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In re Patent No. 6,308,649 : OFFICE OF PETITIONS
Issue Date: 30 October, 2001 :
Application Number: 09/482,142 :
Filing Date: 12 January, 2000 : ON PETITION
Attorney Docket No.: GED9901U/(None) :

This is a decision on the petition filed on 3 November 2009, properly treated as a petition pursuant to 37 C.F.R. §1.378(e) requesting acceptance of payment of a maintenance fee for the above-referenced patent as having been delayed due to unavoidable delay.

The petition pursuant to 37 C.F.R. §1.378(e) is **DENIED**;

A petition to accept the delayed payment of a maintenance fee under 35 U.S.C. §41(c) and 37 C.F.R. §1.378(b) must be accompanied by:

- (1) an adequate showing that the delay was unavoidable, since reasonable care was taken to ensure that the maintenance fee would be paid timely;
- (2) payment of the appropriate maintenance fee, unless previously submitted; and
- (3) payment of the surcharge set forth in 37 C.F.R. §1.20(i)(1).

The instant petition fails to satisfy the showing requirement (1) described above.

BACKGROUND

The patent issued on 30 October 2001. The first maintenance fee could have been paid during the period from 30 October 2004, through 30 April 2005, or, with a surcharge, during the period from 1 May 2005, through 30 October 2005. Accordingly, the patent expired after midnight 30 October 2005, for failure to pay timely the first maintenance fee.

The original petition under 37 C.F.R. §1.378(b) was filed on 9 March 2009, and dismissed on 3 June 2009. Furthermore, because the petition was submitted by the Patentee Steven A. Gedeon (Mr. Gedeon), *pro se*, and not by Counsel, and the address on the petition was other than that of

record, a copy of the decision was also mailed as a courtesy to Mr. Gedeon's address on the petition.

The instant petition was filed on 3 November 2009. (The applicable fees were charged to Deposit Account 50-0417 as authorized.)

Petitioner John R. Fuisz (Reg. No. 37,327) stated therein, *inter alia*, that the:

... dismissal of the [original] Petition appears to be founded on the assumption that Applicant Steven A. Gedeon assumed *pro se* responsibility for this patent and did not submit the above patent for inclusion in a system that would allow it to be calendared, tracked and monitored. This was simply not the case. *** Applicant Gedeon never assumed *pro se* maintenance of the above patent. In fact, until this paper the above patent and its attendant files has (sic) always been in the care and custody of prior counsel James J. Leary and the GSS Law Group.

These and other statements are at odds with the original petition submitted by Mr. Gedeon. Mr. Gedeon averred in his petition of 9 March 2009 that "[Following the patent's issue in 2001 ... in June 2002], for family reasons Mr. Leary decided to close down his patent practice, then operating as Leary & Associates".

Further, Petitioner's suggestion that the decision of 3 June 2009, was "founded on the assumption that Applicant [sic: Patentee] Steven A. Gedeon assumed *pro se* responsibility for this patent and did not submit the above patent for inclusion in a system that would allow it to be calendared, tracked and monitored" is understood. However, whether Mr. Gedeon was personally tracking and paying maintenance fees or had engaged another to do so does not determine the outcome of the case, since the burden was ultimately Mr. Gedeon's. The use of a third party to track and pay the maintenance fee merely shifts the burden.

Mr. Gedeon acknowledged in his original petition that he did not track the maintenance fee payment dates; and as discussed below, Petitioner herein expressly acknowledged that former Counsel failed to do so as well. Further, there is nothing in the record to establish that GSS Law Group had the instant patent entered into their system for tracking due dates for payment of maintenance fees. These facts are inconsistent with the requirements under the Rule.

A petition to accept the delayed payment of a maintenance fee pursuant to 35 U.S.C. §41(c) and 37 C.F.R. §1.378(b) must be accompanied by:

- (1) an adequate showing that the delay was unavoidable, since reasonable care was taken to ensure that the maintenance fee would be paid timely;

- (2) payment of the appropriate maintenance fee, unless previously submitted; and
- (3) payment of the surcharge set forth in 37 C.F.R. §1.20(i)(1).

The instant petition fails to satisfy the showing requirement (1) described above.

As with the original petition, this petition lacks: an adequate 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, as set forth above.

STATUTE AND REGULATION

The grant of authority at 35 U.S.C. §41(c)(1) provides 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.

The regulations 37 C.F.R. §1.378(b)(3) thus set forth 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. (Emphasis supplied.)

Patent holders, not the Office, are responsible for ensuring timely payment of maintenance fees. The Office has no responsibility for notifying patent holders of maintenance fee payment due dates. The Commentary at MPEP §2590 provides in pertinent part:

In view of the requirement to enumerate the steps taken to ensure timely payment of the maintenance fee, the patentee's lack of knowledge of the need to pay the maintenance fee and the failure to receive the Maintenance Fee Reminder do not constitute unavoidable delay. See *Patent No. 4,409,763, supra*. See also Final Rule entitled "Final Rules for Patent Maintenance Fees," published in the *Federal Register* at 49 *Fed. Reg.* 34716, 34722-23 (August 31, 1984), and republished in

the *Official Gazette* at 1046 *Off. Gaz. Pat. Office* 28, 34 (September 25, 1984). Under the statutes and rules, the Office has no duty to notify patentees of the requirement to pay maintenance fees or to notify patentees when the maintenance fees are due. It is solely the responsibility of the patentee to assure that the maintenance fee is timely paid to prevent expiration of the patent. The lack of knowledge of the requirement to pay a maintenance fee and the failure to receive the Maintenance Fee Reminder will not shift the burden of monitoring the time for paying a maintenance fee from the patentee to the Office. (Emphasis supplied.)

OPINION

The Director may accept late payment of the maintenance fee under 35 U.S.C. §41(c) and 37 C.F.R. §1.378(b) if the delay is shown to the satisfaction of the Director to have been “unavoidable.”

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 the identical language, i.e., “unavoidable” delay. *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. 1988)). Decisions reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable. *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 man 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). 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 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. *Haines v. Quigg*, 673 F. Supp. 314, 5 USPQ2d 1130 (N.D. Ind. 1987).

In essence, Petitioner must show that he was aware of the need to pay the maintenance fee, and to that end was tracking it, or had engaged someone to track it before the expiration, but when the fee came due, was “unavoidably” prevented from making the maintenance fee payment until the petition was filed. In determining whether a delay in paying a maintenance fee was unavoidable, one looks to whether the party responsible for payment of the maintenance fee exercised the due care of a reasonably prudent person. *Ray*, 55 F3d at 608-609, 34 USPQ2D at 1787. It is incumbent upon the patent owner to implement steps to schedule and pay the fee, or obligate another to do so. *See: California Medical Products v. Technol. Med. Prod.*, 921 F.Supp 1219, 1259 (D. Del. 1995). The regulations at 37 C.F.R. §1.378(b)(3) require a showing of the steps in

place to pay the maintenance fee, and the record currently lacks a showing that any steps were emplaced by Petitioner or anyone else.

In the absence of a showing that a Petitioner or anyone else was engaged in tracking the maintenance fee due dates, and that party had in fact been tracking the due dates with a reliable tracking system, such as would be used by prudent and careful persons in relation to their most important business, a Petitioner cannot reasonably show that the delay was unavoidable delay. *In re Katrapat*, 6 USPQ2d 1863, 1867-1868 (Comm'r Pat. 1988); California, *supra*. Put otherwise, other issues are immaterial in the absence of a showing that these, and not the lack of any steps in place to pay the fee, caused or contributed to the delay. *See: Ex parte Murray*, 1891 Dec. Comm'r Pat. 130, 131 (1891).

Submitted on Original Petition

Petitioner Steven A. Gedeon (Petitioner) submitted, *pro se*, the original petition pursuant to 37 C.F.R. §1.378(b).

On the original petition, Mr. Gedeon's showing was that: Mr. Gedeon had no system for tracking intellectual property matters and, potentially, for paying maintenance fees for himself—i.e., patents in his name such as the instant patent.

Further, while the GSS Law Group might have had in place a system for tracking intellectual property matters and, potentially, for paying maintenance fees for clients, Mr. Gedeon's statement clearly demonstrated that the instant patent was not one of those items placed in the GSS Law Group database to be tracked, so that the GSS Law Group would pay maintenance fees for the instant patent before its expiration. Thus, there was no indication that Petitioner or GSS Law Group tracked the instant patent in order to pay the maintenance fee before its expiration.

The showing was not of an incidence of a simple system failure—rather, the showing was Mr. Gedeon did not have the matter included into any system—his own or that of GSS Law Group—for support of the maintenance of the instant patent. The showing presented on initial petition failed to satisfy the showing required to establish unavoidable delay within the meaning of 37 C.F.R. §1.378(b).

Submitted on Request for Reconsideration

The entirety of the petition for reconsideration, including supporting documents, consisted of:

- Petitioner's three-and-one-half-page petition;
- Mr. Gedeon's one-and-one-half-page declaration; and

- Former Counsel Mr. Leary's two-and-three-quarter-page declaration.

Once more, Mr. Gedeon stated that he did not have a system for tracking maintenance fee payments for the instant patent; and neither prior Counsel Mr. Leary, nor his by-then-dissolved firm Leary & Associates, nor GSS Law Group had the instant patent entered into a system for tracking the maintenance fee due dates for the instant patent.

Further, prior Counsel Mr. Leary confirmed that neither he, nor his by-then-dissolved firm Leary & Associates, nor GSS Law Group had the instant patent entered into a system for tracking the maintenance fee due dates for the instant patent.

The provisions of 35 U.S.C. §41(c)(1) do 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. See *Commissariat A. L'Energie Atomique v. Watson*, 274 F.2d 594, 597, 124 USPQ 126, 128 (D.C. Cir. 1960). The provisions of 35 U.S.C. §133 do 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. 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*. Petitioner has not carried the burden.

Because 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*, 55 F.3d at 609, 34 USPQ2d at 1788. 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 C.F.R. §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.*

There are three periods to be considered during the evaluation of a petition under 37 C.F.R. §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 reinstate the patent; and
- (3) The delay in filing a grantable petition pursuant to §1.378(b) to reinstate the patent.

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

The showing of record is not persuasive with regards to the delay in reply that originally resulted in expiration or as to the filing of the initial petition (Items 1 and 2), or as to the delay in filing a grantable petition (Item 3).

The showing of record is that, rather than unavoidable delay, neither Patentee, nor prior Counsel, nor GSS Law Group nor any other firm properly docketed or otherwise scheduled the payment of the maintenance fee prior to 30 October, 2005. The lack of the patent being docketed for payment of the maintenance fee resulted in the failure to timely pay the maintenance fee in the present patent which does not constitute unavoidable delay. See *Smith v. Mossinghoff*, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982). The record fails to adequately evidence that they exercised the due care and diligence observed by prudent and careful persons, in relation to their most important business, which is necessary to establish unavoidable delay. *Pratt, supra*.

It appears that the failure to pay the maintenance fee was caused by either a:

- Miscommunication, or
- Mis-appreciation of what was known and/or understood what the applicable statutes and rules required, or
- Misunderstanding as to who had responsibility for tracking and paying the maintenance fee.

The failure in communications between Mr. Gedeon and Mr. Leary and the GSS Law Group was unfortunate. However, it is not unavoidable delay. As stated in *In re Kim*, 12 USPQ2d 1595, 1603 (Comm'r Pat 1988):

A "failure of communication" which occurs because a party fails to clearly communicate their intentions does not constitute unavoidable delay. See, *Ex Parte Wright*, 1 Gour. 84:16 (Comm'r Pat. Nov. 23, 1889),

Delay resulting from a lack of proper communication between a patentee and that patentee's representative as to the responsibility for scheduling and payment of a maintenance fee does not constitute unavoidable delay within the meaning of 35 USC 41(c) and 37 CFR 1.378(b). See *In re Kim*, 12 USPQ2d 1595 (Comm'r Pat. 1988). Specifically, delay resulting from a failure in communication between a registered practitioner and his client regarding a maintenance fee payment is not unavoidable delay within the meaning of 35 USC 41(c) and 37 CFR 1.378(b). *Ray, Id.* That both parties failed to take adequate steps to ensure that each fully understood the

other party's meaning, and thus, their own obligations in this matter, does not reflect the due care and diligence of prudent and careful persons with respect to their most important business.

The record fails to disclose that Patentee, or prior Counsel, or the GSS Law Group or any one else took reasonable steps to ensure timely payment of the maintenance fee for the instant patent. In fact, the record indicates that no steps were taken by Patentee, Mr. Leary or any one else to ensure timely payment of the maintenance fee. Since no steps were taken by patentee or his representative, the provisions of 37 CFR 1.378(b) precludes acceptance of the delayed payment of the maintenance fee due to unavoidable delay. The Office is unable to grant the requested relief because Petitioner has not provided a showing that the delay was unavoidable.

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, Petitioner has not carried the burden of showing that the delay in this case was unavoidable within the meaning of 35 U.S.C. §41(c)(1) and 37 C.F.R. §1.378(b).

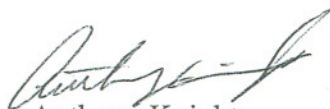
The petition under 37 C.F.R. §1.378(e) is **denied**.

As stated in 37 C.F.R. §1.378(e), no further reconsideration or review of the decision refusing to accept the delayed payment of the maintenance fee will be undertaken.

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.)

Since this patent will not be reinstated, a refund check covering, the maintenance fee and surcharge fee, less the \$400.00 fee for the present request for reconsideration, has been scheduled.

Telephone inquiries regarding this decision should be directed to John J. Gillon, Jr., attorney, at 571-272-3214.



Anthony Knight
Director
Office of Petitions