



UNITED STATES PATENT AND TRADEMARK OFFICE

COMMISSIONER FOR PATENTS  
UNITED STATES PATENT AND TRADEMARK OFFICE  
P.O. Box 1450  
ALEXANDRIA, VA 22313-1450  
www.uspto.gov

Paper no. 18

PENNIE AND EDMONDS  
1155 AVENUE OF THE AMERICAS  
NEW YORK NY 10036-2711

**MAILED**

**MAR 25 2010**

**OFFICE OF PETITIONS  
ON PETITION**

In re Patent No. 5,837,688 :  
Issue date: November 17, 1998 :  
Application No. 08/758,615 :  
Filed: November 27, 1996 :  
Attorney Docket No. 8608-004 // 5755/002 :  
For: USE OF THROMBOLYTIC  
REAGENTS FOR PREVENTION OF  
VASCULAR DISEASE

This is a decision on the reconsideration petition under 37 CFR 1.378(e), filed January 6, 2010, to reinstate the above-identified patent and the petition to expedite under 37 CFR 1.182, filed January 6, 2010.

The petition under 37 CFR 1.182 to expedite consideration of the January 6, 2010 petition under 37 CFR 1.378(e) is **GRANTED**.

The petition under 37 CFR 1.378(e) is **DENIED**.<sup>1</sup>

### **Background**

The patent issued November 17, 1998. The 7 ½ year maintenance fee could have been paid from November 17, 2005 through May 17, 2006, or with a surcharge during the period from May 18, 2006 through November 17, 2006. The Office has no record of timely receiving the 7 ½ year maintenance fee. Accordingly, the patent expired on November 18, 2006.

A petition under 37 CFR 1.378(b) was filed on April 10, 2009 (certificate of mailing date April 7, 2009). The petition was dismissed in a decision mailed November 6, 2009.

The contents of the prior decision on petition, mailed November 6, 2009, are incorporated by reference into the present decision.

<sup>1</sup> 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. The terms of 37 C.F.R. 1.137(d) *do not apply* to this decision.

### Statute and Regulation

37 CFR 1.378(a) provides that the Director may accept the payment of any maintenance fee due on a patent based on an expiration of the patent, if, upon petition, the delay in payment of the maintenance fee is shown to the satisfaction of the Director to have been unavoidable or unintentional. The appropriate surcharge set forth in § 1.20(i) must be paid as a condition of accepting payment of the maintenance fee. The surcharges set at 37 CFR 1.20(i) are established pursuant to 35 U.S.C. 41(c) and, therefore, are not subject to small entity provisions of 35 U.S.C. 41(h). No separate petition fee is required for this petition. If the Director accepts payment of the maintenance fee upon petition, the patent shall be considered as not having expired but will be subject to the intervening rights and provisions of 35 U.S.C. 41(c)(2).

The patent statute at 35 U.S.C. 41(c)(1) provides as follows:

"The Director may accept the payment of any maintenance fee required by subsection (b) of this section... 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 statute's promulgating rule, 37 CFR 1.378(b), provides that any petition to accept the delayed payment of a maintenance fee must include the following:

- (1) the required maintenance fee set forth in 37 CFR 1.20(e) - (g);
- (2) the surcharge set forth in 37 CFR 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 required 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.

Furthermore, an adequate showing requires a statement by all persons with direct knowledge of the cause of the delay, setting forth the facts as they know them. Such a statement must be verified if made by a person not registered to practice before the Patent and Trademark Office. Copies of all documentary evidence referred to in a statement should be furnished as exhibits to the statement.

### Opinion

In the instant reconsideration petition, patentee Dr. Mathew I. Gelfand asserts that the delay in payment of the 7 ½ year maintenance fee was unavoidable because the attorneys representing him, who were associated with Pennie & Edmonds, LLP ("PE"), failed to monitor and pay the 7 ½ year maintenance fee.

Patentee has established that attorneys formerly associated with PE ( not the attorneys associated with Rotbert Law Group) had undertaken to docket maintenance fee due dates for the above-identified patent and send notifications to patentee when a due date was approaching (Exhibit 2 to Katz declaration). The 3 ½ year maintenance fee was paid through operation of this system. On February 4, 2002, Laura A. Coruzzi of PE mailed patentee a letter informing patentee of the upcoming due date for the 3 ½ year maintenance fee, the payment required, including PE's service charges, and requesting guidance as to whether or not patentee wanted to pay the 3 ½ year maintenance fee (Exhibit 4 to Katz declaration). On February 15, 2002, PE received patentee's instructions to pay the 3 ½ year maintenance fee. The 3 ½ year maintenance fee was timely paid on February 19, 2002.

Unfortunately, PE went out of business as of January 1, 2004 and the attorneys representing patentee apparently failed to explicitly inform patentee that their representation of his interests in the '688 patent had ceased, despite PE being in possession of patentee's proper addresses/contact information. It is noted that patentee's files were returned to him in May of 2004 without any cover letter or explanation as to why they were being returned. It appears that after January 1, 2004 (at the latest) no one was tracking the maintenance fee due dates for the present patent, and as a result, the 7 ½ year maintenance fee was not timely paid.

The showing of record is inadequate to establish unavoidable delay within the meaning of 37 CFR 1.378(b)(3).

Petitions for the delayed payment of maintenance fees under 35 U.S.C. 41(c)(1) are treated under the same standard as petitions for revival of abandoned applications under 35 U.S.C. 133 because both statutory provisions use the same language, i.e., "unavoidable" delay. Ray v. Leyman, 55 F.3d 606, 608-609, 34 USPQ2d 1786, 1787 (Fed. Cir. 1995) (quoting In re Patent No. 4,409,763, 7 USPQ2d 1798, 1800 (Comm'r Pat. 1988), aff'd, 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)). Decisions on reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable as follows:

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 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, 514-515 (1912) (quoting Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (Comm'r Pat. 1887); see also Winkler v. Ladd, 221 F. Supp. 550, 552, 138 USPQ 666, 167-168 (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. Massinghoff, 671 F.2d 533,

538, 213 USPQ 977, 982 (D.C. Cir. 1982). The requirement in 35 U.S.C. 133 for a showing of unavoidable delay requires not only a showing that the delay which resulted in the abandonment of the application was unavoidable (or expiration of the patent as it applies to 35 U.S.C. 41(c)(1)), but also a showing of unavoidable delay from the time an applicant becomes aware of the abandonment of the application until the filing of a petition to revive (or a petition under 37 CFR 1.378(b) to reinstate the patent under 35 U.S.C. 41(c)(1)). See In re Application of Takao, 17 USPQ2d 1155 (Comm'r Pat. 1990). 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, 316-317, 5 USPQ2d 1130, 1131-1132 (N.D. Ind. 1987).

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 F.3d at 609-609, 34 USPQ2d at 1787. The party whose delay is relevant is the party in interest at the time action is needed to be taken. In Re Kim, 12 USPQ2d 1595 (Comm'r Pat. 1988). On November 17, 2006, which is the last day the 7 ½ year maintenance fee could have been timely paid, Dr. Gelfand. was the party in interest.

It was incumbent upon the party in interest to undertake the obligation to pay the fee or to engage a third party to monitor and track the second maintenance fee payment. Reliance *per se* on a third party for tracking a maintenance fee does not provide a patent holder with a showing of unavoidable delay within the meaning of 37 CFR 1.378(b) and 35 U.S.C. 41(c). Rather, such reliance merely shifts the focus of the inquiry to whether that third party acted reasonably and prudently.

If petitioner was represented by a registered practitioner the Office must rely on the actions or inactions of the duly authorized and voluntarily chosen representative, and petitioner is bound by the consequences of those actions or inactions. Link v. Wabash, 370 U.S. 626, 633-34 (1962). If the attorney made any errors, petitioner is bound by such errors.<sup>1</sup>

The attorney must act reasonably and prudently.

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.<sup>2</sup>

<sup>1</sup> 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))).

<sup>2</sup> Haines v. Quigg, 673 F. Supp. 314, 317, 5 U.S.P.Q. 2d (BNA) 1130 (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).

The Seventh Circuit has stated,

The other assumption is that, if the complainants 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.<sup>3</sup>

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.

Patentee is advised that delay resulting from a failure in communication between a client and a registered practitioner is not unavoidable delay. In Re Kim, 12 U.S.P.Q.2d 1595 (Comm'r Pat. 1988). 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 U.S.C. 1.378(b). See Ray, at 610, 34 U.S.P.Q.2d at 1789.

As stated in the reconsideration petition, "In essence, in the absence of any partner overseeing his matters, PE treated Dr. Gelfand as an orphaned client and left him behind when it dissolved" (p. 7/12). Dr. Gelfand's patent business fell through the cracks while his chosen representatives dealt with the dissolution of their firm and possible lack of future employment. Preoccupation with other matters, such as the dissolution of a firm, which took precedence over maintenance of the above-identified patent does not constitute unavoidable delay. See Smith v. Mossinghoff, 671 F.2d 533, 538 213 USPQ 977, 982 (D.C. Cir. 1982).

The delay caused by mistakes or negligence of voluntarily chosen representatives does not constitute unavoidable delay. Haines v. Quigg, Id; Smith v. Diamond, Id; Potter v. Dann, 201 USPQ 574 (D.D.C. 1978); Ex parte Murray, Id; Douglas v. Manbeck, Id. The U.S. Patent and Trademark Office is not the proper forum for resolving disputes between applicants/patentees and their representatives. See Ray v. Lehman, 55 F.3d 606, 34 USPQ2d 1786 (Fed. Cir. 1995).

It is noted that Dr. Gelfand did not pursue any inquiry as to why his files were returned in May of 2004. In addition, Dr. Gelfand did not question the lack of an instruction letter from PE with respect to payment of the 7 ½ year maintenance fee, even though his approval was required for payment of the 3 ½ year maintenance fee. Diligence on the part of patentee is essential to show unavoidable delay. See, Douglas v. Manbeck, 21 USPQ2d 1697, 1699-1700 (E.D. Pa. 1991).

---

<sup>3</sup> Lay v. Indianapolis Brush & Broom Mfg. Co., 120 F. 831, 836 (1903).

A reasonably prudent person, within the meaning of Pratt, with respect to that person's most important business, would, upon having his application files returned to him, inquire about the status of his representation.

The record fails to show that empowered attorneys took adequate steps to ensure timely payment of the 7 ½ year maintenance fee. In re Patent No. 4,461,759, 16 USPQ2d 1883, 1884 (Comm'r Pat. 1990). Since no steps were taken by patentee or his representatives with respect to payment of the 7 ½ year maintenance fee, 37 CFR 1.378(b) precludes acceptance of the delayed payment of the maintenance fee.

### 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 U.S.C. 41(c)(1) and 37 CFR 1.378(b). Therefore, the petition is **denied**.

As stated in 37 CFR 1.378(e), the Office will not further consider or review the matter of the reinstatement of the patent.

In due course, the Office will refund \$1,940.00, which corresponds to the maintenance fee and surcharge paid, to deposit account no. 07-1730. The reconsideration fee of \$400.00 will be retained.

A courtesy copy of this decision is being mailed to the address listed on the petition. Petitioner is encouraged to file a revocation/power of attorney/change of correspondence address.

The patent file is being forwarded to Files Repository.

Telephone inquiries may be directed to Petitions Attorney Shirene Willis Brantley at (571) 272-3230.



Charles Pearson  
Director  
Office of Petitions

CC: RICHARD J. KATZ  
DARBY & DARBY, P.C.  
P.O. BOX 770  
CHURCH STREET STATION  
NEW YORK, NY 10008-0770