



Paper 17

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In re Patent No. 5,352,613 :
Issue Date: October 4, 1994 :
Application No. 08/132,804 :
Filed: October 7, 1993 :
Attorney Docket No: IK-148(US) :

OFFICE OF PETITIONS
ON PETITION

This is a decision on the paper filed November 18, 2005, in response to the Request for Information mailed September 19, 2005 and requesting reconsideration of a prior decision mailed March 9, 2005, refusing to accept under 37 CFR 1.378(b) the delayed payment of a maintenance fee for the above-identified patent. The response is treated as a petition under 37 CFR 1.378(e).

The petition under 37 CFR 1.378(e) is **DENIED**.¹

BACKGROUND

The patent issued on October 4, 1994. The second maintenance fee due could have been paid during the period from October 4, 2001 to April 4, 2002 or, with a surcharge during the period from April 5, 2002 to October 4, 2002. Accordingly, this patent expired on October 5, 2002 for failure to timely remit the maintenance fee.

A petition under 37 CFR 1.378(b) to accept late payment of the maintenance fee was filed on February 10, 2005 in which petitioner asserted that the delay was unavoidable because:

Responsibility for payment of all maintenance fees, as well as that of the '613 patent, and other prosecution files by the same inventors was transferred from Wolf, Greenfield and Saks to Pennie & Edmonds LLP in early 2000. The inventors of the '613 patent instructed Pennie & Edmonds to pay all required fees due in their patents and patent applications and to file a change of address for each of the transferred files. USPTO records indicate that Pennie & Edmonds undertook payment of maintenance fees for the inventors' patents, and did file change of correspondence forms, but did not file a change of correspondence form or pay the maintenance fee with respect to the '613 patent.

¹This 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.

The petition was dismissed in a decision mailed March 9, 2005 for failure to provide a sufficient showing that the delay in paying the maintenance fee was unavoidable. Specifically, the decision requested that a showing of unavoidable delay would include a statement from the principals responsible for payment of the maintenance fees as to why action was not taken to timely submit the required maintenance fee while the patent was under their control.

A request for reconsideration was filed May 9, 2005 wherein petitioners maintained that Pennie and Edmonds LLP (hereinafter "P&E") was the responsible party for paying the maintenance fees but did not do so. As evidence of the "P&E" responsibility, petitioners offered copies of correspondence from various other patent files dated November 1999 to February 18, 2004 which shows that "P&E" was paying maintenance fees as well as carrying out all patent prosecution matters for petitioners during that period of time.

Finally, the evidence included correspondence which showed "P&E" transferring the patent and trademark files for client Ikonysis (the assignee also of the instant patent) to Pillsbury Winthrop LLP between December 2003 and February 2004.

However, since the petitioners had not provided adequate showing of the diligence of "P&E" in the payment of the maintenance fees in petitioner's May 9, 2005 request for reconsideration, a Request for Information was mailed September 9, 2005 by the USPTO.

The instant petition under 37 CFR 1.378(e) provides additional explanation as to why petitioners believe the payment of the second maintenance fee was delayed and why that delay was unavoidable.

STATUTE AND REGULATION

35 USC 41(c)(1) states that:

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. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee.

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 on the basis of unavoidable delay 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 was unavoidable. In re Mattullath, 38 App. D.C. 497, 514-15 (D.C. Cir. 1912)("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"); 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's request for reconsideration outlines the general "P&E" docketing system based on information provided by the assignee, Ikonisys. Ikonisys notes that after receiving the files from Wolf Greenfield & Sachs, the previous Attorneys of Record, "P&E" docketed annuity and maintenance fee matter using the Computer Patent Annuities Limited Partnership system. It is alleged that "P&E" would send periodic reminders of the due date to the client to tell them well before the due date whether the client wished to pay the fees and "P&E" would then instruct Computer Patent Annuities ("CPA") to pay or not. From this petitioners assume that any failure by "P&E" to pay or in this matter to instruct "CPA" to pay the maintenance fee must be unavoidable though petitioners claim that they are at a disadvantage from showing whether or not "P&E" was diligent since the "P&E" firm closed its operation December 31, 2003.

Petitioner's arguments and evidence have been considered, but are not found to be sufficient to meet the burden of establishing unavoidable delay. As petitioner concludes that since "P&E" had a docketing system for ensuring that maintenance fees be paid, that they were otherwise diligent but that the failure to do so in this instance must have been unavoidable, their argument points to an unknown unexplainable reason why "P&E" failed to follow their normal course of business. Since "P&E" is no longer available to confirm what happened in this instance the record is devoid of the required showing of the steps taken by the responsible party to docket or otherwise track the maintenance fee due dates for this patent.

While docket/clerical error can be construed as unavoidable, petitioner has failed to provide facts to warrant such a finding. A delay resulting from an error on the part of an employee in the performance of a clerical function may provide the basis provided it is shown 1) the

error was the cause of the delay; 2) there was in place a business routine for performing the clerical function which could reasonably be relied upon to avoid errors in its performance and 3) 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.

However, clerical error in the form of careless mistakes or the result of a lack of knowledge of USPTO practices and procedures would not establish unavoidable delay.²

An adequate showing of unavoidable delay due to docket/clerical error may include but not limited to:

- 1) *statements by all parties with direct knowledge of the circumstances surrounding the delay;*
- 2) *a through explanation of the docketing system in use;*
- 3) *identification of the types of records kept;*
- 4) *identification of the persons responsible for the maintenance of the system, copies of mail ledger, docket sheets, file wrappers;*
- 6) *an indication why the system failed; and*
- 5) *information regarding the training provided to the clerk(s) responsible for the docketing error, the degree of supervision of their work.*

As indicated in the case citations above, courts have adopted the "reasonably prudent person" standard in determining whether a delay was "unavoidable" within the meaning of the statute. To establish that the delay was unavoidable, petitioner must show that "P&E" exercised that degree of care or diligence that "is generally used and observed by prudent and careful men in relation to their most important business." *In re Mattullath, supra* (emphasis added).

Without "P&E" or principals from "P&E" with first hand knowledge of their diligence and the resulting delay, obviously petitioner will not be in a position to confirm whether or not they exercised diligence and that the delay in paying the maintenance fee was unavoidable. Finally, the record fails to include a showing of the steps in place to ensure the timely payment of the maintenance fee, as required under 37 CFR 1.378(b)(3). In this regard, the record fails to provide any mention that those with first hand knowledge, previously employed by "P&E" were contacted to affirm that a reliable docketing system was in place to track the due dates for payment of the maintenance fee. Use of a reliable docketing system should have apprised "P&E", Ikonisys and CPA that the maintenance fee was due. The record fails to identify any notice sent by counsel to petitioner prior to the time "P&E" ceased operating as a firm December 31, 2003 (presumably in response to the maintenance fee reminder mailed by the Office).

² See, e.g., *Haines*, 673 F. Supp. at 317, 5 USPQ2d at 1132; *Vincent v. Mossinghoff*, 230 USPQ 621, 624 (D.D.C. 1985); *Smith v. Diamond*, 209 USPQ 1091 (D.D.C. 1981); *Potter v. Dann*, 201 USPQ 574 (D.D.C. 1978); *Ex parte Murray*, 1891 Dec. Comm'r Pat. 130, 131 (1891).

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, however, the delay in this case cannot be regarded as unavoidable within the meaning of 35 USC 41(c)(1) and 37 CFR 1.378(b).

Since this patent will not be reinstated, the maintenance fee and the surcharge fee submitted by petitioner will be credited to deposit account no. 03-3975.

It should also be pointed out that although the fee for a petition under 37 CFR 1.378(e) was quoted in the decision mailed March 4, 2005 as \$130.00 it is in fact \$400.00. See the Notice published in the Federal Register on September 21, 2004 and in the Official Gazette of the United States Patent and Trademark Office on October 12, 2004. Petitioner's deposit account no. 03-3975 has been charged in the amount of \$400.00 for the petition fee under 37 CFR 1.378(e).

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

This file is being forwarded to Files Repository.

Telephone inquiries concerning this matter may be directed to Senior Petitions Attorney Patricia Faison-Ball at (571) 272-3212.

A handwritten signature in black ink, appearing to read "Charles Pearson", with a long horizontal flourish extending to the right.

Charles Pearson
Director, Office of Petitions
Office of the Deputy Commissioner