



ROBERT L. BEADLES
2201 MONTHAVEN DRIVE
DURHAM NC 27712

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In re Patent No. 4,757,541	:	
Issue Date: July 12, 1988	:	
Application No. 06/936,954	:	ON PETITION
Filed: December 1, 1986	:	
For: AUDIO VISUAL SPEECH	:	
RECOGNITION	:	

This is a decision on the petition filed March 12, 1999, under 37 CFR 1.378(e) requesting reconsideration of a prior decision which refused to accept under § 1.378(c) the delayed payment of a maintenance fee for the above-identified patent.

The petition is DENIED.¹

BACKGROUND

The patent issued July 12, 1988. The first maintenance fee was paid. Accordingly, the second maintenance fee could have been paid during the period from July 12, 1995, through January 12, 1996, or with a surcharge during the period from January 13, 1996, through July 12, 1996. The patent expired at midnight July 12, 1996.

A first petition under 37 CFR 1.378(c) was filed on July 6, 1998, which is within twenty-four months after the six-month grace period, and, as such, the first petition was timely filed under the provisions of 37 CFR 1.378(c). The petition of July 6, 1998 was dismissed in the decision of January 5, 1999. The decision noted that as the petitioner stated that the subject patent was in the process of being assigned to him from Research Triangle Institute (RTI), the petition had to be presented by the party of interest at the time of expiration.

¹ This may be viewed as a final agency action within the meaning of 5 USC § 704. See MPEP 1002.02.

STATUTE AND REGULATION

35 U.S.C. § 41(c) (1) provides that:

The Commissioner may accept the payment of any maintenance fee required by subsection (b) of this section which is made within twenty-four 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. The Commissioner may require the payment of a surcharge as a condition of accepting payment of any maintenance fee after the six-month grace period. If the Commissioner accepts payment of a maintenance fee after the six-month grace period, the patent shall be considered as not having expired at the end of the grace period.

37 CFR 1.378(a) provides that:

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 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).

37 CFR 1.378(c) provides that:

(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) - (g);
- (2) The surcharge set forth in § 1.20(i) (2); and
- (3) A statement that the delay in payment of the maintenance fee was unintentional.

OPINION

The Commissioner **may** accept late payment of the maintenance fee if the delay is shown to the satisfaction of the Commissioner to have been "unintentional"; see 35 USC 41(c)(1) and its promulgating regulation 37 CFR 1.378(a). That is, the plain language of the statute permits reinstatement of an expired patent, provided the delay in payment of the maintenance fee was "unintentional." See Centigram Communication Corp. v. Lehman, 862 F.Supp. 113, 118, 32 USPQ2d 1346, 1350 (E.D. Va. 1994), *appeal dismissed*, 47 F.3d 1180 (Fed. Cir. 1995). Nevertheless, the congressional intent is that PTO acceptance of a delayed maintenance fee is discretionary, and contingent upon a showing satisfactory to the Commissioner, that the delay was "unintentional." Id. at 116, 32 USPQ2d at 1348.

Petitioner requests reconsideration in that RTI, the assignee of his entire interest at the time the patent expired, had not informed petitioner, by way of an offer by RTI to assign the patent back to petitioner, that RTI had decided to permit the above-noted patent to lapse. Petitioner asserts that the communication from RTI "is believed to have been mailed to the wrong address." As such, petitioner asserts, the delay in payment was unintentional.

Petitioner has failed to meet his burden of establishing that the delay in payment of the maintenance fee was unintentional within the meaning of 35 USC 41(c)(1) and 37 CFR 1.378(a) and(c).

Inspection of PTO assignments records reveals the PTO on November 10, 1981, recorded at reel 3945, frame 953, petitioner's assignment executed November 9, 1981 of his entire right, title, and interest in parent application No. 06/320,120 filed November 10, 1981, to RTI. The assignment, by way of two intervening continuing applications carried to the above-identified application. See MPEP 306. In due course, the above-identified patent issued to the assignee as provided by 35 USC 152.

Thus, the showing of record is that the delay resulting in the expiration of this patent is due to an intentional decision by the responsible party of interest, i.e., RTI, to not continue this patent in force, but rather, to permit the expiration of the patent by deliberately withholding the maintenance fee. This course of action, deliberately chosen, cannot reasonably be considered to have been unintentional within the meaning of 35 U.S.C. § 41(c)(1) and 37 CFR 1.378(c).

When the issue of reinstatement is addressed, the focus must be on the rights of the parties as of the time of expiration. See

Kim v. Ouigg, 718 F.Supp. 1280, 1284, 12 USPQ2d 1604, 1607 (E.D. Va. 1989). An assignment of the entire right, title, and interest, passes both legal and equitable title. See, Wende v. Horine, 191 F. 620, 621 (C.C.N.D. Ill. 1911). Petitioner, as the assignor of his entire interest, could not insist that the maintenance fee be paid by RTI or any other party; RTI was free to deal with the patent as RTI willed. See Garfield v. Western Electric Co., 298 F.659 (S.D.N.Y. 1924). The showing of record is that, when the maintenance fee was due, RTI decided that there was no compelling reason to continue this patent in force. See assignment of RTI to patentee bearing the date March 4, 1999, submitted with the instant petition. That is, RTI deliberately withheld the maintenance fee, and intended that patent would expire. This patent did expire as a result of RTI's deliberate decision.

A delay caused by the deliberate decision not to take appropriate action within a statutorily prescribed period does not constitute an unintentional delay within the meaning of 35 U.S.C. § 41. In re Application of G, 11 USPQ2d 1378, 1380 (Comm'r Pat. 1989). Such intentional action or inaction precludes a finding of unintentional delay. In re Maldaque, 10 USPQ2d 1477, 1478 (Comm'r Pat. 1988). As such, delay resulting from RTI's deliberate decision not to pay the maintenance fee is not unintentional delay within the meaning of 35 USC 41(c) and 37 CFR 1.378(c).

Petitioner asserts that subsequent to the expiration of the patent, petitioner acquired the entire right, title, and interest by way of the aforementioned assignment from RTI, and further, that the delay on the part of petitioner was unintentional. Nevertheless, petitioner's actions subsequent to expiration of the patent are immaterial to the question of the delay during the year that the maintenance fee could have been paid herein. Kim, supra. It follows that it is immaterial to the delay during the time the patent was in force, that petitioner may have been unaware of, or would not have acquiesced to, RTI's actions or inactions. Kim, supra. That is, it is immaterial to the delay herein that petitioner may not have received notice from RTI that RTI did not intend to pay the maintenance fee. Id. Whatever agreements may have been in effect between petitioner and RTI regarding RTI's intentions with respect to this patent and obligations to petitioner are immaterial to, and cannot change the nature of, the delay resulting from RTI's decision not to pay the maintenance fee. Further in this regard, the PTO is not the proper forum for resolving disputes between parties involving the expiration of a patent due to non-payment of maintenance fees. See Ray v. Lehman, 55 F.3d 606, 609, 34 USPQ2d 1786, 1789 (Fed. Cir. 1995). That petitioner, upon his acquisition of his rights in the patent, may have acted with dispatch, is immaterial to,

and does not overcome, the delay attributable to the deliberate actions or inactions of RTI. Kim, Id.

Petitioner, as successor in title subsequent to expiration of the above-identified patent, remains bound by the decisions, actions, or inactions, of RTI, including the decisions, actions, or inactions, which resulted in the deliberate withholding of the timely payment of the maintenance fees for this patent. See, Winkler v. Ladd, 221 F. Supp 550, 552, 138 USPQ 666, 667 (D.D.C. 1963).

DECISION

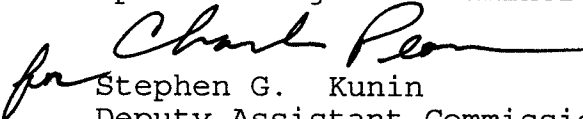
The instant petition under 37 CFR 1.378(e) is granted to the extent that the decision of January 5, 1999 has been reconsidered. However, for the reasons given above, the delay in this case has not been shown to have been unintentional within the meaning of 35 USC 41(c)(1) and 37 CFR 1.378(c). Accordingly, the petition to accept under 37 CFR 1.378(c) the delayed payment of a maintenance fee and reinstate the above-identified patent is **DENIED**.

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

Since the above-identified patent will not be reinstated, the \$1050 maintenance fee, \$1640 post expiration surcharge, and \$130 pre-expiration surcharge submitted by petitioner, for a total of \$2820, will be refunded by Treasury Check in due course. The \$130 fee for requesting reconsideration is not refundable.

This patent file is being forwarded to the Files Repository.

Telephone inquiries concerning this matter may be directed to Special Projects Examiner Brian Hearn at (703) 305-1820.


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

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