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OFFICE OF PETITIONS

In re Patent No. 5,879,370 :
Issued: March 9, 1999 :
Application No. 08/864,221 : ON PETITION
Filed: May 28, 1997 :
Docket No.: MR1811-8/C :

This is a decision on the "PETITION FOR RECONSIDERATION PURSUANT TO 37 C.F.R. §1.378(e)," filed December 4, 2006.

The petition under 37 CFR 1.378(e) is DENIED.¹

BACKGROUND

The patent issued March 9, 1999. The 3.5-year maintenance fee could have been paid from March 9, 2002 to September 9, 2002 without a surcharge or from September 10, 2002 to March 9, 2003 with a surcharge. The maintenance fee, however, was not submitted. Accordingly, the patent expired at midnight March 9, 2003 for failure to timely submit the 3.5-year maintenance fee.

A petition to accept the delayed payment of the maintenance fee pursuant to 37 CFR 1.378(b) was filed on August 2, 2005 and dismissed on October 2, 2006.

Petitioners attribute the failure to timely remit the maintenance fee for the instant patent to docketing error wherein the Johnson & Johnson internal docketing system and subsequent Memotech® docketing system were never updated to reflect that Johnson & Johnson and not outside counsel was responsible for paying the maintenance fee for the instant patent.

Prior to issuance of the patent, Morton J. Rosenberg prosecuted the application. Petitioners allege that the application was

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

assigned to Cordis Corporation, a Johnson & Johnson subsidiary on March 31, 1998. The record does not support the chain of title set forth in the petition, no assignments having been recorded against the patent. Petitioners state that Johnson & Johnson is responsible for docketing Cordis Corporation patent matters.

Prior to September 2002, Johnson & Johnson utilized an internal docketing system. The docketing system indicated that outside counsel was responsible for paying the maintenance fee for the instant patent.

The petition asserts that between January 2001 and September 2002, Johnson & Johnson became responsible for payment of the maintenance fee for the instant patent. The internal docketing system was not updated to reflect that Johnson & Johnson was now responsible for the maintenance fee.

On or about September 2002, Johnson & Johnson implemented the Memotech® docketing system. Johnson & Johnson did not rely upon the Memotech® docketing system for the purpose of scheduling maintenance fee payments until after December 2002. The Memotech® docketing system indicated that outside counsel was responsible for the maintenance fee for the instant patent.

The Johnson & Johnson internal docketing system generated monthly maintenance fee reports. The reports did not reflect maintenance fees that were to be paid by outside counsel.

Paul Coletti, internal patent counsel for Johnson & Johnson, declares that it was his responsibility to notify the Johnson & Johnson docketing department of changes in patent matters, such as Johnson & Johnson, rather than outside counsel, being responsible for the maintenance fee for the instant patent. Mr. Coletti declares that his general practice was to provide written instruction to the docketing department concerning changes in patent matters. Mr. Coletti has no recollection of *not* having informed the docketing department of the changes in the instant patent.

A copy of a letter dated November 7, 2002 from Mr. Rosenberg to Joel Siegel, outside counsel for Johnson & Johnson, was submitted with petition filed August 2, 2005 wherein Mr. Rosenberg advises that the first maintenance fee should have been paid by September 9, 2002, and, further, stating, "I assume that you have paid the patent maintenance fee, however, I do not know." Mr. Siegel forwarded this letter to Mr. Coletti by cover

letter dated November 13, 2002. A copy of this letter was also submitted to the Office on August 2, 2005. Therein, Mr. Siegel states, "I trust that you have handled the maintenance fee due on September 9, 2002."

Mr. Coletti advises he routinely received "courtesy reminders," such as the November 2002 letters, from outside parties concerning patent matters and considered such letters to be of little value as the matters referenced in the courtesy reminders were generally already being handled by Johnson & Johnson. Further, addressing courtesy reminder letters was duplicative such to unnecessarily and significantly divert docketing personnel from their important day-to-day tasks.

Mr. Coletti states that the letters were routinely passed on to the Johnson & Johnson docketing department for a records check to see that appropriate action had been taken. Mr. Coletti has no recollection that he did not pass the November 2002 courtesy letters on to the docketing department.

Linda Howd, Johnson & Johnson file room supervisor, declares that the docketing department has no recall of whether the November 2002 letters were received. The nexus between Ms. Howd's duties as a file room supervisor and the Johnson & Johnson docketing department is unclear, as Ms. Howd's duties as a file room supervisor have not been disclosed. Ms. Howd, like Mr. Coletti, attributes the failure to timely remit the maintenance fee to "some human error" that is "undeterminable at this time."

The Johnson & Johnson internal docketing system was never updated to reflect that Johnson & Johnson was responsible for the maintenance fee for the instant patent. As a result, the patent did not appear on the monthly docket reports and no Johnson & Johnson attorney was alerted that the maintenance fee for the instant patent was due.

Mr. Coletti states that in August 2003, Johnson & Johnson conducted a verification process after receiving maintenance fee reminder letters from the USPTO that indicated that certain Johnson & Johnson maintenance fees had not been paid. The verification process was also undertaken due to the new Memotech® docketing system.

The verification process involved reviewing each patent for which the Memotech® docketing system did not indicate that a maintenance fee due had been paid. The Memotech® docketing

system indicated that the maintenance fee for the instant patent was paid by outside counsel. This was said to have been determined by checking USPTO online records. In general, to determine whether or not the maintenance fees had been paid, checks were made of the USPTO website and Johnson & Johnson payment order letters.

STATUTE AND REGULATION

35 U.S.C. § 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 grace period if the delay is shown to the satisfaction of the Director to have been unavoidable.

A petition under 37 CFR 1.378(b) to accept an unavoidably delayed payment of a maintenance fee 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 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.

OPINION

A petition under 37 CFR 1.378(b) for the acceptance of an unavoidably delayed payment of maintenance fee is considered under the same standard as that for reviving an application unavoidably abandoned under 37 CFR 1.137(a) because 35 U.S.C. § 41(c)(1) uses the identical language, *i.e.*, "unavoidable" delay.² Decisions reviving abandoned applications have adopted the

²Ray 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)).

reasonably prudent person standard in determining if the delay was unavoidable.³ To meet this standard, petitioner must establish that he or she treated the patent the same as a reasonably prudent person would treat his or her most important business. In addition, decisions on revival are made on a "case-by-case basis, taking all the facts and circumstances into account."⁴ 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 that the delay was unavoidable.⁵

Petitioners have failed to establish that reasonable steps were taken to ensure timely payment of the maintenance fee.

Petitioners fail to establish that Mr. Coletti took action in response to the letters he received from Mr. Siegel in November 2002. Mr. Coletti has no direct recollection of having followed his practice of giving written instruction to the docketing department concerning the change in the instant patent. There is no documentation to establish that he notified the docketing department, such as a copy of his correspondence to the docketing department concerning the matter. There is nothing to establish that Mr. Coletti verbally informed the docketing department of the change in responsibility for the patent maintenance fee.

The fact that Mr. Coletti believes he did instruct the docketing department that Johnson & Johnson was now responsible for the maintenance fee for the patent is no more persuasive than the fact that Mr. Coletti did not so instruct the docketing

³Ex 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 man 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).

⁴Smith v. Mossinghoff, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982) (citing Potter v. Dann, 201 U.S.P.Q. (BNA) 574 (D.D.C. 1978) for the proposition that counsel's nonawareness of PTO rules does not constitute unavoidable delay); Vincent v. Mossinghoff, 1985 U.S. Dist. Lexis 23119, 13 230 U.S.P.Q. (BNA) 621 (D.D.C. 1985) (Plaintiffs through their counsel's actions or their own must be held responsible for having noted the MPEP section and Official Gazette notices expressly stating that the certified mailing procedures outlined in 37 CFR 1.8(a) do not apply to continuation applications).

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

department. Mr. Coletti's presumption without any supporting documentation is not persuasive.

Petitioners assert that the verification process of the Memotech® docketing system in August 2003 failed to disclose that the instant patent was expired. This failure is attributed to "human error." However, there is no indication that the docketing department was ever advised to change the Johnson & Johnson internal docketing system to reflect that Johnson & Johnson was responsible for the maintenance fee for the instant patent. As this change was never input into the internal docketing system, the subsequent docketing system, Memotech®, never reflected this change.

At issue remains whether Mr. Coletti took adequate steps to ensure that the maintenance fee would be timely paid by instructing the Johnson & Johnson docketing department to docket the instant patent for maintenance fee payment. It cannot be said that adequate steps were in fact taken. Neither Mr. Coletti nor the Johnson & Johnson docketing department have any direct recollection or supporting documentation that Mr. Coletti ever instructed the docketing department to update the Johnson & Johnson internal docketing system to reflect that Johnson & Johnson, rather than outside counsel, was now responsible for the maintenance fee for the instant patent.

Petitioner contends that the record establishes: 1) Mr. Coletti was responsible for instructing the docketing department to change its records regarding responsibility for payment of the maintenance fee; 2) Mr. Coletti had a standard and ordinary practice of giving such instructions; 3) because of Mr. Coletti's standard and ordinary practice, he presumably instructed the docketing department concerning the change; and, 4), some "human error" occurred in the docketing department which resulted in the change to the internal docketing system not being made.

The fact that a delay was caused by "human error" does not, *ipso facto*, establish unavoidable delay. For example, "human error" in the form of careless mistakes or the result of a lack of knowledge of USPTO practices and procedures would not establish unavoidable delay.⁶ As set forth in MPEP 711.03(c), a delay resulting from an error on the part of an employee in the

⁶ See, e.g., *Haines*, 673 F. Supp. at 317, 5 USPQ2d at 1132; *Vincent v. Mossinghoff*, 230 USPQ 621, 624 (D.D.C. 1985); *Smith v. Diamond*, 209 USPQ 1091 (D.D.C. 1981); *Potter v. Dann*, 201 USPQ 574 (D.D.C. 1978); *Ex parte Murray*, 1891 Dec. Comm'r Pat. 130, 131 (1891).

performance of a clerical function may provide the basis for a showing of "unavoidable" delay, provided it is shown:

- A) *the error was the cause of the delay;*
- B) *there was in place a business routine for performing the clerical function which could reasonably be relied upon to avoid errors in its performance; and*
- C) *the employee was sufficiently trained and experienced with regard to the function and routine for its performance that reliance upon such employee represented the exercise of due care.*

While the record shows that Johnson & Johnson had a system in place for monitoring the payment of maintenance fees which seemed reasonably reliable, the record does not sufficiently show that the employees responsible for utilizing the system were sufficiently trained and experienced such that reliance on such employees represented the exercise of due care.

Petitioner does not identify any specific employee responsible for following the instructions received from Mr. Coletti concerning changes to the docketing system. No evidence regarding any docketing employees' training and experience with both the Johnson & Johnson internal docketing system and the Memotech® docketing system has been provided.

Furthermore, the failure here was not limited to any "human error" that may have occurred in the docketing department. It cannot be established that Mr. Coletti followed the procedures in place at Johnson & Johnson for instructing the docketing department to update the docketing system concerning the maintenance fee for the instant patent. Petitioners cannot establish that Mr. Coletti sent written instruction to the docketing department to update the docketing system to reflect that Johnson & Johnson was now responsible for paying the maintenance fee for this patent. If Mr. Coletti had in fact followed his procedure, it would be reasonable to expect there to be documentation to this effect, such as correspondence to the docketing department concerning the change.

Absent persuasive evidence to establish that Mr. Coletti instructed the docketing department to change the docketing record to reflect that Johnson & Johnson was responsible for

paying the maintenance fee for the instant patent, a docketing error cannot be found to be the requisite cause of the failure to timely remit the maintenance fee.

CONCLUSION

The prior decision that 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, the 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).

Since this patent will not be reinstated, the Office is precluded from accepted a maintenance fee or surcharge in this matter. Petitioners may request a refund of the fees submitted August 2, 2005 by writing to the Finance Office, Refund Section. A copy of this decision should accompany any request for refund.

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

The application is being forwarded to Files Repository.

Telephone inquiries should be directed to Petitions Attorney Alesia M. Brown at (571) 272-3205.



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