Commissioner of Patents and Trademarks
Patent and Trademark Office (P.T.O.)

IN RE PATENT NO. 4,461,759
Serial No. 06/455,192
August 10, 1990
***1** Issue Date: July 24, 1984

For: CONSTANT RELEASE RATE SOLID ORAL DOSAGE FORMULATIONS OF VEROPAMIL
Filed: January 3, 1983

James E. Denny

Deputy Assistant Commissioner for Patents

ON PETITION

This is a decision on the petition, filed December 29, 1989, under 37 CFR 1.378(e) requesting reconsideration of a prior decision which refused to accept under § 1.378(c) the delayed payment of a maintenance fee for the above- identified patent.

The request for reconsideration is granted to the extent that the prior decision has been reconsidered. However, the request to accept the delayed payment of the maintenance fee is denied.

BACKGROUND

At the time of prosecution and issuance of the patent, the patentee, Verex Laboratories, Inc. (Verex), was represented by Joyce R. Niblack, a patent attorney at the law firm of Niblack and Niblack, P.C.. In September of 1987, Ms. Niblack was discharged from representing Verex and was advised to return all files to Verex and to notify appropriate individuals of her termination as Verex's attorney of record. [FN1]

In contrast, Jerry R. Dunn, the general counsel for Verex, states that Niblack and Niblack was never instructed to terminate their obligation to maintain accurate and complete records and/or other inherent duties as to forwarding of information concerning maintenance fee notices for this patent. [FN2] Mr. Dunn further challenges the statement contained in a Niblack and Niblack letter [FN3] that he would revoke the power of attorney and instruct the Patent and Trademark Office (PTO) to forward all further communications directly to Verex. In fact, Mr. Dunn states, "[n]o such statement, neither orally or written, was ever made to Niblack & Niblack."

A Maintenance Fee Reminder (Reminder) was mailed February 23, 1988 by the PTO. That Reminder was received by Ms. Niblack. Ms. Niblack returned the Reminder to the PTO requesting that the PTO forward it to Dr. James M. Dunn, president of Verex. [FN4] Ms. Niblack asked the PTO to forward the Reminder because her firm no longer maintained the addresses for Verex and its president. Ms. Niblack further indicated in this letter that she and Robert Niblack were out of town and that

"Verex moved from the address of record some time ago."

In contrast, Dr. Dunn states that Ms. Niblack knew how to contact Verex as she was a stockholder and a member of its Board of Directors.

Page 1 of the petition filed on June 16, 1989 states that at the time of prosecution and issuance of the patent, Verex was not aware of the requirement of payment of maintenance fees. Further, page 2 of that petition states that upon discharge, Niblack and Niblack, P.C. did not inform Verex of the future need to file Patent Maintenance Fees on United States Patents owned by Verex. In the petition filed on December 29, 1989, Dr. Dunn incorporates all the items stated in the original petition and further states in item 11 that "[W]hile the patentee is knowledgeable of the requirement to pay the maintenance fee, the added fact that Dr. James M. Dunn, the patentee was recovering from quadruple coronary bypass surgery, frustrated his attempts to contact Niblack & Niblack to determine the status of the patents."

STATUTE AND REGULATION

***2** 35 USC 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(c)(3) [FN5] 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 the failure to timely pay the maintenance fee was due entirely to circumstances outside of the control of the patentee. The showing must enumerate the steps taken to ensure timely payment of the maintenance fee and the circumstances which are outside of the control of the patentee and those acting on behalf of the patentee in paying the maintenance fee. The showing must be sufficient in scope and content to meet the heavy burden of proof required to show that a delay in payment of the maintenance fee of more than six months after expiration of the patent was unavoidable."

OPINION

The Commissioner may accept late payment of the maintenance fee if the delay is shown to the satisfaction of the Commissioner to have been "unavoidable"; 35 USC 41(c)(1).

A late maintenance fee is considered under the same standard as that for reviving an abandoned application under 35 USC 133 because 35 USC 41(c)(1) uses the identical language, i.e. unavoidable delay. Decisions on reviving abandoned applications have adopted the "reasonably prudent person" standard in determining if the delay in responding to an Office action was unavoidable. Ex parte Pratt, 1887 Dec.Comm'r Pat. 31, 32-33 (Comm'r Pat. 1887); In re Mattullath, 38 App.D.C. 497, 514-515

(D.C.Cir.1912); and Ex parte Henrich, 1913 Dec.Comm'r Pat. 139, 141. 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).

The record fails to show to the satisfaction of the Commissioner that the delay in paying the maintenance fee was unavoidable as required by 35 USC 41(c)(1) and 37 CFR 1.378(c)(3). In fact, the record fails to establish that Verex or anyone acting on behalf of Verex took any steps to docket the due date for payment of the maintenance fee. The record only establishes that there is a dispute between Verex and Ms. Niblack as to Ms. Niblack's continuing responsibility to Verex after her termination as Verex's attorney.

***3** The PTO is not the proper forum for resolving disputes between patentees and their representatives. Furthermore, there is no need in this case to determine the obligation between Verex and Ms. Niblack, as the record fails to show that either took any steps to ensure timely payment of the maintenance fee. In any event, Verex is bound by the mistakes of Ms. Niblack, a registered patent attorney, since Verex voluntarily chose her as its representative. Smith v. Diamond, 209 USPQ 1091, 1093 (D.D.C.1981), aff'd sub nom., Smith v. Mossinghoff, 671 F.2d 533, 213 USPQ 977 (D.C.Cir.1982). [FN6]

Verex's failure to receive the Maintenance Fee Reminder and the lack of knowledge of the need to pay maintenance fees does not constitute unavoidable delay; see 1046 Official Gazette 28, 29, 32 and 34. Under the statutes and regulations, the PTO has no duty to notify a patentee of the requirement to pay maintenance fees or to notify a patentee when the maintenance fee is due. It is solely the responsibility of the patentee to assure that the maintenance fee is paid timely to prevent expiration of the patent. The fact that the patentee did not receive the Reminder will not shift the burden of monitoring the time for paying a maintenance fee from the patentee to the PTO. Furthermore, even if the patentee were not aware of the maintenance fee requirement, the Letters Patent contains a Maintenance Fee Notice that warns that the patent may be subject to maintenance fees if the application was filed on or after December 12, 1980. Accordingly, a reasonably prudent patentee would have inquired to see if his patent was subject to maintenance fees.

The patentee indicates in the renewed petition that it was knowledgeable of the requirement to pay maintenance fees, but that medical problems of Dr. Dunn frustrated his attempts to contact Niblack & Niblack. Any health problems experienced by Dr. Dunn have not been substantiated by supporting evidence to establish either the nature or period of such problems. Further, no nexus has been made between the health problems of Dr. Dunn and the failure to timely pay the maintenance fee.

CONCLUSION

For the above stated reasons, the delay in this case cannot be regarded as unavoidable within the meaning of 35 USC 41 and 37 CFR 1.378(c).

Since this patent will not be reinstated, it is appropriate to refund the maintenance fee and the surcharge fee submitted by petitioner. Petitioner may obtain a refund of these fees by submitting a request, accompanied by a copy of this decision, to the Office of Finance.

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

FN1. See Attachment D of Petition filed June 16, 1989.

FN2. See declaration filed on December 29, 1989.

FN3. See Attachment C of Petition filed June 16, 1989.

FN4. See Attachment B of Petition filed June 16, 1989.

FN5. Pursuant to 37 CFR 1.183, the Commissioner has suspended that portion of 37 CFR 1.378(c)(3) requiring a showing of circumstances "entirely outside the control of the patentee and those acting on behalf of the patentee" in paying the maintenance fee.

FN6. Compare In re Rutan, 231 USPQ 864 (Comm'r Pat. 1986), which permitted revival of an abandoned patent application under 37 CFR 1.137(b) for an "unintentional" attorney mistake. However, there is no unintentional delay provision in 37 CFR 1.378 for a late maintenance fee.

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