



Paper No. 21

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OFFICE OF PETITIONS

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In re Patent No. 5,618,284	:	
Issued: April 8, 1997	:	
Application No: 08/484,669	:	ON RENEWED PETITION
Filed: June 7, 1997	:	
Attorney Docket No. SUNR-0227	:	

This decision is responsive to the "Response to Request for Information" filed November 9, 2009, and the petition under 37 CFR 1.378(e), filed May 13, 2008, to reinstate the above-identified patent.

The renewed petition is DENIED¹.

BACKGROUND

The record reflects that:

- on April 8, 1997, United States non-provisional patent application 08/484,669 matured into the subject patent 5, 618,284.
- the 7.5 year maintenance fee could have been paid from April 8, 2004, through, October 4, 2004, and with a surcharge, as authorized by 37 CFR 1.20(h), from October 5, 2004, through April 8, 2005.
- the 7.5-year maintenance fee was not timely paid and the subject patent expired at midnight on April 8, 2005.
- the period for paying the 11.5-year maintenance fee has also passed.

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 December 19, 2007, a petition under 37 CFR 1.378(b) was filed. The petition was dismissed by a decision mailed March 14, 2008.
- on May 13, 2008, a petition under 37 CFR 1.378(e) was filed.
- on September 14, 2009, a “Request for Information” was mailed.
- on November 9, 2009, the instant “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 1.378(b)

Any petition to accept an unavoidably delayed payment of a maintenance fee filed under paragraph (a) of this section 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 delay was unavoidable since reasonable care was taken to ensure 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.

37 CFR 1.378(e)

Reconsideration of a decision refusing to accept a maintenance fee upon petition filed pursuant to paragraph (a) of this section may be obtained by filing a petition for reconsideration within two months of, or such other time as set the decision refusing to accept the delayed payment of the maintenance fee. Any such petition for reconsideration must be accompanied by the petition fee set forth in § 1.17(f).

After the decision on the petition for reconsideration, no further review of the matter will be undertaken by the Director. If delayed payment of the maintenance fee is not accepted, the maintenance fee and the surcharge set forth in § 1.20(i) will be refunded following the decision on the petition for reconsideration, if none is filed. Any petition fee under this section will not be refunded unless the refusal to accept and record the maintenance fee is determined to result from error by the Patent and Trademark Office.

PETITIONER'S ARGUMENT

Petitioner maintains that the delay in paying the 7.5-year maintenance fee was due to the deception of RJW Acquisition, LLC (hereinafter referred to as "RJW") in holding itself out as the assignee for the subject patent. As the purported assignee of the patent, petitioner asserts that petitioner believed that RJW was responsible for paying the 7.5-year maintenance fee. Petitioner further asserts that petitioner's mistaken belief that RJW was the assignee of the patent and responsible for paying the 7.5-year maintenance was compounded by the USPTO's recordation of an allegedly fraudulent assignment conveying ownership of the patent to RJW. Petitioner later determined that, in fact, RJW never had any legal title to the patent and, that during all relevant periods, the petitioner was the owner of the patent. As the owner of the patent, petitioner asserts that it is petitioner's actions, not those of RJW, which should be scrutinized in determining whether the entire delay was unavoidable. Petitioner maintains that petitioner's entire delay in paying the 7.5-year maintenance fee was unavoidable because petitioner had no

knowledge of the need for petitioner to pay the 7.5-year maintenance because of the deception of RJW.

OPINION

The Director may reinstate a patent if the delay in paying the maintenance fee is shown to the satisfaction of the Director to have been “unavoidable”. In determining whether the delay was “unavoidable”, the actions of the party responsible for paying the maintenance fee must be scrutinized². It is concluded that the actions of RJW, as the holder of the legal title to the patent, are properly the focus of the petition under 37 CFR 1.378(b). Further, in determining whose delay is relevant, it is noted that that Director need not undertake any investigation of ownership interests in the patent. As determined in Burandt v. Dudas, 528 F3d 1329 [87 USPQ2d 1134] Fed. Cir. 2008, “[t]he Director is entitled to rely on the representations of ownership by the parties and need not engage in a separate analysis to determine title ownership.” Finally, the Director may rely on the record and has no obligation to engage in an equitable analysis to determine who is responsible for ensuring the maintenance of the patent.³ It is also worth noting that the fact that petitioner may have had equitable interest in the patent is of little consequence in the analysis required under 37 CFR 1.378(b) because, as determined in Burandt, petitioner’s equitable interest would have no bearing on the fact RJW was the owner of record with legal responsibility for ensuring the maintenance of the patent. In light of the aforementioned, the actions of RJW, not petitioner, are properly the focus of the subject petition.

Further, the purported holders of legal title to a patent application and underlying invention, or the patent issued therefrom, may file for recordation with the Office an assignment document memorializing their interests. In recording the assignment, the Office undertakes no investigation of the parties rights and/or obligations under the assignment document; the Office relies on the representations of the parties involved. It therefore follows that, in determining who is responsible for ensuring the maintenance of a patent, the parties must exercise their contractual rights and obligations as specified, and it is not the duty of the USPTO to enforce such contractual rights and obligations.

37 CFR 1.378(b)(3) sets forth that a petition submitted under this portion of the Code of Federal Regulations must include a showing which is described as follows:

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.

Petitioner has not shown that RJW had any steps in place for ensuring the maintenance of the patent. As such, acceptance of the maintenance fee is precluded by 35 U.S.C. 41(c) and 37 CFR 1.378(b)(3).

² Ray v. Lehman, 55 F. 3d 606 [34 USPQ2d 1786] Fed. Cir. 1995).

³ Id.

While petitioner's actions have been determined not to be the focus of the "unavoidable delay" analysis, it is worth noting that, at a minimum, petitioner appears to have had a revisionary interest in the patent, yet petitioner has demonstrated no efforts to ensure the maintenance of the patent from the time it issued in 1997 until the point the first petition under 37 CFR 1.378(b) was filed in December of 2007. It is noted that Section 711.03(c) of the Manual of Patent Examining Procedure (MPEP) explains that the legal standard employed for deciding petitions asserting unavoidable delay is the reasonably prudent person standard and states, in pertinent part, that:

[t]he 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).

Petitioner has failed to establish that the maintenance of the patent was treated as petitioner's most important business and that petitioner acted reasonably and prudently relative to the same. Given petitioner's revisionary interest in the patent, it is reasonable to expect that petitioner would ascertain the status of the patent in the more than ten years since the patent issued—especially considering that all that is required is a check of the USPTO website or a telephone inquiry to the Office. The fact that petitioner left the maintenance of this patent to RJW, without any apparent effort to track the maintenance of the patent, suggests disinterest in the patent which is contrary to treating the maintenance of the patent as one's most important business.

Finally, petitioner's reliance on the case of Futures Technology, Ltd. v. Quigg, 684 F. Supp. 430, 431, 7 USPQ2d 1588 (E.D. Va 1988), is misplaced. The facts of Futures are distinguishable because, unlike the plaintiff in Futures, the record does not demonstrate that petitioner made any inquiries into the status of the patent. Further, unlike the company involved in Futures, the record does not demonstrate that RJW made misrepresentations to petitioner about the status of the patent. As the U.S. Court of Appeals notes in the Burandt decision, "...Futures...[was] decided by the District Court for the Eastern District of Virginia and thus, in contrast to our decision in Ray, [is] not binding precedent. Moreover, [Futures] concerned [an] abandoned patent application pursuant to 37 C.F.R. 1.137, rather than reinstatement of expired patents due to nonpayment of maintenance fees pursuant to 37 CFR 1.378."

The record does not demonstrate, and petitioner does not establish, that the entire delay in paying the maintenance fee was unavoidable, especially in light of RJW's failure to pay the maintenance fee coupled with petitioner's failure to inquire about the status of the patent for more than ten years after the patent issued.

CONCLUSION

For the reasons stated above, the petition under 37 CFR 1.378(e) is **DENIED**. Therefore, the patent will not be reinstated and remains expired.

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

The amount of \$1,880.00 that was paid for the maintenance fee and surcharge will be refunded, in due course.

This application file is being forwarded to Files Repository.

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



Anthony Knight
Director
Office of Petitions