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MAILED
APR 11 2011
OFFICE OF PETITIONS

In re Patent No. 5,658,285 :
Issued: August 19, 1997 :
Application No. 08/549,123 : ON PETITION
Filed: October 27, 1995 :
FOR: REHABITABLE CONNECTING- :
SCREW DEVICE FOR A BONE JOINT, :
INTENDED IN PARTICULAR FOR :
STABILIZING AT LEAST TWO :
VERTEBRAE :

This is a decision on the petition under 37 CFR 1.378(e), filed May 28, 2010.

The petition is **DENIED**¹.

BACKGROUND

The patent issued August 19, 1997. The 3.5 year maintenance fee was timely paid. The 7.5 year maintenance fee could have been paid from August 19, 2004 to February 19, 2005 without a surcharge or from February 20, 2005 to August 19, 2005 with a surcharge. The maintenance fee, however, was not submitted. Accordingly, the patent expired August 19, 2005 for failure to timely submit the 7.5-year maintenance fee.

A petition under 37 C.F.R. § 1.378(b) to accept late payment of the maintenance fee was filed February 19, 2009. A decision dismissing the petition under 37 CFR 1.378(b) was mailed March 26, 2010 and is hereby incorporated by reference.

Petitioner, under 37 CFR 1.378(e), in seeking reconsideration of the decision under 37 CFR 1.378(b), attributes the failure to timely pay the maintenance fee to the failure of the U.S. law firm of Harrison & Egbert to timely pay the maintenance fee upon instruction to do so from the French law firm of Cabinet Aymard & Coutel (“the Firm”), the legal representative of the patent holder Aesculap France (“Assignee”).

¹ This 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.

STATUTE, REGULATION, AND EXAMINING PROCEDURE

In accordance with 35 USC 41(c)(1), “[t]he 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.”

In accordance with 37 CFR 1.378(b), “[a]ny 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.”

Further, 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). 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), *aff’d sub nom. Rydeen v. Quigg*, 748 F.Supp. 900, 16 USPQ2d 1876 (D.D.C. 1990), *aff’d*, 937 F.2d 623(Fed. Cir. 1991)(table), *cert. denied*, 503 U.S. 1075(1992)). Decisions on reviving unavoidably abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable. 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). 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). A petition to revive an application as unavoidably abandoned cannot be granted where 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).

FACTS

The facts concerning the non-payment of the 7.5 year maintenance fee were previously set forth by petitioner and summarized in the decision mailed March 26, 2010. In brief, the Aesculap France is the Assignee of the patent. The Assignee is represented in France by Cabinet Aymard & Coutel (“the Firm”). The Firm received instruction from Assignee to pay the 3.5 year maintenance fee for the patent. The Firm engaged the U.S. law firm of Harrison & Egbert to pay

the 3.5 year maintenance fee. Harrison & Egbert paid the 3.5 year maintenance fee and advised the Firm that it had docketed the 7.5 year maintenance fee and would contact the Firm prior to the payment of the 7.5 year maintenance fee. The Firm never received any communication from Harrison & Egbert concerning the 7.5 year maintenance fee for the instant patent.

The Firm received instruction from Assignee to pay the 7.5 year maintenance fee. The Firm then instructed Harrison & Egbert, via facsimile, to pay the 7.5 year maintenance fee. The Firm received a confirmation that the facsimile had been sent and received. The Firm did not receive any direct acknowledgment from Harrison & Egbert that Harrison & Egbert had received the instructions to pay the 7.5 year maintenance fee and that Harrison & Egbert would in fact pay the 7.5 year maintenance fee. Harrison & Egbert did not pay the 7.5 year maintenance fee, resulting in the expiration of the patent.

The Firm billed Assignee for the 7.5 year maintenance fee. The Firm did not receive an invoice from Harrison & Egbert for the 7.5 year maintenance fee.

In 2006, the Firm started using the French firm of Acumass to coordinate maintenance fees and annuities. Acumass sent the Firm a notice to pay the 11.5 year maintenance fee for the instant patent. The Firm received instructions from Assignee to pay the 11.5 year maintenance fee on January 20, 2009. Acumass instructed the U.S. firm of Brevetax LLC to pay the 11.5 year maintenance fee. On January 21, 2009, Brevetax LLC informed Acumass, who in turn informed the Firm, that the patent had lapsed for failure to pay the 7.5 year maintenance fee. The Firm contacted petitioner on January 21, 2009 and the petition under 37 CFR 1.378(b) was filed February 19, 2009.

The instant request for reconsideration does not add any new facts regarding the circumstances that resulted in the expiration of the patent. The instant request for reconsideration is accompanied by a second declaration from Olivier Eidelsberg, counsel with the Firm, along with Exhibits E through L, which attempt to show that the Firm, during the period of time that the 7.5 year maintenance fee was due, had ongoing business concerning other patents with Harrison & Egbert.

DISCUSSION

Assignee engaged the Firm to docket the maintenance fee for the instant patent for payment. The Firm in turn engaged Harrison & Egbert to pay the maintenance fee. The delay in timely submission of the 7.5 year maintenance fee is attributed to Harrison & Egbert, who petitioners assert failed to pay the maintenance fee on behalf of Assignee upon instruction from the Firm.

The record lacks any supporting documentation or statements from Harrison & Egbert to establish that the maintenance fee was in fact docketed for payment by Harrison & Egbert. The record does not conclusively establish that Harrison & Egbert were obligated to pay the maintenance fee on behalf of Assignee upon instruction from the Firm.

The Firm had an expectation that it would receive a maintenance fee reminder from the Harrison & Egbert. The Firm did not receive such a reminder from Harrison & Egbert. Despite the non-

receipt of a reminder from Harrison & Egbert concerning the 7.5 year maintenance fee, the Firm instructed Harrison & Egbert to pay the 7.5 year maintenance fee on behalf of Assignee. The Firm relied on the confirmation of facsimile to conclude that Harrison & Egbert had received the instructions to pay the maintenance fee and had acted upon the instructions to pay the maintenance fee. Even though the Firm did not receive any direct confirmation from Harrison & Egbert that it would act on behalf of Assignee or that it had acted on behalf of Assignee as instructed by the Firm, the Firm presumed that Harrison & Egbert had paid the maintenance fee. Despite receiving no invoice for payment for services rendered from Harrison & Egbert, the Firm concluded that the maintenance fee had been timely paid on behalf of Assignee by Harrison & Egbert.

Upon review of the record, including the declarations and the exhibits, it cannot be found that it was reasonable for the Firm to rely on Harrison & Egbert to pay the 7.5 year maintenance fee for the instant patent upon their faxed instruction to do so. A reasonably prudent person would have taken action to ensure that Harrison & Egbert had received the instructions to pay the maintenance fee and were willing to act on Assignee's behalf. Moreover, a reasonably prudent person would have sought confirmation that the maintenance fee had been timely paid, particularly in light of the fact that the Firm had not received any communication from Harrison & Egbert regarding the 7.5 year maintenance fee for the instant patent. Thus, it cannot be found that the Firm took adequate steps to ensure that the maintenance fee would be timely paid on behalf of Assignee.

Ultimately the patent holder bears the responsibility for timely remittance of the maintenance fee. The Assignee elected to utilize the services of the Firm and, by extension, Harrison & Egbert for the purpose of maintaining the patent. That being the case, the USPTO must rely on the actions or inactions of duly authorized and voluntarily chosen representatives of the patent holder. The Assignee is, therefore, bound by the consequences of the acts and omissions of their freely selected agent. Link v. Wabash, 370 U.S. 626, 633-34 (1962). Specifically, the delay caused by mistakes or negligence of a voluntarily chosen representative does not constitute unavoidable delay. Haines v. Quigg, 673 F. Supp. 314, 5 USPQ2d 1130 (N.D. Ind. 1987); Potter v. Dann, 201 USPQ 574 (D.D.C. 1978); Douglas v. Manbeck, 21 USPQ2d (BNA)(1697)(E.D. PA Nov. 7, 1991).

DECISION

In conclusion, petitioner has failed to establish that the delay in payment of the maintenance fee, from the time that the maintenance fee was due until the filing of a grantable petition, was unavoidable because reasonable care was taken to ensure that the maintenance fee would be paid timely.

The prior decision dismissing petition under 37 CFR 1.378(b) to accept delayed payment of maintenance fee has been reconsidered. For the reasons set forth herein the delay in payment of the maintenance fee cannot be regarded a unavoidable within the meaning of 35 USC 41 and 37 CFR 1.378(b). Accordingly, the offer to pay the delayed maintenance fee will not be accepted and this patent will not be reinstated.

Receipt is hereby acknowledged of the \$400.00 petition fee required under 37 CFR 1.378(e).

As the Office will not accept the delayed payment of the maintenance fees, petitioner is entitled to a refund of the previously submitted \$7,280.00. Petitioner may request a refund in this amount by writing to the Finance Office, Refund Section. A copy of this decision should accompany any request for refund.

Telephone inquiries concerning this matter may be directed to Attorney Advisor Alesia M. Brown at 571-272-3205.



Anthony Knight
Director
Office of Petitions