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OFFICE OF PETITIONS

In re Patent of Helting et al. :
Patent No. 5,470,720 :
Application No. 08/049,531 :
Filed: April 20, 1993 :
Issued: November 28, 1995 :
For: HIV ANTIBODY ASSAYS COMPRISING :
P24-GP41 CHIMERIC ANTIGENS :

Decision on Petition

This is a decision on the renewed petition under 37 CFR § 1.378(e), filed May 14, 2003, to reinstate the above-identified patent.

The petition is **DENIED**.¹

Since this patent will not be reinstated, maintenance fees and surcharges submitted by petitioner will be scheduled for a refund. The \$130 fee for requesting reconsideration is not refundable. Therefore the Office will refund \$1,140.

Background

The 3.5 year maintenance fee for the instant patent could have been paid from November 28, 1998 through May 28, 1999, or with a surcharge during the period from May 29, 1999, to November 28, 1999. Petitioner did not do so. Accordingly, the patent expired November 29, 1999.

A petition under 35 USC 41(c)(1) and 37 CFR 1.378(b) was filed November 25, 2002, and was dismissed in the decision of January 13, 2003. A renewed petition was filed on March 6, 2003. A request for information was mailed by the Office on April 1, 2003.

Applicable Statutes and Regulation

35 U.S.C. § 41(b) states in pertinent part that, "Unless payment of the applicable maintenance fee is received . . . on or before the date the fee is due or within a grace period of six months thereafter, the patent shall expire as of the end of such grace period."

35 U.S.C. § 41(c)(1) states that, "The Commissioner may accept the payment of any maintenance fee . . . after the six month grace period **if the delay is shown to the satisfaction of the Commissioner to have been unavoidable.**" (emphasis added)

¹ This decision may be viewed as a final agency action within the meaning of 5 USC § 704 for purposes of seeking judicial review. See MPEP 1002.02.

37 CFR 1.378(b)(3) states that any petition to accept delayed payment of a maintenance fee must include:

A showing that . . . reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee . . . 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.

Opinion

Petitioner must establish that petitioner treated the patent the same as a reasonable and prudent person would treat his or her most important business.

The general standard applied by the Office requires petitioner to establish that petitioner treated the patent the same as a reasonable and prudent person would treat his or her most important business.² However, "The question of whether an applicant's delay in prosecuting an application was unavoidable [will] be decided on a case-by-case basis, taking all of the facts and circumstances into account."³ Nonawareness of the content of, or a misunderstanding of, PTO statutes, PTO rules, the MPEP, or Official Gazette notices, does not constitute unavoidable delay.⁴ The statute requires a "showing" by petitioner. Therefore, petitioner has the burden of proof. The decision will be based solely on the written, administrative record in existence. It is not enough that the delay was unavoidable; petitioner must prove that the delay was unavoidable. A petition will not be granted if petitioner provides insufficient evidence to "show" that the delay was unavoidable.

Petitioner is responsible for possessing knowledge of the need to pay maintenance fees and the due dates for such fees. Petitioner is responsible for instituting a reliable docketing system to remind him or her when maintenance fees become due.

Petitioner is responsible for having knowledge of the need to pay maintenance fees and knowing when the fees are due.⁵

² The Commissioner is responsible for determining the standard for unavoidable delay and for applying that standard. 35 U.S.C. 41(c)(1) states, "The Commissioner may accept the payment of any maintenance fee ... at any time ... if the delay is shown to the satisfaction of the Commissioner to have been unavoidable." (emphasis added).

³ Smith v. Mossinghoff, 671 F.2d 533, 538, 213 U.S.P.Q. (BNA) 977 (1982).

⁴ See Smith v. Mossinghoff, 671 F.2d 533, 538, 213 U.S.P.Q. (BNA) 977 (Fed. Cir. 1982) (citing Potter v. Dann, 201 U.S.P.Q. (BNA) 574 (D. D.C. 1978) for the proposition that counsel's nonawareness of PTO rules does not constitute "unavoidable" delay); Vincent v. Mossinghoff, 1985 U.S. Dist. LEXIS 23119, 13, 230 U.S.P.Q. (BNA) 621 (D. D.C. 1985) (Plaintiffs, through their counsel's actions, or their own, must be held responsible for having noted the MPEP section and Official Gazette notices expressly stating that the certified mailing procedures outlined in 37 CFR 1.8(a) do not apply to continuation applications.) (Emphasis added).

⁵ Nonawareness of PTO statutes, PTO rules, the MPEP, or Official Gazette notices, which state maintenance fee amounts and the dates they are due, does not constitute unavoidable delay. See footnote 4.

Petitioner must act as a reasonable and prudent person in relation to his most important business. Upon obtaining the patent, a reasonable and prudent person, in relation to his most important business, would become familiar with the legal requirements of that business, in this case, the requirement to pay maintenance fees and how due dates are determined for each fee.

A reasonable and prudent person, aware of the existence of maintenance fees, would not rely on Maintenance fee reminders or on memory to remind him or her when payments would fall due several years in the future. Instead, such an individual would implement a reliable and trustworthy tracking system to keep track of the relevant dates.⁶ The individual would also take steps to ensure that the patent information was correctly entered into the tracking system.

Application of the unavoidable standard to the present facts

The patent issued on November 28, 1995.

Petitioner officially acquired rights to the patent on August 19, 1998.

Petitioner had previously acquired rights to patent no. 5,204,259, which had issued on April 20, 1993.

Both patents were acquired from the same party. The instant patent was filed as a divisional application of the application which issued as patent no. 5,204,259.

The 3.5 year maintenance fee for patent no. 5,204,259, could have been paid from April 20, 1996, through October 20, 1996, or with a surcharge during the period from October 21, 1996 to April 20, 1997. The fee was not timely paid and the patent expired on April 21, 1997.

A petition to reinstate patent no. 5,204,259 was filed on November 10, 1997. In order to clarify the record, it should be noted that the petition incorrectly listed the patent number as patent no. 5,204,237 rather than 5,204,259. However, the Office was able to match the petition with the correct file based on several indicia on the face of the petition- inventorship, title of invention, attorney docket number, etc. In addition to an error in the patent number, page 2 of the petition incorrectly stated the payment accompanying the petition was for the 7.5 year fee rather than correctly stating the fee was for the 3.5 year fee. The petition was accompanied by \$2,100 for the maintenance fee and \$1,320 for the surcharge. However, \$1,320 is the fee to revive an unintentionally abandoned *application*, and does not apply to patents. The actual fees which should have been paid were \$940 for the 3.5 year maintenance fee and \$1,640 for the surcharge. The Office chose to liberally interpret the contents of the petition. The petition was granted and the excess fees were refunded. Due to clerical error, when the Office typed the decision on petition, the decision stated the patent had expired because the second maintenance fee was not timely paid, when in fact, it had expired because the first maintenance fee had not timely been paid.

⁶ 37 CFR 1.378(b)(3) precludes acceptance of a late maintenance fee for a patent unless a petitioner can demonstrate that steps were in place to monitor the maintenance fee. The Federal Circuit has specifically upheld the validity of this properly promulgated regulation. Ray v. Lehman, 55 F.3d 606, 609; 34 U.S.P.Q.2d (BNA) 1786 (Fed. Cir. 1995). In Ray v. Lehman, petitioner claimed that he had not known of the existence of maintenance fees and therefore had no steps in place to pay such fees. The petitioner therefore argued that the PTO's regulations requiring such steps created too heavy a burden. The court stated, "Ray also takes issue with the PTO's regulation, 37 C.F.R. § 1.378(b)(3), supra, arguing that it 'creates a burden that goes well beyond what is reasonably prudent.' We disagree. The PTO's regulation merely sets forth how one is to prove that he was reasonably prudent, i.e., by showing what steps he took to ensure that the maintenance fee would be timely paid, and the steps taken in seeking to reinstate the patent. We do not see these as requirements additional to proving unavoidable delay, but as the very elements of unavoidable delay." Id.

A reasonable and prudent person would not rely on maintenance fee reminders from the Office for two reasons. First, the Office has indicated that such reminders are a mere courtesy and has reserved the right to discontinue such reminders at any time. Second, such reminders may be lost in the mail. A reasonable and prudent person, in regard to his most important business, would not rely solely on reminders that the Office may or may not send which may or may not be lost in the mail.

Petitioner states that he drew the conclusion that, since the instant patent was issued two years after patent no. 5,204,259, each corresponding maintenance fee would be due two years later for the instant patent. Such a conclusion is correct. For example, the 7.5 year fee for the instant patent was due a little over two years after the 7.5 year fee for patent no. 5,204,259.

Based on the contents of the petition, petitioner concluded "the next payment for US 5,204,2[5]9 would become due in 2001, and that consequently, USP 5,470,720 would become due in 2003."⁷ The record fails to indicate the basis for petitioner's apparent incorrect conclusion that the 7.5 year fee had already been paid for the instant patent, and therefore its next fee would be due during 2003. To the extent that the statement is intended to convey that the due dates for the 11.5 year fee for the instant patent would mostly occur during 2003, the statement is correct.

Petitioner assumed that the petition requested acceptance of the late 7.5 year fee for patent no. 5,204,259. If such an assumption had been correct, then the 3.5 year fee for the instant patent would have had to have been due approximately two years before the date the petition was filed on November 10, 1997. Petitioner assumed the 3.5 fee must have been paid for the instant patent in part due to the fact that petitioner had not been notified by the prior owner that the instant patent had expired. In fact, as of August 19, 1998, the instant patent had not expired, and *if* the 3.5 year fee been due during 1995, then one could logically conclude from these facts that the 3.5 year fee must have been paid.

If petitioner's assumption had been true, then another conclusion would also have been necessary. If the 7.5 year fee for patent no. 5,204,259 had been due before November 10, 1997, and the 7.5 year fee for the instant patent was due two years later, then the 7.5 year fee for the instant patent would be due on or before November 10, 1999.

The following summarizes the previous assumptions made by petitioner and necessary conclusions:

Assumptions:

- (1) The instant patent issued about two years after the issuance of patent no. 5,204,259.
- (2) The 3.5 year fee for the instant patent was due about two years after the 3.5 year fee was due for patent no. 5,204,259.
- (3) The 7.5 year fee for the instant patent would be due approximately two years after the 7.5 year fee was due for patent no. 5,204,259.
- (4) The petition filed on November 10, 1997, was filed after the expiration of patent no. 5,204,259.
- (5) The 7.5 year fee for the '259 patent must have been due before November 10, 1997, since the petition to reinstate was filed on that date.
- (6) The instant patent had not expired as of the time rights in the patent were acquired- August 19, 1998.

Necessary conclusions *if* the above assumptions had been true.

- (1) The 3.5 year fee for the instant patent must have been paid timely.
- (2) The 7.5 year fee for the instant patent will be due on an uncertain date before, or not too long after, November 10, 1999, if it is due about two years after the 7.5 year fee was due for the '259 patent.

The petitions fail to indicate that petitioner reached the second conclusion or took any steps to determine the exact date the 7.5 year fee would be due after reading the petition or decision. The record fails to indicate any steps taken by petitioner to ensure the 7.5 year fee would be paid, or had been paid, prior to the due date which would have been expect to have been on or about November 10, 1999.

⁷ Page 2 of May 14, 2003 Response to Request for Information.

The 3.5 year maintenance fee for the instant patent could have been paid from November 28, 1998 (3 years after the patent issued) through May 28, 1999, or with a surcharge during the period from May 29, 1999, to November 28, 1999 (4 years after the patent issued). Petitioner did not do so. Accordingly, the patent expired November 29, 1999.

Petitioner's assumption that the previous petition had been for the 7.5 year fee for the '259 patent was tested when the previous owner notified petitioner in 2001 that the 7.5 year maintenance fee was due for that patent. Petitioner timely paid the required fees on March 23, 2001, and did not question why the 7.5 year fee was being paid for a second time for the '259 patent.

Petitioner made the assumption that the 7.5 year fee for the instant patent was due two years after payment of the 7.5 year fee a second time for the '259 patent. On November 18, 2002, petitioner contacted the USPTO to confirm the due date for the 7.5 year maintenance fee for the instant patent and to confirm the correct amount to be paid. Petitioner discovered the patent had expired due to a failure to timely pay the 3.5 year fee. A petition to reinstate the instant patent was subsequently filed.

Petitioner supplies an email from an agent handling foreign patent matters which was sent on December 29, 2000, which indicates the next maintenance fee for the '259 patent was due in 2003 and the next maintenance fee for the instant patent was due in 2004. Petitioner fails to address whether the agent had been informed that the 3.5 year fee, which was due prior to the date of the email, had not been paid. If petitioner assumed the sender had verified payment of all fees necessary fees before the email was sent, then such an assumption was proven incorrect when the 7.5 year fee paid was paid approximately three months later. Payment of the 7.5 year fee later demonstrated that the email made certain assumptions about the 3.5 and 7.5 year fees having been paid and that the email might be incorrect if these fees had not been paid.

Petitioner's steps to ensure that fees would be paid timely did not include a docketing system. The steps included reviewing a status list, reviewing files, and appointing an attorney.

During the above time periods, petitioner's attorney, James Hillman handled some matters related to petitioner's patents and applications. Petitioner's files were transferred to Hillman during May of 1998.

Evidence to establish that Hillman was obligated to notify petitioner of due dates for maintenance fees has not been provided. In addition, the record fails to indicate any steps taken by Hillman to ensure that petitioner would be timely notified of due dates.

The 3.5 year maintenance fee (and surcharge if necessary) for the instant patent could have been paid from November 28, 1998 to November 28, 1999. The record fails to indicate any actions taken by Hillman to ensure the fee would be paid during the above time period. The fee was not paid and the patent expired November 29, 1999.

Several months after the expiration of the patent, during July of 2000, attorney Hillman was in an accident which affected his cognitive abilities. A letter from Hillman's physician dated August 10, 2000, states that Hillman had problems with cognitive functions such as naming objects. The letter states that Hillman could not return to his job, but might be able to return to work as a patent attorney after a year.

Petitioner did not learn of Hillman's accident until the later part of 2001. Petitioner subsequently hired attorney Joseph Mueth.

On November 18, 2002, petitioner called the Patent Office to verify his understanding of the due dates of the maintenance fees for the instant patent. At that time, petitioner learned the patent had expired.

A petition to reinstate the patent was filed on November 25, 2002.

Analysis:

Reliance on the prior owner:

Petitioner cites reliance on the contents of file wrappers supplied by the prior owner of the patent, but fails to establish that such reliance was reasonable and prudent. Petitioner even expresses doubts as to the prior owner's reliability in a letter to Hillman dated April 12, 1998.⁸ The letter states, "I believe there has been a payment of maintenance fees [for the '259 patent] but, with the capricious nature of the information received from the [prior owner], I am not absolutely sure. . . . If that is not the case, please let me know."

Petitioner relied on the accuracy of the contents of a petition which included the wrong application number and which stated it was accompanied by payment of the 7.5 year maintenance fee even though it was filed less than 5 years after the issuance of the patent.

Petitioner relied on the accuracy of the file without verifying all the information in the file even though the file indicated an error had been made when the maintenance fee had not been timely paid. Petitioner fails to discuss any steps taken to verify that no other errors existed in the file.

Petitioner assumed the instant patent was not expired. Petitioner fails to discuss the exact basis of this assumption. Petitioner has failed to prove such an assumption was reasonable and prudent. It is possible that petitioner relied on an assurance made by the prior owner. However, the prior owner had accidentally allowed the '259 patent to become expired due to failure to pay the fee and therefore, petitioner has not proven that a failure to take steps to ensure the veracity of any assurances as to the instant patent was reasonable and prudent. Petitioner fails to discuss any steps taken to verify that the 3.5 year fee had been paid for the instant patent and to verify the patent had not expired.

It should be noted that the instant patent had not expired on the date when petitioner obtained an interest in the patent and the files. However, had the 3.5 year fee for the instant patent been due before such date as petitioner incorrectly assumed, then the patent would have been expired since the 3.5 year fee had not been paid as of that date.

The files also included status lists. However, the "status lists" for the instant patent and the '259 patent did not list due dates for maintenance fees and did not state the fees had been paid.

Petitioner's conclusions upon receiving the files:

If petitioner's assumptions about the contents of the files had been accurate, then petitioner would have noted several facts. First, the '259 patent had expired due to failure to timely pay the 7.5 year fee. Since the petition was filed on November 10, 1997, the 7.5 year fee had been due before this date. If petitioner wanted to determine the exact date the fee was due in order to help him determine the due date for the instant patent (which is about two years later), he could have looked at the issue date. Such review would have immediately indicated the patent had not expired for failure to pay the 7.5 year fee since the patent had issued on April 20, 1993. Assuming petitioner incorrectly determined the 7.5 year maintenance fee which had been due, he certainly had to know the due date for the '259 patent's 7.5 year fee was before November 10, 1997. Therefore, he would know the 7.5 year fee for the instant patent would be due in 1999 or very shortly thereafter. Petitioner has failed to list any steps taken to ensure the fee would be

⁸ Enclosure 4 submitted on May 14, 2003.

timely paid in 1999 such as a docket or calendaring system. A reasonable and prudent person treating a patent as his or her most important business would not rely solely on memory to ensure due dates would not be forgotten. It is noted that petitioner did have an attorney and the actions of the attorney will be discussed later in this decision.

Petitioner's actions and inactions after obtaining the files:

Based on the correct and incorrect assumptions made by petitioner, one must have concluded the 7.5 year fee would be due in 1999 or very shortly thereafter. Petitioner did not attempt to pay the 7.5 year fee for the instant patent during this time period. *Therefore, even had the incorrect assumptions been correct, the patent would have expired for failure to timely pay required maintenance fees.* It is further noted that the assumptions did not cause the patent to become expired. If petitioner had mistakenly paid the amount due for the 7.5 year fee during the period of time the 3.5 year fee was actually due, the Office could have accepted the 3.5 year fee and refunded the difference. The patent expired because petitioner failed to ensure a maintenance fee would be paid two years after the maintenance fee was due for the '259 patent.

In 2001, petitioner was informed by the prior owner that the 7.5 year fee was due for the '259 patent. However, petitioner had previously concluded the 7.5 year fee for the '259 patent had been paid in 1997. Petitioner fails to state any steps taken to resolve the inconsistency. The record fails to indicate the clear inconsistency was recognized by petitioner. Clearly, one of the facts or assumptions had to be incorrect. Petitioner paid the 7.5 year fee and then made a new assumption. Petitioner concluded the 7.5 year fee for the instant patent was no longer due two years after the 7.5 year paid in 1997, but was now due two years after the 7.5 year fee paid in 2001.

Petitioner cites an email as evidence to support his continued belief that the 3.5 year fee had been paid for the instant patent. The email was from an agent handling foreign patent matters, and not US matters, which was sent on December 29, 2000. The email indicates the next maintenance fee for the '259 patent was due in 2003 and the next maintenance fee for the instant patent was due in 2004. The email was incorrect in so far as a maintenance fee was still due for the '259 patent and three months later, during 2001, petitioner paid the fee. In addition, the 11.5 year fee for the '259 patent is due between April 2004 and April 2005. Had the 3.5 year fee been paid for the instant patent, the 7.5 year fee would have been due between November 28, 2002, and November 28, 2003. Payment of the 7.5 year fee in 2001 for the '259 patent demonstrated that the e-mail had made assumptions that past fees had been paid and that the email could not be relied on to be proof of past payment of fees. In addition, payment of the fee in 2001 along with a review of issue dates indicates the email was incorrect. It is noted that the Office relies on petitioner's translation and that petitioner states the email "unequivocally relates to the instant case (for 2004), and its parent (for 2003)."

Despite petitioner's many incorrect assumptions, petitioner had several opportunities to prevent the expiration of the patent or to file a petition to reinstate the patent earlier. As stated earlier, petitioner's assumptions, incorrect and correct, upon receiving the files led to the conclusion that the 7.5 year fee for the instant patent would be due in 1999 or shortly thereafter. However, petitioner failed to take steps to determine the exact due date and/or to ensure the date would not be accidentally missed. The only steps listed by petitioner to ensure fees would be timely paid are reviewing the status lists, direct file examination, and appointing an attorney. Reviewing status lists and files can only allow a party to determine the due dates for maintenance fees but such actions will not serve as reminders when each due date arrives. The other step listed by petitioner is the appointment of an attorney which will be discussed further in this decision.

⁹ Page 4 of May 14, 2003 Response to Request for Information.

Petitioner could have filed a petition to reinstate the patent earlier if petitioner had determined the exact status of each patent when he was informed the 7.5 year fee for the '259 patent was due in 2001 even though he had believed it had been paid years earlier.

The actions or inactions of attorney Hillman:

Petitioner has failed to prove that reliance on Hillman to notify petitioner of due dates for maintenance fees was reasonable and prudent. Petitioner has failed to prove that Hillman was obligated to provide such notice. However, even if petitioner could prove Hillman was obligated to notify petitioner of due dates, such a fact would merely shift the issue to: Did Hillman treat the patent the same as a reasonable and prudent person would treat his or her most important business?

The reliance on an attorney to notify the patentee of relevant legal requirements such as maintenance fees does not, per se, constitute "unavoidable" delay. While the Office is not passing judgement on counsel's behavior, 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 petitioner is bound by the consequences of those actions or inactions. *If the former attorney made any errors, petitioner is bound by such errors.*¹⁰

If [the] attorney somehow breach[es] his duty of care to plaintiff, then plaintiff may have certain other remedies available to him against his attorney. He cannot, however, ask the court to overlook [the attorney's] action or inaction with regard to the patent application. He hired the [attorney] to represent him. **[The attorney's] actions must be imputed to him.**¹¹

Supreme Court precedent holds:

There is certainly no merit to the contention that dismissal of petitioner's claim because of his counsel's unexcused conduct imposes an unjust penalty on the client. Petitioner voluntarily chose this attorney as his representative in the action, and he cannot now avoid the consequences of the acts or omissions of this freely selected agent. Any other notion would be wholly inconsistent with our system of representative litigation, in which each party is deemed bound by the acts of his lawyer-agent and is considered to

¹⁰ See California Med. Products v. Technol Med. Products, 921 F. Supp. 1219, 1259 (D. Del. 1995) (citing Smith v. Diamond, 209 U.S.P.Q. 1091, 1093 (D.D.C. 1981) (citing Link v. Walbash Railroad Co., 370 U.S. 626, 8 L. Ed. 2d 734, 82 S. Ct. 1386 (1962))).

A petitioner is responsible for a former attorney's conduct except in some cases of intentional misconduct rather than negligence. Petitioner has failed to prove any intentional misconduct. Petitioner has failed to establish that the attorney knew the fee was due but intentionally failed to notify petitioner, that the attorney intentionally misrepresented the status of the patent when called by petitioner, that the attorney misappropriated funds, or that the attorney intentionally acted dishonestly in any other fashion.

¹¹ Haines v. Quigg, 673 F. Supp. 314, 317, 5 U.S.P.Q.2d (BNA) 1130 (N.D. Ind.) (emphasis added) (citing Link v. Walbash Railroad Co., 370 U.S. 626, 8 L. Ed. 2d 734, 82 S. Ct. 1386 (1962) ("Petitioner voluntarily chose his attorney as his representative in the action and he cannot now avoid the consequences of the acts or omissions of this freely selected agent ... Each party is deemed bound by the acts of his lawyer-agent and is considered to have 'notice of all facts, notice of which can be charged upon the attorney.'" (emphasis added)); Inryco, Inc. v. Metropolitan Engineering Co., Inc., 708 F.2d 1225, 1233 (7th Cir. 1983) ("Courts hesitate to punish a client for its lawyers gross negligence, especially when the lawyer affirmatively misled the client" but "if the client freely chooses counsel, it should be bound to counsel's actions."); see also Wei v. State of Hawaii, 763 F. 2d 370, 372 (9th Cir. 1985); LeBlanc v. I.N.S., 715 F.2d 685, 694 (1st Cir. 1983)). See also Smith v. Diamond, 209 U.S.P.Q. (BNA) 1091 (D. D.C. 1981).

have 'notice of all facts, notice of which can be charged upon the attorney.'¹²

The Seventh Circuit has stated,

The other assumption is that, if the complaints failed in their application through the negligence of their attorney, the delay would be unavoidable, which is wholly unwarranted in the law. It is of the very nature of negligence that it should not be unavoidable, otherwise it would not be actionable. The negligence of the attorney would be the negligence of the [client]. The purpose of the statute was to put an end to such pleas, and there would be no limit to a renewal of these applications if every application, however remote, could be considered under the plea of negligence of attorneys, by whom their business is generally conducted.¹³

The United States Court of Appeals for the Federal Circuit has stated,

If we were to hold that an attorney's negligence constitutes good cause for failing to meet a PTO requirement, the PTO's rules could become meaningless. Parties could regularly allege attorney negligence in order to avoid an unmet requirement.¹⁴

Petitioner has failed to prove that Hillman docketed maintenance fee due dates or took any other action to ensure petitioner would be timely notified of due dates for maintenance fees. The 3.5 year maintenance fee for the instant patent could have been paid from November 28, 1998 to November 28, 1999. The record fails to indicate Hillman took any steps to notify petitioner of due dates during this time period.

Several months after the expiration of the patent, during July of 2000, attorney Hillman was in an accident which affected his cognitive abilities. A letter from Hillman's physician dated August 10, 2000, states that Hillman had problems with cognitive functions such as naming objects. The letter states that Hillman could not return to his job, but might be able to return to work as a patent attorney after a year. Hillman's accident might explain Hillman's actions or inactions after July of 2000, but the accident fails to explain Hillman's inactions prior to July of 2000.

Petitioner did not learn of Hillman's accident until the later part of 2001. Petitioner subsequently hired attorney Joseph Mueth. Petitioner knew that Hillman had not been attending to his patents for several months due to the accident. The record fails to indicate that Hillman or Mueth took steps to ensure that important dates had not been missed during this time period and to ensure that none of the patents were expired.

The entire delay in the submission of the maintenance fee must be unavoidable for the petition to be granted.

35 U.S.C. § 41(c)(1) states that, "The Commissioner may accept the payment of any maintenance fee . . . after the six month grace period **if the delay is shown to the satisfaction of the Commissioner to have been unavoidable.**" (emphasis added)

The statute requires the entire delay to be unavoidable. The statute does not state, "if the delay more than two years after expiration is shown . . . to be unavoidable."

¹² Link v. Walbash Railroad Co., 370 U.S. 626, 633-634, 8 L. Ed. 2d 734, 82 S. Ct. 1386 (1962).

¹³ Lay v. Indianapolis Brush & Broom Mfg. Co., 120 F. 831, 836 (1903).

¹⁴ Huston v. Ladner, 973 F.2d 1564, 1567, 23 U.S.P.Q.2D (BNA) 1910 (Fed. Cir. 1992).

The statute requires the entire delay to be shown to be unavoidable. Therefore, a showing that proves the entire delay, other than the first two years after expiration, was unavoidable, will not justify the granting of relief.

Conclusion:

The general standard applied by the Office requires petitioner to establish that petitioner treated the patent the same as a reasonable and prudent person would treat his or her most important business. However, "The question of whether an applicant's delay in prosecuting an application was unavoidable [will] be decided on a case-by-case basis, taking all of the facts and circumstances into account."¹⁵ Nonawareness of the content of, or a misunderstanding of, PTO statutes, PTO rules, the MPEP, or Official Gazette notices, does not constitute unavoidable delay.¹⁶ The statute requires a "showing" by petitioner. Therefore, petitioner has the burden of proof. The decision will be based solely on the written, administrative record in existence. It is not enough that the delay was unavoidable; petitioner must prove that the delay was unavoidable. A petition will not be granted if petitioner provides insufficient evidence to "show" that the delay was unavoidable.

All the facts and circumstances have been considered. However, the record fails to establish that the entire delay in the submission of the maintenance fee was unavoidable.

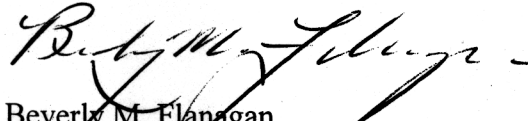
Decision

The prior decision which refused to accept under 37 CFR § 1.378(b) the delayed payment of a maintenance fee for the above-identified patent has been reconsidered. For the reasons herein and stated in the previous decision, the entire delay in this case cannot be regarded as unavoidable within the meaning of 35 USC § 41(c)(1) and 37 CFR § 1.378(b). Therefore, the petition is **denied**.

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

The patent file is being forwarded to Files Repository.

Telephone inquiries should be directed to Petitions Attorney Steven Brantley at (703) 306-5683.


Beverly M. Flanagan
Supervisory Petitions Examiner
Office of Petitions

¹⁵ Smith v. Mossinghoff, 671 F.2d 533, 538, 213 U.S.P.Q. (BNA) 977 (1982).

¹⁶ See Smith v. Mossinghoff, 671 F.2d 533, 538, 213 U.S.P.Q. (BNA) 977 (Fed. Cir. 1982) (citing Potter v. Dann, 201 U.S.P.Q. (BNA) 574 (D. D.C. 1978) for the proposition that counsel's nonawareness of PTO rules does not constitute "unavoidable" delay)); Vincent v. Mossinghoff, 1985 U.S. Dist. LEXIS 23119, 13, 230 U.S.P.Q. (BNA) 621 (D. D.C. 1985) (Plaintiffs, through their counsel's actions, or their own, must be held responsible for having noted the MPEP section and Official Gazette notices expressly stating that the certified mailing procedures outlined in 37 CFR 1.8(a) do not apply to continuation applications.) (Emphasis added).