



Paper No. 15

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MAILED
MAY 27 2011
OFFICE OF PETITIONS

In re Patent No.: 5,428,987 :
Issue Date: July 4, 1995 : ON RENEWED PETITION
Application No.: 08/216,993 :
Filed: March 24, 1994 :
Attorney Docket No. :

This is a decision on the “Renewed Petition Under 37 C.F.R. 1.377 And Petition Under 37 C.F.R. 1.183 For Waiving a Rule” filed June 30, 2009, to accept and record the 3.5-year, 7.5-year, and 11.5-year maintenance fees for the above-identified patent. This is also responsive to the “Response to Request for Information”, filed October 4, 2010.

The petitions are DENIED¹.

BACKGROUND

The record reflects that:

- on July 4, 1995, patent application 08/216,993 matured into the subject patent 5,428,987.
- the 3.5 year maintenance fee could have been paid from July 4, 1998, through January 4, 1999, and with a surcharge, as authorized by 37 CFR 1.20(h), from January 5, 1999, through July 4, 1999.
- the 3.5-year maintenance fee was not timely paid and the subject patent expired at midnight on July 4, 1999.

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

- on February 26, 2009, a petition under 37 CFR 1.377 was filed wherein petitioner argued that a maintenance fee transmittal form authorizing payment of the 3.5-year maintenance fee was mailed in January of 1999, but the USPTO did not charge the maintenance fee as requested. On January 6, 2003, petitioner asserts that a maintenance fee transmittal form was sent to a USPTO facsimile authorizing the 7.5-year maintenance fee to be charged. On January 6, 2007, petitioner asserts that a maintenance fee transmittal was sent to a USPTO facsimile authorizing the 11.5-year maintenance fee to be charged. Petitioner asserts that no USPTO communication responsive to any of the maintenance fee transmittal forms transmitted was ever received. Petitioner concluded that the 3.5-year maintenance should have been recorded in January 1999, as well as the 7.5-year and 11.5-year maintenance fees.
- On April 27, 2009, a decision on the petition under 37 CFR 1.377 was mailed. The decision treated the petition pursuant to 37 CFR 1.377 and 37 CFR 1.378(b) and dismissed both petitions.
- On June 30, 2009, the instant “Renewed Petition under 37 CFR 1.377 and Petition under 37 CFR 1.183” was filed.
- On August 20, 2010, a “Request for Information” was mailed, allowing a non-extendable period for reply of two months from its mailing date.
- On October 4, 2010, a “Response to Request for Information” was filed.

STATUTES AND REGULATIONS

35 U.S.C. § 41(b) states, in pertinent part, that:

MAINTENANCE FEES.-- The Director shall charge the following fees for maintaining all patent based on applications filed on or after December 12, 1980:

- (1) 3 years and 6 months after grant, \$900.
- (2) 7 years and 6 months after grant, \$2,300.
- (3) 11 years and 6 months after grant, \$3,800.

Unless payment of the applicable maintenance fee is received in the United States Patent and Trademark Office in or before the date the fee is due or within a grace period of six months thereafter, the patent will expire as of the end of such grace period.

35 U.S. C. § 41(c)(1)

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 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.

35 U.S.C. § 41(h)(1)

Fees charged under subsection (a) or (b) shall be reduced by 50 percent with respect to their application to any small business concern as defined under section 3 of the Small Business Act, and to any independent inventor or non-profit organization as defined in regulations issued by the Director.

37 CFR 1.377

(a) Any patentee who is dissatisfied with the refusal of the Patent and Trademark Office to accept and record a maintenance fee which was filed prior to the expiration of the patent may petition the Director to accept and record the maintenance fee.

(b) Any petition under this section must be filed within two months of the action complained of, or within such other time as may be set in the action complained of, and must be accompanied by the fee set forth in §1.17(g). The petition may include a request that the petition fee be refunded if the refusal to accept and record the maintenance fee is determined to result from an error by the Patent and Trademark Office.

(c) Any petition filed under this section must comply with the requirements of § 1.181(b) and must be signed by an attorney or agent registered to practice before the Patent and Trademark Office, or by the patentee, the assignee, or other party in interest.

37 CFR 1.183

In an extraordinary situation, when justice requires, any requirement of the regulations in this part which is not a requirement of the statutes may be suspended or waived by the Director or the Director's designee, *sua sponte*, or on petition of the interested party, subject to such other requirements as may be imposed. Any petition under this section must be accompanied by the petition fee set forth in § 1.17(f).

OPINION

The Director may accept and record a maintenance fee which was otherwise rejected or returned, but was filed prior to the expiration of the patent. Section 2580 of the Manual of Patent Examining Procedure ("MPEP") provides, in pertinent part, that, "...a petition under 37 CFR 1.377 would not be appropriate where the entire maintenance fee payment, including any necessary surcharge, was not filed prior to expiration of the patent." Section 2580 of the MPEP further states that, "[a]ny petition filed under 37 CFR 1.377 must be filed within 2 months of the action complained of, or within such other time as may be set in the action complained of."

The petition for reconsideration under 37 CFR 1.377 has failed to establish that the 3.5-year maintenance fee was timely paid and otherwise rejected or returned. Further, petitioner has not established that an extraordinary situation exists such that justice requires waiver of the requirement of 37 CFR 1.377 that any petition under this section must be filed within two months of the action complained of, or within such other time as may be set in the action complained of.

Relative to the 3.5-year maintenance fee, it is noted that the "Declaration of William Drucker" filed February 26, 2009, states that Mr. Drucker was the attorney of record in this matter until January 2007. Mr. Drucker further states that:

On January 3, 1999, I timely filed a fee payment request before the maintenance fee was due in the form of a facsimile sending instructions to charge his personal deposit account 04-1675 for the upcoming maintenance fee which was due January 4, 1999...

No reply was received from the Patent Office concerning the filing or failure to file the maintenance fee.

At the time of the instruction to pay the maintenance fee was transmitted to the Patent Office, I was in the course of reorganizing my office and relocating my address.

The old address was 1100 New York Avenue, N.W., Suite 300 East, Washington, D.C. 20005.

In March 1999, a new address at 1299 Pennsylvania Avenue, N.W. Washington, DC 20004, was in effect...

I did not discover until June 24, 2008, that the patent was held expired when I was informed of the holding of expiration of the patent by the French patent attorney working with the Applicants in connection with this application.

Excerpt taken from "Declaration of William A. Drucker", filed February 26, 2009, pgs. 1-2.

It is further noted that Mr. Drucker states that maintenance fee transmittal forms were sent to a USPTO facsimile on January 6, 2003, and January 6, 2007, for payment of 7.5 and 11.5-year maintenance fees and that no communications were received from the USPTO regarding the same.

A review of the copy of the maintenance fee transmittal sheet and a copy of petitioner's facsimile transmittal sheet indicating that "1" page was transmitted successfully to 703-308-5077 on January 3, 1999. It is noted that no certificate of transmission pursuant to 37 CFR 1.8 appears on the maintenance fee transmittal. Further to this point, 37 CFR 1.8 provides:

(a) Except in the situations enumerated in paragraph (a)(2) of this section or as otherwise expressly excluded in this chapter, correspondence required to be filed in the U.S. Patent and Trademark Office within a set period of time will be considered as being timely filed if the procedure described in this section is followed. The actual date of receipt will be used for all other purposes.

(1) Correspondence will be considered as being timely filed if:

(i) The correspondence is mailed or transmitted prior to expiration of the set period of time by being:

(A) Addressed as set out in §1.1(a) and deposited with the U.S. Postal Service with sufficient postage as first class mail; or

(B) Transmitted by facsimile to the Patent and Trademark Office in accordance with § 1.6(d); and

(ii) The correspondence includes a certificate for each piece of correspondence stating the date of deposit or transmission. The person signing the certificate should have reasonable basis to expect that the correspondence would be mailed or transmitted on or before the date indicated.

(2) The procedure described in paragraph (a)(1) of this section does not apply to, and no benefit will be given to a Certificate of Mailing or Transmission on, the following:

(i) *Relative to Patents and Patent Applications-*

(A) The filing of a national patent application specification and drawing or other correspondence for the purpose of obtaining an application filing date, including a request for a continued prosecution application under §1.53(d);

(B) [Reserved]

(C) Papers filed in contested cases before the Board of Patent Appeals and Interferences, which are governed by § 41.106(f) of this title;

(D) The filing of an international application for patent;

(E) The filing of correspondence in an international application before the U.S. Receiving Office, the U.S. International Searching Authority, or the U.S. International Preliminary Examining Authority;

(F) The filing of a copy of the international application and the basic national fee necessary to enter the national stage, as specified in §1.495(b).

(ii) *[Reserved]*

(iii) *Relative to Disciplinary Proceedings-*

(A) Correspondence filed in connection with a disciplinary proceeding under part 10 of this chapter.

(B) [Reserved]

(b) In the event that correspondence is considered timely filed by being mailed or transmitted in accordance with paragraph (a) of this section, but not received in the U.S. Patent and Trademark Office after a reasonable amount of time has elapsed from the time of mailing or transmitting of the correspondence, or after the application is held to be abandoned, or after the proceeding is dismissed, terminated, or decided with prejudice, the correspondence will be considered timely if the party who forwarded such correspondence:

(1) Informs the Office of the previous mailing or transmission of the correspondence promptly after becoming aware that the Office has no evidence of receipt of the correspondence;

(2) Supplies an additional copy of the previously mailed or transmitted correspondence and certificate; and

(3) Includes a statement which attests on a personal knowledge basis or to the satisfaction of the Director to the previous timely mailing or transmission. If the correspondence was sent by facsimile transmission, a copy of the sending unit's report confirming transmission may be used to support this statement.

(c) The Office may require additional evidence to determine if the correspondence was timely filed.

In order for correspondence to receive a filing date as of the date of transmission, the correspondence must contain a proper certificate of transmission pursuant to 37 CFR 1.8. Relative to the 3.5 year maintenance fee and 7.5 year maintenance fee, there is no evidence that petitioner used the procedures provided in 37 CFR 1.8, which, if properly utilized, would allow the maintenance fee transmittal forms to be accorded a filing date as of the date of transmission. The certificate of transmission procedures under 37 CFR 1.8 allow for a filing date to be accorded as of the date the filing was transmitted rather than the date the filing was received by the Office provided the procedures set out in 37 CFR 1.8 are followed and the filing is not excepted under 37 CFR 1.8(2)(i). The copy of the maintenance fee transmittal authorizing payment of the 3.5-year maintenance fee provided by petitioner does not contain a certificate of transmission under 37 CFR 1.8. Further, while the copy of the sending unit's report allegedly confirming transmission of the maintenance fee transmittal is noted, 37 CFR 1.8 makes clear that this is merely corroborative evidence to support the assertion that the correspondence was timely transmitted. Absent the presence of a certificate of transmission under 37 CFR 1.8 on the maintenance fee transmittal form, the copy of the sending unit's report confirming the

transmission is of little probative value. Petitioner has not established that the 3.5-year maintenance fee was timely paid and improperly refused or returned by the USPTO. It is noted that, because 3.5-year maintenance was not timely paid, the patent expired at midnight on July 4, 1999. Without petitioner having filed grantable petitions under 37 CFR 1.378, or §1.377, any subsequent attempts to pay the 7.5-year and 11.5-year maintenance fees would have been, and were, to no avail. The petition under 37 CFR 1.377 is, therefore, denied because petitioner has failed to establish that the 3.5-year maintenance fee was filed prior to the expiration of the patent.

Furthermore, the petition under 37 CFR 1.377 is denied because it was not filed within two months of the action complained of and petitioner has not established that an extraordinary situation exists such that justice requires waiver of this requirement of 37 CFR 1.377. Petitioner maintains that the “action complained of” is the decision on petition mailed April 27, 2009. Petitioner states:

[i]n the decision of April 27, 2009, the petition attorney states that 37 CFR 1.377(b) requires that any petition under this section be filed within two months of the action complained of. The petition attorney states that, in this case, the action complained of is the Office’s alleged failure to charge the 3.5-year maintenance fee for the patent in 1999, but the petition was not filed until 10 years after the action, or inaction in question. This statement of the petition attorney is respectfully traversed.

It is impossible to file a petition if the USPTO never informed applicant that the action was taken. The facts discussed above establish that applicant was totally unaware that the PTO had lost the timely filed maintenance fee payment authorization of January 3, 2009, and indeed continued to pay the 7.5-year maintenance fee and the 11.5-year maintenance fee based on this total ignorance of the error on the part of the Patent and Trademark Office...

In point of fact, the “action complained of” must be the decision of April 27, 2009, as this is the first action that applicant ever received officially notifying him that maintenance fee had not been paid... The present renewed petition is really in the nature of the first petition under 37 CFR 1.377 and it is being filed within two months of the action complained of (i.e., the refusal to accept applicant’s clearly appropriate payment of January 3, 1999).

Excerpt taken from “Renewed Petition Under 37 CFR 1.377 and Petition under 37 CFR 1.183 For Waiving A Rule”, filed June 30, 2009, pgs. 11 and 12.

A review of the application file history reveals that on, or about, August 10, 1999, the USPTO mailed a “Notice of Patent Expiration” indicating the U.S. Patent No. 5,428,987 expired on July 4, 1999, for failure to pay a maintenance fee. The notice was mailed to William A. Drucker at “Suite 300 East, 1100 New York Avenue, N.W., Washington, DC 20005-3955. It is noted that petitioner maintains that Mr. Drucker moved his offices in March of 1999, and, that in that same year, Mr. Drucker purportedly provided a change of address to the Office relative to deposit account utilized by Mr. Drucker’s offices. Petitioner states that Mr. Drucker filed with the

USPTO a change of correspondence address of the attorney of record in 2003. Notwithstanding, it is noted that Section 2575 of the MPEP states, in pertinent part, that:

[u]nder the statutes and the regulations, the Office has no duty to notify patentees when their maintenance fees are due. It is the responsibility of the patentee to ensure that the maintenance fees are paid to prevent expiration of the patent. The Office will, however, provide some notices as reminders that maintenance fees are due, but the notices, errors in the notices or in their delivery, or the lack or tardiness of notices will in no way relieve a patentee from the responsibility to make timely payment of each maintenance fee to prevent the patent from expiring by operation of law. The notices provided by the Office are courtesies in nature and intended to aid patentees. The Office's provision of notices in no way shifts the burden of monitoring the time for paying maintenance fees on patents from the patentee to the Office.

The aforementioned makes clear that the USPTO has no duty to inform patentee that a maintenance fee is coming due. Likewise, there are no provisions in the governing statutes or rules that require the USPTO to inform patentee when a maintenance fee has been received or is refused. Accordingly, the failure to receive a notice from the USPTO that the maintenance fee was refused or that the patent is expired does not shift the burden from patentee of monitoring the time for paying the maintenance fee and ensuring that the maintenance fee is timely received and recorded. Petitioner filed the instant petition under 37 CFR 1.377 as a remedy for the USPTO's alleged failure to charge the 3.5-year maintenance fee for the subject patent as allegedly authorized in January 1999. The USPTO did not charge the 3.5-year maintenance fee and mailed a notice in August 10, 1999, indicating that the patent had expired July 4, 1999. It is evident that at least by August 10, 1999, the USPTO made clear that it had either refused 3.5-year maintenance fee or not received the payment. In any case, it is clear that the "action complained of" is this alleged failure to accept and record the alleged payment of the 3.5-year maintenance fee in January 1999. The failure of petitioner to discover that the 3.5-year maintenance fee had not been accepted, or for that matter the 7.5-year or 11.5-year maintenance fees, until almost ten years after the patent expired in no way affects the date of the "action complained of" for a petition under 37 CFR 1.377. The "action complained of" is the alleged refusal of the USPTO to record and accept an allegedly otherwise timely 3.5-year maintenance fee payment. This occurred in January 1999, and cannot be said to have occurred after July 4, 1999 when the patent expired for non-payment of the 3.5-year maintenance fee.

It is further noted that 37 CFR 1.183 allows for waiver of the rules that are not also requirements of Title 35 of the United States Code when justice requires such waiver. It cannot be said that an extraordinary situation existed such that justice requires waiver of the two month requirement of 37 CFR 1.377. The record demonstrates only that petitioner allegedly transmitted authorizations to charge a deposit account for the 3.5-year, 7.5-year, and 11.5-year maintenance fee for the subject patent and did not once attempt to obtain verification that the maintenance fees had been received and recorded. Further, the record does not demonstrate that petitioner ever checked the status of the patent and only learned the patent was expired in 2008 by advice from a French lawyer working with the patentee. Arguably, a routine call to the USPTO after the alleged transmission of the authorization to charge the 3.5-year maintenance fee or a visit to the USPTO

website would have allowed petitioner to determine that the 3.5-year maintenance was not received. There is nothing extraordinary about petitioner's obvious failure to timely confirm receipt of the 3.5-year maintenance and/or routinely check the status of the patent prior to attempting the payment of the 7.5-year and 11.5-year maintenance fees such that justice requires waiver of the provisions of 37 CFR 1.377. The petition under 37 CFR 1.183 to waive the requirements of 37 CFR 1.377 is denied, accordingly.

CONCLUSION

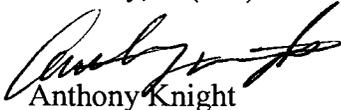
For the reasons stated above, the petitions under 37 CFR 1.377 and 37 CFR 1.183 are DENIED. Therefore, the patent will not be reinstated and remains expired.

No further reconsideration or review of this matter will be undertaken.

The fee for the petition under 37 CFR 1.183 of \$400.00 and the fee for the petition under 37 CFR 1.377 of \$200.00 will be charged to deposit account 02-4035.

The payment of \$490.00 for the 3.5-year maintenance fee and the surcharge in the amount of \$700.00 for the petition under 37 CFR 1.378(b), both received February 26, 2009, will be refunded, in due course.

Telephone inquiries concerning this matter may be directed to Kenya A. McLaughlin, Petitions Attorney, at (571) 272-3222.



Anthony Knight
Director
Office of Petitions