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In re Patent No. 4,624,357 :  
Issue Date: November 25, 1986 :  
Application No. 06/624,239 :  
Filed: June 25, 1984 :  
Inventor: Robert F. Oury et al. :

OFFICE OF PETITIONS  
A/C PATENTS  
ON PETITION

This is a decision on the petition under 37 CFR 1.378(e), filed September 30, 1997 and supplemented October 17, 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 November 25, 1986. The second maintenance fee due could have been paid during the period from November 25, 1993 through May 25, 1994, or with a surcharge during the period from May 26, 1994 through November 25, 1994. Accordingly, the patent expired after midnight, November 25, 1994 for failure to timely pay the second maintenance fee. 37 CFR 1.362(g).

A petition under 37 CFR 1.378(b) to accept late payment of the maintenance fee was filed June 27, 1997, and was dismissed in the decision of July 31, 1997.

The instant petition under 37 CFR 1.378(e) requesting reconsideration of the decision of July 31, 1997 was filed on September 30, 1997 and supplemented on October 17, 1997. Accompanying the petition was a declaration by Robert F. Oury (Oury), (exhibit A), accompanied by exhibits B-H.

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

Petitioner urges that the decision of July 31, 1997 be reconsidered in that a misunderstanding between petitioner and former counsel George B. Newitt (Newitt) of the Banner & Witcoff, Ltd. law firm (Banner), and petitioner's reasonable reliance on Banner to timely pay the maintenance fee caused an unavoidable delay in paying the second maintenance fee.

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

The showing of record is that the petitioner, Rotec, had engaged the Banner law firm and its predecessors to schedule and, upon authorization, to pay the maintenance fees for this patent, which arrangement had resulted in the timely payment of the first maintenance fee. The showing of record is further that on August 5, 1993 (prior to the time for payment of the second maintenance fee) a reminder letter was sent from Newitt of counsel to Oury, President of Rotec, stating that the process for payment of the maintenance fee would be initiated unless advised to the contrary within thirty days. Petitioner asserts that the payment process was initiated by pre-billing Rotec for the second maintenance fee in an invoice dated September 30, 1993, but that as of May 3, 1994 the bill remained unpaid. Petitioner asserts that on May 3, 1994 Newitt was given a reminder of the need to pay the second maintenance fee by a paralegal of the Law Firm, Janet Jazierny (Jazierny), and was asked whether the fee should be paid. The record indicates that Newitt gave Jazierny the instruction "Don't pay, RFO 5-4-94." The record indicates that Newitt believes that he telephoned Oury on May 4, 1994 and was told not to pay the fee. The record also indicates that Oury believes that he did not receive a phone call from Newitt on May 4, 1994 and, even if he had, he would not have told Newitt not to pay the maintenance fee. The record indicates that Oury, based on the reminder letter from Newitt, believed that the second maintenance fee would be and later had been paid. The record indicates that on May 31, 1995, after the time for payment of the second maintenance fee had expired, Rotec paid the invoice from the Law Firm. In the spring of 1997, pursuant to selling the patent to another party, Rotec contacted the Banner law firm to determine the status of the patent and learned that it had expired.

Consequently the instant petition was filed.

Petitioner states that the established practice was for Banner to pay required fees for petitioner's patents unless directed otherwise by petitioner. Again, as such, petitioner remains bound by the decisions, actions, or inactions, of Banner, 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). 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 Banner to timely remit the maintenance fee does not constitute unavoidable delay. Ray, Id. Moreover, as noted above, that delay is chargeable to petitioner. That petitioner states it was never its intent to not pay the second maintenance fee is not dispositive in this case. Even assuming arguendo that the actions of petitioner were those of prudent and careful men in relation to their most important business, petitioner remains bound by the decisions, actions, or inactions of its duly chosen representative.

Furthermore, as the showing of record remains that the delay resulting in the expiration of this patent is due to a decision by counsel not to continue this patent in force, such a course of action deliberately chosen, cannot reasonably be considered to have been unavoidable within the meaning of 35 U.S.C. § 41(c)(1) and 37 CFR 1.378(b). 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 U.S.C. § 41. In re Application of G, 11 USPQ2d 1378, 1380 (Comm'r Pat. 1989). Such intentional action or inaction precludes a finding of unavoidable delay or unintentional delay, even if such was an error on the part of petitioner's representative. In re Maldague, 10 USPQ2d 1477, 1478 (Comm'r Pat. 1988).

Petitioner's reiteration that the failure to pay the maintenance fee resulted from miscommunication between petitioner and Banner as particularly evidenced by the events of May 4, 1994 does not further petitioner's cause. Petitioner has offered a possible

scenario of how the miscommunication arose likening the communications between Oury and Newitt to "two ships passing in the night." Under this showing presented by petitioner, there can be no conclusion but that the delay was caused by miscommunication, and therefore was not unavoidable. Again, delay resulting from a lack of proper communication between a patentee and that patentee's representative(s) as to the responsibility for payment of a maintenance fee does not constitute unavoidable delay within the meaning of 35 USC 41(c) and 37 CFR 1.378(b). In re Kim, 12 USPQ2d 1595 (Comm'r Pat. 1988). Specifically, delay resulting from a failure in communication between a representative 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, 55 F.3d at 610, 34 USPQ2d at 1789. That all 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 within the meaning of Pratt, supra.

Again, it is further brought to petitioner's attention that the Office is not the proper forum for resolving a dispute between a patentee and that patentee's representative(s) regarding the payment of maintenance fees. Ray, supra.

The showing of record is that petitioner and Banner had not timely reached an adequate understanding in this matter, which lack of understanding 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).

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, at 608-609, 34 USPQ2d at 1787. A reasonably prudent person would have exercised due care and diligence to ensure that adequate steps were taken to timely submit the maintenance fee. The record fails to adequately evidence that petitioner and then counsel Banner exercised the due care and diligence observed by prudent and careful persons, in relation to their most important business. Pratt, supra. This failure precludes a finding of unavoidable delay.

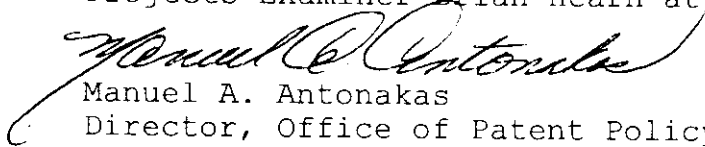
CONCLUSION

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).

Since this patent will not be reinstated, petitioner may request a refund by treasury check in the amount of \$1705, by enclosing a copy of this decision with a request for refund to the Office of Finance, Refund Section.

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

Telephone inquiries related to this decision should be directed to Mark Graham at (703)305-9177, or in his absence, Special Projects Examiner Brian Hearn at (703) 305-1820.



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