

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 required 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.

The required 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. Furthermore, an adequate showing requires a statement by all persons with direct knowledge of the cause of the delay, setting forth the facts as they know them. Such a statement must be verified if made by a person not registered to practice before the Patent and Trademark Office. Copies of all documentary evidence referred to in a statement should be furnished as exhibits to the statement.

The question of unavoidable delay will be decided on a case-by-case basis, taking all of the facts and circumstances into account. Smith v. Mossinghoff, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982). The statute requires a "showing" by petitioner. Therefore, petitioner has the burden of proof. Petitioner must demonstrate that he acted as a reasonable and prudent person in relation to his most important business. The decision will be based solely on the administrative record in existence. It is not enough to merely state that the delay was unavoidable; petitioner must prove that the delay was unavoidable.

Opinion

Petitions for the delayed payment of maintenance fees under 35 USC 41(c)(1) are treated under the same standard as petitions for revival of abandoned applications under 35 USC 133 because both statutory provisions use the same language, i.e., "unavoidable" delay. Ray v. Leyman, 55 F.3d 606, 608-609, 34 USPQ2d 1786, 1787 (Fed. Cir. 1995) (quoting In re Patent No. 4,409,763, 7 USPQ2d 1798, 1800 (Comm'r Pat. 1988), aff'd, Rydeen v. Quigg, 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).

Decisions on reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable as follows:

The word '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. It permits them in the exercise of this care to rely upon the ordinary and trustworthy agencies of mail and telegraph, worthy and reliable employees, and such other means and instrumentalities as are usually employed in such important business. If unexpectedly, or through unforeseen fault or imperfection of these agencies and instrumentalities, there occurs a failure, it may properly be said to be unavoidable, all other conditions of promptness in its rectification being present.

In re Mattullath, 38 App. D.C. 497, 514-515 (1912) (quoting Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (Comm'r Pat. 1887); see also Winkler v. Ladd, 221 F. Supp. 550, 552, 138 USPQ 666, 167-168 (D.D.C. 1963), aff'd, 143 USPQ 172 (D.C. Cir. 1963); Ex parte Henrich, 1913 Dec.

Comm'r Pat. 139, 141 (1913). The requirement in 35 USC 133 for a showing of unavoidable delay requires not only a showing that the delay which resulted in the abandonment of the application was unavoidable (or expiration of the patent as it applies to 35 USC 41(c)(1)), but also a showing of unavoidable delay from the time an applicant becomes aware of the abandonment of the application until the filing of a petition to revive (or a petition under 37 CFR 1.378(b) to reinstate the patent under 35 USC 41(c)(1)). See In re Application of Takao, 17 USPQ2d 1155 (Comm'r Pat. 1990). Finally, a petition cannot be granted where a petitioner has failed to meet his or her burden of establishing that the delay was "unavoidable." Haines v. Quigg, 673 F. Supp. 314, 316-317, 5 USPQ2d 1130, 1131-1132 (N.D. Ind. 1987).

Thus, in support of an argument that the delay in payment of a maintenance fee was unavoidable, evidence should be submitted which demonstrates that despite reasonable care on behalf of the patentee and/or the patentee's agents to implement reasonable steps to ensure the timely payment of the maintenance fee, the maintenance fee was nevertheless, unavoidably not paid.

Petitioner asserts that the delay in payment of the maintenance fee was unavoidable due to a clerical error in a reliable docketing system. Prior to her departure from Cobb, Cole & Bell, the legal assistant who was in charge of monitoring and paying maintenance fees on patents docketed the 3 ½ year maintenance fee in two computerized docketing systems and a chart. The firm utilized the chart, rather than the two computerized docketing systems for maintenance fee purposes. Petitioner states the chart used to monitor due dates for maintenance fees was updated frequently and was a reliable docket. Unfortunately, two attorneys who assumed responsibility for monitoring and paying the maintenance fees misread the chart and failed to pay the maintenance fee in a timely manner.

Because petitioner was represented by a registered practitioner, the Office must rely on the actions or inactions of the duly authorized and voluntarily chosen representatives of the patentee, and the patentee is bound by the consequences of those actions or inactions. Link v. Wabash, 370 U.S. 626, 633-34 (1962). If the attorney made any errors, petitioner is bound by such errors.²

The attorney must act reasonably and prudently.

If [the] attorney somehow breach[es] his duty of care to plaintiff, then plaintiff may have certain other remedies available to him against his attorney. He cannot, however, ask the court to overlook [the attorney's] action or inaction with regard to the patent application. He hired the [attorney] to represent him. [The attorney's] actions must be imputed to him.³

² See California Med. Products v. Technol Med. Products, 921 F. Supp. 1219, 1259 (D. Del. 1995) (citing Smith v. Diamond, 209 U.S.P.Q. 1091, 1093 (D.D.C. 1981) (citing Link v. Walbash Railroad Co., 370 U.S. 626, 8 L. Ed. 2d 734, 82 S. Ct. 1386 (1962))).

³ Haines v. Quigg, 673 F. Supp. 314, 317, 5 U.S.P.Q.2d (BNA) 1130 (citing Link v. Walbash Railroad Co., 370 U.S. 626, 8 L. Ed. 2d 734, 82 S. Ct. 1386 (1962) ("Petitioner voluntarily chose his attorney as his representative in the action and he cannot now avoid the consequences of the acts or omissions of this freely selected agent ... Each party is deemed bound by the acts of his lawyer-agent and is considered to have 'notice of all facts, notice of which can be charged upon the attorney.'" (emphasis added); Inryco, Inc. v. Metropolitan Engineering Co., Inc., 708 F.2d 1225, 1233 (7th Cir. 1983) ("Courts hesitate to punish a client for its lawyers gross negligence, especially when the lawyer affirmatively misled the client" but "if the client freely chooses counsel, it should be bound to counsel's actions."); see also Wei v. State of Hawaii, 763 F. 2d 370, 372 (9th Cir. 1985); LeBlanc v. I.N.S., 715 F.2d 685, 694 (1st Cir. 1983)). See also Smith v. Diamond, 209 U.S.P.Q. (BNA) 1091 (D. D.C. 1981).

The Seventh Circuit has stated,

The other assumption is that, if the complainants failed in their application through the negligence of their attorney, the delay would be unavoidable, which is wholly unwarranted in the law. It is of the very nature of negligence that it should not be unavoidable, otherwise it would not be actionable. The negligence of the attorney would be the negligence of the [client]. The purpose of the statute was to put an end to such pleas, and there would be no limit to a renewal of these applications if every application, however remote, could be considered under the plea of negligence of attorneys, by whom their business is generally conducted.⁴

The United States Court of Appeals for the Federal Circuit has stated,

If we were to hold that an attorney's negligence constitutes good cause for failing to meet a PTO requirement, the PTO's rules could become meaningless. Parties could regularly allege attorney negligence in order to avoid an unmet requirement.⁵

In the instant case, there is no indication that a well-trained clerical employee mistakenly told Attorneys Lutz and Martinez that the maintenance fee was paid. They took it upon themselves to track and pay the maintenance fee. Attorneys Lutz and Martinez misread the chart. Their mistake is binding on the client.

Their actions do not satisfy the general standard presently applied by the Office which is -- Did petitioner act as a reasonable and prudent person in relation to his or her most important business?

The excerpt of the Chart provided with the original petition, filed December 20, 2000, shows that the 'Actions to be Taken' entry for the above-identified patent was "File Maintenance Fee - August 23, 1996." The 'Status' entry did not contain any reference to a successful payment of the maintenance fee. A perusal of entries for other patents on the Chart reveals that if a maintenance fee is due and paid the 'Actions to be Taken' entry refers to the due date for the maintenance fee and the 'Status' entry contains a notation indicating the maintenance fee was paid. e.g. Patent No.: 4,784,095, 'Actions to be Taken' states "11/15/99 - 5/15/200 - Maintenance Fee Due" and 'Status' states "Patent Maintenance Fee Filed...." In addition, if another type of fee is paid, the Chart makes note of it in the 'Status' entry. e.g. Patent No. 5,060,606, 'Status' entry reads "Registered - Filing Maintenance Fee Paid." These two types of 'Status' entries show that the 'Status' entry should contain a reference to the fee's paid status if the fee was indeed paid.

The 'Status' entry for the above-identified application contains no reference to the fee being paid. Therefore, Lutz and Martinez had no reason to believe that the maintenance fee was paid, based on a review of the reliable docket system. They were not acting as reasonable and prudent people in relation to their most important business when they assumed the maintenance fee was paid. The present tense verb "File" in the 'Actions to be Taken' entry should have alerted Lutz and Martinez that the fee had not been paid.

⁴ Lay v. Indianapolis Brush & Broom Mfg. Co., 120 F. 831, 836 (1903).

⁵ Huston v. Ladner, 973 F.2d 1564, 1567, 23 U.S.P.Q.2D (BNA) 1910 (Fed. Cir. 1992).

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 the previous decision, 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.

Petitioner submitted a check for \$2,930.00 on December 20, 2000. Because the patent will not be reinstated, petitioner may request a refund of \$2,930.00 by writing to the Office of Finance, Refund Section. A copy of this decision should accompany petitioner's request. The \$130 fee for requesting reconsideration submitted with the instant petition is not refundable.

The application file does not indicate a change of address has been filed in this case, although the address given on the petition differs from the address of record. A change of address should be filed in this case in accordance with MPEP 601.03. A courtesy copy of this decision is being mailed to the address noted on the petition. However, until otherwise instructed, all future correspondence regarding this application will be mailed solely to the address of record.

The patent file is being forwarded to Files Repository.

Telephone inquiries should be directed to Petitions Attorney E. Shirene Willis at (703) 308-6712.



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