



Paper No. 18

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**OFFICE OF PETITIONS
ON PETITION**

In re Patent of Kent Robinson and Melvin Robinson :
Patent No. 4,734,697 :
Application No. 06/889,388 :
Filed: July 25, 1986 :
Issued: March 29, 1988 :
Attorney Docket No. BRTCH-001A :

This is a decision on the renewed petition under 37 CFR § 1.378(e), filed July 15, 2003, to reinstate the above-identified patent.

The petition is **DENIED**.¹

Since this patent will not be reinstated, maintenance fees and surcharges submitted by petitioner will be scheduled for a refund. The \$130 fee for requesting reconsideration is not refundable. Therefore the Office will credit \$3,315 to petitioner's deposit account.

Background

The patent issued March 29, 1988. The 7.5 year maintenance fee could have been paid from March 29, 1995 through September 29, 1995, or with a surcharge during the period from September 30, 1995 to March 29, 1996. Petitioner did not do so. Accordingly, the patent expired March 30, 1996.

A petition under 35 USC 41(c)(1) and 37 CFR 1.378(b) was filed November 26, 2001, and was dismissed in the decision of December 6, 2001. A request for reconsideration was filed on February 6, 2002. A request for information was mailed to petitioner on March 11, 2002. A reply to the request for information was filed on May 24, 2002. A request for information was mailed to petitioner on July 1, 2002. A reply to the request for information was filed on May 7, 2003.² A request for information was mailed on May 20, 2003.

¹ This decision may be viewed as a final agency action within the meaning of 5 USC § 704 for purposes of seeking judicial review. See MPEP 1002.02.

² Petitioner's delay in replying to the request for information was the result of a copy of the July 1, 2002 request for information, being sent to an address on a prior petition. The May 24, 2002, reply did not request future decisions be sent to a new address.

It should be noted that petitioner has not filed a proper power of attorney or change of address as of the date of the instant decision. A proper power of attorney or change of address would need to be signed by both inventors, the owner(s) of the patent, or an attorney of record.

Applicable Statutes and Regulation

35 U.S.C. § 41(b) states in pertinent part that, "Unless payment of the applicable maintenance fee is received . . . on or before the date the fee is due or within a grace period of six months thereafter, the patent shall expire as of the end of such grace period."

35 U.S.C. § 41(c)(1) states that, "The Commissioner may accept the payment of any maintenance fee . . . after the six month grace period **if the delay is shown to the satisfaction of the Commissioner to have been unavoidable.**" (emphasis added)

37 CFR 1.378(b)(3) states that any petition to accept delayed payment of a maintenance fee must include:

A showing that . . . reasonable care was taken to ensure that the maintenance fee would be paid timely and that the petition was filed promptly after the patentee . . . 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.

Opinion

Petitioner must establish that petitioner treated the patent the same as a reasonable and prudent person would treat his or her most important business.

In general, to establish unavoidable delay, the Office requires petitioner to establish that petitioner treated the patent the same as a reasonable and prudent person would treat his or her most important business.³ However, "The question of whether an applicant's delay in prosecuting an application was unavoidable [will] be decided on a case-by-case basis, taking all of the facts and circumstances into account."⁴ Nonawareness of the content of, or a misunderstanding of, PTO statutes, PTO rules, the MPEP, or Official Gazette notices, does not constitute unavoidable delay.⁵ The statute requires a "showing" by petitioner. Therefore, petitioner has the burden of proof. The decision will be based solely on the written, administrative record in existence. It is not enough that the delay was unavoidable; petitioner must prove that the delay was unavoidable. A petition will not be granted if petitioner provides insufficient evidence to "show" that the delay was unavoidable.

Petitioner is responsible for having knowledge of the need to pay maintenance fees and knowing when the fees are due.⁶ The Office has no duty to notify a patentee of the requirement to pay

³ The Commissioner is responsible for determining the standard for unavoidable delay and for applying that standard. 35 U.S.C. 41(c)(1) states, "The Commissioner may accept the payment of any maintenance fee . . . at any time . . . if the delay is shown to the satisfaction of the Commissioner to have been unavoidable." (emphasis added).

⁴ Smith v. Mossinghoff, 671 F.2d 533, 538, 213 U.S.P.Q. (BNA) 977 (1982).

⁵ See Smith v. Mossinghoff, 671 F.2d 533, 538, 213 U.S.P.Q. (BNA) 977 (Fed. Cir. 1982) (citing Potter v. Dann, 201 U.S.P.Q. (BNA) 574 (D. D.C. 1978) for the proposition that counsel's nonawareness of PTO rules does not constitute "unavoidable" delay); Vincent v. Mossinghoff, 1985 U.S. Dist. LEXIS 23119, 13, 230 U.S.P.Q. (BNA) 621 (D. D.C. 1985) (Plaintiffs, through their counsel's actions, or their own, must be held responsible for having noted the MPEP section and Official Gazette notices expressly stating that the certified mailing procedures outlined in 37 CFR 1.8(a) do not apply to continuation applications.) (Emphasis added).

⁶ See footnote 4.

maintenance fees or to notify patentee when a maintenance fee is due.⁷

A reasonable and prudent person, aware of the existence of maintenance fees, would not rely on Maintenance fee reminders or on memory to remind him or her when payments would fall due several years in the future. Instead, such an individual would implement a reliable and trustworthy tracking system to keep track of the relevant dates.⁸ The individual would also take steps to ensure that the patent information was correctly entered into and maintained in the tracking system.

Application of the unavoidable standard to the present facts

FACTS:

The instant patent issued on March 29, 1988. Counsel of record was, and still is, G. Weber, Jr.

A reissue application was filed on July 18, 1990 by the law firm of Stetina and Brunda. A request to change the correspondence address for the instant patent was not filed by Stetina and Brunda when the reissue application was filed.

⁷ "Congress expressly conditioned §§ 133 and 151 [of the United States Code] on a specific type of notice, while no such notice requirements are written into § 41(c) ... [T]he Commissioner's interpretation of 'unavoidable' and of the PTO's duty to provide reminder notices then, do not plainly contradict the statute. For this reason, we must accord deference to the Commissioner's no-timely-notice interpretation." Ray v. Comer, 1994 U.S. Dist. LEXIS 21478, 8-9 (1994), *aff'd on other grounds* Ray v. Lehman, 55 F.3d 606, 34 USPQ2d 1786 (Fed. Cir. 1995) (citing Rydeen v. Quigg, 748 F. Supp. 900, 905 (1990), Chevron U.S.A. Inc. v. Natural Resources Defense Council, Inc., 467 U.S. 837, 81 L. Ed. 2d 694, 104 S. Ct. 2778 (1984)). "The Court concludes as it did in Rydeen, that as a constitutional matter, 'plaintiff was not entitled to any notice beyond publication of the statute.'" Id. at 3 (citing Rydeen v. Quigg, 748 F. Supp. at 906, Texaco v. Short, 454 U.S. 516, 536, 70 L. Ed. 2d 738, 102 S. Ct. 781 (1982)).

The Patent Office, as a courtesy, tries to send maintenance fee reminders and notices of patent expiration to the address of record. However, the failure to receive the reminder notice, and the lack of knowledge of the requirement to pay the maintenance fee, will not shift the burden of monitoring the time for paying a maintenance fee from the patentee to the Office. See MPEP 2575, 2540, 2590. Petitioner does not have a right to personalized notice that this patent will expire if a certain maintenance fee is not paid, as the publication of the statute was sufficient notice. See Rydeen v. Quigg, 748 F. Supp. 900, 907 (1990). The ultimate responsibility for keeping track of maintenance fee due dates lies with the patentee, not the USPTO. Since the mailing of Notices by the Office is completely discretionary and not a requirement imposed by Congress, accepting an argument that failure to receive a Notice is unavoidable delay would result in all delays being unavoidable should the Office discontinue the policy. All petitions could allege non-receipt of the reminder, and therefore all petitions could be granted. This was clearly not the intent of Congress in the creation of the unavoidable standard.

⁸ 37 CFR 1.378(b)(3) precludes acceptance of a late maintenance fee for a patent unless a petitioner can demonstrate that steps were in place to monitor the maintenance fee. The Federal Circuit has specifically upheld the validity of this properly promulgated regulation. Ray v. Lehman, 55 F.3d 606, 609; 34 U.S.P.Q.2d (BNA) 1786 (Fed. Cir. 1995). In Ray v. Lehman, petitioner claimed that he had not known of the existence of maintenance fees and therefore had no steps in place to pay such fees. The petitioner therefore argued that the PTO's regulations requiring such steps created to heavy a burden. The court stated, "Ray also takes issue with the PTO's regulation, 37 C.F.R. § 1.378(b)(3), *supra*, arguing that it 'creates a burden that goes well beyond what is reasonably prudent.' We disagree. The PTO's regulation merely sets forth how one is to prove that he was reasonably prudent, i.e., by showing what steps he took to ensure that the maintenance fee would be timely paid, and the steps taken in seeking to reinstate the patent. We do not see these as requirements additional to proving unavoidable delay, but as the very elements of unavoidable delay." Id.

A reasonable and prudent person would not rely on maintenance fee reminders from the Office for two reasons. First, the Office has indicated that such reminders are a mere courtesy and has reserved the right to discontinue such reminders at any time. Second, such reminders may be lost in the mail. A reasonable and prudent person, in regard to his most important business, would not rely solely on reminders that the Office may or may not send which may or may not be lost in the mail.

A continuation of the reissue application was filed on September 27, 2001.

As a courtesy, the Office attempts to send maintenance fee reminders to patentees. See footnote 6. Such reminders are mailed to the address of record for the patent.

A maintenance reminder for the 3.5 year fee was mailed to G. Weber, Jr. at the address of record.

Mr. Weber forwarded the reminder to one of the inventors- Kent Robinson. Mr. Robinson then requested that the law firm of Stetina and Brunda prepare and pay the maintenance fee.

The firm paid the maintenance fee on March 10, 1992. In addition, the law firm filed a request to change the fee address to the law firm's address. Since the request was only signed by one of the two inventors, the request was *improper* and was not entered into the record.

Virginia North's May 10, 2002 declaration states,

At the time for payment of the 3 ½ year maintenance fee, as was the practice of the office at the time, I docketed the dates for the remaining maintenance fees. . . . Additionally, docket entries were made to send Maintenance Fee Letters six (6) months prior to the due date of the actual fee. These dates were given to the person who entered the docket dates into the docket. To my knowledge we have been unable to locate the firm's printed docket entries for that period to verify that the information was entered into our docketing system.⁹

Virginia North states that "I docketed the dates" but also states, "These dates were given to the person who entered the docket dates into the docket." Ms. North's declaration is ambiguous as to whether she personally docketed the dates or instructed another individual to take such action. An explanation of her contradictory statements has not been provided. Petitioner has failed to clearly state the identity of the individual responsible for manually entering the relevant dates into the computer docketing system.

If the person responsible for data entry correctly performed his or her job, then two dates related to the 7.5 year fee would have been entered into the docketing system. The first date would be the date to send a reminder letter. The second date would be the due date for the 7.5 year maintenance fee (the due date was listed on the file as September 29, 1995).

The 7.5 year maintenance fee could have been paid from March 29, 1995 through September 29, 1995, or with a surcharge during the period from September 30, 1995 to March 29, 1996.

Assuming the patent had been properly docketed, the docketing system would have notified the law firm during March or April of 1995 that a reminder letter for the 7.5 year maintenance fee needed to be mailed to the client. The record fails to explain why steps were not taken at that time to mail a letter to the client.

Assuming the patent had been properly docketed, the docketing system would have notified the law firm of the need to pay the fee by the due date. The record fails to explain why steps were not taken upon such notice to pay the 7.5 year maintenance fee.

The record fails to clearly indicate that a maintenance fee reminder was mailed by the Office. If it was mailed, it would have been sent to the correct address of record and not to petitioner's address.

⁹ Paragraph 8.

The 7.5 year maintenance fee was not paid by March 29, 1996, and the patent expired.

On April 16, 1996, the Office mailed a Notice of Patent Expiration to the address of record, which was not petitioner's address since petitioner never filed a proper request to change the address.

The reissue application issued as a patent on December 9, 1997. Filing a reissue application does not change the due dates for maintenance fee payments. See CFR 1.362(h). In other words, when the instant patent was "reissued" on December 9, 1997, the due dates for maintenance fees remained unaltered.

The reissue patent was issued more than 20 months after the expiration of the instant patent.

Denise Zambrano was an assistant docketing clerk at the time the reissue application issued as a patent. Ms. Zambrano was well trained regarding routine docketing tasks. Ms. Zambrano failed to fully understand the rules regarding reissue practice. As a result, she docketed the reissue patent the same as she would docket a normal patent. For example, she scheduled the 3.5 year fee to be paid 3.5 years after the issuance of the reissue patent. Ms. Zambrano states, "It appears that I . . . treated the two patents[, the instant patent and the reissue patent,] as two completely separate case files for paying maintenance fees."¹⁰ The record fails to indicate that Ms. Zambrano contacted Bruce Brunda, the attorney of record, or another individual familiar with patent law, to ensure her understanding as to how the patent should be docketed, was correct.

Denise Zambrano's docketing entries were made more than 20 months after the expiration of the patent.

On June 7, 2001, petitioner attempted to pay the 3.5 year maintenance fee for the reissue patent. However, as stated previously, filing a reissue application does not change the due dates for maintenance fee payments. In other words, the due dates for the reissue patent were the same as the due dates for the original patent. If the original patent had not expired for the failure to pay the 7.5 year fee, then the first maintenance fee due for the reissue patent would have been the 11.5 year fee.

On June 7, 2001, the attorney had the opportunity to recognize that a docketing error must have occurred since the 3.5 year fee could not possibly be due since the original patent had issued on March 29, 1988, more than 13 years earlier. The attorney failed to recognize the problem at that time.

The Office returned the 3.5 year fee and informed petitioner that the fee could not be accepted because the instant patent had expired due to petitioner's failure to timely pay the 7.5 year fee.

A petition to reinstate the patent was filed on November 26, 2001.

ANALYSIS:

As previously stated, the statute requires a "showing" by petitioner in order to reinstate the instant patent. Therefore, petitioner has the burden of proof. The decision will be based solely on the written, administrative record in existence. It is not enough that the delay was unavoidable; petitioner must prove that the delay was unavoidable. A petition will not be granted if petitioner provides insufficient evidence to "show" that the delay was unavoidable. Proof that a portion of the delay, but not the entire delay, in submitting the fee was unavoidable,

¹⁰ April 30, 2003 Zambrano declaration, paragraph 6.

and proof that the portion of the delay which was not unavoidable was unintentional and occurred within the first two years after expiration of the patent, is not proof that the entire delay was unavoidable and such proof will not warrant reinstatement under 35 USC 41.

The 7.5 year maintenance fee was due on or before March 29, 1996. The fee, along with a petition to reinstate the patent, was not submitted until November 26, 2001. Petitioner has not proven that the entire delay in the submission of the 7.5 year maintenance fee was unavoidable.

The time period from the expiration of the patent, March 29, 1996, until December of 1997:

Two possible reasons for the expiration of the instant patent are:

- (1) due dates were not correctly entered into the docketing system on or about May 10, 2002,
- (2) steps were not taken when the docketing system informed the law firm twice that the 7.5 year fee was due for the patent.

As to (1), *if* the docket dates were not correctly entered, petitioner has failed to prove that such failure was unavoidable. Petitioner has failed to clearly identify the individual who manually entered the dates into the docketing system. If the individual was not Virginia North, then petitioner has failed to prove the firm's reliance on the individual was reasonable and prudent.¹¹ The petitions do state that Denise Zambrano entered the docket dates for the *reissue* patent, but fail to state the name of the individual who entered the docket dates for the instant patent.

As to (2), petitioner has asserted that the "process of docketing the patent maintenance fees, in both electronic and manual form is normally reliable and trustworthy."¹² Assuming the prior sentence to be true, one might reasonably conclude that the maintenance fee due dates for the original patent were correctly entered into the docketing system. However, the 7.5 year maintenance fee was not timely paid. The record fails to establish why the fee was not paid if the docket system notified the law firm on one date that a reminder letter needed to be mailed and notified the law firm on another date that the fee must be paid. Petitioner has stated, "[I]t is very possible that the relevant maintenance fee dates for both the parent and reissued patents came up on the docketing system. But, they were never ignored."¹³ Petitioner has failed to explain why the fee was not timely paid and has failed to prove that the failure of the steps in place was unavoidable.

Petitioner suggests a third possibility for the expiration of the patent. Petitioner states, "[T]he current case was unavoidably created due to one specific mistake which unavoidably occurred in December of 1997."¹⁴ Petitioner states, "[I]t was in December of 1997 when the misentry of the reissue patent's maintenance fee due dates took place, which created a whole chain of events that

¹¹ The July 1, 2002 Request for Information mailed by the Office stated, "If the docketing entries were NOT made, then who made such a mistake. The full training and qualifications of such an individual should be discussed. Ms. North's declaration is ambiguous as to whether she personally docketed dates or instructed another individual to take such action." The May 20, 2003 Request for Information stated, "If [Ms. North] instructed another person to enter the dates, the full training and qualifications of such an individual should be discussed in order to establish that, if the person made an error and did not docket the dates, such an error was unavoidable because North was reasonable and prudent in relying on the employee."

¹² May 24, 2002 petition, page 5.

¹³ July 15, 2003 petition, page 5.

¹⁴ July 15, 2003 petition, page 1.

unavoidably led to Petitioner's current situation."¹⁵ Denise Zambrano has stated, "I understand that the 7 ½ year maintenance fees were not paid for the underlying parent patent under the mistaken belief that reissued patent would be maintained by merely paying its maintenance fees on an erroneously docketed maintenance fee payment date."¹⁶ However, petitioner has failed to establish that a docketing error which occurred during December of 1997, resulted in the 7.5 year maintenance fee not being paid by March 29, 1996. The docketing error occurred more than 20 months after the expiration of the patent and therefore could not be the cause of the expiration of the patent.

Petitioner has not proven that the entire delay in payment of the 7.5 year maintenance fee from March 29, 1996, until December of 1997 was unavoidable.

The time period from December of 1997 until June 7, 2001:

The delay during this time period was not the result of a docketing error by Ms. Zambrano. Ms. Zambrano's docketing entries for the reissue patent were made *in addition to* the docketing entries made for the original patent and did not directly result in the deletion or replacement of the original entries. The delay from December of 1997 until June 7, 2001, was the result of the original dates never being properly docketed or steps not being taken when the docketing system informed the law firm twice that the 7.5 year fee was due for the patent. For the reasons discussed in the preceding section, petitioner has failed to prove that the delay during this time period was unavoidable.

The time period from June 7, 2001, until November 26, 2001:

A contributing factor to this period of delay was the attorney's belief that "the statutory time periods for paying the maintenance fees begin from the issuance date of the reissue patent, and no longer from that of the above-identified patent."¹⁷ Therefore, the attorney attempted to pay the 3.5 year fee on June 7, 2001, and failed to recognize that a docketing error may have occurred. If the attorney had recognized the existence of a problem on that date, a petition to reinstate the patent could have been filed earlier than November 26, 2001. The attorney has indicated that the actions of the Office were responsible for his mistaken belief.

MPEP 1415.01 states that a Notice of Allowance should not be mailed for a reissue patent when the patent has expired. The examiner failed to verify the instant patent had not expired and incorrectly mailed a Notice of Allowance.

Petitioner is responsible for having knowledge of Patent Rules. 37 CFR 1.362(h) provides that maintenance fee due dates for a reissue patent are based on the date of the grant of the original non-reissue application. A reasonable and prudent person would consider the fact that the examiner may have made a mistake rather than reach the conclusion that the examiner waived the rule. The examiner does not have the authority to waive the rule and did not state he was waiving the rule. Even if examiners did have the authority to waive the rule and did occasionally exercise such authority, a reasonable and prudent person treating the patent as his most important business would have contacted the examiner to ensure that the examiner was intending to waive the rule rather than to ensure that a mistake had not been made. Proof that an examiner made an avoidable mistake does not automatically prove that petitioner's mistake was unavoidable.

¹⁵ July 15, 2003 petition, page 2.

¹⁶ Denise Zambrano's April 30, 2003 declaration, paragraph 6.

¹⁷ November 26, 2001 petition, page 2.

Petitioner has failed to prove that, had the attorney been aware of the rules, such as 37 CFR 1.362(h), a petition would not have been filed earlier than November 26, 2001. Nonawareness of the content of, or a misunderstanding of, PTO statutes, PTO rules, the MPEP, or Official Gazette notices, does not constitute unavoidable delay.¹⁸

It should also be noted that the law firm's docketing department did not regularly docket reissue patents. Had the attorney been fully aware of 37 CFR 1.362(h), he could have taken steps to ensure the reissue patent and original patent were properly docketed since the docketing department might not be aware of 37 CFR 1.362(h).

The Office has considered all the evidence presented by petitioner along with the facts and circumstances concerning the delay in payment of the maintenance fee. The evidence fails to prove that the entire delay in the submission of the 7.5 year maintenance fee was unavoidable.

Decision

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 reasons herein and stated in previous decisions, the entire delay in this case cannot be regarded as unavoidable within the meaning of 35 USC § 41(c)(1) and 37 CFR § 1.378(b). Therefore, the petition is **denied**.

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

The patent file is being forwarded to Files Repository.

Telephone inquiries should be directed to Petitions Attorney Steven Brantley at (703) 306-5683.



Beverly M. Flanagan
Supervisory Petitions Examiner
Office of Petitions

¹⁸ See Smith v. Mossinghoff, 671 F.2d 533, 538, 213 U.S.P.Q. (BNA) 977 (Fed. Cir. 1982) (citing Potter v. Dann, 201 U.S.P.Q. (BNA) 574 (D. D.C. 1978) for the proposition that counsel's nonawareness of PTO rules does not constitute "unavoidable" delay); Vincent v. Mossinghoff, 1985 U.S. Dist. LEXIS 23119, 13, 230 U.S.P.Q. (BNA) 621 (D. D.C. 1985) (Plaintiffs, through their counsel's actions, or their own, must be held responsible for having noted the MPEP section and Official Gazette notices expressly stating that the certified mailing procedures outlined in 37 CFR 1.8(a) do not apply to continuation applications.) (Emphasis added).