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

IN RE EGBERS, ET AL. REEXAMINATION PROCEEDING
Control No. 90/000,792
April 7, 1988
***1** Filed: June 3, 1985

For: U.S. Patent No. 4,452,053

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DECISION DENYING PETITION

A. Background

Egbers et al.'s multiple petition entitled 'Petition Under 37 CFR § 1.137(b) To Revive and Restore To Active Status a Re-examination Proceeding 'Unitentionally Abandoned' and Petition Under 37 CFR § 1.137(a) To Revive and Restore To Active Status a Re-examination Proceeding 'Unavoidably Abandoned' Combined with Petition Under 37 CFR § 1.183 To Suspend the Rules So As To Enable the Commissioner To Grant the Relief Requested' (hereinafter 'the petition'), filed August 24, 1987, is before the Commissioner pursuant to a remand from the District Court for the District of Columbia in Theodor Groz & Ernst Bechert Nadelfabrik KG v. Quigg, Civil Action No. 87-1340 (D.D.C.). Rather than repeating the facts in this new petition, petitioner refers to previously filed papers, including its September 12, 1986, and January 21, 1987, petitions.

The facts leading up to the civil action are as follows:

On July 16, 1985, the PTO granted petitioner's(the patent owner's) request, filed June 3, 1985, for reexamination of its U.S. Patent No. 4,452,053.

A first Office action on the merits was mailed October 23, 1985, setting a two-month period for response. After obtaining a one month extension of time, petitioner filed a timely response on January 24, 1986.

A second Office action, finally rejecting claims 1-17 under 35 U.S.C. § 103 and setting a two-month period for response, was mailed on April 15, 1986.

On May 14, 1986, an interview was conducted between the examiner and petitioner's representatives, but no agreement was reached.

On June 16, 1986 (certificate of mailing date: June 13, 1986), previous counsel for petitioner submitted a thirty-two page response to

the final Office action and a confirmation of the May 14 interview. At page 23 of the response, last paragraph, petitioner said that it 'will shortly submit two additional declaration[s] . . . by engineers from Terrot, of Stuttgart, and Meyer and Cie., of Tailfingen, both of the Fed. Rep Germany.' In a footnote at the same page, it was stated that a petition for a one-month extension of time, with fee, was filed with the response 'to provide time for obtaining consideration of those declarations.' Accordingly, the response was accompanied by a 'Petition for Extension of Time,' wherein petitioner requested a one month extension of time until July 15, 1987, and a check for $56.

On June 25, 1986, the petition for an extension of time was dismissed by the group director because it apparently was filed under 37 C.F.R. § 1.136, which does not apply to reexaminations. See Manual of Patent Examining Procedure (MPEP) § 2265. However, petitioner was advised that since the first timely response to a final Office action in a reexamination proceeding is considered a request for a one month extension of time, the due date for a response to the April 14 Office action was extended to July 15, 1986. Petitioner was also reminded that extensions of time in reexaminations are governed by 37 C.F.R. § 1.550(c). This section states that a request for an extension of time in a reexamination proceeding must be filed on or before the due date for a response and that it will be granted only for sufficient cause and for a reasonable time.

***2** On July 14, 1986 (certificate of mailing date: July 10, 1987), petitioner timely filed a five page supplementary response including two declarations.

However, in an advisory Office action mailed July 23, 1986, the petitioner was advised by the examiner that the response did not overcome the final rejection. This advisory action when mailed did not include a mailing date and did not indicate the number of months in the period for response to the April 14 Office action.

Petitioner filed a petition for extension of time with a notice of appeal on August 5, 1986 (certificate of mailing date: July 30, 1986).

On September 4, 1986, the petition for an extension of time was dismissed as untimely, the response period having already expired. On September 8, 1986, the PTO mailed petitioner a 'Notice of Intent to Issue Reexamination Certificate' for failure to file a timely notice of appeal.

On September 19, 1986 (certificate of mailing date: September 12, 1986), petitioner filed a petition under 37 C.F.R. § 1.183 (Rule 183) seeking to have the Commissioner waive 37 C.F.R. § § 1.550(c) or (d) so as to have the late notice of appeal treated as though timely filed. This petition was denied on October 9, 1986.

On December 16, 1986, Reexamination Certificate No. Bl 4,452,053 issued, cancelling claims 1-17, all the claims in the patent.

On January 21, 1987, petitioner (now represented by present counsel) filed a combined petition to rescind the reexamination certificate and to accept the notice of appeal as timely filed. Petitioner supplemented this petition on January 23 with an additional affidavit and on

February 26 with a terminal disclaimer.

This petition was denied on February 25, 1987. A petition for reconsideration, filed March 12, 1987, was denied on May 1, 1987.

The above-identified civil action was filed on May 19, 1987.

The petition which is now before the Commissioner was filed in the PTO on August 24, 1987, and raised for the first time the question of whether a reexamination proceeding which was terminated due to a late response to an Office action may be revived if the delay in responding was either 'unavoidable' or 'unintentional.'

On August 24, 1987, the Commissioner moved for remand of the case to the PTO for consideration of this new argument. This motion was granted by the Court on August 31, 1987.

B. Petitioner's Notice of Appeal was filed after the end of the period set for response to the final Office action

Petitioner's argument that the reexamination proceeding was improperly terminated because there in fact was no hiatus between the end of the response period and the filing of the Notice of Appeal is without merit. In his June 25 decision denying the petition for a one month extension of time which accompanied the incomplete June 16, 1986, response, the director, after noting that petitioner was entitled to an automatic one month extension of time, clearly stated that July 15 was the due date for a response to the April 15, 1986, final Office action (emphasis added):

> ***3** The petition is Dismissed, the time for response is set to expire July 15, 1986, and the reexamination file is remanded to the examiner for prompt consideration of the June 16, 1986, response.

Thus, there was no reason to assume, as petitioner now contends it did, that the automatic one month extension was set to begin on July 15 (see Aug. 24, 1987, petition, at 21-22).

Furthermore, while the July 23, 1986, advisory action may have been undated and may have omitted a statement of the period for response to the final Office action, nothing in the advisory action changed the clear language of the director's decision concerning the due date for a response.

Petitioner also argues that under 37 C.F.R. § 1.550(b), which states that a patent owner will be given at least thirty days to respond to any Office action, petitioner had at least thirty days from the July 23 advisory action in which to respond further, which it did by filing a Notice of Appeal. The fallacy in this argument is its treatment of an advisory action as though it is an 'Office action' in the sense of § 1.550(b). Section 1.116(a), which governs 'after final' practice in reexamination proceedings as well as in other proceedings, states in pertinent part:

> The admission of, or refusal to admit, any amendment after final rejection, and any proceedings relative thereto, shall not operate to relieve the application or patent under reexamination from its

condition as subject to appeal.
See also MPEP § 2272 ('Consideration of amendments submitted after final rejection [in a reexamination proceeding] will be governed by the strict standards of 37 CFR 1.116'). Accordingly, the examiner's admissions into the record of the supplemental amendment, including the missing declarations, did not relieve the patent owner from the requirement to file an appropriate response to the April 15, 1986, final Office action (such as a notice ofappeal) or to obtain an extension of time pursuant to § 1.550(c). Absent such a response, the reexamination proceeding was properly terminated on July 16, 1986, the day after a response was due. 37 C.F.R. 1.550(d). The advisory action, mailed July 23, 1987, could not and did not begin a new period for response. See Vincent v. Mossinghoff, 230 USPQ 621, 624 (D.D.C. 1985) (advisory action does not mark the beginning of a new response period). Thus, the notice of appeal, filed July 30, 1986, was not filed within the period set for response.

C. A terminated reexamination proceeding may be revived for 'unavoidable' delay under 35 U.S.C. § § 305 and 133, but not for 'unintentional' delay under § 41(a)(7)

For the reasons set forth in In re Katrapat, AG, ___ USPQ ___ (Comm'r Pat. 1988) (copy attached), the Commissioner agrees with petitioner that under 35 U.S.C. § § 305 and 133 considered together, the Commissioner may revive a reexamination proceeding which has been terminated due to a late response to an Office action, provided the delay was 'unavoidable' in the sense of § 133. Moreover, as explained in Katrapat, § 133 provides the sole basis for reviving a terminated reexamination proceeding. A terminated reexamination proceeding may not be revived for 'unintentional' delay under § 41(a)(7). Furthermore, petitions to revive terminated reexamination proceedings will no longer be considered under the 'extraordinary situation, where justice requires' standard of 37 C.F.R. § 1.183.

***4** Therefore, to the extent petitioner seeks relief under 37 C.F.R. § 1.137(a) and (b) and under § 1.183, the petition is denied. The petition therefore will be considered as though it had been filed under 35 U.S.C. § 133.

D. Petitioner has not demonstrated that the delay was 'unavoidable' in the sense of § 133

As discussed in Katrapat, supra, the term 'unavoidable delay' in the context of reexaminations proceedings has the same meaning it has with respect to abandonment in patent application proceedings:

> [The word 'unavoidable'] is applicable to ordinary human affairs, and requires no more or greater care 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 the 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.
Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (Comm'r Pat. 1887); In re Matullath, 38 App. D.C. 497, 514-15 (1912); Winkler v. Ladd, 221F. Supp. 550, 552, 138 USPQ 666, 667-68 (D.D.C. 1963), aff'd, 143 USPQ 172, 172 (D.C. Cir. 1964). See also Ex parte Henrich, 1913 Dec. Comm'r Pat. 139, 141 (Comm'r Pat. 1913) (delay in responding to Office action due to docketing error held unavoidable in view of counsel's elaborate record system for keeping track of pending applications and employment of all reasonable checks that could be required for preventing such errors); Smith v. Mossinghoff, 671 F.2d 533, 538, 213 USPQ 977, 982 (D.C. Cir. 1982) (delay held not unavoidable, because (1) Smith's excuses contained conflicting statements, (2) preoccupation of Smith's attorney with other legal matters or moving his residence did not relieve Smith of complying with PTO regulations, and (3) Smith's attorney was aware of the due date for response and thus had sufficient time to take action to avoid abandonment).

Furthermore, while a reasonable misinterpretation of a regulation may be the basis for a holding of unavoidable delay, In re Decision Dated February 18, 1969, 162 USPQ 383 (Comm'r Pat. 1969), misapplication or total ignorance of a rule may not. See Vincent v. Mossinghoff, 230 USPQ 621, 624 (D.D.C. 1985) (counsel's misapplication of certified mailing rule does not constitute unavoidable delay); Potter v. Dann, 201 USPQ 574 (D.D.C. 1978) (Markey, C.J., sitting by designation) (counsel's total unawareness of applicable rules is not a basis for finding unavoidable delay).

***5** In the new petition, petitioner argues that if its notice of appeal is considered to have been late, then its failure to file it prior to July 15, 1986, was due to an ambiguity in the due date for a response to the April 15, 1986, Office action and to errors in the previous counsel's docketing system.

As noted above, there was no ambiguity in the due date for a response to the final Office action; it was clearly set by the director to be July 15, 1986.

As for the alleged docketing errors, in order to be entitled to relief under 35 U.S.C. § § 305 and 133 on this ground, petitioner must show (1) that its consel was justified in relying on the docketing system, i.e., that the docketing system was highly reliable, and (2) that the docketing errors were the cause of the belated response. Petitioner has shown neither.

In contrast to Katrapat, this is not a case where a trustworthy employee, using a highly reliable docketing system, omitted a single critical docket entry whose omission resulted in a late response to an Office action.

Evidence of the unreliability of petitioner's previous counsel's docketing system is apparent from the exhibits which accompanied the September 15, 1986, petition, filed by previous counsel. In fact, petitioner concedes that there were several docketing lapses with respect to the Egbers reexamination. (See petition received Sept. 15, 1986, at 9-10.) Exhibit A is a copy of counsel's docket report for June

15, 1986, the original due date for a response to the final rejection. As acknowledged at pages 9-10 of that petition, the entries in this report show a lapse in docketing procedure with respect to the Egbers reexamination in that the report fails to note (a) that the June 13 response was accompanied by a request for an extension of time and (b) that the Office action was 'final.' In contrast, the entry for another reexamination (Monarch) includes a notation that the Office action is final. Exhibit B, the secretary's notes for April 15, 1986, from which the docket report shown in Exhibit A was prepared, fails to indicate that the Office action in the Egbers reexamination is final, whereas it does indicate that the Office action in the Monarch reexamination is final. As for Exhibit C, which is counsel's docket report for the period covering June 1 to 15, the 'final date' for the Egbers reexamination is given as June 15, and the 'date completed' is given as June 13, even though the response filed on that date was incomplete, since the declarations were not included. Exhibit D, counsel's docket report for the period July 1-15, 1986, correctly indicates that the 'final date' for the Egbers case is July 15, apparently taking into account the additional month automatically received when the June 13 response was filed, as noted in the Director's decision of June 25, 1986. This docket report also correctly indicates that declarations are due July 15. However, this report fails to indicate that Egbers is a reexamination proceeding.

***6** Exhibit E, which is a copy of counsel's docket report for July 15, 1986, indicates that a response was filed in 'Egbers' on July 10, but fails to note that Egbers is a reexamination and that the outstanding Office action is final. More important, this docket report does not indicate a need to inquire as to the status of the reexamination prior to July 15 or to take further action by that date, so as to avoid termination of the reexamination.

Thus, instead of demonstrating that petitioner's previous counsel had a highly reliable and trustworthy docketing system, petitioner has shown that there were numerous omissions from the data recorded in that system with respect to the Egbers reexamination proceeding. Consequently, petitioner's previous counsel was not justified in relying solely on this docketing system for information about the Egbers reexamination proceeding. For this reason alone, the omission of this data cannot serve as the basis for a holding that the delay in responding was unavoidable in the sense of § 133.

Furthermore, while, some docketing lapses clearly did occur with respect to the Egbers reexamination, these lapses were not the sole cause of the failure to file a timely response to the April 15, 1986, Office action.

It must be presumed that when previous counsel prepared the supplemental response filed July 10, he reviewed the file sufficiently to know that he was responding to a final Office action in the Egbers reexamination proceeding. At this time he could and perhaps should have noted on the July 15 docket report that further action (such as obtaining an extension of time or filing a notice of appeal) was due by July 15 in order to avoid termination of the proceeding in the event the examiner held the June 13 and July 10 responses insufficient to overcome the final rejection. However, counsel did not do so. The reason appears to be that counsel was unaware that the failure to take

further action prior to July 15 could result in termination of the reexamination. As stated by previous counsel in the September 15, 1986, petition at page 6:

When the long-awaited declarations finally arrived, they were promptly provided [to the PTO] with an explanatory letter and mailed on July 10, 1986, without realization that the likelihood of receiving an Official Action in time for consideration before the time for further response ran out had so greatly diminished that the time had come to petition for further extension of time for a length of time, perhaps a month and at least two weeks, of [sic, from?] an expected Advisory Action before deciding to appeal.

The question was not raised, as it should have been, on the 15th, by the docketing system of the attorney's office because of the unfamiliarity with final rejections in re-examination proceedings. It was not therefore until the undated Advisory Action, entering the submitted documents and letting the final rejection stand, was received on July 25, 1986, that the fact and significance on July 25, 1986, that realized by the attorneys.

***7** In view of the above, it is clear that the failure to take further action by July 15 was due at least in part to counsel's misunderstanding of 'after final' practice in reexamination proceedings. It is well settled that counsel's unawareness of PTO rules and procedures does not constitute 'unavoidable' delay. See Vincent v. Mossinghoff, supra; Potter v. Dann, supra.

For all of the above reasons, the petition is denied.

E. Summary

The August 24, 1987, petition to revive the reexamination proceeding on the grounds that the appeal brief was actually timely filed and that, even if not timely filed, the delay in filing the appeal brief was 'unavoidable' or 'unintentional' is denied. Likewise, to the extent the petition requests relief under 37 C.F.R. § 1.183, it is denied.

6 U.S.P.Q.2d 1869

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