UNITED STATES DEPARTMENT OF COMMERCE
Patent and Trademark Office
ASSISTANT SECRETARY AND COMMISSIONER OF
PATENTS AND TRADEMARKS
Washington, D.C. 20231

Paper No. 8

OSTROLENK, FABER, GERB & SOFFEN
1180 AVENUE OF THE AMERICAS
NEW YORK, NY 10036-8403

COPY MAILED

MAR 3 1 1998

OFFICE OF PETITIONS
A/C PATENTS

In re Patent No. 4,507,242
Issue Date: March 26, 1985
Application No. 06/598,539
Filed: April 10, 1984
Attorney Docket No. M-10034

ON PETITION

This is a decision on the petition under 37 CFR 1.378(e), filed August 9, 1996, requesting reconsideration of a prior decision which refused to accept under 37 CFR 1.378(b) the delayed payment of a maintenance fee for the above-identified patent.

The request to accept the delayed payment of the maintenance fee under 37 CFR 1.378(b) is **DENIED**.

BACKGROUND

The patent issued March 26, 1985. Accordingly, the second maintenance fee due could have been paid during the period from March 26, 1992, through September 26, 1992 or with a surcharge during the period from September 27, 1992, through March 26, 1993. Accordingly, the patent expired at midnight on March 26, 1993 for failure to timely submit the second maintenance fee.

A petition under 37 CFR 1.378(b) to accept late payment of the second maintenance fee was filed on March 18, 1996, and was dismissed in the decision of June 4, 1996.

The instant petition under 37 CFR 1.378(e) was filed on August 9, 1996.

STATUTE AND REGULATION

35 U.S.C. § 41(c)(1) states that:

> "The Commissioner 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 Commissioner 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 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

The Commissioner may accept late payment of the maintenance fee under 35 U.S.C. § 41(c) and 37 CFR 1.378(b) 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, *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. Ex parte Pratt, 1887 December. 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 December. 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 has not carried his burden of proof to establish to the satisfaction of the

Commissioner that the delay was unavoidable.

As 35 U.S.C. § 41(c) requires the payment of fees at specified intervals to maintain a patent in force, rather than some response to a specific action by the Office under 35 U.S.C. § 133, a reasonably prudent person in the exercise of due care and diligence would have taken steps to ensure the timely payment of such maintenance fees. Ray, 55 F.3d at 609, 34 USPQ2d at 1788. That is, an adequate showing that the delay in payment of the maintenance fee at issue was "unavoidable" within the meaning of 35 U.S.C. § 41(c) and 37 CFR 1.378(b)(3) requires a showing of the steps taken to ensure the timely payment of the maintenance fees for this patent. Id.

In determining whether a delay in paying a maintenance fee was unavoidable, one looks to whether the party responsible for payment of the maintenance fee exercised the due care of a reasonably prudent person. Ray, 55 F.3d at 608-609, 34 USPQ2d at 1787. It is solely the responsibility of the patent holder to ensure that the maintenance fee is timely paid. See, Wende v. Horine, 191 F. 620, 621 (C.C.N.D. Ill. 1911).

A review of Office records, in addition to the information provided with the petition(s), reveals the following facts:

- The payment window for the second maintenance fee of the above identified patent opened on March 26, 1992.
- Progenics, Inc. (Progenics) instructed Mr. Meilman of Ostrolenk, Faber, Gerb & Soffen (Ostrolenk) not to pay the maintenance fee on June 26, 1992.
- On July 06, 1992, Progenics, Inc. executed assignment to Supergenerics, Inc. (Supergen).
- Maintenance fee surcharge due on or after September 27, 1992.
- On October 28, 1992, the Office issued a Maintenance Fee Reminder.
- The payment window for the second maintenance fee of the above identified patent closed on March 26, 1993.
- The above identified patent expired on March 27, 1993.
- Petition to reinstate the above identified patent was filed on March 18, 1996 by Ostrolenk for Supergen.

Supergen continued using the firm of Ostrolenk to docket due dates for the patents transferred from Progenics to Supergen instead of establishing a docketing system within the offices of Supergen. See declaration of Elliott L. Fineman. There is no showing of record confirming that Supergen took any action to instruct the law offices of Ostrolenk that Supergen had acquired the above identified patent and for Ostrolenk to continue monitoring and paying the maintenance fees of the above identified patent. Supergen could not insist that the maintenance fee should have been paid by Progenics or any other

party. At the time Progenics had the entire right of ownership, Progenics was free to deal with the patent as Progenics willed. See Garfield v. Western Electric Co., 298 F.659 (S.D.N.Y. 1924). However, there is no showing that Supergen had made any provisions to timely submit the second maintenance fee during the period in which they had sole rights of ownership from July 06, 1992 to March 26, 1993. As such, petitioner is bound by the delay resulting from Progenics' and Supergen's business decisions, actions, or inactions, including those business decisions, actions, or inactions which led to the failure to schedule and pay the second maintenance fee. See Winkler v. Ladd, 221 F.Supp. 550, 552, 138 USPQ 666, 667 (D.D.C. 1963). As Progenics no longer had a legal or equitable interest in the patent during this period, Progenics' actions during this period are immaterial to a finding of unavoidable delay. See, Kim v. Quigg, 718 F.Supp. 1280, 12 USPQ2d 1604 (E.D. Va 1989). Rather, petitioner is bound by Progenics' actions or inactions regarding the maintenance fee for this patent prior to July 06, 1992, unless petitioner can establish that Supergen had some legal or equitable interest in this patent prior to July 06, 1992. Winkler, supra; Kim supra.

It is further brought to petitioner's attention that Supergen or Progenics were not precluded from paying the maintenance fee prior to or subsequent to the dissolution of Progenics during the year in question. CFR 1.366(a) clearly states:

> "The Patent Owner may pay maintenance fees and any necessary surcharges, or any person or organization may pay maintenance fees and any necessary surcharges on behalf of a Patent Owner. Authorization by a Patent Owner need not be filed in the Patent and Trademark Office to pay maintenance fees and any necessary surcharges on behalf of the Patent Owner."

As such, the record is not clear why Supergen did not pay, or instruct Ostrolenk to pay, the second maintenance fee during the time period in question, notwithstanding the assignment to Progenics. Rather, the showing of record is that Supergen apparently did not take any active interest in this patent subsequent to its assignment to Supergen on July 06, 1992 until January 31, 1996 when Supergen inquired as to whether the required maintenance fees have been paid with respect to the above identified patent. See declaration of Meilman. Again, there is no showing of record confirming that Supergen took any steps in instructing the law offices of Ostrolenk that Supergen had acquired the above identified patent and for Ostrolenk to monitor and pay the maintenance fees of the above identified patent for Supergen. Assuming *arguendo*, that petitioner is not bound by the delay caused or contributed to by Progenics, then a showing of diligence or lack of delay on the part of petitioner would be necessary to support a finding of unavoidable delay. See, Douglas v. Manbeck, 21 USPQ2d 1697, 1699-1700 (E.D. Patent. 1991).

The petition states that on June 26, 1992, Lenore Applezweig "orally advised the

undersigned that Progenics, Inc. was no longer operating and that she was trying [sic, to] sell the assets of the company and that no further expenses should be incurred on behalf of the company and specifically that no maintenance fee should be paid on the subject patent." This clearly establishes an intentional and deliberate action not to pay the maintenance fee while owned by Progenics. Whether Supergen's failure to pay the maintenance fee due for the above-identified patent was "unintentional" is relevant only to the extent that an "intentional" delay precludes acceptance of a delayed payment of a maintenance fee under 37 CFR § 1.378(b) or (c). See In re Maldague, 10 USPQ2d 1477, 1478 (Comm'r Pat. 1988). Since any petition under 37 CFR § 1.378(c) is, by the terms of 35 USC § 41(c), untimely, the issue is whether Supergen's failure to timely submit the second maintenance fee for the above-identified patent, and the delay in filing the petition to reinstate the above-identified patent, was "unavoidable" within the meaning of 35 USC § 41(c) and 37 CFR § 1.378(b).

Assuming, *arguendo*, that the firm of Ostrolenk had been properly appointed to conduct Supergen's matters subsequent to the assignment of the instant patent, including matters pertaining to the payment of the maintenance fee, then petitioner remains bound by the decisions, actions, or inactions, of Ostrolenk, including the decisions, actions, or inactions, which resulted in the lack of timely payment of the maintenance fees for this patent. See, Winkler, 221 F.Supp 550, 552, 138 USPQ 666, 667 (D.D.C. 1963). The Patent and Trademark Office must rely on the actions or inactions of duly authorized and voluntarily chosen representatives of the patent holder, and petitioner is bound by the consequences of those actions or inactions. Link v. Wabash, 370 U.S. 626, 633-34 (1962). Specifically, petitioners' delay caused by mistakes or negligence of a voluntarily chosen representative does not constitute unavoidable delay. Haines v. Quigg, id; Potter v. Dann, 201 USPQ 574 (D.D.C. 1978); Douglas v. Manbeck, Id. Consequently, the delay caused by the failure of either Progenics, Ostrolenk, or Supergen, to timely remit the maintenance fee does not constitute unavoidable delay. Ray, Id. The instant petition states "when the Notice of Abandonment [Notice of Patent Expiration] was received from the Patent Office, the undersigned [Meilman] placed that in the file and never notified Supergen about the necessity of paying a second maintenance fee". This is not grounds for a finding of unavoidable delay in submission of the maintenance fee, within the meaning of 35 USC 41(c) and 37 CFR 1.378(b).

The record fails to establish that Supergen, Ostrolenk, and Progenics, took adequate steps to ensure timely payment of the maintenance fee as required by 37 CFR 1.378(b)(3). Since adequate steps were not taken by any party, 37 CFR 1.378(b) precludes acceptance of the delayed payment of the maintenance fee. As such, there is no need in this case to determine the obligation between Supergen, Ostrolenk, and Progenics, since the record fails to show that petitioner, or any other party, took adequate steps to ensure timely payment of the maintenance fee. In re Patent No. 4,461,759, 16 USPQ2d 1883, 1884

(Comm'r Pat. 1990).

CONCLUSION

The prior decision which refused to accept under 37 CFR 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 U.S.C. § 41 and 37 CFR 1.378(b).

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

Since this patent will not be reinstated, it is appropriate to refund the maintenance fee and surcharge fee submitted by petitioner. A refund totaling $1655.00 will be remitted by Treasury check in due course.

Telephone inquiries relevant to this decision should be directed to John W. Cabeca, Office of Petitions, at (703) 305-9282.

Manuel Antonakas
Office of Patent Policy Dissemination
Office of the Deputy Assistant Commissioner
for Patent Policy and Projects

bh/ah