



Paper No. 12

NASA MANAGEMENT OFFICE - JPL
4800 OAK GROVE DRIVE
MAIL STOP 180-801
PASADENA CA 91109

COPY MAILED

SEP 26 2003

OFFICE OF PETITIONS

In re Patent No. 5,436,443 :
Issued: 25 July, 1995 :
Application No. 08/273,542 : DECISION ON PETITION
Filed: 6 July, 1994 :
Attorney Docket No. NPO190641CU :

This is a decision on the petition under 37 CFR 1.378(e), filed on 7 May, 2003 (certificate of mailing date 25 April, 2003), requesting reconsideration of a prior decision which refused to accept under 37 CFR 1.378(b)¹ the delayed payment of a maintenance fee for the above-referenced patent.

The request to accept the delayed payment of the maintenance fee is **DENIED**.²

BACKGROUND

The patent issued on 25 July, 1995. The first maintenance fee could have been paid during the period from 27 July, 1998, through 25 January, 1999, or, with a surcharge during the period from 26 January to 26 July, 1999. Accordingly, this patent expired on 27 July, 1999, for failure to timely remit the first maintenance fee.

¹A grantable petition to accept a delayed maintenance fee payment under 37 CFR 1.378(b) 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.

²This decision may be regarded as a final agency action within the meaning of 5 U.S.C. § 704 for purposes of seeking judicial review. See MPEP 1002.02.

A petition under 37 CFR 1.378(b) to accept late payment of the maintenance fee was filed on 30 January, 2003, and was dismissed in the decision of 27 February, 2003. In response, the present petition under 37 CFR 1.378(e) was filed on 7 May, 2003.

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."³

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.⁴ Decisions reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable.⁵ In addition, decisions on revival are made on a "case-by-case basis, taking

³35 U.S.C. § 41(c)(1).

⁴Ray 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)).

⁵Ex 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 man 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).

all the facts and circumstances into account."⁶ 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.⁷

Petitioner asserts that unavoidable delay resulted from a clerical error on the part of counsel's legal secretary, Patricia Mascarenas, in neglecting to prepare documentation indicating that the maintenance fee was due on the present patent. Petitioner asserts that at the time the maintenance fee was due, assignee National Air and Space Administration (NASA) was in the process of entering all patents into an computerized database, TechTrachS (hereinafter TTS). However, the database had not been fully implemented, and Ms. Mascarenas was apparently responsible for manually reviewing lists of NASA-owned patents and preparing maintenance fee "decision documents" for patents for which a maintenance fee was due. The decision document apparently served both to notify counsel that the maintenance fee was due on a patent and provided the means by which NASA management would document their decision whether or not to maintain the patent in force. In this particular case, petitioner points to an E-mail sent to Ms. Mascarenas from Katherine L. Collinson at the cognizant field office (in this case, the Jet Propulsion Laboratory (JPL) at Caltech) on 28 May, 1999, with an attached spreadsheet showing that the maintenance fee for the present patent, *inter alia*, was due on 25 January, 1999, as evidence that Ms. Mascarenas was aware that the maintenance fee was due for the present patent.

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

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".⁸ 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)

⁶Smith v. Mossinghoff, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982).

⁷Haines v. Quigg, 673 F. Supp. 314, 5 USPQ2d 1130 (N.D. Ind. 1987).

⁸35 U.S.C. § 41(c)(1).

uses identical language (i.e. "unavoidable delay").⁹ Decisions reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable.¹⁰ In this regard:

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.¹¹

Assuming that the failure to submit the maintenance fee payment to the USPTO was a clerical error, as noted in MPEP 711.03(c) §(III)(2), a delay resulting from an error (e.g., a docketing 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:

(A) the error was the cause of the delay at issue;

(B) there was in place a business routine for performing the clerical function that could reasonably be relied upon to avoid

⁹Ray 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. 1989)).

¹⁰Ex 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 by prudent and careful men in relation to their most important business").

¹¹In 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).

errors in its performance; and

(C) 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.¹²

An adequate showing requires:

- (1) Statements by all persons with direct knowledge of the circumstances surrounding the delay, setting forth the facts as they know them.
- (2) Petitioner must supply a thorough explanation of the docketing and call-up system in use and must identify the type of records kept and the person responsible for the maintenance of the system. This showing must include copies of mail ledgers, docket sheets, filewrappers and such other records as may exist which would substantiate an error in docketing, and include an indication as to why the system failed to provide adequate notice that a reply was due.
- (3) Petitioner must supply information regarding the training provided to the personnel responsible for the docketing error, degree of supervision of their work, examples of other work functions carried out, and checks on the described work which were used to assure proper execution of assigned tasks.

Petitioners have not made the showing required by (B) and (C) above.

Petitioner has not demonstrated the use of business routine that would be employed by a prudent and careful person with respect to his most important business to ensure that an employee responsible for payment of maintenance fees does in fact timely submit the maintenance fee payment to the USPTO after claiming to have done so and indicating in the maintenance fee tracking system that the fee has been paid.¹³

¹²See In re Egbers, 6 USPQ2d 1869, 1872 (Comm'r Pat. 1988), rev'd on other grounds sub nom., Theodor Groz & Sohne & Ernst Bechert Nadelfabrik KG v. Quigg, 10 USPQ2d 1787 (D.D.C. 1988); In re Katrapat, 6 USPQ2d 1863, 1867-68 (Comm'r Pat. 1988).

¹³As attorney Kusmiss states in his declaration accompanying the renewed petition that maintenance fee reminder notices were received from the USPTO "only on very rare occasions," and in light of the showing discussed herein, it appears that the receipt or nonreceipt of a maintenance fee reminder from the USPTO in the present

Petitioner argues that the "overwhelming majority" of maintenance fees on NASA patents arising from work at the JPL have been timely paid is evidence that a system for paying the maintenance fees "was and is in place". Petitioner's contention is not well taken, however, as petitioner has not provided an actual showing that such a system existed.

Specifically, petitioner has not explained or documented the business routine utilized to ensure that maintenance fee decision documents were timely generated when the due date for a maintenance fee approached. Specifically, petitioner has not shown that Ms. Mascarenas utilized a docketing or call-up system to ensure that a decision document was timely prepared for each patent for which a maintenance fee was due. Rather, petitioner has simply provided a statement by Ms. Mascarenas stating that she never prepared any paperwork relating to payment of the maintenance fee for the present patent.

In the renewed petition signed by attorney Kusmiss, petitioner states that:

[A] docketing system was in place that resulted in the printing of a spreadsheet listing the patent in question along with the date on which the first maintenance fee was due, to a person responsible for generating Maintenance Fee Decision Forms. The fact that reasonable care was exercised in designing and operating the system that the patentee took reasonable steps to insure (sic) that the patent was entered into the system to ensure timely payment of the maintenance fee can be deduced from the existence of...a true copy of the spreadsheet with the patent and the due date for its first maintenance fee payment.

It is noted that the declaration of attorney Kusmiss states that the business routine was for Ms. Mascarenas to deliver incoming mail to one of the patent attorneys, either Mr. Thomas Jones or Mr. Kusmiss. However, there is no showing that the E-mail dated 28 May, 1999, and the attached spreadsheet, was ever forwarded to Messrs. Jones or Kusmiss, or that any system existed for forwarding such correspondence to the patent attorneys. As such, no business routine was in place to handle information received by e-mail. Further, contrary to petitioner's assertion, the mere

patent as discussed in the decision mailed on 30 January, 2003, is not relevant to the inquiry at hand and will therefore not be discussed further.

existence of a spreadsheet, without more, does not constitute a docketing system: there is no showing that the information in that spreadsheet was ever entered into any type of tracking system, or that the spreadsheet was even viewed by anyone at the NASA field office other than Ms. Mascarenas. As such Messrs. Jones and Kusmiss, having never seen the spreadsheet, would have had no way of knowing that the maintenance fee was due on the present patent or of verifying that a maintenance fee decision document was created.

In summary, while it is true that Ms. Mascarenas was provided a copy of the spreadsheet showing that the first maintenance fee for the present patent was due, petitioner's showing is lacking in that there appears to have been no system by which petitioners could timely verify that Ms. Mascarenas had not inadvertently omitted to prepare a maintenance fee decision document.

In short, petitioner relied entirely on Ms. Mascarenas' diligence in preparing the decision documents in a timely manner, and providing them to counsel: there appears to have been no procedure in place by which counsel could verify that decision documents were timely prepared for each and every patent as the due date for the maintenance fee approached, nor was a system in place to record for later review that a decision document had in fact been timely prepared for each patent prior to its maintenance fee due date. This conclusion is borne out by the fact that petitioner did not learn that the present patent had been expired until two years later, and apparently had no internal records evidencing that a decision document had ever been prepared.

Additionally, the E-mail from Kien Le to Ms. Mascarenas provided with the original petition under 37 CFR 1.378(b) suggests the lack of a reliable tracking system in that records were lacking as whether maintenance fees had been timely paid on a total of seven (7) different patents. Petitioner states in the present request for reconsideration that "[t]he possibility of human (or for that matter, computer or electronic) error prevents any system from being perfect." While a docketing system need not be "perfect" to meet the standard for a showing of unavoidable delay, the showing of record is that petitioner did not take such reasonable steps as having the spreadsheet from which Ms. Mascarenas obtained the numbers of patents for which maintenance fee decision documents were to be prepared reviewed, and her work verified, to ensure that decision documents were in fact prepared for all patents for which expiration was imminent. There simply

were not sufficient checks on the assigned work such that petitioner could ensure that a patent, such as the present patent, was not inadvertently omitted from those for which decision documents were prepared.

In summary, while it is understood that petitioner was in the process of transition to a computerized tracking system at the time the maintenance fee was due for the present patent, the showing of record is that the maintenance fees for this patent were not being tracked in a reliable tracking system, and no business routine was in place at the time the maintenance fee was due to ensure that maintenance fee decision documents were timely generated and forwarded to the appropriate officials. While this is unfortunate, it does not rise to the level of unavoidable delay. The petition is therefore denied.

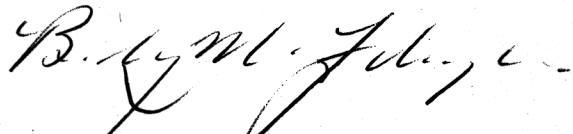
CONCLUSION

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

The the maintenance fee and surcharge have not been charged, and will not be charged since this patent will not be reinstated. The \$130.00 fee for the present request for reconsideration has been charged to counsel's deposit account, No. 14-0116, as authorized in the petition filed on 7 May, 2003.

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

Telephone inquiries should be directed to Senior Petitions Attorney Douglas I. Wood at 703.308.6918.



Beverly M. Flanagan
Supervisory Petitions Examiner
Office of Petitions