 . . . (e) Any payment or authorization of maintenance fees and surcharges filed at any other time will not be accepted and will not serve as a payment of the maintenance fee except insofar as a delayed payment of the maintenance fee is accept by the Commissioner in an expired patent pursuant to a petition filed under §1.378 * * *. Payment of less than the required amount [or] payment in a manner other than that set forth in §1.23 . . . will not constitute payment of a maintenance fee or surcharge on a patent.

⁹ When an attorney intentionally conceals a mistake he has made, thus depriving the client of a viable opportunity to cure the consequences of the attorney's error, the situation is not governed by the stated rule in Link for charging the attorney's mistake to his client. in re Lonardo, 17 USPQ2d 1455 (Comm'r. Pat. 1990).

applicant/client.¹⁰ Petitioner's statements suggest neither deception by counsel, nor diligence by Petitioner.

As noted above, Petitioner previously was instructed--and thereafter given the opportunity--to provide:

- copies of any documents referred to in petitioner's statement as to the cause of the unavoidable delay; and
- specification of all efforts made to pay timely and the causes which contributed to the unavoidable delay in timely payment of the maintenance fee.

Petitioner failed to satisfy these requirements. And while the Commissioner has authority under 37 C.F.R. §1.183¹¹ to waive the rules in the interest of justice, no such authority exists as to statute.

CONCLUSION

Therefore, the circumstances of this matter do not demonstrate that the delay in payment from the expiration to the filing the first or renewed petition under 37 C.F.R. §1.378(b) was unavoidable within the meaning of 35 U.S.C. §41(c)(1) and 37 C.F.R. §1.378(b).

Accordingly, the renewed petition is **denied**, the patent will not be reinstated, and the application remains expired.

¹⁰ The actions or inactions of the attorney/agent must be imputed to the petitioners, who hired the attorney/agent to represent them. Link v. Wabash Railroad Co., 370 U.S. 626, 633-634, 82 S.Ct. 1386, 1390-91 (1962). The failure of a party's attorney to take a required action or to notify the party of its rights does not create an extraordinary situation. Moreover, the neglect of a party's attorney is imputed to that party and the party is bound by the consequences. See Huston v. Ladner, 973 F.2d 1564, 23 USPQ2d 1910 (Fed Cir. 1992); Herman Rosenberg and Parker-Kalon Corp. v. Carr Fastener Co., 10 USPQ 106 (2d Cir. 1931).

¹¹ The regulations at 37 C.F.R. §1.183 provide:

§1.183. Suspension of the rules.

In an extraordinary situation, when justice requires, any requirement of the regulations in this part which is not a requirement of the statutes may be suspended or waived by the Commissioner or the Commissioner's designee, *sua sponte*, or on petition of the interested party, subject to such other requirements as may be imposed. Any petition under this section must be accompanied by the petition fee set forth in §1.17(h).

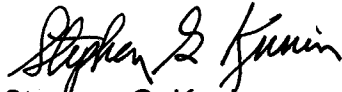
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Petitioner may request a refund by Treasury check in the amount of \$2,340.00-- covering the fees paid for the petition and the first and second maintenance fees--by enclosing a copy of this decision with a request for refund to the Office of Finance, Refund Section.

This abandoned application is being forwarded to the Files Repository.

Telephone inquiries concerning this decision should be directed to Petitions Attorney John J. Gillon, Jr., (703) 305-9199.



Stephen G. Kunin
Deputy Assistant Commissioner
for Patent Policy and Projects