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OFFICE OF PETITIONS

In re Patent No. 5,956,917 :
Issue Date: 09/28/1999 :
Application Number: 09/005,282 : ON PETITION
Filing Date: 01/09/1998 :
Attorney Docket Number: :
31969/HAC/T1 :

This is a decision on the petition under 37 CFR 1.378(e), filed on December 16, 2010, requesting reconsideration of a prior decision which refused to accept under 37 CFR 1.378(b)¹ 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

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

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.

BACKGROUND

The patent issued on September 28, 1999. The first maintenance fee was timely paid. The second maintenance fee could have been paid during the period from September 28, 2006, through March 28, 2007, or, with a surcharge, during the period from March 29 through September 28, 2007. The patent expired at midnight on September 28, 2007, for failure to timely pay the second maintenance fee.

On August 11, 2010, a petition under 37 CFR 1.378(b) was filed. The petition was dismissed on November 2, 2010. On December 16, 2010, the present request for reconsideration under 37 CFR 1.378(e) was filed.

STATUTE AND REGULATION

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...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 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 under 35 U.S.C. § 41(c) and 37 CFR 1.378(b) if the delay is shown to the satisfaction of the Director to have been "unavoidable."³

³35 U.S.C. § 41(c)(1).

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").⁴ Decisions reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable.⁵ 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.⁶

As 35 U.S.C. § 41(c) 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.⁷ That is, an adequate showing that the delay 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 to ensure the timely payment of the maintenance fees for this patent.⁸

⁴ 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)).

⁵ 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").

⁶ 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, 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).

⁷ Ray, 55 F.3d at 609, 34 USPQ2d at 1788.

⁸ Id.

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.⁹ 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 Director that the delay in payment of a maintenance fee is unavoidable.¹⁰

As 35 USC § 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 USC § 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.¹¹ That is, 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 CFR 1.378(b)(3) requires a showing of the steps taken by the responsible party to ensure the timely payment of the second maintenance fee for this patent.¹²

Petitioner, inventor Glenn Reynolds (hereinafter "Reynolds"), again asserts unavoidable delay in that his registered patent practitioner, Leonard Tachner, mailed Reynolds a letter reminding him (Reynolds) of the need to pay the maintenance fee, but that Reynolds did not receive the letter. Consequently, the maintenance fee was not paid.

Petitioner asserts that the system used by Tachner to inform his clients that maintenance fees were due "was a reasonable and prudent method given the work load and number of such payments ... being made by the Tachner office on a regular basis."

The showing of record has again been considered, but remains unpersuasive.

⁹ See Commissariat A. L'Energie Atomique v. Watson, 274 F.2d 594, 597, 124 USPQ 126, 128 (D.C. Cir. 1960).

¹⁰ 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.

¹¹ Ray, 55 F.3d at 609, 34 USPQ2d at 1788.

¹² Id.

It is noted that petitioner has included a declaration from Tachner, stating, in part, that "the only cost effective way to obtain on average 35 to 40 written client authorizations each month, was to send out a form letter to the client's last known address seeking "yes or no" instructions from the client in regard to payment of the annuity or maintenance fee. Tachner further states that such a letter was mailed to Reynolds, but that Reynolds "apparently did not realize that such a letter had been sent."

The showing of record has been carefully considered, but is not persuasive. The showing of record is simply that Tachner mailed a letter to Reynolds asking whether or not the maintenance fee was to be paid. Reynolds has no recollection of receiving said letter. In the absence of a response, Tachner did not pay the maintenance fee.

A showing of unavoidable delay requires that the failure of communication be consistent with the degree of care to be exercised by a reasonably prudent person.¹³ In this case, the sole communication is the letter sent by Tachner asking Reynolds whether or not the maintenance fee should be paid, which, in the absence of a response, was construed as a request not to pay the maintenance fee. Here, a failure of communication occurred because Reynolds' intention to pay the maintenance fee was not clearly conveyed to Tachner. A "failure of communication" which occurs because a party fails to clearly communicate their intentions does not constitute unavoidable delay.¹⁴ Petitioner has not established that Tachner was entirely incapable of interaction or otherwise communicating with petitioner from the date the second maintenance fee was first due until the date the subject petition was filed. Both petitioner and petitioner's representative, Tachner, were aware of the need to diligently schedule and pay the maintenance fee. The record indicates that petitioner was aware that the maintenance fee was due from the date of issuance of the patent.

In this regard, petitioner reminds bound by the decisions, actions, or inactions, of Tachner, including the decision, actions, or inactions, which resulted in the lack of timely payment of the maintenance fees for this patent.¹⁵ Specifically, while petitioner chose to rely upon Tachner, such reliance *per se* does not provide petitioner with a showing of unavoidable delay

¹³ See In re Kim, 12 USPQ2d 1595, 1603 (Comm'r Pat. 1988).

¹⁴ Id., quoting Ex Parte Wright, Gour. 84:16 (Comm'r Pat. 1889).

¹⁵ See Winkler v. Ladd, 221 F.Supp 550, 552, 138 USPQ 666, 67 (D.D.C. 1963).

within the meaning of 37 CFR 1.378(b) and 35 USC 41(c).¹⁶ Rather, such reliance merely shifts the focus of the inquiry from petitioner to whether Tachner acted reasonably and prudently.¹⁷ Nevertheless, petitioner is bound by any errors that may have been committed by Tachner.¹⁸ The record fails to show that petitioner or petitioner's representative took adequate steps to ensure timely payment of the maintenance fee.¹⁹

Still further, the showing of record is that Reynolds has not treated this matter with the level of care commensurate with a reasonably prudent person acting with regard to his most important business inasmuch as he failed to track and respond to Tachner's letter. Reynolds has not shown that the letter from Tachner was not received. A patentee acting with the level of care of a reasonable prudent person acting with regard to his most important business would ensure that correspondence from patent counsel concerning payment of maintenance fees was received and responded to in a timely manner. The mere fact that Reynolds has no recollection of the receipt of Tachner's letter does not make the delay unavoidable.

In this regard, 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 USC 41(c) and 37 CFR 1.378(b).²⁰ Moreover, the Office is not the proper forum for resolving a dispute as to the effectiveness of communications between the parties regarding the responsibility for payment a maintenance fee.²¹

As petitioner has not shown that the standard of care observed by a reasonable person in the conduct of his or her most important business has been exercised, the petition is **DENIED**.²²

CONCLUSION

¹⁶ See California Medical Products v. Tecnol Med. Prod., 921 F.Supp 1219, 1259 (D.Del. 1995).

¹⁷ Id.

¹⁸ California, Id.

¹⁹ See In re Patent No. 4,461,759, 16 USPQ2d 1883, 1884 (Comm'r Pat. 1990).

²⁰ See Ray, at 610, 34 USPQ2d at 1789.

²¹ Id.

²² See Note 6, supra.

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 to counsel's deposit account. The \$400.00 fee for reconsideration will not be refunded, and 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.

The address in the petition is different than the correspondence address. A courtesy copy of this decision is being mailed to the address in the petition. All future correspondence, however, will be mailed solely to the address of record. A change of correspondence address must be filed if the correspondence address needs to be updated.

The patent file is being returned to Files Repository.

Telephone inquiries should be directed to Senior Petitions Attorney Douglas I. Wood at 571-272-3231.



Anthony Knight
Director, Office of Petitions

Cc:

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