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OFFICE OF PETITIONS

In re Patent No. 5915289 :
Issued: 06/22/1999 :
Application No. 08/988877 : ON PETITION
Filed: 12/12/1997 :
For: ELECTRONIC CYMBAL :
APPARATUS :

This is a decision on the petition under 37 CFR 1.378(e),¹ filed on 11 June, 2007, requesting reconsideration of a prior decision which refused to accept under § 1.378(b) 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 22 June, 1999. The first maintenance fee could have been paid during the period from 24 June through 23 December, 2002, or, with a surcharge during the period from 24 December, 2002, through 22 June, 2003. Accordingly, this patent expired at midnight on 22 June, 2003, for failure to timely remit the maintenance fee. The petition under 37 CFR 1.378(b) filed on 8 January, 2007, was dismissed on 11 April, 2007. This request for reconsideration, accompanied by authorization to charge

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

² This 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.

counsel's deposit account for \$400.00, was filed on 11 June, 2007.

STATUTE AND REGULATION

35 U.S.C. § 41(c)(1) states that:

The Director may accept the payment of any maintenance fee required subsection (b) of this section which is made within twenty-four months after the six-month grace period if this delay is shown to the satisfaction of the Director to have been unintentional, or at any time after the six-month grace period if the delay is shown to the satisfaction of the Director to have been unavoidable.

37 CFR 1.366(a) states that:

The patentee may pay maintenance fees and any necessary surcharges, or any person or organization may pay maintenance fees and any necessary surcharges on behalf of a patentee. Authorization by the patentee need not be filed in the Patent and Trademark Office to pay maintenance fees and any necessary surcharges on behalf of the patentee.

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".³ A patent owner's failure to pay a maintenance fee may be considered to have been "unavoidable" if the patent owner "exercised the due care of a reasonably prudent person."⁴ This determination is to be made on a "case-by-case basis, taking all the facts and circumstances into account."⁵ Unavoidable delay under 35 U.S.C. § 41(b) is measured by the same standard as that for reviving an abandoned application under 35 U.S.C. § 133.⁶ Under 35 U.S.C. § 133, the Director may revive an abandoned application if the delay in responding to the relevant outstanding Office requirement is shown to the satisfaction of the Director to have been "unavoidable". Decisions on reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable.⁷ However, 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.⁸ In view of In re Patent No. 4,409,763,⁹ this same standard will be applied to determine whether "unavoidable" delay within the meaning of 37 CFR 1.378(b) occurred.

This petition does not satisfy the requirement of 37 CFR 1.378(b)(3). The statements presented in the petition fail to satisfy the showing required to establish unavoidable delay within the meaning of 37 CFR 1.378(b).

A petition to accept the delayed payment of a maintenance fee under 35 U.S.C. § 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 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, (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).

³ 35 U.S.C. § 41(c)(1).

⁴ Ray v. Lehman, 55 F.3d 606, 608-09 (Fed.Cir.), cert. denied, -- U.S. ---, 116 S.Ct. 304, L.Ed.2d 209 (1995).

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

⁶ In re Patent No. 4,409,763, 7 USPQ2d 1798, 1800 (PTO Comm'r 1988).

⁷ 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).

⁸ Haines v. Quigg, 673 F. Supp. 314, 5 USPQ2d 1130 (N.D. Ind. 1987).

⁹ 7 USPQ2d 1798, 1800 (Comm'r Pat. 1988), aff'd sub nom. Rydeen v. Quigg, 748 937 F.2d 623 (Fed. Cir. 1991) (table), cert. denied, 502 U.S. 1075 (1992).

In the original petition, filed on 8 January, 2007, petitioner asserted that his former registered patent attorney, George Bode, never informed him that the maintenance fee was due, and was subsequently suspended from practice before the USPTO. The petition was dismissed, however, because petitioner had not shown that the maintenance fee was docketed in a reliable tracking system. Petitioner was requested, in the decision mailed on 11 April, 2007, to send a letter to Bode asking him for his assistance in determining whether the delay was unavoidable.

In the present request for reconsideration, petitioner states, via his registered patent attorney, that he attempted to locate Bode, but was unable so to do. Petitioner's counsel states that letters were sent to Bode asking for his assistance, but that the USPS has been unable to deliver any letters to Bode.

Petitioner further asserts:

Given the unavailability of Mr. Bode, Mr. Hart is simply not in a position to make a more detailed factual showing that Mr. Bode had docketed the patent for the first maintenance fee payment in a reliable tracking system. However, it is respectfully submitted that judicial notice could be taken of the fact that patent prosecution attorneys invariably use some type of docketing system to keep track of deadlines such as office action due dates and maintenance fee payment deadlines...

Petitioner avers that since Bode agreed in writing to docket another patent for petitioner it is "certainly highly probative" that this patent was docketed as well by Bode for payment of the maintenance fee. Additionally, argues petitioner, patentee Peter Hart exercised appropriate care and diligence in relying upon Bode based on Bode's course of conduct in the prosecution of the two patents that Bode prosecuted for Hart.

Lastly, petitioner argues that he was diligent in filing the original petition, and that his reliance upon the Behringer attorneys was not unavoidable delay because the Behringer attorneys were acting as petitioner's attorney from early 2006 until October, 2006.

A petition to accept the delayed maintenance fee under 35 U.S.C. § 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 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, (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). This petition lacks requirement (1).

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".¹⁰

The showing of record is inadequate to establish unavoidable delay within the meaning of 37 CFR 1.378(b)(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 identical language (i.e. "unavoidable delay").¹¹ Decisions reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable.¹² 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.¹³

¹⁰ 35 U.S.C. § 41(c)(1).

¹¹ 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. 1989)).

¹² 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 by prudent and careful men in relation to their most important business").

¹³ 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,

There are three periods to be considered during the evaluation of a petition under 37 CFR 1.378(b):

- (1) The delay in reply that originally resulted in expiration;
- (2) The delay in filing an initial petition pursuant to § 1.378(b) to revive the application; and
- (3) The delay in filing a *grantable* petition pursuant to § 1.378(b) to revive the application.¹⁴

This request for reconsideration lacks the showing required by periods (1) and (2).

With regard to period (1), as stated in the previous petition, petitioner's contention that the delay in payment of the first maintenance fee was unavoidable because petitioner's registered patent attorney, Bode, failed to remit the maintenance fee, is inadequate to establish unavoidable delay.

Petitioner is reminded that any errors or omissions of Bode did not relieve petitioner from his obligation to exercise diligence with respect to this patent.¹⁵ In the absence of an adequate showing of petitioners' diligence in this matter throughout the period in question, the actions or inactions of the registered practitioners will remain imputed to petitioner.¹⁶

In the present case, patentee apparently relied on his patent agent George Bode, to monitor and pay the maintenance fee as necessary.¹⁷ However the patent attorney or agent failed to timely pay the maintenance fee, and was later suspended from practice before the USPTO.

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).

¹⁴ See Changes to Patent Practice and Procedure; Final Rule Notice, 62 Fed. Reg. 53131 at 53158 (October 10, 1997).

¹⁵ 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) (applicant's failure over two and one half year period, to exercise any diligence in prosecuting his application overcame and superseded any omissions on the part of his representative).

¹⁶ See In re Lonardo, 17 USPQ2d 1455 (Comm'r Pat. 1990).

¹⁷ It is further noted that the letter petitioner relies upon as showing that Bode had assumed responsibility for the maintenance fee pertains to a different patent. Petitioner Hart's statement that "my recollection is that I received a substantially identical letter from Mr. Bode...in relation to the issuance of the '289 patent" is not persuasive evidence that such a letter was sent.

In this regard, while petitioner has submitted a copy of the order suspending Bode from practice before the USPTO, it is noted Bode's suspension from practice was effective 27 August, 2004, which was over a year after the expiration date of the patent. As such, Bode was apparently still representing petitioner before the USPTO at the time of his suspension from practice.

While petitioner alleged chose to rely upon Bode, 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 U.S.C. § 41(c).¹⁸ Rather, such reliance merely shifts the focus of the inquiry from petition to whether the agent acted reasonably and prudently.¹⁹ As such, assuming that the agent had been so engaged, then it is incumbent upon petitioner to demonstrate, via a documented showing, that Bode had docketed this patent for the first maintenance fee payment in a reliable tracking system.²⁰ If petitioner cannot establish that agent had been so engaged, then petitioner will have to demonstrate what steps were established by petitioner to monitor and pay the maintenance fee.

While it is acknowledged that petitioner has attempted to obtain a statement from Bode, the showing of record is that no such statement was in fact obtained. The failure of Bode to provide such a statement, however, does not absolve petitioner of the requirement to provide a showing of the steps taken to ensure timely payment of the maintenance fee in the absence of a showing of steps in place by Bode.

The above paragraph notwithstanding, petitioner is reminded that the failure of communication between an applicant and counsel is not unavoidable delay.²¹ Specifically, delay resulting from a lack of proper communication between a patent holder and a registered representative as to who bore the responsibility for payment of a maintenance fee does not constitute unavoidable delay within the meaning of 35 U.S.C. § 41(c) and 37 CFR 1.378(b).²² Moreover, the Office is not the proper forum for resolving a dispute as to the effectiveness of communications between parties regarding the responsibility for paying a maintenance fee.²³

¹⁸ See California Med. Prod. v. Technol. Med. Prod., 921 F. Supp. 1219, 1259 (D. Del. 1995).

¹⁹ Id.

²⁰ Id.

²¹ In re Kim, 12 USPQ2d 1595 (Comm'r Pat. 1988).

²² See Ray v. Lehman, 55 F.3d 606, 610, 34 USPQ2d 1786, 1789 (Fed. Cir. 1995).

²³ Id.

The U.S. Patent and Trademark Office must rely on the actions or inactions of duly authorized and voluntarily chosen representatives of the applicant, and applicant is bound by the consequences of those actions or inactions.²⁴ Specifically petitioners' delay caused by the mistakes or negligence of their voluntarily chosen representative does not constitute unavoidable delay within the meaning of 35 U.S.C. § 41(c)(1) or 37 CFR 1.378(b).²⁵ Petitioners were not forced, but rather made a conscious decision to obtain the services of the chosen representative in payment of the maintenance fees for this patent, and therefore must be held accountable for his actions, or lack thereof, before the Office.

Further to this end, while it is unfortunate that petitioner has been unable to obtain a statement from Bode, petitioner's argument that it is likely or "highly probative" that Bode did in fact have the present patent docketed for payment of the maintenance fee, is not persuasive. As stated in 37 CFR 1.378(b), a showing of unavoidable delay must enumerate the steps taken to ensure timely payment of the maintenance fee. The Office cannot presume, in the absence of evidence of the showing of steps in place, that such steps were in fact taken. Rather, as stated previously, if petitioner cannot establish that Bode had docketed the maintenance fee, then petitioner will need to show that he had docketed the maintenance fee and make the requisite showing of steps in place.

As petitioner concedes that Hart did not have his own patent docketing system and software, the showing of record is insufficient to support a finding of unavoidable delay.

With respect to petitioner's argument that he was reasonable in relying upon Bode, petitioner cites *In re Mattullath*.²⁶ However, the present case can be readily differentiated from the situation in *Mattullath*. In this case, petitioner was aware of the existence of the patent, and presumably of the responsibility to pay the maintenance fee, but did not have a system of steps in place to track and timely pay the maintenance fee.²⁷

²⁴ Link v. Wabash, 370 U.S. 626, 633-34 (1962).

²⁵ Haines v. Quigg, 673 F. Supp. 314, 5 USPQ2d 1130 (D. Ind. 1987); 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 (Comm'r Pat. 1891).

²⁶ 1912 Dec. Comm'r Pat. 490, 38 App. D.C. 497 (D.C. Cir. 1912).

²⁷ See Fempec v. Dudas, 2007 U.S. Dist. LEXIS 8482 (N.D. Ca. 2007).

Secondly, with regard to period (2) of delay, the showing of record is that petitioner learned that his patent had expired on 7 August, 2006, but did not file a petition to reinstate until five months later, on 8 January, 2007.

In the first petition, petitioner states that he did file a petition to reinstate the patent and pay the required fees immediately upon learning that the patent was expired because petitioner was negotiating a sale of the rights to the patent to Behringer Holdings (hereinafter "Behringer"), and "assumed that Behringer would assume responsibility for reinstating the [present] patent." Petitioner further states that he took action only after "it became apparent to me that I would need to personally get involved in having the ... patent reinstated."

In the decision mailed on 11 April, 2007, it is stated that the the showing is that petitioner knew that the patent was expired, but deliberately chose to delay filing a petition to reinstate it on hopes that a potential assignee would file the petition. As such, the showing of record is that petitioner intentionally delayed the filing of a petition to reinstate the patent.

Petitioner states, in the present request for reconsideration, that he did not intentionally delay payment of the maintenance fee and filing of the petition, but rather simply relied upon the Behringer attorneys to timely file the petition to reinstate the patent. Petitioner asserts, in the present petition that "[d]uring this period of time, Mr. Hart was extremely busy with other business and legal matters."

Assuming, *arguendo*, petitioner did rely upon the Behringer attorneys to file the first petition under 37 CFR 1.378(b), while it is not necessary to determine whether the delay was intentional, *vel non*, the showing of record is that the delay was not unavoidable, as petitioner concedes that he was preoccupied with other matters and did not file the petition more timely because of that preoccupation. Simply put, while petitioner may not have made a deliberate choice not to timely pay the maintenance fee, petitioner certainly did not act with the requisite level of care that would be expected from a reasonably prudent person acting with regard to his most important business.

Rather, petitioner's argument is tantamount to an admission that no one took timely action to pay the maintenance fee for the present patent. Petitioners' preoccupation with other matters which took precedence over the present patent does not constitute

unavoidable delay.²⁸ Moreover, the showing of record is that Behringer did not have any steps in place, but rather discovered, at a late date, that the patent had expired.

The showing of record is that, rather than unavoidable delay, at the time the maintenance fee fell due the showing of record is that neither Bode, nor Hart, nor the Behringer attorneys or anyone else, had any steps in place to ensure payment of the maintenance fee. However delay resulting from the failure of the patent holder to have any steps in place to pay the fee by either obligating a third party to track and pay the fee, or by itself assuming the obligation to track and pay the fee, is not unavoidable delay.²⁹

In summary, the showing of record is inadequate to establish unavoidable delay. Petitioner has not shown that either counsel or petitioner had docketed the patent for payment of the first maintenance fee in a reliable tracking system. Rather, than unavoidable delay, the showing of record is that petitioner failed to take adequate precautions to ensure that maintenance fees were timely paid. Nor have petitioners shown that Behringer was under any obligation, or had any agreement, to track and pay the maintenance fee for the present patent. As petitioners have not shown that they exercised the standard of care observed by a reasonable person in the conduct of his or her most important business, the petition will be denied.³⁰

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. The petition under § 1.378(c) has also been considered. For the above stated reasons, the delay in this case cannot be regarded as unavoidable, or unintentional, within the meaning of 35 U.S.C. § 41(c)(1) and 37 CFR 1.378(b) and (c).

Since this patent will not be reinstated, the maintenance fee(s) and surcharge fee(s) submitted by petitioner will be refunded by

²⁸ See Smith v. Mossinghoff, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982).

²⁹ See R.R. Donnelley & Sons Co. v. Dickinson, 123 F.Supp.2d 456, 460, 57 USPQ2d 1244, 1247 (N.D. Ill. 2000); Ray, supra; California, supra; Femspec v. Dudas, 2007 U.S. Dist. LEXIS 8482 (N.D.Ca 2007).

³⁰ See note 7, supra.

treasury check. The \$400.00 fee for reconsideration, which is not refundable, will be deducted from the amount refunded.

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 571-272-3231.

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

Charles A. Pearson
Director, Office of Petitions