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OFFICE OF PETITIONS
A/C PATENTS
ON PETITIONANTHONY D. CIPOLLONE
ONE ESSEX ST.
HACKENSACK, NJ 07601In re Patent No. 5,185,542
Issue Date: 9 February, 1993
Application No. 07/750,941
Filed: 28 August, 1991
Attorney Docket No. 90081

This is a decision on the renewed petition filed 6 February, 2001, under 37 C.F.R. §1.378,¹ subsection (b), to accept the unavoidably delayed payment of a maintenance fee for the above-identified patent.

The original petition was filed 29 September, 2000, and dismissed on 6 December, 2000 (the December 2000 Decision), under 37 C.F.R. §1.378, subsection (b), for failure to make a satisfactory showing that the delay was unavoidable.

At that time Petitioner was informed that this would be the only opportunity for reconsideration.²

Moreover, Petitioner also was informed that he was to provide any and all supporting documentation with his renewed petition, if filed.³

This petition followed. The supporting documentation filed with the renewed petition is described, infra.

I. JURISDICTION

The patent issued on 9 February, 1993. The grace period for paying the first maintenance fee expired at midnight on 9 February, 1997. Therefore, the original

¹ The regulations at 37 C.F.R. §1.378 provide in pertinent part:

(a) The Commissioner may accept the payment of any maintenance fee due on a patent after expiration of the patent if, upon petition, the delay in the payment of the maintenance fee is shown to the satisfaction of the Commissioner 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 Commissioner 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).

(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 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.

(c) 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)(1); and

(3) A statement that the delay in payment of the maintenance fee was unintentional. (Emphasis added.)

² December 2000 Decision, at page 1

³ December 2000 Decision, at page 3.

petition, filed 29 September, 2000, was not timely filed within twenty-four months after the six-month grace period provided in 37 C.F.R. §1.362(e). Thus, Petitioner's only avenue for relief is under 37 C.F.R. §1.378(b).

The Commissioner may accept late payment of the maintenance fee if the delay is shown to the satisfaction of the Commissioner to have been "unavoidable," 35 U.S.C. 41(c)(1), and a petition can be filed under 37 C.F.R. §1.378(b).

II. STATUTES, REGULATIONS, AND ANALYSIS

Under the applicable provisions of 35 U.S.C. §41(b) and (c):

the Commissioner shall charge fees for maintaining in force all patents filed on or after 12 December, 1980, at the 3-year-6-month, 7-year-6-month, and 11-year-6-month intervals; and

unless payment of the applicable maintenance fee is received in the PTO on or before the date the fee is due or within a grace period of six months thereafter when the grace-period surcharge is paid with maintenance fee, the patent will expire as of the end of the grace period; except that

the Commissioner may accept the payment of any maintenance fee required by the statute if the payment is made:

--within 24 months after the six-month grace period if the delay is shown to the satisfaction of the Commissioner to have been unintentional;⁴ or

--at any time after the six-month grace period if the delay is shown to the satisfaction of the Commissioner to have been unavoidable.

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, *i.e.*, "unavoidable" delay.⁵

In determining if a delay was unavoidable, decisions on reviving abandoned applications have adopted the standard of the reasonably prudent person acting in their most important business matters.⁶

In addition, decisions on revival are made on a "case-by-case basis, taking all the facts and circumstances into account."⁷

⁴ The burden is less onerous to show unintentional delay under the provisions of 37 C.F.R. §1.378(c), the application of that portion of the regulation is limited to those cases in which the 24-month time limitation is satisfied. The payment was not tendered herein within that period.

⁵ Rav v. Lehman, 55 F3d 606, 608-09, 34 USPQ2d 1786, 1787 (Fed. Cir. 1995)(quoting In re Patent No. 4,409,763, 7 USPQ2d 1798, 1800 (Comm'r Pat. 1988)).

⁶ Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (Comm'r Pat. 1887) (the term "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"); In re Mattullath, 38 App. D.C. 497, 514-15 (D.C. Cir. 1912); Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (Comm'r Pat. 1913).

⁷ Smith v. Mossinghoff, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982).

Finally, a petition to revive an application or patent as unavoidably abandoned or expired cannot be granted where a petitioner has failed to meet his or her burden of establishing the cause of the unavoidable delay.⁸

The regulations at 37 C.F.R. §1.378(b)(3) require a showing that:

- "the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely," and
- the showing must "enumerate the steps taken to ensure timely payment of the maintenance fee" as well as the reasons why payment was not timely made.

This showing should include, but is not limited to, docket records, tickler reports, and file jacket entries for this application, and documents regarding the alleged cause of the delay and copies of any documents referred to in petitioner's statement as to the cause of the unavoidable delay are required.

All the causes which contributed to the failure to timely pay the maintenance fee must be presented and supported with appropriate evidence.⁹

Further, petitioner should identify the party(ies) responsible for making the payment: A showing must be made (with supporting documents) outlining the efforts made to ensure timely payment of the maintenance fee--including scheduling and calendaring information, appointment of an individual with the authority and responsibility to pay the fee, and detailing of the causes for a failure in that process.

Petitioner must "provide any *direct evidence* proving exactly"¹⁰ what records and systems were in place to satisfy the showing required under 37 C.F.R. §1.378(b).

III. BACKGROUND

Persons/Offices

- Anthony D. Cipollone: Petitioner/Counsel;
- Unidentified Secretary;
- Unidentified Physician (the photocopy of the billing indicates that the physician may have been a Valavan Subramanian, MD);

Payment Windows

After the issue of the patent on 9 February, 1993, the windows for payment of the first maintenance fee opened and closed as follows:

the first window opened on 9 February, 1996, and closed at midnight on 9

⁸ Haines v. Quigg, 673 F. Supp. 314, 5 USPQ2d 1130 (N.D. Ind. 1987)

⁹ The showing must also enumerate 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. The showing can be verified by using the attached petition form which includes a declaration according to 37 C.F.R. §1.68. Statements from all persons who contributed to the delay are also required.

¹⁰ See also: Krahn v. Commissioner, 15 USPQ2d 1823 (E.D. Va. 1990) (Emphasis supplied).

August, 1996, for payment without surcharge;

- the second opened on 10 August, 1996, and closed at midnight on 9 February, 1997, for payment with surcharge under 37 C.F.R. §1.20(h);
- the third opened on 10 February, 1997, and closed at midnight on 9 February, 1999, for payment as unintentionally delayed under 37 C.F.R. §1.20(i)(2); and
- the fourth also opened on 10 February, 1997, for payment as unavoidably delayed under 37 C.F.R. §1.20(i)(1).

As noted above, payment of the first maintenance fee was not tendered until the filing of the original petition on 29 September, 2000.

Showing

Attached to the renewed petition are a statement¹¹ and three (3) one- (1-) page documents:

Exhibit "A" purports to be a page from Petitioner's office calendar for Friday, 7 February, 1997, containing four (4) hand-written notations. Three (3) of the items appear to be unrelated and/or indecipherable, and one states:

"Maintenance Fee Pat. No. 5,185,582" (sic);

¹¹ The undated statement is as follows:

RENEWAL PETITION UNDER 37 C.F.R. [§] 1.378

I am making this request; since, I believe reasonable care was taken to ensure that the Maintenance Fee would be timely paid.

Attached hereto, (as Exhibits "A" and B") are (2) two systems which I use to ensure my Maintenance Fees are paid. There is, my diary Sheet for [7 February, 1997,] and my Computer List of Actions to be Taken. In both these cases the system was not followed.

In August of 1994, I relocated my Office from Saddle Brook, New Jersey[,] to Englewood Cliffs, New Jersey. Further I have since had another address change of address (sic) to One Essex Street, Hackensack, New Jersey[,] in June 1997. during that period of time, when the office relocated my file was misplaced and my secretary, who had been entrusted with the follow-up of this matter, suddenly left in 1996.

I have spent the last several months trying to locate my file which was buried in an old warehouse in a closed file section.

When I received your notice I searched my diary and computer and finally located the attached, Exhibits "A" and "B."

As I further told you I have been seriously ill during the past several years so even the action to cure the late Maintenance Fee which would have been available fell by the wayside (see Exhibit "C.")

I strongly feel that the foregoing explanation satisfies the threshold requirement for Unavoidable Delay.

If the Office of Petitions have request for any other documentation, I will gladly supply what I have in my File.

I respectfully request that my Petition be Granted.

Respectfully submitted,

/s/ Anthony D. Cipollone

(Emphasis, the original.)

Exhibit "B" purports to be a computer printout listing four (4) items stretching across a time span commencing on 7 February, 1997, and continuing through an unspecified date in the year 2010: three (3) of the items appear to be unrelated, and the fourth states:

"[07/02/1997] PAT # 5,185,582 (sic) EDWARD LAZORCHAK
MAINTENANCE FEE DUE"

EXHIBIT "C" purports to be a billing to Petitioner/Counsel from a physician with reference to billing for professional services commencing with a consultation on 18 November, 1998, and reflecting a "CORONARY ARTERIAL GFT" on 24 November, 1998.

For completeness of the record, the reasons for unavoidable delay in payment of fee as specified by Petitioner in the original petition are set forth in footnote below.¹² (No documents were supplied in support of the original petition.)

IV. ANALYSIS

Factual Analysis

Because the Office is under no duty to provide Notice, it is of no moment that Petitioner did not receive from the Office a Notice regarding the Maintenance Fee Due and/or Notice of Expiration. However, while Petitioner states that:

at least one Office mailing regarding the instant matter was directed to Petitioner's old Saddle Brook address, and

¹² Petitioner's statement in support of his original petition, filed 29 September, 2000, is as follows:

REASONS FOR THE UNAVOIDABLE DELAY IN PAYMENT OF FEE

On [18 August, 2000, I wrote a letter to the Patent Office requesting information on [Patent No. 5,185,542] regarding the Maintenance Fee.

I was informed on [24 August, 2000,] that the Patent had expired [9 February, 1997,] and that the Maintenance Fee Notice had been sent to 299 Market Street Saddle Brook, New Jersey 07662.

I have not been at the Saddle Brook office since 1994.

Further, I have had two address changes which have been forwarded to the Patent Office since 1994, one at 333 Sylvan Avenue, P.O. Box 13031, Englewood Cliffs, New Jersey 07633, and one at One Essex Street, Hackensack New Jersey 07601.

During 1998, I was seriously ill and had several medical heart procedures due to congestive heart failure and a coronary bypass in November 1998.

During that period of time I was seriously delinquent in following upon my schedule. The Maintenance Fee due fell by the way side.

As soon as I was able, and when I realized that I may have missed a payment, I contacted the Patent Office with the results as aforesaid.

The foregoing is an extraordinary situation which would require a waiver sua sponte by the Commissioner in the interests of justice.

Respectfully submitted,

/s/Anthony D. Cipollone.

- not only has Petitioner moved twice since having that Saddle Brook address, but also Petitioner has notified the Office of his changes of address,¹³

an examination of Office record in this matter indicates that Petitioner's address remains the Saddlebrook, New Jersey, address.¹⁴

Further examination of the record demonstrates that:

Petitioner placed his file for the instant patent in storage at some undetermined time after issue in 1993; thereafter the file was misplaced or otherwise "buried in an old warehouse."

The record is absolutely silent as to any evidence addressing Petitioner's attempt to maintain the instant patent in the time period during which the first window opened on 9 February, 1996, and closed at midnight on 9 August, 1996, for payment without surcharge.

Therefore, as to an inquiry of whether Petitioner had in place a method to ensure timely payment of the maintenance fees for this patent in the period from 9 February through 9 August, 1996--the period within which the first payment window opened, the fee became due, and the first window closed--the answer is: No.

while Petitioner appears to have calendared (in a paper diary and in a computer docket) for attention a patent numbered 5,185,582, there is no showing whatsoever that Petitioner:

--ever calendared the correct number of the patent (5,185,542) or its original application number, or

--ever attempted to act on the incorrectly numbered item listed in his paper Diary and his computer database.

In other words, having calendared the wrong patent, Petitioner took no action even as to that.

In addition, Petitioner states that his secretary, "who had been entrusted with the follow-up of this matter, suddenly left in 1996."

It is, however, Petitioner--not the unidentified secretary--who is registered before the Office and undertook representation of the inventor. While Petitioner may have entrusted the secretary with follow-up in this matter during the pendency of her employment:

--by Petitioner's own description of events the unidentified

¹³ See Fn. 11

¹⁴ The Office has available for use by practitioners and *pro se* applicants a customer-number system--which allows one to update address and other contact information in all of a customer's files simultaneously. However, the Office is not free to initiate a customer number if one is not requested. As a result, Petitioner was responsible for updating that information on an item-by-item basis. Unfortunately, Petitioner has made no showing that--in the instant matter--he provided to the Office a Notice of either address change during the six- (6-) year interval by submitting a copy of: (a) the Notice(s), and (b) the post card stamped by the Office acknowledging receipt of the Notice(s). In any case, such a showing in and of itself would not satisfy Petitioner's burden of proof herein.

secretary ended her employment with Petitioner well before the patent expired, and

--it is Petitioner who had oversight of the secretary and responsibility for the maintenance fee in this matter.¹⁵

Clearly, then, while Petitioner calendared something for action two (2) days before the expiration of the instant patent, Petitioner has failed to evidence that:

--it was the instant patent that Petitioner calendared for action, or

--he in fact acted on the erroneous calendar listing, or

--he diligently oversaw the efforts of another with regard to acting to pay the maintenance fee for the patent; or

--he diligently reviewed events and/or their anniversaries after his unidentified employee left his employ.

Therefore, as to an inquiry of whether Petitioner had in place a method for seeing that the fees for this patent were timely paid from 10 August, 1996, through 9 February, 1997, the period within which the second payment window opened, the fees and surcharge became due, and the second window closed, the answer is: No.

Petitioner's documentation supports his statement that he underwent heart surgery in late November of 1998.

However, that event accounts for only a relatively brief part of the twenty-four months following expiration of the patent: Petitioner fails to address either the interval from 10 February, 1997, until his diagnosis on or about 18 November, 1998, or the two- (2-) plus month interval following surgery through 9 February, 1999. Notwithstanding Petitioner's illness, his professional responsibilities require that some provision be made to attend to client matters.

Therefore, as to an inquiry of whether or not Petitioner had in place a method for seeing that the fees for this patent were paid between 10 February, 1997, and midnight 9 February, 1999, the answer is: No.

Similarly, as to an inquiry of whether or not Petitioner had in place a method for seeing that the fees for this patent were timely paid between payment of the maintenance-fee-as-unavoidably-delayed before or after 9 February, 1999, the answer is: No.

In fact, the fourth window never could have opened for Petitioner because the record is void of any documentary evidence that the Petitioner had in

¹⁵ It is logical that Petitioner either replaced the secretary who left his employ in 1996 and/or undertook himself the duties the departed secretary previously provided. In any case, with the replacement secretary or alone Petitioner--if a prudent individual operating in the fashion foreseen in Pratt--would have reviewed for handling and handled items arising after the departure of the earlier secretary. However, Petitioner has made no such showing of such prudent action herein.

place any method for seeing that the fees for the instant patent were paid timely.

Legal Analysis

Generally, 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, *i.e.*, "unavoidable" delay.¹⁶ Decisions on reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable.¹⁷ In addition, decisions on revival are made on a "case-by-case basis, taking all the facts and circumstances into account."¹⁸

And a petition to revive an application as unavoidably abandoned cannot be granted where a petitioner has failed to meet his or her burden of establishing the cause of the unavoidable delay.¹⁹

The regulations at 37 C.F.R. §1.378(b)(3) require a showing that "the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely." Moreover, the showing must:²⁰

- enumerate the steps taken to ensure timely payment of the maintenance fee as well as the reasons why payment was not timely made;
- present, with appropriate evidence, all the causes that contributed to the failure to timely pay the maintenance fee; and
- specify 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.

Even if a breach of duty by Petitioner as Counsel is the cause of the failure to maintain the patent and/or demonstrate unavoidable delay, those actions or inactions are imputed to the patent owner, who selected his counsel.²¹

Rather, in the absence of a showing that the attorney/agent has acted to deceive the

¹⁶ Ray v. Lehman, 55 F.3d 606, 608-09, 34 USPQ2d 1786, 1787 (Fed. Cir. 1995)(quoting In re Patent No. 4,409,763, 7 USPQ2d 1798, 1800 (Comm'r Pat. 1988)).

¹⁷ Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (Comm'r Pat. 1887) (the term "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"); In re Mattullath, 38 App. D.C. 497, 514-15 (D.C. Cir. 1912); Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (Comm'r Pat. 1913).

¹⁸ Smith v. Mossinghoff, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982)

¹⁹ Haines v. Quigg, 673 F. Supp. 314, 5 USPQ2d 1130 (N.D. Ind. 1987)

²⁰ This showing may include, but is not limited to, docket records, tickler reports, and file jacket entries for this application.

²¹ Link v. Wabash Railroad Co., 370 U.S. 626, 633-634, 82 S.Ct. 1386, 1390-91 (1962)

client,²² the neglect of a party's attorney is imputed to and binds the party by the consequences.²³

At bottom, the question is one of diligence.²⁴ And the record does not demonstrate Petitioner's diligence as to the patent's maintenance.

Direct Evidence

Perhaps as stark as the absence of diligence or attention to the process of maintenance in this matter is the absence of documentation provided by Petitioner in support of--or claimed to be available for--the petition in this record. The expiration/abandonment of this patent took place by operation of law, *inter alia*, for failure to pay timely the maintenance fee. Petitioner, for whatever reasons, has "failed to provide any *direct evidence* proving exactly"²⁵ a factual basis supporting the showing of unavoidable delay required for relief to be granted. Petitioner was made aware of this requirement. (The March 2000 Dismissal, p. 3.)

Absent such direct evidence, the petition cannot be granted.

IV. CONCLUSION

Therefore, the petition for reconsideration is granted to the extent that this review has been made and rendered.

In all further respects, the petition must be and hereby is **DENIED**.

This decision may be viewed as final agency action. See M.P.E.P. 1002.02(b). The provisions of 37 C.F.R. §1.137(d) do not apply to this decision.

The application file is being forwarded to Files Repository.

Telephone inquiries regarding this decision should be directed to Petitions Attorney John J. Gillon, Jr. at (703) 305-9199.



Manuel A. Antonakas
Director
Office of Petitions
Office of the Deputy Commissioner
for Patent Examination Policy

²² When an attorney intentionally conceals a mistake he has made, thus depriving the client of a viable opportunity to cure the consequences of the attorney's error, the situation is not governed by the stated rule in Link for charging the attorney's mistake to his client. In re Lonardo, 17 USPQ2d 1455 (Comm'r. Pat. 1990).

²³ See Huston v. Ladner, 973 F.2d 1564, 23 USPQ2d 1910 (Fed Cir. 1992); Herman Rosenberg and Parker-Kalon Corp. v. Carr Fastener Co., 10 USPQ 106 (2d Cir. 1931).

²⁴ See: Changes to Patent Practice and Procedure; Final Rule Notice, 62 Fed. Reg. at 53158-59 (October 10, 1997), 1203 Off. Gaz. Pat. Office at 86-87 (October 21, 1997). See also: Ray v. Lehman, *supra*.

See also: Krahn v. Commissioner, 15 USPQ2d 1823 (E.D. Va. 1990) (Emphasis supplied).