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OFFICE OF PETITIONS

In re Patent of :
Derek J. ANGIER et al. :
Patent No. 7,083,771 :
Issue Date: August 1, 2006 :
Application No. 11/186,918 :
Filed: July 22, 2005 :
Attorney Docket No. 002018.00015

ON PETITION

This is a decision on the renewed petition, filed August 15, 2011, under 37 CFR 1.378(e) requesting reconsideration of a prior decision which refused to accept under 37 CFR 1.378(c) the unintentionally delayed payment of a maintenance fee and reinstate the above-identified patent.

The petition to accept the delayed payment of the maintenance fee and reinstate the above-identified patent is **DENIED**.

BACKGROUND

The above-identified patent issued August 1, 2006. Accordingly, the first maintenance fee due could have been paid during the period from August 1, 2009, through February 1, 2010, or with a surcharge during the period from February 2, 2010, through August 1, 2010. The patent expired at midnight August 1, 2010. Therefore, since this petition was filed within twenty-four months after the six-month grace period, this petition was timely filed under the provisions of 37 CFR 1.378(c).

A first petition to reinstate the above identified patent by way of acceptance of the unintentionally delayed payment of the maintenance fee under the provisions of 37 CFR 1.378(c) was filed April 7, 2011 and was dismissed in the decision of June 15, 2011.

This renewed petition under 37 CFR 1.378(e) was filed August 15, 2011 within two months from the mail date of the decision of the first petition. This renewed petition

includes a declaration of Thomas Quantrille, PhD, (hereinafter "Quantrille") who is the President and CEO of Advanced Composite Material, LLC (hereinafter, "ACM") and the assignee of the entire right, title, and interest in the above identified patent, claiming that the email of November 2009 to instruct Banner & Witcoff to "abandon" the above-identified patent was erroneous and did not reflect his actual intent which was that the above-identified patent be kept in force. Quantrille further indicates, as evidence that ACM did not intend to allow the above-identified patent to lapse, that this patent family includes 7 other patent applicants of which 5 have been maintained in force, 1 was allowed to lapse, and another which became unnecessary due to allowance of its parent application.

STATUTE AND REGULATION

35 USC 41(c)(1) provides that:

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 the 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.

37 CFR 1.378(a) provides that:

The Director may accept the payment of any maintenance fee due on a patent after 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 (paragraph (b) of this section) or unintentional (paragraph (c) of this section) and if the surcharge required by § 1.20(i) is paid as a condition of accepting payment of the maintenance fee. 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 conditions set forth in 35 U.S.C. 41(c)(2).

37 CFR 1.378(c) provides that:

Any petition to accept an unintentionally delayed payment of a maintenance fee filed under paragraph (a) of this section must be filed within twenty-four months after the six-month grace period provided in § 1.362(e) and must include:

- (1) The required maintenance fee set forth in § 1.20 (e) through (g);
- (2) The surcharge set forth in § 1.20(i)(2); and
- (3) A statement that the delay in payment of the maintenance fee was unintentional.

OPINION

The Director may accept late payment of the maintenance fee if the delay is shown to the satisfaction of the Director to be “unintentional”; see 35 USC 41(c)(1) and its promulgating regulation 37 CFR 1.378(a). That is, the plain language of the statute permits reinstatement of an expired patent, provided the delay in payment of the maintenance fee was “unintentional.” See Centigram Communication Corp. v. Lehman, 862 F. Supp. 113, 118, 32 USPQ2d 1346, 1350 (E.D. Va. 1994), *appeal dismissed*, 47 F. 3d 1180 (Fed. Cir. 1995). Nevertheless, the congressional intent is that USPTO acceptance of a delayed maintenance fee is discretionary, and contingent upon a showing satisfactory to the Director, that the delay was “unintentional.” Id. at 116, 32 USPQ2d at 1348.

The showing of record is that, when the maintenance fee was due there was no compelling reason to continue this patent in force.

The record shows that the decision to pay the maintenance fee fell to Quantrille, the responsible person. That Banner & Witcoff failed to pay the maintenance fee because Quantrille instructed Banner & Witcoff to not pay the maintenance fee due. Subsequent to expiration of the patent, Quantrille became aware of the significance of the patent, and if such were known at the time of the decision not to pay the maintenance fee, expiration of the patent would not have been permitted. Quantrille has indicated that he gave the instruction to not pay the maintenance fee due during a lunch break and the he was distracted by the content of the meeting. As such, petitioner asserts, the delay in payment was unintentional. This action cannot be viewed as constituting an “unavoidable delay” or an “unintentional delay” within the meaning of 35 U.S.C. 41(c)(1), 37 CFR 1.378(b) and 37 CFR 1.378(c). In re Application of G, 11 USPQ2d 1378, 1380 (Comm’r Pat. 1989). Such intentional action or inaction precludes a finding of unintentional delay. Petitioner's preoccupation with other matters does not excuse the delay in payment of the maintenance fee herein. See, Smith v. Diamond, 209 USPQ 1091 (D.D.C. 1981).

Further, since Quantrille has instructed petitioner in the form of email to abandon the above-identified patent, it does not reflect that the assignee exercised due care and diligence generally used and observed by prudent and careful men in relation to their most important business within the meaning of Pratt, supra.

The Director may accept the payment of any maintenance fee required by 35 USC 41(b) 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. See 35 USC 41(c)(1).

35 USC 41(c)(1) authorizes the Director to accept a delayed maintenance fee payment “if the delay is shown to the satisfaction of the Director to have been “unintentional.” 35 USC 41(c)(1) does not require an affirmative finding that the delay was intentional, but only an explanation as to why the petitioner has failed to carry his or her burden to establish that the delay was unintentional. Cf. Commissariat A. L’Energie Atomique v.

Watson, 274 F.2d 594, 597, 124 USPQ 126, 128 (D.C. Cir. 1960)(35 USC 133 does not require the Commissioner to affirmatively find that the delay was avoidable, but only to explain why the applicant's petition was unavailing); see also In re Application of G, 11 USPQ2d 1378, 1380 (Comm'r Pat. 1989)(petition under 37 CFR 1.137(b) denied because the applicant failed to carry the burden of proof to establish that the delay was unintentional).

As discussed above, Petitioner has failed to carry its burden of proof to establish to the satisfaction of the Director that the delay in payment of the maintenance fee for the above-identified patent was unintentional within the meaning of 35 USC 41(c) and 37 CFR 1.378(c).

A delay caused by the deliberate decision not to take appropriate action within a statutorily prescribed period does not constitute an unintentional delay within the meaning of 35 U.S.C. 41. In re Application of G, 11 USPQ2d 1378, 1380 (Comm'r Pat. 1989). Such intentional action or inaction precludes a finding of unintentional delay, even if the agent-representative made his decision not to timely take the necessary action in a good faith error. In re Maldague, 10 USPQ2d 1477, 1478 (Comm'r Pat. 1988). In this regard, when the maintenance fee became due, Quantrille sent an email correspondence to Banner & Witcoff indicating that he did not intend to make payment, or cause the payment to be made. As such, the delay resulting from this deliberate action (or inaction) of Quantrille cannot reasonably be regarded as "unintentional." Moreover, that Quantrille made a good faith error in judgement does not convert the ensuing delay into "unintentional" delay within the meaning 35 U.S.C. 41 (c) (1) and 37 CFR 1.378(c). Maldague, supra.

35 USC 41(c)(1) authorizes the Director to accept the delayed payment of a maintenance fee under 35 USC 41(b) if, *inter alia*, "the delay is shown to the satisfaction of the Director to have been unintentional." In this case, petitioner has failed to carry its burden to establish that the delay in paying the maintenance fee payment for the above-identified patent was unintentional on the part of Quantrille. Obviously, a delay resulting from a deliberate decision by the relevant party (Quantrille) not to pay a maintenance fee cannot reasonably be characterized as an "unintentional" delay within the meaning of 35 USC 41(c)(1) and 37 CFR 1.378(c). Moreover, no reason has been given or is apparent as to why Quantrille's decision and subsequent action (or inaction) should not be binding on petitioner.

The record fails to adequately evidence the delay was unintentional since reasonable care was not taken to ensure that maintenance fee would be timely submitted.

CONCLUSION

The prior decision under 37 CFR 1.378(c), which refused to accept the delayed payment of the maintenance fee, for the above-identified patent has been reconsidered. For the above stated reasons, the delay in this case cannot be regarded as unintentional within the meaning of 35 USC 41(c)(1) and 37 CFR 1.378(c).

The \$400 fee for requesting reconsideration is being charged to petitioner's Deposit Account No. 19-0733.

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

This decision is a final agency action within the meaning of 5 U.S.C. § 704 for purposes of seeking judicial review. See MPEP 1002.02.

Telephone inquiries regarding this decision should be directed to Wilson Lee at (571) 272-1824, or in his absence, the undersigned at (571) 272-3687.



Anthony Knight
Director
Office of Petitions