



UNITED STATES PATENT AND TRADEMARK OFFICE

Commissioner for Patents
United States Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450
www.uspto.gov

MEYERTONS HOOD KIVLIN KOWERT & GOETZEL PC
PO BOX 398
AUSTIN TX 78767-0398

MAILED

JUL 31 2009

OFFICE OF PETITIONS

In re Patent No. 5,590,911 :
Issue Date: January 7, 1997 :
Application No. 08/565,233 : DECISION ON PETITION
Filed: November 30, 1995 :
Title: Event Planning System :

This is a decision on the "REQUEST FOR RECONSIDERATION OF PETITION TO REVIVE AN UNAVOIDABLY ABANDONED [sic: EXPIRED] PATENT", filed April 17, 2009, to accept the unavoidably delayed payment of a maintenance fee for the above-identified patent.

The petition is **DENIED**. This decision is a final agency action within the meaning of 5 U.S.C. § 704 for purposes of seeking judicial review. See MPEP 1002.02.

Procedural History:

- The above-identified patent issued on January 7, 1997.
- The second maintenance fee could have been timely paid during the period from January 7, 2004 through July 7, 2004, or with a late payment surcharge during the period from July 8, 2004 through January 7, 2005.
- No maintenance fee was received, and as such, the patent expired on January 8, 2005.
- The 2 year time period for filing a petition under 37 C.F.R. § 1.378(c) expired on January 7, 2007.
- Patentee filed a petition to reinstate under 37 C.F.R. § 1.378(b) on October 3, 2007.
- The petition was dismissed in a decision mailed on January 4, 2008.
- Patentee filed a request for reconsideration on March 7, 2008.

- The request for reconsideration was granted in a decision mailed on November 10, 2008.
- The November 10, 2008 decision was vacated in a Request for Information mailed on February 18, 2009. The Request for Information asked patentee to explain her diligence during the period from January 8, 2005 up until the events of Hurricane Katrina - roughly August of 2005.

Evidence Presented on Petition:

A review of the petition and renewed petition reveals the following events giving rise to petitioner's assertion of unavoidable delay. Petitioner Linda Wilson enlisted the services of an invention assistance company, Universal Consulting Services (hereinafter "UCS") and their patent attorney, Joseph Beaux to obtain the instant patent and provide maintenance fee notifications. UCS and/or Beaux sent Wilson a reminder regarding the first maintenance fee, and the first maintenance fee was timely paid. However, Wilson never received a reminder regarding payment of the second maintenance fee, and the patent expired on January 8, 2005. At that time, Wilson was in the process of adopting two children. Wilson was not married, working a full time job, and in charge of caring for the two children while the adoption was undergoing review and completion. The adoption process involved numerous training classes, background checks, and interviews with social workers. Moreover, the children required special attention - one for a learning disability, the other for a medical condition. As stated by petitioner:

[t]his overwhelming change in her personal life forced Ms. Wilson to put aside her plans to develop her business based on the products described and claimed in the above-referenced patent. Her extremely busy life during the period of January 2005 - August 2005, including caring for and adopting two children with learning disabilities and serious medical complications, made it difficult to focus on business matters.

Wilson "regrouped" after adjusting to the changes of adopting two children, and shortly before Hurricane Katrina struck, contacted the USPTO, at which time she learned that the second maintenance fee was past due and that the patent had expired. Before she could take appropriate action to reinstate the patent, Wilson was forced to evacuate New Orleans due to Hurricane Katrina, which caused considerable damage to her home.

Relevant Statutes, Rules and Regulations:

35 U.S.C. § 41(c)(1) states that:

The Director 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 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. The Director 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 Director 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 C.F.R. § 1.378(b) provides that:

Any petition to accept an unavoidably delayed payment of a maintenance fee 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.

Opinion:

§ 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 35 U.S.C. § 133. 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:

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. In re Mattullath, 38 App. D.C. 497, 514-15 (1912) (quoting Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (1887)); see also Winkler v. Ladd, 221 F. Supp. 550, 552, 138 USPQ 666, 667-68 (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).

Moreover, delay resulting from the lack of knowledge or improper application of the patent statutes, rules of practice or the Manual of Patent Examining Procedure, however, does not constitute "unavoidable" delay. See id.; 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).

35 U.S.C. § 41(c)(1) does not require an affirmative finding that the delay was avoidable, but only an explanation as to why the petitioner has failed to carry his or her burden to establish that the delay was unavoidable. D.C. Commissariat A. L'Energie Atomique v. Watson, 274 F.2d 594, 597, 124 USPQ 126, 128 (D.C. Cir. 1960) (35 U.S.C. 133 does not require the Commissioner to affirmatively find that the delay was avoidable, but only to explain why the applicant's petition was unavailing). Petitioner is reminded that it is the patentee's burden under the statutes and regulations to make a showing to the satisfaction of the Commissioner that the delay in payment of a maintenance fee is unavoidable. See Rydeen v. Quigg, 748 F. Supp. 900, 16 USPQ2d 1876 (D.D.C. 1990), aff'd 937 F.2d 623 (Fed. Cir. 1991) (table), cert. denied, 502 U.S. 1075 (1992); Ray v. Lehman, supra.

As 35 U.S.C. § 41(b) requires the payment of fees at specified intervals to maintain a patent in force, rather than some response to a specific action by the Office under 35 U.S.C. § 133, a reasonably prudent person in the exercise of due care and diligence would have taken steps to ensure the timely payment of such maintenance fees. Ray v. Lehman, 55 F.3d 606, 609, 34 USPQ2d 1786, 1788 (Fed. Cir. 1995). That is, an adequate showing that the delay in payment of the maintenance fee as issue was "unavoidable" within the meaning of 35 U.S.C. 41(c) and 37 CFR 1.378(b)(3) requires a showing of the steps taken by the responsible party to ensure the timely payment of the maintenance fee for this patent. Id.

Petitioner's arguments have been carefully considered. However, it is determined that petitioner has not shown that she treated the instant patent as her "most important business" during the period from January 2005 to August 2005. The evidence supports that petitioner was occupied with other matters during this period. While it is unfortunate that petitioner did not receive a maintenance fee reminder from UCS like she had contracted for, petitioner's recourse, if any, lies against UCS and/or Breaux.

Reliance by petitioner on UCS and/or Breaux to receive a maintenance reminder *per se* does not provide petitioner with a showing of unavoidable delay within the meaning of 37 CFR 1.378(b) and 35 USC 41(c). California Medical Products v. Technol Med. Prod., 921 F.Supp. 1219, 1259 (D.Del. 1995). Rather, such reliance merely shifts the focus of the inquiry from petitioner to whether UCS and/or Breaux acted reasonably and prudently. Id. Nevertheless, petitioner is bound by any errors that may have been committed by petitioner's representative. Id. Here, there has been no showing of UCS's or petitioner's system for tracking and paying maintenance fees. There has been no showing that adequate steps were in place to ensure timely payment of the maintenance fee. If UCS and/or Breaux breached their duty to docket the instant patent for payment of the second maintenance

fee, and/or appropriately notify petitioner of an impending maintenance fee due date, then petitioner is reminded that the 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. Link v. Wabash, 370 U.S. 626, 633-34 (1962). 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 USC 133. Haines v. Quigg, 673 F. Supp. at 317; 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).

Furthermore, notice of the maintenance fee schedule is given to all patentees on the front inside cover of the letters patent. Therefore, a prudent and careful person in relation to her most important business is expected to know the schedule for paying maintenance fees. The lack of any billing from UCS and/or Beaux to Wilson regarding the second maintenance fee would have prompted a prudent person to make sooner inquiry of the status of the patent and fee payment from UCS and/or Beaux, or even the USPTO.

The record does not support a finding of unavoidable delay, as petitioner has not shown adequate diligence in this matter. That is, a showing of diligence in matters before the USPTO on the part of the party in interest is essential to support a finding of unavoidable delay herein. See Futures Technology, Ltd. V. Quigg, 684 F. Supp. 430, 431, 7 USPQ2d 1588 (E.D. Va. 1988) (applicant's diligent inquiries into the status of the application coupled with affirmative misrepresentations by its fiduciary as to its true status which prevented more timely action showed unavoidable delay); Douglas v. Manbeck, 21 USPQ2d 1697, 1699-1700 (E.D. Pa. 1991), aff'd 975 F.2d 869, 24 USPQ2d 1318 (Fed. Cir. 1992) (even representation by counsel does not relieve the applicant from his obligation to exercise diligence before the USPTO; applicant's lack of diligence extending two and one half years overcame and superseded any omissions by his duly appointed representative); R.R. Donnelley & Sons v. Dickinson, 123 F. Supp.2d 456, 460, 57 USPQ2d 1244 (N.D. Ill. 2000) (failure of patent owner to itself track or obligate another to track the maintenance fee and its failure to exercise diligence for a period of seven years, precluded acceptance of the maintenance fee); MMTC v. Rogan, 369 F.Supp2d 675 (E.D. Va 2004) (passive reliance on reminder notice resulting in failure to take any steps to ensure payment of the maintenance fee is not unavoidable delay); Femspec v. Dudas, 2007 U.S. Dist. LEXIS 8482 (N.D. Ca 2007) (lack of any steps in place to maintain patent in force by estate executor unfamiliar with patent law is not unavoidable delay); Burandt v. Dudas, supra (delay not unavoidable where no steps shown to be employed to remind responsible party to timely pay maintenance fees, no inquiry by patent holder of responsible party or Patent and Trademark Office as to whether maintenance fees would, or already had been paid). See also Rictmann v. Dudas, 88 USPQ2d 1452 (D. Minn 2008).

Petitioner has not demonstrated diligence in seeking reinstatement of the patent during the period from January 2005 until August 2005, but a preoccupation with other matters.

Petitioner has not provided any evidence that would suggest an opposite conclusion. Accordingly, it is considered that petitioner has not carried the burden of proof.

Conclusion:

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, however, 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). As stated in 37 C.F.R. § 1.378(e), no further reconsideration or review of this matter will be undertaken.

Since this patent will not be reinstated, the \$1180 maintenance fee and the \$700 surcharge fee submitted by petitioner are being refunded under to petitioner under separate cover. The \$400 fee for reconsideration is not subject to refund.

Telephone inquiries concerning this communication should be directed to Petitions Attorney Cliff Congo at (571)272-3207.



Charles Pearson
Director
Office of Petitions