



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

Paper No. 29

John S. Ferrari
8448 W. Union Ave. #24
Littleton, CO 80123

COPY MAILED

JUL 31 1997

**OFFICE OF PETITIONS
AND PATENTS**

In re Patent No. 4,942,395 :
Issue Date: July 17, 1990 :
Application No. 07/088,579 :
Filed: August 24, 1987 :
Inventors: John S. Ferrari et al. :

ON PETITION

This is a decision on the petition under 37 CFR 1.378(e), filed March 3, 1997, 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 July 17, 1990. Accordingly, the first maintenance fee due could have been paid during the period from July 19, 1993 (July 17, 1993 being a Saturday), through January 17, 1994, or with a surcharge during the period from January 18, 1994 through July 18, 1994 (July 17, 1994 being a Sunday). Accordingly, the patent expired at midnight on July 17, 1994 for failure to pay the first maintenance fee.

A petition under 37 CFR 1.378(b) to accept late payment of the maintenance fee was filed on October 2, 1996 and was dismissed in the decision of January 24, 1997.

The instant petition under 37 CFR 1.378(e) was filed on March 3, 1997.

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 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. Ouigg, 673 F. Supp. 314, 5 USPQ2d 1130 (N.D. Ind. 1987).

As 35 USC 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 USC 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 USPQ 2d 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 USC 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 the request for reconsideration, petitioners identify co-inventor David S. McFarland (McFarland) as the person responsible for "all past payments in the patent proceedings," and the person appointed by petitioners to track and pay the maintenance fee(s) in the above-identified patent. McFarland declares that the failure of his personal computer wiped out the information he had stored regarding the maintenance fee due dates, resulting in petitioners' failure to pay the fee in a timely manner.

The showing of record is inadequate to establish unavoidable delay within the meaning of 37 CFR 1.378(b)(3).

McFarland declares that he kept a record of all patent proceedings and fees paid on his home computer. His computer was equipped with a calendar program which could be programmed to provide an alarm to notify the user of upcoming events. McFarland declares that he checked and updated this calendar daily.

McFarland further declares that he sometimes borrowed disks from others, and that in February 1993 he "was loaned a game disk which was infected with a computer virus that destroyed the windows program...The system I had put in place to notify me for payment of the maintenance fee due at 3 1/2 years had broken down

without warning. As a result of the system breakdown, I overlooked the date for maintenance fee payment."

As noted above, the above-identified patent issued in July 1990. The maintenance fee could have been paid from July 1993 to July 1994, albeit with surcharge after January 1994. Therefore, petitioners had seventeen (17) months, from February 1993 to July 1994, to reconstruct their system for tracking and paying the maintenance fee in the above-identified patent or to switch to a backup system, perhaps one as simple as dates written on paper.

The showing of record, however, fails to establish that McFarland, the designated responsible party, took any such steps to track and pay the maintenance fee subsequent to the virus-induced failure of his home computer, even though he had in excess of one year to resume tracking the fee due date and pay the fee timely. The record does not establish that either of the other patentees 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 patentees subsequent to February 1993, 37 CFR 1.378(b) precludes acceptance of the delayed payment of the maintenance fee.

It is further noted that petitioners had previously asserted (petition of October 2, 1996) that (1) petitioner (John S. Ferrari) became aware of the expiration of the patent on Thursday September 26, 1996, (2) petitioners also then "first became aware of the requirement for patent maintenance fees," (3) the illness and death of the wife of Dale C. Sommers was asserted to have caused or contributed to the delay in payment of the fee, (4) petitioners would have paid the maintenance fee, "if either of us had been given notice that a fee was become due, and was necessary to continue the life of our patent," and (5) none of the named inventors had received any notice from the PTO of regarding the maintenance fee payment, notwithstanding petitioners' recordation of changes of address with the U.S. Postal service.

Petitioners are reminded that the decision of January 27, 1997 (at 5) noted:

"[i]n view of petitioners' conceded lack of awareness of the need to pay maintenance fees, however, any assertions that (1) a party had been designated as the responsible person for maintenance fee payment, and (2) the maintenance fee had in fact been scheduled for payment, would appear untenable."

The showing of record, however, fails to resolve the apparent contradiction between the assertions made in the previous petition and the current petition.

Furthermore, the record shows that petitioners did not inform the Patent and Trademark Office (Office) of any changes in correspondence address regarding this patent for maintenance fee purposes. Delay resulting from petitioners' failure to provide the Office with a current correspondence address for receiving communications regarding maintenance fee payments is not unavoidable delay. Ray, supra.

Nevertheless, delay resulting from petitioners' lack of receipt of any maintenance fee reminder(s), or petitioners' being unaware of the need for maintenance fee payments, does not constitute "unavoidable" delay. See Patent No. 4,409,763, supra, aff'd, Rydeen v. Oving, 748 F. Supp. 900, 16 USPQ2d 1876 (D.D.C. 1990), aff'd, 937 F.2d 623 (Fed. Cir. 1991) (table), cert. denied, 502 U.S. 1075 (1992). See also "Final Rules for Patent Maintenance Fees," 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 Office has no duty to notify patentees of the requirement to pay maintenance fees or to notify patentees when the maintenance fee is due. While the Office mails maintenance fee reminders strictly as a courtesy, it is solely the responsibility of the patentees to ensure that the maintenance fee is timely paid to prevent expiration of the patent. The failure to receive the reminder does not relieve the patentees of the obligation to timely pay the maintenance fee, nor will it constitute unavoidable delay if the patentees seek reinstatement under the regulation. Rydeen, Id. Moreover, patentees who are required by 35 USC 41(c) (1) to pay a maintenance fee within 3 years and six months of the patent grant, or face expiration of the patent, are not entitled to any notice beyond that provided by publication of the statute. Id. at 900, 16 USPQ2d at 1876.

Furthermore, the Letters Patent contains a Maintenance Fee Notice that warns that the patent may be subject to maintenance fees if the application was filed on or after December 12, 1980. While the record is not entirely clear as to whether or not petitioners ever read the Notice, petitioners' failure to read the Notice does not vitiate the Notice, nor does the delay resulting from such failure to read the Notice establish unavoidable delay. Ray, 55 F.3d at 610, 34 USPQ2d at 1789. Rather, reasonably prudent patentees would have inquired to see if their patent was

subject to maintenance fees. The failure of patentees to make reasonable inquiry regarding maintenance fee payment does not evidence the due care and diligence of reasonably prudent persons with respect to their most important business, within the meaning of Pratt, supra.

Petitioners have failed to establish that petitioners exercised due care and diligence in ensuring that adequate steps were taken to ensure the timely payment of the maintenance fee in the above-identified patent. Accordingly, the delayed payment of a maintenance fee for the above-identified patent cannot be accepted under the standards of 37 CFR 1.378(b).

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 fees amounting to \$510 (plus \$15 excess paid) and the surcharge fee of \$680 submitted by petitioners. Petitioners will receive a refund of these fees totalling \$1,205 by Treasury check, in due course.

This patent file is being returned to the files repository.

Telephone inquiries relevant to this decision should be directed to Marc Hoff at (703) 305-9285, or if not available, to the Office of Petitions Staff at (703) 305-9282.



Charles Pearson
Patent Legal Administrator
Office of the Deputy Assistant Commissioner
for Patent Policy and Projects

bh/msh