



Paper No. 19

OPPEDAHL AND LARSON LLP  
P O BOX 5068  
DILLON CO 80435-5068

**COPY MAILED**

**JAN 29 2003**

**OFFICE OF PETITIONS**

In re Patent No. 4,564,054 :  
Issued: 14 January, 1986 :  
Application No. 06/606,184 : DECISION ON PETITION  
Filed: 2 May, 1984 :  
For: FLUID TRANSFER SYSTEM :

This is a decision on the petition styled under 37 CFR 1.378(b) which is treated as a petition under 37 CFR 1.378(e), filed on 24 December, 2002, requesting reconsideration of a prior decision which refused to accept under 37 CFR 1.378(b)<sup>1</sup> the delayed payment of a maintenance fee for the above-referenced patent.

The request to accept the delayed payment of the maintenance fee is **DENIED**.<sup>2</sup>

BACKGROUND

The patent issued on 14 January, 1986. The first maintenance fee was timely paid. The second maintenance fee could have been paid during the period from 14 January through 14 July, 1993, or, with

---

<sup>1</sup>A grantable petition to accept a delayed maintenance fee payment under 37 CFR 1.378(b) must include

- (1) the required maintenance fee set forth in § 1.20(e) through (g);
- (2) the surcharge set forth in § 1.20(I)(1); and
- (3) 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.

<sup>2</sup>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. See MPEP 1002.02.

a surcharge during the period from 15 July, 1993, to 14 January, 1994. Accordingly, this patent expired on 15 January, 1994, for failure to timely remit the second maintenance fee.

A petition under 37 CFR 1.378(b) to accept late payment of the maintenance fee was filed on 15 May, 2000. A request for information was mailed on 26 January, 2001. A renewed petition was dismissed on 30 July, 2001, and a request for information was mailed in response on 20 November, 2001. An additional reply was filed on 29 November, 2001, and a dismissal thereof was mailed on 18 June, 2002.

In response, the present petition under 37 CFR 1.378(e) was filed on 24 December, 2002 (certificate of mailing date 18 December, 2002).

#### 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."<sup>3</sup>

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.<sup>4</sup> Decisions reviving abandoned applications have adopted the reasonably prudent person standard in determining if the delay was unavoidable.<sup>5</sup> In addition, decisions on revival are made on a "case-by-case basis, taking all the facts and circumstances into account."<sup>6</sup> 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.<sup>7</sup>

Petitioner asserts unavoidable delay in that petitioners' Swedish patent counsel, Göteborgs Patentbyrå AB (now Göteborgs Patentbyrå Dahls) (hereinafter "GPD") timely requested that petitioners' U.S. patent counsel, Marvin R. Stern of Jacobson, Price, Holman & Stern (hereinafter "JPHS") pay the second maintenance fee. JPHS then sent a letter to inventor Gustavsson stating that JPHS no longer represented him and, implicitly, that JPHS would not pay the maintenance fee. Inventor Gustavsson states he has no recollection of receiving said letter. Purportedly hearing nothing from JPHS, petitioners further assert that both GPD and Gustavsson assumed that the maintenance fee had been paid and learned of the expiration of the patent only upon asking JPHS to pay the third maintenance fee, after which JPHS informed GPD that the subject patent had expired. Petitioners then filed the initial petition.

---

<sup>3</sup>35 U.S.C. § 41(c)(1).

<sup>4</sup>Rav 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)).

<sup>5</sup>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 man 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).

<sup>6</sup>Smith v. Mossinghoff, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982).

<sup>7</sup>Haines v. Quigg, 673 F. Supp. 314, 5 USPQ2d 1130 (N.D. Ind. 1987).

FINDING OF FACTS

A review of the record reveals the following.

1. On 14 January, 1986, the present patent issued.
2. On 14 January, 1993, the window opened for payment of the second maintenance fee.
3. On 6 July, 1993, GPD sent a letter to Skandinaviska Enskilda Banken (hereinafter "SEB") the bank handling matters related to the present patent after the inventor's company entered bankruptcy in Sweden, asking them to remit payment for the maintenance fee for the present patent.
4. On 12 July, 1993, SEB issued a bank draft to GPD in the amount of \$12,355.00, apparently to cover the payment of the maintenance fee on this and other patents.
5. On 13 July, 1993, GPD faxed a letter to JPHS asking JPHS to pay the maintenance fee for the present patent.
6. On 26 July, 1993, JPHS sent a letter to inventor Gustavsson stating that JPHS had withdrawn from representation, and that the maintenance fee was due on 14 July, 1993. In his declaration filed with the initial petition on 15 May, 2000, Gustavsson has stated that he did not receive this letter.
7. On 17 May, 1994, an agreement is executed transferring all rights in the present patent to Carmel Pharma AB (hereinafter "CPH").
8. On 14 July, 1997, GPD sent a letter to JPHS requesting payment of the third maintenance fee.
9. Also on 14 July, 1997, JPHS replied to GPD that it had informed Gustavsson on 26 July, 1993, that JPHS no longer represented Gustavsson, and that the patent had expired for failure to pay the second maintenance fee.
10. On 14 May, 1998, JPHS sent a letter to GPD including a copy of the Notice of Patent Expiration mailed to JPHS on 1 February, 1994.
11. On 10 July, 1998, GPD sent a letter to JPHS asking for a copy of JPHS' reply to GPD's 13 July, 1993 letter.

12. A petition under 37 CFR 1.378(b) was filed on 15 May, 2000.

ANALYSIS

Petitioners request reconsideration in that (1) adequate documentation exists to show that the delay that originally resulted in the expiration of the patent was unavoidable and that (2) the delay between the time that petitioners discovered that the patent was expired and the time that the initial petition was filed was unavoidable.

In order to establish unavoidable delay, petitioner must demonstrate diligence in prosecution of the matter.<sup>8</sup>

There are three periods to be considered during the evaluation of a petition under 37 CFR 1.378(b):

- (1) The delay in reply that originally resulted in expiration;
- (2) The delay in filing an initial petition pursuant to § 1.378(b) to revive the application; and
- (3) The delay in filing a *grantable* petition pursuant to § 1.378(b) to revive the application.<sup>9</sup>

Petitioners have not shown unavoidable delay with regards to periods (1) and (2).

With regard to period one, while petitioner allegedly chose to rely upon GPD and JPMS to pay the maintenance fee, such reliance *per se* does not provide petitioner with a showing of unavoidable delay within the meaning of 37 CFR 1.378(b) and 35 U.S.C. § 41(c).<sup>10</sup> Rather, such reliance merely shifts the focus of the inquiry from petitioner to whether GPD and JPMS acted reasonably and prudently.<sup>11</sup> Nevertheless, petitioner is bound by any errors

---

<sup>8</sup>See Douglas v. Manbeck, 21 USPQ2d 1697, 1700 (E.D. Pa. 1991), aff'd 975 F.2d 869, 24 USPQ2d 1318 (Fed. Cir. 1992).

<sup>9</sup>See Changes to Patent Practice and Procedure; Final Rule Notice, 62 Fed. Reg. 53131 at 53158 (October 10, 1997).

<sup>10</sup>See California Med. Prod. v. Technol Med. Prod., 921 F. Supp. 1219, 1259. (D. Del. 1995).

<sup>11</sup>Id.

that may have been committed by GPD and JPMS.<sup>12</sup> As such, assuming that GPD and JPMS had been so engaged, then it is incumbent upon petitioner to demonstrate, via a documented showing, that GPD and JPMS had docketed this patent for the second maintenance fee payment in a reliable tracking system.<sup>13</sup> If petitioner cannot establish that GPD or JPMS had been so engaged, then petitioner will have to demonstrate what steps were established by petitioner to monitor and pay the maintenance fee.

The showing of record is that, notwithstanding Gustavsson's statement that he did not receive the 13 July, 1993, letter from JPMS, JPMS did inform petitioners that they were withdrawing from representation and, consequently would not be responsible for payment of the maintenance fee in the present applicant. Furthermore, the showing of record is that petitioner's counsel GPD took no steps beyond requesting the funds for the maintenance fee and sending a letter to JPMS to ensure that the maintenance fee was paid. As GPD apparently received the funds from SEB for patent of the present maintenance fee, it is assumed that GPD would have realized that JPMS had never billed GPD for the maintenance fee payment for the present patent and inquired of JPMS whether they intended to collect payment of the maintenance fee. Had such an inquiry been made, GPD would have discovered that JPMS had not paid the maintenance fee. Rather, the showing of record is that GPD considered matter resolved despite receiving no confirmation from JPMS and never having been billed for the maintenance fee.

The Patent and Trademark Office must rely on the actions or inactions of duly authorized and voluntarily chosen representatives of the applicant, and applicant is bound by the consequences of those actions or inactions.<sup>14</sup> Specifically, petitioner's delay caused by the mistakes or negligence of his voluntarily chosen representative does not constitute unavoidable delay within the meaning of 35 U.S.C. § 133.<sup>15</sup>

Additionally, with regard to Gustavsson's statement that he did

---

<sup>12</sup>California, supra.

<sup>13</sup>Id.

<sup>14</sup>Link v. Wabash, 370 U.S. 626, 633-34 (1962).

<sup>15</sup>Haines v. Quigg, 673 F. Supp. 314, 316-17, 5 USPQ2d 1130, 1131-32 (N.D. Ind. 1987); Smith v. Diamond, 209 USPQ 1091 (D.D.C. 1981); Potter v. Dann, 201 USPQ 574 (D.D.C. 1978); Ex parte Murray, 1891 Dec. Comm'r Pat. 130, 131 (Comm'r Pat. 1891).

not receive notice from JPHS that they were withdrawing from the representing him. Delay resulting from a failure in communication between a client and a registered practitioner is not unavoidable delay.<sup>16</sup> Furthermore, petitioner is reminded that the Patent and Trademark Office is not the proper forum for resolving a dispute between petitioner and petitioner's representative.<sup>17</sup>

With regard to period two, Gustavsson and GPD discovered by letter sent 14 July, 1997, and apparently received by GPD on 21 July, 1997, that the second maintenance fee had not been paid. Yet, the first petition under 37 CFR 1.378(b) was not filed until May, 2000, nearly three (3) years later. GPD concedes that it simply placed the letter in its files in reliance on JPHS's statement that "nothing can be done to revive the patent at this point". In fact, despite two requests for information, petitioner GPD has been unable to document why such an extended period of time passed between learning that the patent was expired and filing the petition. Petitioners insist that the Swedish "summer holiday" in July and August, 1998 was a source of the delay. Petitioners also state that the "complexity" of the case and dealings with JPHS, located in the US, also were responsible for the delays. Be that as it may, neither a one (1) month national holiday, nor the fact that discussions involved multiple entities, can explain or justify the extended period of delay. The showing of record is that no action at all was taken until May, 1998, nearly a year after GPD learned of the expiration, and that events progressed slowly thereafter. It is noted that the 15 May, 2000, petition notes "two meetings were held between Carmel Pharma and the bankers during the fall of 1998 to ascertain the facts and the appropriate course of action." Petitioners also cite meetings with current domestic counsel Oppedahl and Larson held in April and December, 1999, yet the initial petition was not filed until five (5) months after the December, 1999, meeting. In summary, there does not appear to have been any sense of urgency in petitioners' conduct upon learning that the patent was expired. Likewise, the documentation submitted to date does not explain the length of time petitioners spent investigating the circumstances of the delay and preparing the petition.

---

<sup>16</sup>In re Kim, 12 USPQ2d 1595 (Comm'r Pat. 1988).

<sup>17</sup>Ray v. Lehman, 55 F.3d 606, 608-09, 34 USPQ2d 1786, 1787 (Fed. Cir. 1995).

In summary, the showing of record fails to demonstrate the due care of a reasonably prudent patentee, and as such, precludes a finding of unavoidable delay.

CONCLUSION

The prior decision which refused to accept under § 1.378(b) the delayed payment of a maintenance fee for the above-identified patent has been reconsidered. For the above stated reasons, the delay in this case cannot be regarded as unavoidable within the meaning of 35 U.S.C. § 41(c)(1) and 37 CFR 1.378(b).

Since this patent will not be reinstated, a refund check covering the surcharge, less the \$130.00 fee for the present request for reconsideration, has been scheduled. A review of Office records reveals that the maintenance fee itself has not been submitted to date.

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

The file is being returned to Files Repository.

Telephone inquiries should be directed to Senior Petitions Attorney Douglas I. Wood at 703.308.6918.



Beverly M. Flanagan  
Supervisory Petitions Examiner  
Office of Petitions