



Paper 21

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JUL 18 2008

OFFICE OF PETITIONS

In re Patent No. 5,711,194 :  
Issue Date: January 27, 1998 :  
Application No. 08/451,398 :  
Filed: May 26, 1995 :  
Attorney Docket No: BESTW.P2 :

ON PETITION

This is a decision on the Request for Reconsideration filed November 30, 2006, in response to a prior decision mailed October 2, 2006, refusing to accept under 37 CFR 1.378(b) the delayed payment of a maintenance fee for the above-identified patent. The response is treated as a petition under 37 CFR 1.378(e).

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

#### BACKGROUND

The patent issued on January 27, 1998. The first maintenance fee due could have been paid during the period from January 27, 2001 to July 26, 2001 or, with a surcharge during the period from July 27, 2001 to January 28, 2002. Accordingly, this patent expired on January 28, 2002, for failure to timely remit the first maintenance fee.

A petition under 37 CFR 1.378(b) to accept late payment of the maintenance fee was filed April 11, 2005 and resubmitted on April 27, 2006, under 37 CFR 1.137(a), to accept the delayed payment of the maintenance fee for the above-identified patent. The petition was treated under 37 CFR 1.378(b). Petitioner, asserted that the delay was unavoidable because although notice of payment of maintenance fee due was sent by Computer Patent Annuities (CPA), due to the health and ultimate death of his father as well as the health of his son, he was "rendered effectively incapable of handling all of the details of the business during the relevant time period."

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<sup>1</sup>This decision may be regarded as a final agency action within the meaning of 5 U.S.C. § 704 for purposes of seeking judicial review. See MPEP 1002.02.

The declaration of the patentee noted that the steps taken to ensure timely payment of the maintenance fees included assigning the responsibility for notifying the patentee when payment of the maintenance fees were due to Computer Patent Annuities (CPA). Although no proof that CPA sent the notification was presented, petitioners claim that CPA sent the notification of maintenance fees due to the patentee's home address instead of the business address. Additionally, no evidence was presented to show that the instructions given to CPA included an address other than the home address for mailing the notification of maintenance fees due.

Finally, petitioner argued that he was "rendered effectively incapable of handling all of the details of the business during the relevant time period." If "rendered effectively incapable" ..... means there was a medical or psychological determination and that is the cause of the delay, no evidence was presented to support such a conclusion and that therefore the delay was unavoidable.

It was pointed out in the decision mailed October 2, 2006 that while:

"matters regarding family members can take precedence over all other matters, unfortunately such a delay is not "unavoidable" within the meaning of §1.137(a). However, this failure to treat the instant application as petitioner's most important business constitutes a showing of preoccupation with other matters that does not rise to the level of unavoidable delay. Rather, the showing of record is of a lack of diligence on the part of petitioner. While petitioner establishes that CPA was employed to provide notice when maintenance fees were due, petitioner has presented no indication that any steps past receiving notice were employed to ensure timely payment of the maintenance fee in the event of exigent circumstances. However, petitioner's preoccupation with other matters which took precedence over the above-identified patent does not constitute unavoidable delay.<sup>2</sup>

Furthermore, while family issues can be overwhelming, petitioner has not established to the satisfaction of the Director that he was "rendered effectively incapable of handling all of the details of the business during the relevant time period" or that he had a system in place to pay the maintenance fees when due."

#### STATUTE AND REGULATION

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

The Director may accept the payment of any maintenance fee required by subsection (b) of this section after the six-month

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<sup>2</sup>See [Smith v. Mossinghoff](#), 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982).

grace period if the delay is shown to the satisfaction of the Director to have been unavoidable.

37 CFR 1.378(b)(3) states that any petition to accept delayed payment of a maintenance fee must include:

A showing that the delay was unavoidable since reasonable care was taken to ensure that the maintenance fee would be paid timely. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee.

### OPINION

The Director may accept late payment of the maintenance fee if the delay is shown to the satisfaction of the Director to have been "unavoidable". 35 USC 41(c)(1).

Acceptance of a late maintenance fee on the basis of unavoidable delay is considered under the same standard as that for reviving an abandoned application under 35 USC 133 because 35 USC 41(c)(1) uses the identical language, *i.e.*, "unavoidable" delay. 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)). Decisions on reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable. In re Mattullath, 38 App. D.C. 497, 514-15 (D.C. Cir. 1912)("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"); Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (Comm'r Pat. 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 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. Haines v. Quigg, 673 F. Supp. 314, 5 USPQ2d 1130 (N.D. Ind. 1987).

Petitioner's request for reconsideration does not provide any additional evidence to overcome the conclusion that patentee was not diligent in handling the matters related to this patent. The petition filed April 11, 2005 and resubmitted on April 27, 2006 was dismissed because the only evidence provided to show unavoidable delay was the declaration of Wayne Anderson, the patentee which failed to provide proof that outside of the CPA notifications petitioner has presented no indication that any steps past receiving notice were employed to ensure timely payment of the maintenance fee in the event of exigent circumstances such as the circumstances that included the patentees father and son which precluded him from paying attention to the matters related to the instant patent.

Petitioners assert that the notice was sent from CPA but household staff discarded the notices as they mistook them to be of like character with patent solicitations. Absent petitioner's showing that the notices should have been sent to a business address and that back-up measures were in place at that address that also failed, it appears that the delay in paying the maintenance fee could have been avoided if the petitioner or the patentee had been diligent.

It should be noted that the actions of patentee's household staff appears to be intentional. The fact that patentee's household staff made a mistake is not sufficient to grant reinstatement of this patent. Patentee's staff mistook the reminder from CPA as a solicitation and it would appear, although not stated that the staff was instructed to dispose of all patent solicitations that arrived via mail. Since patentee's household staff were acting as his agent, patentee is bound by the actions or inactions of his agent. As stated in the petition at page 2, lines 6-9, it was a routine matter for the household staff to discard patent merchandise solicitations. The fact that the household staff made a mistake in discarding the reminder from CPA does not relieve patentee of his obligation to timely pay the maintenance fee in this case. Patentee/Petitioner is "bound by the acts" of his freely chosen agent and cannot avoid the consequences of the agents acts or omissions. See Link v. Wabash Railroad Co., 370 US 626(1962).

Relying upon household staff, rather than people experienced with business or legal matters, to receive important business correspondence and to make judgements as to what is important does not constitute due care.

While it has been shown that a reminder was sent from the representative to the patentee, petitioner has failed to establish that steps were in place to ensure payment of the maintenance fee after a reminder notice was received from CPA. As it was, the reminder system set did not work as it didn't prevent the patent from lapsing for failure to pay the maintenance fees.

Finally, petitioners argue that petitions to accept the delayed maintenance fee payments for other hand tool patents were granted. Petitioner is advised that while those petitions were granted they were all filed under the unintentional standard and not the unavoidable standard. The proof required for a showing under the two standards are separate and distinct.

#### CONCLUSION

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

Since this patent will not be reinstated, the maintenance fee in the amount of \$450 submitted on April 11, 2005 and the surcharge fee in the amount of \$700 charged to deposit account no. 10-0100 will be credited back.

It should also be pointed out that although the fee for a petition under 37 CFR 1.378(e) was quoted in the decision mailed October 2, 2006 as \$130.00 it is in fact \$400.00. See the Notice published in the Federal Register on September 21, 2004 and in the Official Gazette of the United States Patent and Trademark Office on October 12, 2004. Petitioner's deposit account no. 10-0100 has been charged in the amount of \$270.00 to make up the difference between that which was paid and that which is due for the petition fee under 37 CFR 1.378(e).

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

This file is being forwarded to Files Repository.

Telephone inquiries concerning this matter may be directed to Senior Petitions Attorney Patricia Faison-Ball at (571) 272-3212.

A handwritten signature in black ink, appearing to read "Charles Pearson", with a long horizontal flourish extending to the right.

Charles Pearson  
Director, Office of Petitions  
Office of the Deputy Commissioner