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In re Patent No. 4,835,883
Issue Date: June 6, 1989
Application No. 07/135,593
Filed: December 21, 1987
Attorney Docket No. 232

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ON PETITION

This is a decision on the petition, filed June 3, 1998, under 37 CFR 1.378(e) requesting reconsideration of a prior decision which refused to accept under § 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 is Denied.

BACKGROUND

The patent issued June 6, 1989. The patent expired as the first maintenance fee was not paid on or before June 6, 1993. The first maintenance fee was subsequently accepted under 37 CFR 1.378(b), and the patent reinstated, on September 26, 1994. Accordingly, the second maintenance fee due could have been paid during the period from June 6, 1996 through December 6, 1996, or with a surcharge during the period from December 9, 1996 (December 7, 1996 being a Saturday) through June 6, 1997. Accordingly, this patent expired at midnight on June 6, 1997 for failure to timely pay the maintenance fee. 37 CFR 1.362(g).

A petition under 37 CFR 1.378(b) was filed on January 7, 1998 and was dismissed in the decision of April 3, 1998. The instant petition under 37 CFR 1.378(e) was filed June 3, 1998.

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(a) provides that:

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 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).

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."

37 CFR 1.378(c) provides that:

(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) - (g);
- (2) The surcharge set forth in § 1.20(i) (2); and
- (3) A statement that the delay in payment of the maintenance fee was unintentional.

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 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). 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 (Mr. Land) urges that the decision of April 3, 1998 be reconsidered in that (1) petitioner states that Mr. Tetrault (another named inventor) had established a reminder system to assure the timely payment of the second maintenance fee and (2) petitioner has no record of ever receiving a maintenance fee reminder letter from the Patent & Trademark Office that petitioner was to pay the maintenance fee for this patent. As such, petitioner contends that the failure to pay the second maintenance fee was unavoidable.

Petitioner has not carried the burden of proof to establish to the satisfaction of the Commissioner that the delay was unavoidable.

Petitioner, was required in the decision of April 3, 1998, for any renewed petition "to state, presenting documentary evidence where appropriate, who was responsible for payment of the maintenance fee in the above-identified patent." The decision further required the responsible party to make a proper "showing that reasonable care was taken to ensure that the maintenance fee would be paid timely." Additionally, the April 3, 1998 decision stated that the petition filed on January 7, 1998 lacked the payment of the surcharge set forth in 37 CFR 1.20(i)(1)..

Petitioner alleges that Mr. Tetrault (another named inventor) set up a reminder system, and informed the Patent and Trademark Office to notify petitioner when the maintenance fee was due. Accordingly, petitioner believed the Patent and Trademark Office would notify him when the next maintenance fee was due. Moreover, petitioner now states that Mr. Tetrault's (other inventor, person responsible for the maintenance remainder fee system) reminder system did not prove adequate. In addition, it is alleged that Mr. Tetrault was under the influence of substances that affected his memory and ability to inform Mr. Land about the payment of the maintenance fee.

Notwithstanding the aforementioned, petitioner has not presented adequate explanation, supported by documentary evidence, of the circumstances surrounding the "unavoidable delay" for submitting the maintenance fee. Petitioner has only submitted a petition to reconsider and reinstate the patent under unavoidable delay with a written declaration by Larry Land. However, Petitioner has failed to provide the requested documentary evidence of the reminder system set up Mr. Tetrault and the reasons for the system's failure. 37 CFR 1.378(b)(3) requires a showing of the steps emplaced to ensure the timely payment of the maintenance fee. In the absence of a such a showing, 37 CFR 1.378(b)(3) precludes the delayed acceptance of the maintenance fee payment. Moreover, petitioner has failed to present any evidence to demonstrate that Mr. Tetrault was under drugs which affected his memory, which would have affected his capacity to pay and/or remind Mr. Land to pay the maintenance fee.

The record shows that Mr. Tetrault had been properly appointed to conduct petitioner's patent matters subsequent to the grant of the instant patent, including matters pertaining to the payment of the maintenance fee. Petitioner remains bound by the decisions, actions, or inactions, of Mr. Tetrault, including the decisions, actions, or inactions, which resulted in the lack of timely payment of the maintenance fees for this patent. See, Winkler v. Ladd, 221 F.Supp 550, 552, 138 USPQ 666, 667 (D.D.C. 1963). Specifically, while petitioner chose to rely upon Tetrault, such reliance *per se* does not provide petitioner with a showing of unavoidable delay within the meaning of 37 CFR 1.378(b) and 35 USC 41(c). See California Medical Products v. Technol Med. Prod., 921 F.Supp. 1219, 1259 (D.Del. 1995). Rather, such reliance merely shifts the focus of the inquiry from petitioner to whether Mr. Tetrault acted reasonably and prudently. Id. Nevertheless, petitioner is bound by any errors that may have been committed by Mr. Tetrault. California, Id. The record fails to show that petitioner or petitioner's representative took adequate steps to ensure timely payment of the maintenance fee. See In re Patent No. 4,461,759, 16 USPQ2d 1883, 1884 (Comm'r Pat. 1990).

Petitioner's contention that the maintenance fee was unavoidably delayed due to petitioner's lack of communication with Mr. Tetrault because he was incarcerated and was not able to talk to Mr. Tetrault about the payment of the maintenance fee on or about December 1, 1997, is not persuasive of unavoidable delay within the meaning of Pratt, supra. Rather, both petitioner and Mr. Tetrault were responsible in tracking the maintenance fee due date. Petitioner has not established that Mr. Tetrault was entirely incapable of interacting or otherwise communicating with Petitioner from the date the maintenance fee was first due (June 6, 1996) until the date the first petition was filed (January 7, 1998). Both petitioner and petitioner's representative, Mr. Tetrault, were aware of the need to diligently schedule and pay, the maintenance fee. The record indicates that petitioner was aware that a 7 year maintenance fee was due from the date of issuance of the patent. In fact, petitioner's showing of unavoidable delay in paying the 3½ year maintenance fee was predicated on petitioner's misunderstanding that the first maintenance fee was due at the 7½ year mark. Accordingly, the delay resulting from the failure of Mr. Tetrault to timely remit the fee, does not constitute unavoidable delay. Id. Likewise, if Tetrault was incommunicado for the entire period noted above, then petitioner has failed to explain why his lack of diligence in making other arrangements to ensure that maintenance fee was timely paid represents the due care of a prudent and careful person with respect to his most important business.

While petitioner states that he did not receive a maintenance fee reminder letter from the Patent and Trademark Office (PTO), such did not relieve petitioner from his obligation to exercise diligence in this matter, as would be necessary to support a finding of unavoidable delay. The patentee's lack of knowledge of the need to pay the maintenance fee and the failure to receive the Maintenance Fee Reminder do not constitute unavoidable delay; see In re Patent No. 4,409,763, 7 USPQ2d 1798 (Comm'r Pat. 1988), aff'd Rydeen v. Ouigg, 748 F. Supp. 900, 16 USPQ2d 1876 (D.D.C. 1990), aff'd without opinion (Rule 36), 937 F.2d 623 (Fed. Cir. 1991), cert. denied, 60 U.S.L.W. 3520 (January 27, 1992). See also "Final Rules for Patent Maintenance Fee," 49 Fed. Reg. 34716, 34722-23 (Aug. 31, 1984), reprinted in 1046 Off. Gaz. Pat. Office 28, 34 (September 25, 1984). Under the statutes and regulations, the Patent and Trademark Office (PTO) has **no duty** to notify patentees when the maintenance fees are due. It is solely the responsibility of the patentee to assure that the maintenance fee is timely paid to prevent expiration of the patent. The lack of knowledge of the requirement to pay a maintenance fee and the failure to receive the Maintenance Fee Reminder will not shift the burden of monitoring the time for paying a maintenance fee from the patentee to the PTO, nor will it constitute unavoidable

delay under the statute and regulation.

In determining whether a delay in paying a maintenance fee was unavoidable, one looks to whether the party responsible for scheduling 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. Assuming, *arguendo*, that Petitioner may have erred in assuming that Mr. Tetrault would pay the maintenance fee, such error(s) is, nevertheless, chargeable to Petitioner. 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*; Smith v. Diamond, *id*; Potter v. Dann, 201 USPQ 574 (D.D.C. 1978); Ex parte Murray, *id*; Douglas v. Manbeck, *Id.* Consequently, the delay caused by the failure of Mr. Tetrault to timely remit the maintenance fee does not constitute unavoidable delay. Ray, *Id.*; California, *supra*.

Nevertheless, delay resulting from a lack of proper communication between a patentee and that patentee's representative as to the responsibility for scheduling and payment of a maintenance fee does not constitute unavoidable delay within the meaning of 35 USC 41(c) and 37 CFR 1.378(b). See, In re Kim, 12 USPQ2d 1595 (Comm'r Pat. 1988). Specifically, delay resulting from a failure in communication between a registered practitioner and his client regarding a maintenance fee payment is not unavoidable delay within the meaning of 35 USC 41(c) and 37 CFR 1.378(b). Ray, *Id.* That both parties failed to take adequate steps to ensure that each fully understood the other party's meaning, and thus, their own obligation in this matter, does not reflect the due care and diligence of prudent and careful persons with respect to their most important business.

The record fails to adequately evidence that, notwithstanding their prior failure to provide a mechanism to ensure the timely payment of the maintenance fee, neither petitioner nor Mr. Tetrault exercised the due care observed by prudent and careful men, in relation to their most important business, which permits them to establish unavoidable delay, Pratt, *supra*.

Lastly, notwithstanding the admonishment in the previous decision, petitioner has still not remitted the surcharge required by 37 CFR 1.378(a) and 1.20(i) for the PTO acceptance of an "unavoidably" delayed maintenance fee payment, which further militates away from granting the instant petition.

CONCLUSION

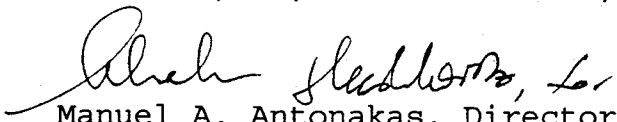
The prior decision which refused to accept under 37 CFR 1.378(b) the delayed payment of a maintenance fee for the above-identified patent has been reconsidered. For the above stated reasons, however, the delay in this case cannot be regarded as unavoidable within the meaning of 35 U.S.C. § 41 and 37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

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

Nevertheless, as petitioner was previously advised, an "unintentionally" delayed payment of a maintenance fee may still be accepted under the "unintentional" standard of 37 CFR 1.378(c). HOWEVER, PETITIONERS WILL HAVE TO PROMPTLY REMIT THE \$1640 SURCHARGE REQUIRED BY 37 CFR 1.378(c) AND 1.20(i)(2), WITHIN TWO MONTHS FROM THIS MAILING, TO AVOID ANY QUESTION OF WHETHER THE DELAY IN PAYMENT IS "UNINTENTIONAL."

Should petitioner not desire to further seek reinstatement, he may present, in writing, a request for a refund of the \$1050 maintenance fee paid, along with a copy of this decision, addressed to: Assistant Commissioner for Patents, Maintenance Fee Refund Section, Washington, D.C. 20035. The \$130 for requesting reconsideration is not refundable.

Telephone inquiries should be directed to Rafael Bacares at (703) 308-6712, or, in his absence, to Brian Hearn at 305-1820.


Manuel A. Antonakas, Director
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