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**SEP 25 2006**

**OFFICE OF PETITIONS**

In re Application of :  
Michael A. Kelly :  
Application No. 08/550,164 : DECISION ON RENEWED PETITION  
Patent No. 5,583,336 : UNDER 37 C.F.R. §1.378(E)  
Filed: October 30, 1995 :  
Issue Date: December 10, 1996 :  
Attorney Docket Number: P-1899 :  
Title: HIGH THROUGHPUT ELECTRON :  
ENERGY ANALYZER :

This is a decision on the renewed petition filed June 25, 2006, under 37 C.F.R. §1.378(e), requesting reconsideration of a prior decision pursuant to 37 C.F.R. §1.378(b)<sup>1</sup>, which refused to accept the delayed payment of a maintenance fee for the above-referenced patent. Petitioner submitted duplicates of this submission on July 14, 2006 and July 21, 2006.

<sup>1</sup> Any petition to accept an unavoidably delayed payment of a maintenance fee filed under 37 C.F.R. §1.378(b) must include:

- (1) The required maintenance fee set forth in 37 C.F.R. §1.20 (e) through (g);
- (2) The surcharge set forth in 37 C.F.R. §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.

The request to accept the delayed payment of the maintenance fee is **DENIED**<sup>2</sup>.

#### BACKGROUND

The patent issued December 10, 1996. The grace period for paying the 7½ year maintenance fee provided in 37 C.F.R 1.362(e) expired at midnight on December 10, 2004, with no payment received. Accordingly, the patent expired on December 10, 2004 at midnight.

#### PROCEDURAL HISTORY

The original petition was submitted on November 7, 2005, along with the 7½ year maintenance fees along with the surcharge associated with the filing of a petition under the unavoidable standard, and a statement of facts. The original petition was dismissed via the mailing of a decision on February 6, 2006, as the petition was not signed. A renewed petition was submitted on March 8, 2006, and a Request for More Information was mailed on June 21, 2006.

With the present petition pursuant to 37 C.F.R. §1.378(e), Petitioner has again failed to meet the showing requirement under 37 C.F.R. §1.378(b)(3). A discussion follows.

#### **The standard**

35 U.S.C. §41(c)(1) states:

The Director may accept the payment of any maintenance fee... after the six-month grace period if the delay<sup>3</sup> is shown to the satisfaction of the Director to have been unavoidable.

§1.378(b)(3) is at issue in this case. Acceptance of a late maintenance fee under the unavoidable delay standard is considered under the same standard for reviving an abandoned application under 37 C.F.R. §1.137(a). This is a very stringent standard. Decisions on reviving abandoned applications on the basis of "unavoidable" delay have adopted the reasonably prudent person standard in determining if the delay was unavoidable:

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

<sup>3</sup> This delay includes the entire period between the due date for the fee and the filing of a grantable petition pursuant to 37 C.F.R. §1.378(b).



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<sup>4</sup>.

In addition, decisions are made on a "case-by-case basis, taking all the facts and circumstances into account." Nonetheless, a petition cannot be granted where a petitioner has failed to meet his or her burden of establishing that the delay was "unavoidable<sup>5</sup>."

An adequate showing that the delay in payment of the maintenance fee at issue was unavoidable" within the meaning of 35 U.S.C. 41(c) and 37 C.F.R. 1.378(b)(3) requires a showing of the steps taken to ensure the timely payment of the maintenance fees for this patent. Where the record fails to disclose that the patentee took reasonable steps, or discloses that the patentee took no steps, to ensure timely payment of the maintenance fee, 35 U.S.C. 41(c) and 37 C.F.R. §1.378(b)(3) preclude acceptance of the delayed payment of the maintenance fee under 37 C.F.R. 1.378(b).

A delay caused by an applicant's lack of knowledge or improper application of the patent statute, rules of practice, or the MPEP is not rendered "unavoidable" due to either the applicant's reliance upon oral advice from USPTO employees or the USPTO's failure to advise the applicant to take corrective action<sup>6</sup>.

**Portion of the Code of Federal Regulations relevant to the abandonment of this application**

37 C.F.R. § 1.362 Time for payment of maintenance fees.

(a) Maintenance fees as set forth in §§ 1.20(e) through (g) are required to be paid in all patents based on applications filed on or after December 12, 1980, except as noted in paragraph (b) of this section, to maintain a patent in force beyond 4, 8 and 12 years after the date of grant.

(b) Maintenance fees are not required for any plant patents or for any design patents. Maintenance fees are not required for a reissue patent if the patent being reissued did not require maintenance fees.

(c) The application filing dates for purposes of payment of maintenance fees are as follows:

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4 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 U.S.P.Q. 666, 167-68 (D.D.C. 1963), aff'd, 143 U.S.P.Q. 172 (D.C. Cir. 1963); Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (1913).

5 Haines, 673 F. Supp. at 316-17, 5 U.S.P.Q.2d at 1131-32.

6 See In re Sivertz, 227 USPQ 255, 256 (Comm'r Pat. 1985).



(1) For an application not claiming benefit of an earlier application, the actual United States filing date of the application.

(2) For an application claiming benefit of an earlier foreign application under 35 U.S.C. 119, the United States filing date of the application.

(3) For a continuing (continuation, division, continuation-in-part) application claiming the benefit of a prior patent application under 35 U.S.C. 120, the actual United States filing date of the continuing application.

(4) For a reissue application, including a continuing reissue application claiming the benefit of a reissue application under 35 U.S.C. 120, the United States filing date of the original non-reissue application on which the patent reissued is based.

(5) For an international application which has entered the United States as a Designated Office under 35 U.S.C. 371, the international filing date granted under Article 11(1) of the Patent Cooperation Treaty which is considered to be the United States filing date under 35 U.S.C. 363.

(d) Maintenance fees may be paid in patents without surcharge during the periods extending respectively from:

(1) 3 years through 3 years and 6 months after grant for the first maintenance fee,

(2) 7 years through 7 years and 6 months after grant for the second maintenance fee, and

(3) 11 years through 11 years and 6 months after grant for the third maintenance fee.

(e) Maintenance fees may be paid with the surcharge set forth in § 1.20(h) during the respective grace periods after:

(1) 3 years and 6 months and through the day of the 4th anniversary of the grant for the first maintenance fee.

(2) 7 years and 6 months and through the day of the 8th anniversary of the grant for the second maintenance fee, and

(3) 11 years and 6 months and through the day of the 12th anniversary of the grant for the third maintenance fee.

(f) If the last day for paying a maintenance fee without surcharge set forth in paragraph (d) of this section, or the last day for paying a maintenance fee with surcharge set forth in paragraph (e) of this section, falls on a Saturday, Sunday, or a federal holiday within the District of Columbia, the maintenance fee and any necessary surcharge may be paid under paragraph (d) or paragraph (e) respectively on the next succeeding day which is not a Saturday, Sunday, or Federal holiday.

(g) Unless the maintenance fee and any applicable surcharge is paid within the time periods set forth in paragraphs (d), (e) or (f) of this section, the patent will expire as of the end of the grace period set forth in paragraph (e) of this section. A patent which expires for the failure to pay the maintenance fee will expire at the end of the same date (anniversary date) the patent was granted in the 4th, 8th, or 12th year after grant.

(h) The periods specified in §§1.362 (d) and (e) with respect to a reissue application, including a continuing reissue application thereof, are counted from the date of grant of the original non-reissue application on which the reissued patent is based.

[49 FR 34724, Aug. 31, 1984, added effective Nov. 1, 1984; paras. (a) and (e), 56 FR 65142, Dec. 13, 1991, effective Dec. 16, 1991; paras. (c)(4) and (e) revised and para. (h) added, 58 FR 54504, Oct. 22, 1993, effective Jan. 3, 1994]



**Application of the standard to the current facts and  
circumstances**

Petitioner's explanation of the delay has been considered, and it has been determined that it fails to meet the standard for acceptance of a late payment of the maintenance fee and surcharge, as set by 35 U.S.C. 41(c) and 37 C.F.R 1.378(b)(3). The period for paying the 7½ year maintenance fee without the surcharge extended from December 10, 2003 to June 10, 2004 and for paying with the surcharge from June 11, 2004 to December 10, 2004. Thus, the delay in paying the 7½ year maintenance fee extended from December 10, 2004 at midnight to the filing of the present petition on June 25, 2006.

The renewed petition was submitted by Mr. Charles S. Guenzer, Registration Number 30,640, and set forth that payment was sent to the Office on July 7, 2004. Mr. Guenzer included a copy of the check, his postcard receipt, the maintenance fee transmittal form which contains a certificate of mailing dated July 7, 2004, and a statement from the individual who executed this certificate of mailing. Petitioner indicated that the check never cleared, and the postcard receipt was never returned to him.

The request for more information set forth a series of questions which needed to be addressed by Petitioner:

1. The expiration of this patent was discovered on July 29, 2005, and by Mr. Guenzer's admission, no action was taken to rectify this matter until several weeks before October 5, 2005. Why did Mr. Guenzer not immediately attempt to secure the revival of this patent? It would appear that a reasonably prudent and careful man would not have waited over a month before beginning to ascertain a method of correcting a problem which negatively impacted his most important business.
2. Mr. Guenzer spent these several weeks ascertaining a method to correct this matter, apparently arriving at the conclusion that the best course of action would not be to file the appropriate petition, but rather to merely submit the payment along with a letter entitled "Substitute Payment of Maintenance Fee under 37 C.F.R 1.8(b)." What did Mr. Guenzer spend these several weeks doing, in relation to this matter? If he was aware that the money was not received, why did it take him several weeks to come to the conclusion that he should submit the money?

3. It is noted that Mr. Guenzer is a registered attorney. Why did he improperly submit a payment instead of filing a petition to revive under 37 C.F.R. §1.378, when he knew that the patent had expired? It seems that a registered member of the patent bar either knew or should have known that a petition would have been required.

The response to this request for more information was submitted not by the attorney, but rather by the inventor. Why the attorney (the one individual in possession of firsthand knowledge pertaining to his actions and inactions) did not submit this response has not been made clear.

Petitioner has not addressed the second and third points above.

Regarding the first point above, Petitioner is reminded that it is the entire period of delay which must be shown to have been unavoidable<sup>7</sup>. The inventor has asserted that that the attorney was aware of the problem during the end of July and did not take any steps to rectify the matter until several weeks before October 5, 2005 due to "travel schedules." It does not appear that the inventor is in possession of firsthand knowledge of the motivations of the attorney, and as such, he cannot address the reasons behind the attorney's period of inaction.

*Assuming arguendo* that the inventor can speak for the attorney, the inventor appears to be suggesting that the attorney's travel schedule prevented him from looking into the matter sooner, as Mr. Guenzer closed his shop for an extended period of time without having made any provisions for matters to be attended to during his absence. This does not appear to be in line with the actions of a man who was acting in relation to his most important business.

Petitioner has thus alleged that it was an inaction of counsel which contributed to at least a portion of the delay herein.

The inaction of the attorney is imputed wholly to the applicant/client<sup>8</sup> in the absence of evidence that the attorney/agent has acted to deceive the client.<sup>9</sup>

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<sup>7</sup> See 37 C.F.R. §1.378.

<sup>8</sup> 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



The Office must rely on the actions or inactions of duly authorized and voluntarily chosen representatives of the applicant, and the applicant is bound by the consequences of those actions or inactions<sup>10</sup>. Specifically, petitioner's delay caused by the mistakes or negligence of his voluntarily chosen representative does not constitute unavoidable delay within the meaning of 35 U.S.C 133<sup>11</sup>.

The actions and/or inactions of the attorney are imputed to the client, for when a petitioner voluntarily chooses an attorney to represent him, the petitioner cannot later avoid the repercussions of the actions or inactions of this selected representative, for clients are bound by the acts of their lawyers/agents, and constructively possess "notice of all facts, notice of which can be charged upon the attorney<sup>12</sup>."

Moreover, Petitioner has failed to provide an enumeration of the steps taken to ensure timely payment of the maintenance fee.

Additionally, Petitioner has asserted that the cause of the delay was "due to a clerical error in either Mr. Guenzer's office, the post office, or - equally likely - in the Patent Office itself." As such, Petitioner has failed to identify the specific error which led to the delay in the submission of this maintenance fee payment.

Finally, Petitioner adds that he does not believe that Mr. Guenzer's handling of the matter was "excessively tardy." Petitioner is reminded that the burden of showing the cause of the delay is on the person seeking to revive the application<sup>13</sup>.

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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).

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).

10 Link v. Wabash, 370 U.S. 626, 633-634 (1962).

11 Haines, 673 F.Supp. at 316-17, 5 U.S.P.Q.2d at 1131-32; 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. 103, 131 (Comm'r Pat. 1891).

12 Link at 633-634.

13 Id.

### CONCLUSION

Petitioner has not addressed the majority of the issues raised in the Request for More Information. Furthermore, Petitioner has not met the requirements of 37 C.F.R. §1.378(b)(3), as discussed at length above. For the reasons set forth in this decision, Petitioner has not established that the entire period of delay was unavoidable.

The prior decision which refused to accept, under 37 C.F.R. §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 C.F.R. §1.378(b).

Since this patent will not be reinstated, the petitioner is entitled to a refund of the surcharge and the 7½ year maintenance fees, but not the \$400 fee associated with the filing of the renewed petition under 37 C.F.R. §1.378(e). The money will be refunded to Petitioner's Deposit Account in due course.

The general phone number for the Office of Petitions which should be used for status requests is (571) 272-3282. Telephone inquiries regarding this decision should be directed to Senior Attorney Paul Shanowski at (571) 272-3225.



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