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In re Patent No. 4,908,212 :
Issue Date: March 13, 1990 :
Application No. 07/296,998 : DECISION DISMISSING PETITION
Filed: January 13, 1989 :
Inventors: Ik Boo Kwon *et al.* :

This is a decision on a petition filed September 15, 1997 under 37 C.F.R. § 1.378(b) to accept delayed payment of a maintenance fee so as to reinstate an expired patent.

The petition is dismissed.

Any request for reconsideration of this decision must be submitted within TWO MONTHS from the mail date of this decision. Extensions of time under 37 C.F.R. § 1.136(a) are permitted. The reconsideration request should include a cover letter entitled "Renewed Petition under 37 C.F.R. § 1.378(b)."

If reconsideration of this decision is desired, a petition for reconsideration under 37 C.F.R. § 1.378(a) must be filed within TWO MONTHS from the mail date of this decision. No extension of this two-month time limit can be granted under 37 C.F.R. § 1.136(a) or (b). Any such petition for reconsideration must be accompanied by the petition fee set forth in 37 C.F.R. § 1.17(h). After a decision on the petition for reconsideration, no further reconsideration or review of the matter will be undertaken by the Commissioner of Patents and Trademarks. Any petition for reconsideration accordingly should include an exhaustive attempt to provide any omitted items noted *infra*.

The U.S. Patent and Trademark Office (PTO) issued U.S. Patent No. 4,908,212 to Petitioner on March 13, 1990. The first maintenance fee could have been paid from March 13, 1993 through September 13, 1993, without a surcharge, or from September 14, 1993 through March 14, 1994, with a surcharge. The PTO mailed a Maintenance Fee Reminder on October 12, 1993. Because the fee was not received within either of the periods of time, the patent expired on March 13, 1994. On September 15, 1997, Petitioner filed the instant petition to accept delayed payment of the maintenance fee so as to reinstate the patent.

A petition to accept an unavoidably delayed payment of a maintenance fee under 35 U.S.C. § 41(c) and 37 C.F.R. § 1.378(b) must be accompanied by (1) payment of the required maintenance fee, unless previously submitted; (2) payment of the surcharge set forth in 37 C.F.R. § 1.20(i)(1); and (3) an 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. In this case, Petitioner omits item (3).

The Commissioner of Patents and Trademarks (Commissioner) may accept late payment of a maintenance fee if the delay is shown to the satisfaction of the Commissioner to have been "unavoidable." 35 U.S.C. § 41(c)(1). A late maintenance fee is considered under the same standard as that for reviving an abandoned application under 35 U.S.C. § 133 because 35 U.S.C. § 41(c)(1) uses the identical language, viz., "unavoidable delay." *Ray v. Lehman*, 55 F.3d 606, 608-609, 34 USPQ2d 1786, 1787 (Fed. Cir. 1995). A petition to revive cannot be granted where a petitioner has failed to meet his burden of establishing unavoidable delay within the meaning of 35 U.S.C. § 133. *Haines v. Quigg*, 673 F. Supp. 314, 316, 5 USPQ2d 1130, 1131 (N.D. Ind. 1987). An application is "unavoidably" delayed only where a petitioner exercises the diligence "generally used and observed by prudent and careful men in relation to their most important business" in taking all action necessary to respond to an outstanding Office action but through the intervention of unforeseen circumstances, such as failure of mail, telegraph, telefacsimile, or the negligence of otherwise reliable employees, the response is not received timely by the PTO. *In re Mattullath*, 38 App.D.C. 497, 514-15 (D.C. Cir. 1912) (citing Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (Comm'r Pat. 1887)).

Petitioner asserts that the delay in payment of the maintenance fee is based on a misunderstanding as to who was responsible for paying the fee. At the time the patent issued, the law firm of Armstrong, Nikaido, Marmelstein, Kubovcik & Murray (Armstrong-Nikaido) was responsible for paying maintenance fees for the patent. Upon dissolution of Armstrong-Nikaido, two successor firms were formed, viz., Nikaido, Marmelstein, Kubovcik & Murray (Nikaido) and Armstrong, Westerman, Hattori, McClellan & Naughton (Armstrong). (Pet. at 1-2.) Although the K.S. Kim Patent Office (Kim) sent a letter designating Nikaido "to take responsibility for the further prosecution of all cases being handled by members of [Nikaido]," the letter "did not say anything" about the responsibility for maintenance fees. (Marmelstein Decl., ¶ 6). Nikaido admits that after the dissolution it did not take responsibility for payment of maintenance fees for the patent, and adds that "[i]t is unknown what steps, if any," Armstrong took to ensure payment of the maintenance fees on time. (*Id.*, ¶ 7). The showing of record is inadequate to establish unavoidable delay within the meaning of 35 U.S.C. § 41(c)(1) and 37 CFR 1.378(b)(3).

Petitioner fails to show that "reasonable care was taken to ensure that the maintenance fee would be paid timely ..." as required by 37 C.F.R. § 1.378(b)(3). In this case, Nikaido admits that it did not make any entries in its docket system for the patent. (Marmelstein Decl.,

¶ 7). "It is unknown what steps, if any," furthermore, Armstrong took to ensure payment of the maintenance fees on time. (*Id.*) A statement by all persons with direct knowledge of the cause of the delay, setting forth the facts as they know them is required. M.P.E.P. § 2590. In particular, such a statement is required from Armstrong. In the statement, Armstrong should explain *inter alia* in detail the system employed for ensuring timely payment of the maintenance fee and how that system failed in this instance. If no such system existed, Armstrong must explain why no arrangements were made to ensure that the maintenance fee for this patent would be paid timely. Armstrong should also explain its treatment of the Maintenance Fee Reminder in view of Nikaido's speculation thereon. (Marmelstein Decl., ¶ 10).

Copies of all documentary evidence referred to in a statement should be furnished as exhibits to the statement. M.P.E.P. § 2590. In particular, Petitioner should submit a copy of the agreement between Armstrong and Nikaido that allegedly made Armstrong responsible for paying maintenance fees for patents when clients did not designate one of the two firms responsible therefor. (Marmelstein Decl., ¶ 4).

A failure of communication which occurs because a party fails to clearly communicate its intentions does not constitute unavoidable delay. *In re Application of Kim*, 12 USPQ2d 1595, 1603 (Comm'r Pat. & Trademarks 1988). In this case, it appears that Petitioner failed to designate either Nikaido or Armstrong as being responsible for paying maintenance fees for its patents. It also appears that each firm presumed that the other was responsible. Armstrong's forwarding to Nikaido of a letter from Kim concerning payment of the maintenance fee, (Marmelstein Decl., ¶ 8), and of the maintenance fee reminder (*Id.*, ¶ 10), implies that Armstrong believed that Nikaido was responsible for the maintenance fee. Nikaido implies that it believed that Armstrong was responsible. (*Id.*, ¶ 4.) There is little or no evidence that the firms communicated specifically regarding which was responsible for paying the maintenance fee. Although the Maintenance Fee Reminder bears a notation, which Nikaido concludes "appears" to refer to a phone call from Armstrong to the maintenance fee administrator of Nikaido, Jeanette Sullivan, (*Id.*, ¶ 11), Nikaido denies finding any other record of such a call "or any other correspondence which would indicate that." [sic] (*Id.*, ¶ 12.) This failure to communicate does not constitute unavoidable delay.

One is bound by the actions or omissions of his attorney. *Link v. Wabash*, 370 U.S. 626, 633-34 (1962); *Smith v. Diamond*, 209 USPQ 1091, 1093 (D. D. C. 1981). A petitioner's delay caused by the mistakes or negligence of his attorney, moreover, does not constitute unavoidable delay. *Haines v. Quigg*, 673 F. Supp. 314, 317, 5 USPQ2d 1130, 1132 (N.D. Ind. 1987); *Smith v. Diamond*, 209 USPQ 1091, 1093 (D.D.C. 1981); *Potter v. Dann*, 201 USPQ 574, 575 (D.D.C. 1978); *Ex parte Murray*, 1891 Dec. Comm'r Pat. 130, 131 (Comm'r Pat. 1891). In this case, Petitioner voluntarily chose Armstrong-Nikaido as its representative in handling its patent. Petitioner cannot now avoid the consequences of Armstrong-Nikaido or its successor firms failing to pay the maintenance fee or to inform it that the fee was due.

Petitioner fails to show that "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 as required by 37 C.F.R. § 1.378(b)(3). A showing of unavoidable delay must include the period of time from when a patentee becomes aware of the expiration of his patent until to the filing of a grantable petition. M.P.E.P. §2590 (citing In re Application of Takao, 17 USPQ2d 1155 (Comm'r Pat. 1990)). When the PTO's records indicate that a patent has expired for failure to pay a required maintenance fee, the PTO mails a Notice of Patent Expiration to the specified fee address. M.P.E.P. § 2575. The Notice of Patent Expiration for the instant patent was printed on March 29, 1994. The PTO also publishes an *Official Gazette* notice indicating any patent that has expired for failure to pay a maintenance fee. An annual compilation of such notices is published. *Id.*

In this case, Petitioner's patent expired on March 13, 1994. Petitioner, however, did not file the instant petition until September 15, 1997. Over three-and-a-half years elapsed between the expiration and the petition. This delay does not constitute prompt filing of the petition in view of the Notice of Patent Expiration and the notice in the *Official Gazette*. Petitioner should explain his handling of these notices.

There is no indication that a change of address has been filed in this case, although the address given on the petition differs from the address of record. A change of address should be filed in this case in accordance with M.P.E.P. § 601.03. Further correspondence with respect to this matter should be addressed as follows:

By mail:	Assistant Commissioner for Patents Box DAC Washington, D.C. 20231
By facsimile:	(703) 308-6916 Attn: Office of Petitions
By hand:	One Crystal Park, Suite 520 2011 Crystal Drive Arlington, VA.

Telephone inquiries related to this decision should be directed to Lance Leonard Barry or in his absence to the Office of Petitions at (703) 305-9282.

Abraham Hershkovitz
Director, Office of Petitions
Office of the Deputy Assistant Commissioner
for Patent Policy and Projects

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