



Paper No. 10

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OFFICE OF PETITIONS

In re Patent No. 6,118,582 :
Issued: 12 September, 2000 :
Application No. 09/352,013 : DECISION ON PETITION
Filed: 12 July, 1999 :
Atty Docket No. IMMUN-51344 :

This is a decision on the petition under 37 CFR 1.378(e), filed on 27 February, 2006, requesting reconsideration of a prior decision which refused to accept under § 1.378(c),¹ the delayed payment of a maintenance fee for the above-referenced patent.

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

BACKGROUND

On 12 September, 2000, the patent issued. The first maintenance could have been paid from 12 September, 2003, through 14 March, 2004, or, with a surcharge, during the period from 15 March through 13 September, 2004. Accordingly, the present patent expired on 14 September, 2004, for failure to timely submit the first maintenance fee. The petition filed on 17 November, 2005, was dismissed on 21 December, 2005.

On 27 February, 2006, the present petition was filed, accompanied by the fee of \$400.00, requesting reconsideration of the prior decision.

¹ 37 CFR 1.378(c) provides that a petition to accept a unintentionally delayed payment of a maintenance fee must be filed within twentyfour months of the six-month grace period provided in § 1.362(e) and must include:

- (1) The required maintenance fee set forth in § 1.20(e) through (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.

In the petition filed on 17 November, 2005, petitioner asserts that the decision whether to pay the maintenance fee fell to Bert R. Williams, III (hereinafter "Williams"), the President of assignee Immuno Concepts, Inc. (hereinafter "Immuno").

Williams asserts in his declaration:

...

5. On or about February 26, 2004, I was contacted by telephone by outside patent counsel for Immuno. Immuno's counsel was requesting authorization to pay the maintenance fee of [U.S. Patent No. 6,111,582] which was due on, or before, March 12, 2004. At that time, since I wasn't aware of the '582 patent, I asked counsel to read the description of the patent to me over the phone. After hearing the description, I erroneously believed that the '582 patent was directed to a slide holder product developed several years earlier at Immuno which utilized gaskets to hold a microscope slide in place. Since this product was now obsolete, I verbally instructed patent counsel not to pay the maintenance fee. On that same day, Immuno's counsel faxed a letter to me memorializing my verbal instructions which I acknowledged and faxed back to counsel a few days later.

6. Only recently did a copy of the '582 patent come to my attention and I learned of the true identity of the invention covered by the '582 patent. This was the first time that I actually saw and read the '582 patent which covers an invention different from the obsolete slide holder product described above. I realized that an error had been made as to the identity of the invention covered by the '582 patent and instructed counsel for Immuno to determine if there was any way to reinstate the '582 patent...

In the present request for reconsideration, petitioner asserts in essence, that the decision not to pay the maintenance fee was based on a "reasonable mistake of fact, not a mistake of judgment" and that the maintenance fee should be accepted.

STATUTE AND REGULATION

35 U.S.C. § 2(b)(2) provides, in pertinent part, that:

The Office...may establish regulations, not inconsistent with law, which...(A) shall govern the conduct of proceedings in the Office.

35 U.S.C. § 41(c)(1) states that:

The Director may accept the payment of any maintenance fee required subsection (b) of this section which is made within twenty-four months after the six-month grace period if this 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.

37 CFR 1.378(a) provides that:

The Director 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 Director 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 Director 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(c) provides that:

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

A petition to accept the unintentionally delayed payment of a maintenance fee under 35 USC 41(c) and 37 CFR 1.378(c) must be accompanied by (1) an adequate statement that the delay was unintentional, (2) payment of the appropriate maintenance fee, unless previously submitted, and (3) payment of the surcharge set forth in 37 CFR 1.20(i)(2). This petition lacks item (1) above.

The Commissioner **may** accept late payment of the maintenance fee if the delay is shown to the satisfaction of the Commissioner to have been "unintentional"; see 35 USC 41(c)(1) and its promulgating regulation: 37 CFR 1.378(a). That is, the plain language of the statute permits reinstatement of an expired patent, provided the delay in payment of the maintenance fee was "unintentional".¹ Nevertheless, the congressional intent is that USPTO acceptance of a delayed maintenance fee is discretionary, and contingent upon a showing satisfactory to the Commissioner, that the delay was "unintentional".²

Petitioner argues that Williams was not familiar with the '582 patent when he told outside counsel not to pay the maintenance fee. Petitioner further avers that Williams incorrectly believed that the '582 patent was directed to an invention for which petitioners did not intend to pay the maintenance fee, rather than the actual invention covered by the '582 patent, for which petitioner did intend to pay the maintenance fee.

Petitioner further avers that that Williams' mistake when initially informed of the '582 patent constitutes a mistake of fact rather than a mistake in judgment, and that therefore the delay should be considered unintentional.

Petitioner's argument has been considered, but is not persuasive. Petitioner has failed to meet his burden of establishing that the delay in payment of the maintenance fee was unintentional within the meaning of 35 USC 41(c)(1) and 37 CFR 1.378(a),(c).

The showing of record is that the delay resulting in the expiration of this patent is due to an intentional decision by the responsible person, Williams, not to continue to patent in force, but rather, to permit the expiration of the patent by

¹ See Centigram Communication Corp v. Lehman, 862 F.Supp. 113, 118, 32 USPQ2d 1346, 1350 (E.D. Va. 1994), appeal dismissed, 47 F.3d 1180 (Fed. Cir. 1995).

² Id. at 116, 32 USPQ2d at 1348.

deliberately withholding the maintenance fee. This course of action, deliberately chosen, cannot reasonably be considered to have been unintentional within the meaning of 35 USC 41(c)(1) and 37 CFR 1.378(c).

A delay caused by the deliberate decision not to take appropriate action within a statutorily prescribed period does not constitute an unintentional delay within the meaning of 35 USC 41.³ Such intentional action or inaction precludes a finding of unintentional delay.⁴

The showing of record is that, when the maintenance fee was due, Williams decided that there was no compelling reason to continue this patent in force. Petitioner asserts that subsequent to the expiration of the patent, Williams discovered the full value of this patent to Immuno, and that if Williams had been aware of this information prior to the maximum statutory period for payment of the maintenance fee, Williams, would have submitted the maintenance fee in a timely manner.

The discovery of additional information after making a deliberate decision to withhold a timely action is not the "mistake in fact" that might form the basis for acceptance of a maintenance fee pursuant to 35 USC 41(c)(1) and 37 CFR 1.378(c), under the reasoning of *Maldague*. This discovery of additional, other information is simply a change in circumstances that occurred subsequent to the expiration of the patent. That Williams discovered such additional, other information subsequent to the expiration of the patent does not cause the delay resulting from Williams's previous deliberate decision to become "unintentional".⁵ In summary, the showing of record is that the delay is not based upon a mistake of fact, but rather a change of mind after reviewing the facts a second time. Petitioner Williams now seeks to revisit his previous decision, and comes to the opposite conclusion. In so doing, petitioner overlooks the salient fact that all the delay resulting from the prior decision of Williams, as it results from a conscious and deliberate decision, cannot now be regarded as unintentional.⁶

Thus, while petitioner may have made a "reasonable mistake" with regard to the patent which he intended not to pay the maintenance fee for, or earlier reinstate, such does not forestall the

³ In re Application of G, 11 USPQ2d 1378, 1380 (Comm'r Pat. 1989).

⁴ In re Maldague, 10 USPQ2d 1477, 1478 (Comm'r Pat. 1988).

⁵ Id.

⁶ G, supra; Maldague, supra.

conclusion that the delay herein resultant from petitioner's "reasonable mistake" is not unintentional delay within the meaning of 35 U.S.C. § 41(c)(1) and 37 CFR 1.378(c). Indeed, MPEP 711.03(c)(II)(C)(1) notes that:

A delay resulting from a deliberately chosen course of action on the part of the applicant does not become an "unintentional" delay within the meaning of 37 CFR 1.137(b) because:

(A) the applicant does not consider the claims to be patentable over the references relied upon in an outstanding Office action;

(B) the applicant does not consider the allowed or patentable claims to be of sufficient breadth or scope to justify the financial expense of obtaining a patent;

(C) the applicant does not consider any patent to be of sufficient value to justify the financial expense of obtaining the patent;

(D) the applicant does not consider any patent to be of sufficient value to maintain an interest in obtaining the patent;

(E) the applicant remains interested in eventually obtaining a patent, but simply seeks to defer patent fees and patent prosecution expenses.

Likewise, a change in circumstances that occurred subsequent to the abandonment of an application does not render "unintentional" the delay resulting from a previous deliberate decision to permit an application to be abandoned. These matters simply confuse the question of whether there was a deliberate decision not to continue to the prosecution of an application with why there was a deliberate decision not to continue the prosecution of the application.

In examples (B) through (E) noted above, it is the deliberative determination or assessment, or "business decision" that the application or forthcoming patent is simply not then worth the expense of going forward, *i.e.*, that the invention believed to be covered by the '582 patent was "obsolete". One could conceivably assert, that there was no intent to abandon the application but in which instant, as here, the delay nevertheless arose from a

deliberate chosen course of action (or inaction) and as such, was not unintentional delay. It is material to the analysis that here, the patent has issued; as can be seen by substituting "maintain" or "maintaining" for, respectively "obtain" or "obtaining" in the above examples (B) through (D).⁷

With regard to petitioner's argument that the instant circumstances constitute a mistake of fact, rather than a mistake of judgment, on the part of Williams, it is noted that Black's Law Dictionary defines a "mistake of fact" as "a mistake not caused by the neglect of a legal duty on the part of the person making the mistake and consisting in (1) an unconscious ignorance or forgetfulness of a fact, past or present matter, material to the contract; or (2) belief in the present existence of a thing material to the contract which does not exist, or in the past existence of a thing which has not existed."⁸ Additionally, "judgment" is defined as "A sense of knowledge sufficient to comprehend nature of transaction... An opinion or estimate... The formation of an opinion or notion concerning something by exercising the mind upon it..."⁹

Petitioner's argument in the present request for reconsideration has been carefully considered, but is not persuasive. As the President of assignee Immuno, Williams had a duty of diligence to investigate all patent matters in which Immuno had a stake before making a decision thereabout. Making a decision not to pay a maintenance fee without an actual investigation as to whether or not the patent was important to Immuno's business, however, would suggest a mistake of judgment, rather than of fact.

Moreover, Williams was certainly aware of the existence of the patent for which Immuno intended to pay the maintenance fee. Rather than a mistake of fact, the showing of record is that Williams made a mistake of judgment. It is clear that Williams stated that he intended for the maintenance fee not to be paid in the '582 patent. While it is unfortunate that Williams did not properly investigate whether the '582 patent was material to Immuno's business prior to making the decision to instruct counsel not to pay the maintenance fee, such a mistake in judgment does not render the delay unintentional.

⁷ See generally MPEP 2590 (the unintentional delay standard for revival of abandoned applications is also applicable to reinstatement of expired patents).

⁸ BLACK'S LAW DICTIONARY 1001 (6th ed. 1990).

⁹ BLACK'S LAW DICTIONARY 841 (6th ed. 1990).

Likewise, petitioner's argument that the maintenance fee should be accepted in light of *In re Application of G*¹⁰ because the unintentional provisions were considered "remedial" legislation, must also fall. Petitioner claims that the maintenance fee must be accepted because Williams made a "reasonable mistake". However, it is unreasonable to believe that a mistake as to whether or not to pay the maintenance of a patent important to Immuno's business could be considered reasonable, particularly when such a mistake would preclude forever the continued enforcement of that patent. Petitioner cannot reasonably claim that the petition to reinstate the present patent was not the result of reviewing the same facts (*i.e.*, the commercial value of the '582 patent) a second time which changed his mind as to the appropriate course of action to pursue. Further, the Commissioner stated in *G*,¹¹ relief has not been granted for some intentional mistakes. Certainly there can be no question that Williams' action in directing outside counsel not to pay the maintenance fee in the '582 patent was an intentional, deliberate action, regardless of Williams' mindset at the time he took that action.¹²

As such, while petitioner maintains that Williams did not form an intent regarding the maintenance fees, and that he did not act intentionally in that intent requires an understanding of the consequences, these arguments simply do not show to the satisfaction of the Director that the attendant delay in payment of the maintenance fee was unintentional within the meaning of 35 U.S.C. § 41(c) and 37 CFR 1.378(c). The course of conduct depicted in the original petition, and the request for reconsideration, clearly has resulted in a delay that was purposefully and deliberately chosen by the responsible person and, as such, the resultant delay in payment of the maintenance fee simply does not qualify as unintentional delay.

In summary, the USPTO has long indicated that the delay resulting from a deliberative "business decision" to not take a required, timely action is a delay that precludes revival or reinstatement under the even less stringent standard of unintentional delay. The reason(s) *why* Williams made the decision to not maintain in force or earlier seek reinstatement of the '582 patent is not to

¹⁰ 11 USPQ2d 1378, 1380 (Comm'r Pat. 1989).

¹¹ *Id.*

¹² *Id.* at 1380, (quoting *In re Wadlinger*, 496 F.2d 1200, 1207, 181 UQPS 826, 832 (CCPA 1974) in stating that the term "mistake" in 35 U.S.C. 251 "has a broad sweep and is certainly inclusive of actions taken in full consciousness.")

be confused with the fact that there was a deliberative decision that the value of the '582 patent was then insufficient to allocate funds to maintain or reinstate the '582 patent.

With regard to patentee's last argument regarding intervening rights, the sole issue before the Office with regards to this petition is whether or not the entire delay in submission of the maintenance fee in this patent was or was not unintentional. The rights of intervening parties are not at issue. Having found that the delay was not unintentional, the petition must be denied.

DECISION

Petitioner has failed to meet his burden of proving to the satisfaction of the Director the entire delay in submission of the maintenance fee herein was unintentional within the meaning of 35 U.S.C. § 41(c) and 37 CFR 1.378(c). Accordingly, the maintenance fee will not be accepted, this patent will not be reinstated, and this patent remains expired. The petition is denied.

The USPTO will not further consider or reconsider this matter.¹³

This decision may be regarded as a final agency action within the meaning of 5 U.S.C. § 704 for purposes of seeking judicial review.¹⁴

The maintenance fee and surcharge have been credited to counsel's deposit account.

Telephone inquiries related to this decision should be directed to Senior Petitions Attorney Douglas I. Wood at (571) 272-3231.



Charles A. Pearson
Director, Office of Petitions

¹³ See 37 CFR 1.378(e).

¹⁴ See MPEP 1001.02.