Abstract
The Commissioner not permitted to excuse the time limit for the filing of a demand.

HENRY MERRITT FARNUM, Plaintiff, v. HARRY F. MANBECK, JR., Commissioner of Patents and Trademarks, Defendant.

Civil Action No. 89-3214

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

October 17, 1991, Decided
October 18, 1991, Filed

JUDGES: JOHNSON

OPINIONBY: NORMA HOLLOWAY JOHNSON

OPINION: *MEMORANDUM OPINION*

Plaintiff seeks judicial review of a decision of the Commissioner of Patents and Trademarks ("the Commissioner"), entered through the Special Assistant to the Assistant Commissioner for Patents. The challenged decision denied plaintiff's petition requesting that his Demand filed under Chapter II of the Patent Cooperation Treaty be treated as timely. Pending before the Court are cross-motions for summary judgment. Upon a full review of the entire record, including the motions, supporting memoranda, and administrative record, the Court hereby grants defendant's motion for summary judgment and denies plaintiff's motion for summary judgment.

BACKGROUND

Plaintiff is the creator of an invention entitled "Environment in Three Dimensions, with Sensory Stimuli." On October 5, 1987, plaintiff filed a U.S. national patent application for this invention. On October 27, plaintiff filed an international application for the same invention in the Patent and Trademark Office ("PTO"), acting as Receiving Office for the United States. Under the Patent Cooperation Treaty ("PCT"), to which the United States is a party, an applicant, upon filing an international application in the Receiving Office of a member country, is entitled to have his international application acknowledged as a regular national filing in as many member countries to the PCT as that applicant designates. See Patent Cooperation Treaty, June 19, 1970, 28 U.S.T.

7645, T.I.A.S. No. 8733. When he filed his international application, plaintiff designated all the member countries to the PCT.

Chapter I of the PCT entitles each international applicant to receive an international search of his application. The purpose of this international search is to discover any other art which might be relevant to the invention claimed in the application. The search encompasses only art that was filed prior to the date of the international application, since related art filed subsequent to that date would be preempted by the application itself. The earlier the filing date of the international application, the less chance there is that the applicant's invention will have been preempted by prior art. Article 8 of the PCT here gives an applicant a very useful option: if the applicant has filed one or more earlier national or international applications for the same invention, the applicant may "claim priority" of those applications in his later international application. By claiming priority, the applicant is entitled to have the later international application treated as if it had been filed on the date of the earlier application. The result is that the later international application may thereby preempt what would otherwise have been considered "prior art." However, a further result of claiming priority is that the deadlines for various other filings and publications under the PCT will be computed as of this earlier date.

PCT Rule.4.10(a), the implementing regulation for PCT Article 8, sets forth the requirements for a priority claim. An applicant may satisfy these requirements simply by completing Box VI of the International Application. Box VI asks the applicant to list the specifics of all applicable priority claims. When plaintiff filed his international application, he completed Box VI, indicating the earlier October 5, 1987 national application as a priority claim.

Chapter II of the PCT offers the applicant further options. Under Chapter II, an applicant may elect to have an international preliminary examination of his invention and also to delay the time for entry into the national stage in those countries in which patent protection is sought from twenty (20) to thirty (30) months. The objective of the international preliminary examination is to formulate a preliminary and non-binding opinion on questions relating to the patentability of the claimed invention. In order to receive these benefits, the applicant must file a timely Demand in accordance with Article 31 of the PCT. Article 39(1) of the PCT requires this Demand to be made "prior to the expiration of the 19th month from the priority date" of the international application.

Plaintiff sought to make a Demand under Chapter II, and he prepared the appropriate mandatory form, Form PCT/IPEA/401. Notes accompanying that form explicitly warn the applicant that Demand must be filed within 19 months

of the priority date, and that failure to do so will result in rejection of the Demand. Thus, if the priority date of plaintiff's application was considered to be October 5, 1987 (the date plaintiff claimed as a priority in Box VI of his international application), plaintiff would have had to file a Demand by May 5, 1989. If plaintiff's priority date was considered to be October 27, 1987 (the date he actually filed his international application), plaintiff would have had to file a Demand by May 27, 1989. Plaintiff indicated on the Demand form that the international filing date of his application was October 27, 1987. Although there was a box for any applicable priority date, plaintiff left this box blank. Thus plaintiff neglected to indicate on the Demand form that he had made a priority claim in his international application, and that he had requested, in that international application, a priority date of October 5, 1987.

On April 5, 1989, plaintiff met with the PCT Administrator in Washington, D.C. to discuss the publication of his international application, as required by Article 21 of the PCT. At that time, plaintiff claims, the Administrator told him that he could mail his Demand in the middle of May, along with the appropriate fees. On April 6, 1989, plaintiff's international application was published. On May 18, 1989, plaintiff claims that he called the PCT and spoke to the person handling his application. He alleges this PCT employee told him that, since May 27 was a Saturday, the last day he could file his Demand would be May 30, 1989. Plaintiff filed his Demand on May 30, 1989.

On June 28, 1989, plaintiff filed a Notice of Abandonment of his October 5, 1987 application. PCT Rule 32bis allows an applicant who has made a priority claim in the international application under Article 8(1) of the PCT to withdraw that claim at any time before the international publication of the international application. Because plaintiff's international application had already been published on April 6, 1989, plaintiff indicated in his Notice of Abandonment that he wanted the abandonment to be accepted nunc pro tunc as of April 5, 1989. If plaintiff's Notice of Abandonment were a valid abandonment of his priority claim, it would reinstate October 27, 1987 as the priority date for the international application. On July 5, 1989, plaintiff filed a petition to the Commissioner requesting that his Demand under Chapter II be entered as timely.

On August 21, 1989, the PTO mailed plaintiff a "Notification of Receipt of Demand," on which it was noted, "DEMAND FILED LATE." On October 26, 1989, the Special Assistant to the Assistant. Commissioner for Patents denied plaintiff's July 5 petition. The decision was based on a priority date of October 5, 1987 for plaintiff's international application. According to the Special Assistant, plaintiff's June 28 nunc pro tunc withdrawal of the priority claim was untimely, as it occurred after the publication date of the international

application. The Assistant also rejected plaintiff's argument that his failure to list the priority claim on the Demand form should be construed as a withdrawal of the priority claim. Although the Assistant denied that the failure to list a priority claim could be interpreted as its withdrawal, he pointed out that, in any event, the Demand form was filed too late to be an effective withdrawal. Finally, the Assistant rejected plaintiff's claim that misinformation by PTO personnel should excuse a late Demand filing.

Plaintiff subsequently filed papers, on August 24, 1989, August 31, 1989, September 5, 1989, September 6, 1989, September 13, 1989, October 16, 1989, October 17, 1989, and November 13, 1989, which the PTO treated as a request for reconsideration of the October 26 decision. On February 28, 1990, the PTO entered a decision reaffirming its earlier denial of plaintiff's petition. Plaintiff filed this action on November 29, 1989, seeking reversal of the PTO's denial of his Demand election.

DISCUSSION

I. The Commissioner's Authority to Excuse Delays in Meeting Time Limits.

In reviewing defendant's refusal to enter plaintiff's Demand as timely, this Court must determine whether the Commissioner's decision was "arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law." 5 U.S.C. § 706(2)(A) (1988). The scope of the Commissioner's authority to excuse an international applicant's delay in meeting time limits is set out at 35 U.S.C. § 364(b). Section 364(b) provides:

An applicant's failure to act within prescribed time limits in connection with requirements pertaining to a pending international application may be excused upon a showing satisfactory to the Commissioner of unavoidable delay, to the extent not precluded by the treaty and the Regulations, and provided the conditions imposed by the treaty and the Regulations regarding the excuse of such failure to act are complied with.

35 U.S.C. § 364(b) (1988). The legislative history of § 364(b) indicates that Congress intended an international application to be strictly bound by the requirements of the PCT Rules and the PCT itself, along with any additional regulations the Commissioner might promulgate:

If an applicant complies with the requirements of Rule 82 of the Regulations under the Treaty and any regulation on this point as established by the Commissioner, the delay may be excused and the time limit is deemed to be met, without any withdrawal of the international application.

No excuse is permitted under the Treaty and the Regulations, if the record copy of the international application was not received by the International Bureau within the proscribed time limit.

H.R. Rap. No. 592, 94th Cong., 1st Sess., at 9 (1975) (report on legislation implementing Patent Cooperation Treaty). The implementing regulation established by the Commissioner on the question of delays in international applications is found at 37 C.F.R. § 1.468: "Delays in meeting time limits during international processing of international applications may only be excused as provided in PCT Rule 82." Regulation 1.468 thus does not expand the Commissioner's authority to excuse delays beyond what the PCT and the PCT Rules authorize.

PCT Rule 82, to which the Commissioner's regulation refers, implements PCT Article 48, which governs the excuse of delays in meeting time limits. Article 48(1) provides that "where any time limit fixed in this Treaty or the Regulations is not met because of interruption in the mail service or unavoidable loss or delay in the mail, the time limit shall be deemed to be met . . . ." (emphasis added). Rule 82.1 outlines the kinds of mail interruptions or unavoidable losses in the mail that will be excused. No other type of delay is contemplated as excused by Rule 82.1. See PCT Rule 82.1, Manual of Patent Examining Procedure ("MPEP"), at T-57 (1989).

Plaintiff argues that the Commissioner has authority to excuse this delay under Rule 82 bis. Rule 82 bis implements Article 48(2) of the PCT, which states that "any Contracting State shall, as far as that State is concerned, excuse, for reasons admitted under its national law, any delay in meeting any time limit." In explaining this type of excuse, Rule 82 bis states:

The provisions of the national law which is referred to in Article 48(2) concerning the excusing, by the designated or elected State, of any delay in meeting any time limit are those provisions which provide for reinstatement of rights, restoration, restitutio in integrum or further processing in spite of noncompliance with a time limit, and any other provision providing for the extension of time limits or for excusing delays in meeting time limits.

PCT Rule 82 bis, MPEP at T-58. Plaintiff's reliance on Rule 82 bis is mistaken. Rule 82 bis refers to the power of any designated State in an international application to excuse a delay involving that application, in accordance with its own laws. Thus, although the PTO may treat plaintiff's Demand as untimely for purposes of the entire international application procedure, plaintiff may still appeal to individual designated Member States of the PCT to treat his Demand

as timely, in accordance with their own national laws governing the reinstatement or restoration of rights. PCT Articles 25 and 26, which grant Designated Offices discretion to give an international applicant a chance to correct whatever defect exists in the application, support this interpretation of Article 48(2) (specifically cross-referenced in Article 25) and Rule 82 bis. Thus, the PCT, the PCT Rules, the Commissioner's own Regulations, and 35 U.S.C. § 364(b) limit the Commissioner's authority to excuse a delay in meeting time limits to those situations in which the delay is related to a mail disruption or disfunction. Such a situation is not presented here.

II. Plaintiff's Arguments

Plaintiff presents four further arguments in support of his contention that the Commissioner should have entered his Demand as timely: 1) he claims that he was unaware of the 19-month deadline; 2) he argues that his June 28 withdrawal of the priority claim should have been made effective nunc pro tunc as of April 5, 1989, as he requested; 3) he claims that his failure to include the October 5 priority claim on his Demand form was itself an effective withdrawal of the priority claim; and 4) he insists that PTO personnel made oral misrepresentations to him which led him to believe that filing his Demand on May 30, 1989 would be timely. However, even if the Commissioner had the authority to excuse delays beyond the circumstances outlined in the previous paragraph, none of these claims, if true, would justify the exercise of that authority.

1. Plaintiff was unaware of the 19-month deadline.

Plaintiff argues that he did not know about the 19-month deadline for filing a Demand, and should therefore not be penalized for failing to meet it. However, any lack of awareness on plaintiff's part as to the time limits for filing a Demand are inexcusable. The Demand form itself explicitly notifies applicants of the 19-month time limit, in the section entitled "Notes to the Demand Form." These Notes essentially put plaintiff on constructive notice of the applicable deadline. Moreover, plaintiff admits that he was, until June 1988, an attorney registered to practice before the PTO. Although plaintiff insists that he never represented anyone but himself, the undisputed fact remains that plaintiff did prepare numerous patent applications for his own inventions over the course of several years. Thus, plaintiff's extensive interaction with the PTO and his continuous involvement in the field of patents, along with his training as a lawyer, make it difficult to excuse his alleged ignorance of the law in the area of his expertise.

2. The nunc pro tunc effectuation of plaintiff's withdrawal of the priority claim.

Plaintiff filed a Notice of Abandonment of Application on June 28, 1989. In this notice, he indicated that he wanted his abandonment to be given retroactive effect; that is, he wanted the PTO to consider his October 5, 1987 application abandoned as of April 5, 1989. Plaintiff's reasons for requesting a nunc pro tunc treatment of his withdrawal become clear when one considers PCT Rule 32bis, which governs the withdrawal of priority claims made under Article 8(1) of the PCT. Rule 32bis.1(a) states: "The applicant may withdraw the priority claim made in the international application under Article 8(1) at any time before the international publication of the international application." PCT Rule 32bis.1(a), MPEP at T-39. Since the publication date of plaintiff's international application was April 6, 1989, only a withdrawal of the priority claim made prior to that date would be considered valid under Rule 32bis.

Plaintiff argues that, because the PTO sent him a notice, on July 13, 1989 which recognized his letter of abandonment and indicated that the October 5, 1987 application was considered abandoned, the Commissioner was thereafter estopped from refusing to acknowledge that the priority claim had been abandoned as of Aprl1 5.[1] There are two problems with plaintiff's argument. First, his June 28 Notice of Abandonment was an abandonment of the October 5 application, not necessarily an abandonment of the priority claim made in his international application. While this may be a technicality, and while it seems logical that an abandonment of the underlying application on which the priority claim is based might necessarily cause the priority claim to be abandoned, the PCT Rules clearly distinguish between an "application" and a "priority claim." Plaintiff has cited no authority to support his contention that abandonment of his application has the effect of withdrawing the priority date claimed in a subsequently filed international application.

Even if, however, plaintiff's abandonment of his October 5 application was sufficient to abandon his priority claim, the PCT Rules cannot be interpreted to allow a nunc pro tunc filing such as the one plaintiff attempted here. Rule 32bis.1(a) explicitly invalidates withdrawals which are made after the publication of an international application. If the Court were to interpret Rule 32bis to allow nunc pro tunc filings, this provision would have no effect, since any applicant could, after the publication date, file a withdrawal and ask that it be effectuated prior to the publication date. Such an interpretation would rob Rule 32bis.1(a) of all meaning, and would frustrate the purpose of international publication.

---

[1] In the February 28, 1990 decision reaffirming the denial of plaintiff's Demand, the Special Assistant to the Commissioner pointed out that the PTO Examiner who acknowledged plaintiff's Notice of Abandonment did so because the Notice complied with the formal requirements of 37 C.F.R. § 1.138. That acknowledgment was irrelevant to the issue of the validity of plaintiff's nunc pro tunc request, and it did not foreclose a later evaluation of the merits of that request

3. Plaintiff's failure to include the October 5 priority claim on his Demand form.

Plaintiff claims that, by not entering October 5, 1987 as a priority date on his Demand form, he effectively withdrew his priority claim. Even if this is true -- and again plaintiff cites no authority for this proposition -- the Demand form was not filed with the PTO until May 30, 1989, over one and a half months after the international publication of his application. Under Rule 32bis.1(a), and for the same reasons outlined above, withdrawal of the priority claim was made too late to be effective.

4. Oral misrepresentations by PTO personnel.

Plaintiff argues that he relied on information from PTO personnel that May 30, 1989 would be a timely deadline for filing his Demand. However, plaintiff's recitation of his encounters with PTO personnel (found in his July 5 petition to the Commissioner seeking entry of his Demand) indicates that he was given two conflicting deadline dates. Moreover, it was only after he had failed to comply with the first deadline that plaintiff decided to call the PTO, whereupon he received the second deadline. Plaintiff alleges that, in a meeting with the PTO Commissioner on April 5, 1989, the Commissioner told him to file his demand "around the middle of May." On May 18, "noting that it was past the 'middle of the month'" and realizing that he had not yet filed the Demand form, plaintiff called the PTO and allegedly was given the May 30 deadline. Thus, in reciting these facts, plaintiff concedes that he did not comply with the deadline the Commissioner had given him verbally. His argument that he relied on misrepresentations by PTO personnel that May 30 would be a timely deadline is thus undercut by the fact that he chose to rely on the deadline most convenient for him; this conduct in turn impugns plaintiff's good faith in complying with any deadline.

Furthermore, defendant correctly points out that plaintiff's misrepresentation argument is irrelevant in light of PTO regulations. 37 C.F.R. § 1.2 specifically requires all business with the PTO to be transacted in writing and states that "no attention will be paid to any alleged oral promise, stipulation, or understanding in relation to which there is disagreement or doubt." Thus, the Special Assistant's refusal to acknowledge any alleged misrepresentation by PTO personnel was in accordance with PTO.regulations.

CONCLUSION

None of the arguments plaintiff presents are sufficient to support a finding that the Commissioner's action was arbitrary and capricious. In fact, analysis of

plaintiff's claims demonstrates that the Commissioner acted entirely according to the law and regulations of the PCT and the PTO. Thus, plaintiff's motion for summary judgment is denied, and defendant's motion for summary judgment is granted. An Order consistent with this Memorandum Opinion will be entered this date.

DATED: October 17, 1991.

NORMA HOLLOWAY JOHNSON

UNITED STATES DISTRICT JUDGE

ORDER AND JUDGMENT - October 18, 1991, Filed

Upon consideration of the motion of plaintiff for summary judgment, the motion of defendant for summary judgment, the submissions of the parties, the record as a whole, and consistent with the accompanying Memorandum Opinion, it is this 17th day of October, 1991,

ORDERED that the motion of plaintiff for summary judgment be, and hereby is, denied; and it is further

ORDERED that the motion of defendant for summary judgment be, and hereby is, granted; and it is further

ORDERED that judgment be, and hereby is, entered in favor of defendant.

NORMA HOLLOWAY JOHNSON

UNITED STATES DISTRICT JUDGE