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

IN RE APPLICATION OF ROBERT LONARDO
Serial No. 399,365
August 6, 1990
***1** Filed: September 21, 1973

For: THERAPEUTIC LEG AND FOOT DEVICE

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ON PETITION

The above-identified application ('365 application), naming Robert Lonardo as inventor, became abandoned on March 8, 1974, for failure to file formal drawings within a two-month period specified in an office communication dated January 7, 1974. On November 21, 1988, Lonardo filed a petition to revive the '365 application under 37 CFR § 1.137(a), which was denied on April 18, 1989. On May 4, 1989, Lonardo filed a further petition to revive the '365 application and a petition under 37 CFR § 1.183 to waive applicable rules, both of which were denied on August 4, 1989.

Lonardo then filed suit against the Commissioner in the United States District Court, Middle District of Florida (Civil Action No. 89-1329-CIV-T- 13C), seeking a court order directing the Commissioner to revive the abandoned '365 application. On May 4, 1990, the district court granted the Commissioner's unopposed motion for stay and remand, and permitted the Patent and Trademark Office (PTO) three months to consider recently discovered additional evidence which might lead to granting of relief by the Commissioner. On June 1, 1990, Lonardo filed a renewed petition to revive the abandoned '365 application.

Lonardo's renewed petition to revive is GRANTED.

To revive an abandoned patent application under 37 CFR § 1.137(a), the petitioner must establish that his application became abandoned due to "unavoidable delay." Proper considerations include the extent of diligence exhibited by the petitioner himself and by his attorney, in connection with the delay for which the application became abandoned and also with their respective efforts to revive the abandoned application. The diligence of the attorney is relevant because one is ordinarily bound by the acts of his attorney. See Link v. Wabash R.R., 370 U.S. 626, 633-34, reh'g denied, 371 U.S. 873 (1962); Smith v. Mossinghoff, 671 F.2d 533, 5 USPQ2d 1130 (D.C.Cir.1982); Haines v.

Quigg, 673 F.Supp. 314, 5 USPQ2d 1130 (D.Ind.1987); Ex parte Stuckgold, 1903 Dec. Comm'r Pat. 307, 308 (Comm'r Pat.1903).

In this decision, the diligence of Lonardo is first considered, followed by that of his attorney, Max Schwartz ("Schwartz"). If Schwartz had not been diligent, whether his lack of diligence is excused by sickness or incapacity, or otherwise not chargeable to Lonardo, is then considered.

Lonardo was diligent

***2** Mrs. Lonardo persistently acted as Lonardo's agent for communicating with Schwartz, in connection with Lonardo's invention. Accordingly, Mrs. Lonardo's acts on behalf of Lonardo, and her knowledge of information obtained from Max Schwartz, are imputed to Lonardo.

Nothing in the record indicates that Lonardo was aware of the Examiner's communication dated January 7, 1974, which set a two-month period for submission of formal drawings. Though Schwartz received the office communication, he did not notify Lonardo of the outstanding requirement, nor did he submit formal drawings within the stated two-month period. Unless Lonardo should have known that Schwartz could not be trusted with prosecution of the '365 application, Lonardo could not be reasonably expected to take actions which would have avoided the abandonment which occurred. The facts do not show that Lonardo should have known that Schwartz was professionally incompetent or otherwise unreliable. Consequently, it cannot be reasonably said that Lonardo contributed to the abandonment of the '365 application through his own lack of diligence.

The record also indicates that Lonardo was not less than diligent from the time of abandonment of the '365 application on March 8, 1974, to the time of filing of the substitute application on June 6, 1975, in not knowing that the '365 application had become abandoned. Lonardo suffered a heart attack in April of 1974, for which he needed the remainder of that year to recuperate. Through his wife, Lonardo attempted to contact Schwartz on numerous occasions in early 1975. Though Mrs. Lonardo had difficulty contacting Schwartz, she did manage to reach him by telephone on at least two occasions, once on March 24, 1975, and another time on April 1, 1975.

In the telephone conversation of March 24, 1975, Schwartz said he had been ill, apologized for neglecting his work, and stated that he would send a letter to Washington (presumably the PTO) to explain that he had been ill. In a note of even date with that telephone conversation, Mrs. Lonardo sent Schwartz a request for a copy of the letter Schwartz intended to send to Washington. In the telephone conversation of April 1, 1975, Schwartz assured Mrs. Lonardo that everything was fine and a patent would be issued momentarily. The second conversation was followed by another note from Mrs. Lonardo to Schwartz which urged Schwartz to call as soon as he had news about the patent to be issued. Those facts indicate that Lonardo was concerned about progress of the '365 application, made multiple inquiries to Schwartz, and was assured by Schwartz that all was well and there was no need to worry. Lonardo

was not less than diligent.

Lonardo never followed up on his request of March 24, 1975, asking Schwartz to send a copy of the letter to Washington. That inaction may appear to reflect lack of diligence. However, an unfulfilled request for the copy reflects more, not less, diligence than not having made the request at all. Also, Schwartz's further assurance of April 1, 1975, obviated any pressing need for the copy. Lonardo already knew the intended content of the letter, i.e., that Schwartz would explain that he had been ill; Lonardo's main concern was whether the application would progress toward issuance. Schwartz's representations to Mrs. Lonardo on April 1, 1975, that all was well and the patent would issue momentarily gave Lonardo the assurance he needed. In that circumstance, a physical copy of the letter no longer has meaningful significance. Accordingly, Lonardo cannot be faulted for not further pursuing a copy of the letter Schwartz purported to be sending to Washington.

***3** In May 1975, instead of receiving a copy of Schwartz's alleged letter to Washington, Lonardo received from Schwartz a substitute application. Lonardo considered the various applications, whether a continuation-in-part (the '365 application was itself a continuation-in-art application of an earlier application) or a substitute, to be one single application process for obtaining a patent on his invention. To Lonardo, the substitute application was simply one other submission which was necessary to secure the issuance of a patent for his invention. From that perspective, the substitute application does not give notice to Lonardo that something had gone wrong in the application process.

Lonardo's not confronting Schwartz on why Schwartz sent a substitute application to be executed rather than a copy of the purported letter to Washington should not work toward Lonardo's detriment. The substitute application reflects further efforts expended by Schwartz to secure a patent for Lonardo's invention; Lonardo had insufficient basis to doubt its propriety. It cannot be reasonably said that Lonardo should have preferred to receive a copy of the purported letter to Washington, rather than the substitute application; while the former is intended as an explanation of Schwartz's illness, the latter represents a work product which brought Lonardo closer toward obtaining a patent. From Lonardo's perspective, the '365 application was being taken care of and was advancing toward issuance; whether he received a copy of Schwartz's letter to Washington, and even whether Schwartz had sent such a letter, are relatively inconsequential in that circumstance. Thus, Lonardo exhibited ample diligence toward securing issuance of a patent for his invention by promptly executing the substitute application on May 16, 1975.

Lonardo first learned of the abandoned status of the '365 application on September 20, 1988, from opposing counsel in a patent infringement action involving the patent which issued from the substitute application. For the period from the execution of the substitute application on May 16, 1975, to September 20, 1988, the record shows no reason for Lonardo to question the status of the '365 application. From Lonardo's perspective, there was a single patent application process which resulted in the issuance of the patent; whatever applications were involved in that process have merged into the resulting patent. It cannot be said that Lonardo was not diligent in the period from May 16,

1975, to September 20, 1988, in connection with not knowing that the '365 application had been abandoned.

Lonardo filed the first petition to revive the '365 application on November 21, 1988. Though two months have passed from the time when he first learned that the '365 application had gone abandoned, that does not constitute excessive delay in light of the need to gather facts relating to events of more than 14 years ago. Lonardo was not less than diligent in seeking to revive the '365 application, once the abandoned status of the application was made known to him on September 20, 1988.

***4** Also, based on this record, Lonardo had no reason not to retain Schwartz as his attorney or to rely on Schwartz throughout the prosecution of the '365 application. Though we find Schwartz to be unable to perform his responsibilities after April 1973, as discussed below, Lonardo did not know that and we cannot say that Lonardo should have known.

For the foregoing reasons, Lonardo's own conduct cannot be regarded as less than diligent and thus precluding him from establishing unavoidable delay under 37 CFR § 1.137(a).

Schwartz was not diligent

Schwartz received the office communication dated January 7, 1974, which set a two-month period for submission of formal drawings. Though Schwartz's status letter of April 15, 1974, referred to a prior request from Schwartz for the Examiner to order the transfer of formal drawings from an abandoned parent application, it did not indicate when the request was made nor whether the Examiner had agreed to take such action. Indeed, the last paragraph of the letter suggested that no agreement had been reached with the Examiner, in stating: "[p]lease advise whether an action will be forthcoming in accordance with the above [pending request for the Examiner to order the transfer of formal drawings from the parent application]." Because formal drawings were not filed by March 7, 1974, the '365 application became abandoned. On this record, Schwartz had not been diligent, and his lack of diligence caused the abandonment of the '365 application.

Though a patent office communication dated May 2, 1984, was sent to Schwartz, which noted that the '365 application had become abandoned, Schwartz's file for the '365 application does not contain that official communication. Nevertheless, sometime between April 15, 1974, and May 1975, Schwartz became aware of the abandoned status of the '365 application; that fact is inferred from his preparing a "substitute application" for Lonardo's execution in May 1975. Upon learning that the '365 application had become abandoned, Schwartz should have taken steps to revive the application; he should have known that the substitute application would not be entitled to the benefit of the '365 application's filing date. For the entire period from when he first learned of the abandoned status of the '365 application to his death in December 31, 1980, Schwartz made no attempt to revive the '365 application; he was less than diligent in that regard.

Not charging Schwartz's failure to revive the application to Lonardo

It is an established principle that the neglect or exercise of judgment of an attorney is chargeable to his client, and thus the client would have to suffer the consequences of his attorney's conduct. The rationale, as articulated in Link v. Wabash R.R., 370 U.S. 626, 633-34 (1962), is that because the client voluntarily chose his own representative, he cannot seek to avoid the consequences or acts of this freely selected agent. The Court stated, id. at 634 n. 10, that if the attorney's conduct falls substantially below what is reasonable under the circumstances, the client's remedy is a malpractice suit against the attorney.

***5** In Link, the district court notified counsel for each side of the scheduling of a pretrial conference on October 12, 1960, at 1 p.m. On the morning of the scheduled date, plaintiff's counsel telephoned the courthouse for the judge, and was informed that the judge was on the bench. Plaintiff's counsel then left this message for the judge:

> "that he [counsel] was busy preparing papers to file with the [Indiana] Supreme Court," that "he wasn't actually engaged in argument and that he couldn't be here by 1:00 o'clock, but he would be here either Thursday afternoon [October 13] or any time Friday [October 14] if it [the pretrial conference] could be reset."

Id. at 628. After plaintiff's counsel failed to attend the pretrial conference, the district court, upon review of the history of the case, dismissed the action for counsel's failure to appear for pretrial conference and for failure to prosecute. The Court of Appeals affirmed the district court. The Supreme Court in Link recognized that the review in that case involved the propriety of the district court's dismissal of the action under Federal Rules of Civil Procedure 41(b), 370 U.S. at 630, and not any refusal by the district court to grant plaintiff's request for relief from judgment under Rule 60(b). In particular, the Court stated: "[p]etitioner never sought to avail himself of the escape hatch provided by Rule 60(b)," id. at 632, and expressly left open the question whether the district court would have abused its discretion had it rejected a motion under Rule 60(b). Id. at 635.

In the context of relief from judgment under Rule 60(b), some courts have not broadly applied Link's rule that an attorney's conduct is chargeable to his client, when the conduct is deemed to involve gross-negligence rather than ordinary neglect, e.g., Boughner v. Secretary of Health, Education and Welfare, 572 F.2d 976, 978 (3rd Cir.1978); L.P. Steuart, Inc., v. Matthews, 329 F.2d 234, 235 (D.C.Cir.1964), cert. denied, 379 U.S. 824 (1964), or simply when a default judgment is due to counsel's neglect. Jackson v. Beech, 636 F.2d 831, 837 (D.C.Cir.1980); see also Carter v. Albert Einstein Medical Center, 804 F.2d 805 (3rd Cir.1986) (vacating default judgment upon review of denial of relief under Rule 60(b), without classifying counsel's negligence as either ordinary or gross). Lonardo has not identified any decision of the Commissioner which distinguished gross-negligence from ordinary neglect when deciding whether to charge the conduct of an applicant's attorney to the applicant. But whether such a distinction is proper need not be decided here, because we cannot charge Schwartz's conduct to Lonardo for a different reason, i.e., attorney's intentional

deception of his client.

***6** When an attorney intentionally conceals a mistake he has made, thus depriving the client of a viable opportunity to cure the consequences of the attorney's error, the situation is not governed by the stated rule in Link for charging the attorney's mistake to his client. See Jackson v. Washington Monthly Co., 569 F.2d 119, 122 n. 18 (D.C.Cir.1977):

> The gross-neglect rule of L.P. Steuart has been criticized as discordant with Link. 7 J. Moore, Federal Practice ¶ 60.27[2], at 369-370 n. 47 (2d ed.1975); see United States v. Cirami, 535 F.2d 736, 740-741 (2d Cir.1976). But even if that were so, an attorney's deception of a blameless client would survive as a basis for relief under Rule 60(b)(6). See 7 J. Moore, supra, ¶ 60.-27[2], at 368 n. 44. When a client does not knowingly and freely acquiesce in his attorney's neglectful conduct, but instead is misled into believing that the attorney is industrious, dismissal is not only a harsh step but one for which the circumstances provide little support for an agency theory as a rationale. Cf. Thane Lumber Co. v. J.L. Metz Furniture Co., 12 F.2d 701, 703 (8th Cir.1926); Chamberlain v. Amalgamated Sugar Co., 42 Idaho 604, 247 P. 12, 14 (1926).

United States v. Cirami, 563 F.2d 26 (2d Cir.1977), involved a situation in which the district court's denial of relief under Rule 60(b)(6) was reversed on the basis that the attorney's failure leading to dismissal of the action was demonstrated to be due to mental illness. That decision has been broadly interpreted by at least one district court as representing the view that any counsel's conduct of more than ordinary neglect or gross-negligence should not be charged to his client in the context of a request for relief under Federal Rules of Civil Procedure Rule 60(b)(6). As stated in DeBonavena v. Conforte, 88 F.R.D. 710, 712-13 (D.Nev.1981):

> This Court views the legal propositions set forth in the Cerami cases as not necessarily limiting relief to those cases where there is mental illness. It seems that the philosophical basis of Cirami is somewhat broader. The essential question in the view of this Court is whether counsel's inaction was due to something more than negligence or neglect.

Sometime between April 15, 1974 and May of 1975, Schwartz must have learned that the '365 application had gone abandoned, because he prepared an identical substitute application and sent it to Lonardo in May 1975, to be executed, and filed the substitute application on June 6, 1975. The only reasonable inference which can be drawn from that circumstance is that Schwartz was aware the '365 application had become abandoned. Furthermore, at no time did he inform Lonardo of the abandoned status of the '365 application, despite Mrs. Lonardo's inquiries about the status of the application. On this record, it is reasonable to conclude that Schwartz knowingly concealed the abandonment of the '365 application from Lonardo, and covered up the abandonment by filing and prosecuting the substitute application as though it were the '365 application. His efforts in concealment were so successful that no one discovered the abandonment of the '365 application until more than fourteen years later in an infringement suit involving the patent which issued from the substitute application.

***7** For the foregoing reasons, Schwartz's non-diligence in failing to

have the abandoned application revived cannot be charged to Lonardo.

Initial abandonment was due to Schwartz's illness

This case involves factual circumstance which existed in early 1974, in the two months immediately preceding March 8, 1974, in which Schwartz should have filed a response in the '365 application. Sixteen years have passed since 1974, and much evidence which could have been available at that time are not available today. Nevertheless, the record can support a finding that Schwartz's ability to perform his responsibilities as a patent attorney was impaired during the period in question. Though the record might also support a contrary finding, that contrary finding is less plausible. Rather, Schwartz's health was so precarious after April 1973 that his failure to file a response in the '365 application between January 7, 1974, and March 7, 1974, was due at least in part to illness. Consequently, his lack of diligence in failing to respond to the office action is excused within the meaning of unavoidable delay under 35 U.S.C. § 133.

In 1973, Dr. Ezra Sharp had been Schwartz's treating physician for many years. According to Dr. Sharp's testimony, Schwartz considered himself well- versed in medicine, and rarely sought professional medical advice because he often made his own diagnosis and treated himself. Dr. Sharp testified that when Schwartz had his first heart problem, Schwartz even refused to go to the hospital and had to be treated at home as a result of which Dr. Sharp was deprived of opportunities to administer follow-up treatment.

Based on Dr. Sharp's testimony, we find that Schwartz was not an ordinary person insofar as the need to obtainprofessional medical assistance is concerned. For instance, he apparently was not likely to accept medical assistance until he had exhausted all means he thought were appropriate to treat himself. Consequently, whenever Schwartz would seek professional assistance, he was likely to have needed that professional medical attention at a much earlier time. Similarly, since he was not treated or seen by a physician, he might well have been seriously ill and needed to be hospitalized. Schwartz's regard (or lack thereof) for professional medical care was not ordinary.

Dr. Sharp testified that he saw Schwartz as a patient on April 9, 1973, at which time an EKG revealed evidence of a Myocardial Infarct which had resulted from a heart problem from 20 years ago. Thus, we know that Schwartz's heart condition had a tendency to grow progressively worse. Also, Schwartz's state of health in April 1973 must have been extremely bad, because if not, he was unlikely to have sought professional medical attention. More importantly, because April 1973 was the last time Dr. Sharp saw Schwartz, Schwartz did not receive any professional follow-up treatment from Dr. Sharp; and there is no evidence of record that Schwartz received professional follow-up medical attention from any other physician. Presumably, after April 1973 and until his death in 1980, Schwartz was acting as his own doctor, attempting cures by whatever means he considered appropriate. Based in part on the following six factors, Schwartz's state of health from April 1973 to when he died in 1980 at approximately 81 years of age was extremely precarious:

***8** (1) Schwartz's serious health condition in April 1973;
(2) Schwartz's heart problem which worsened over time;
(3) Lack of professional follow-up treatment after Dr. Sharp last saw Schwartz in April 1973;
(4) Schwartz's general reluctance to seek professional medical attention;
(5) Schwartz's tendency to make his own diagnosis and to treat himself;
(6) Schwartz's advanced age.

In addition, Schwartz's precarious state of health undermined his abilities to fulfill responsibilities as a patent attorney. Other evidence directed to Schwartz's state of health of record before the PTO is not to the contrary. Schwartz himself told Mrs. Lonardo in the March 24, 1974, telephone conversation that he had been ill and he had neglect his work. Mrs. Lonardo heard in 1974 from another attorney in Rhode Island, Elliot Salter, that Schwartz had been ill "for sometime." Leonard Michaelson, also an attorney in Rhode Island, testified that Schwartz had had a heart attack ten years or so before his death.

Based on the findings above, one would anticipate that if Schwartz continued his patent practice following April 1973, he would begin to fail in his professional duties, and that such failures will become more numerous as time went on. Indeed, the facts discussed below are in accordance with that anticipation. In particular, with regard to nine filed applications including the '365 application, Schwartz failed in his responsibilities once in 1974, once in 1976, once in 1977, once in 1978, thrice in 1979, and twice in 1980.

The prosecution history of seven other applications prosecuted by Schwartz from the period of June 1976 to December 1980, are relevant. Those applications, in chronological order of the filing date, are:

	Serial No.	Filing Date	Patent No.
1.	****	****	(not issued)
2.	696,486	06/15/76	4,378,948
3.	852,082	11/16/77	4,356,793
4.	****	****	(not issued)
5.	D-949,812	10/10/78	D.269,300
6.	D-949,813	10/10/78	D.268,619
7.	D-19,460	03/12/79	4,545,378

Each of the above-identified seven applications became abandoned sometime during prosecution as a result of Schwartz's failure either to respond at all or to respond timely to an office action. Applications 1 and 4 above are not specifically identified because they have not issued as United States patents and thus have confidential status under 35 U.S.C. § 122. Schwartz refiled applications 3, 5, and 6 in December 1980, even though there were intervening sales in at least application 3.

***9** Application 1 became abandoned because Schwartz did not respond to an office action dated October 21, 1977, for which a response was due on December 21, 1977. Application 2 became abandoned because Schwartz did not respond to an office action dated September 22, 1976, for which

a response was due on December 22, 1976. Application 3 became abandoned because Schwartz did not respond to an office action dated September 26, 1978, for which a response was due on December 26, 1978. Application 4 became abandoned because Schwartz did not respond to an office action dated March 27, 1980, for which a response was due on June 27, 1980. Application 5 became abandoned because Schwartz did not respond to an office action dated July 25, 1979, for which a response was due on August 25, 1979. Application 6 became abandoned because Schwartz did not respond to an office action dated June 4, 1979, for which a response was due on July 5, 1979. Application 7 became abandoned because Schwartz filed a response on January 28, 1980, to an office action dated October 25, 1979, for which a response was due on January 25, 1980.

An eighth application prosecuted by Schwartz, serial number 912,385, filed on June 5, 1978, also became abandoned as a result of Schwartz's failing to respond to an office action dated October 25, 1978, for which a response was due on January 25, 1979. Schwartz succeeded in reviving the abandoned application under Rule 137 on the basis of a mistake in docketing the office action for response; his petition to revive the application was granted on November 28, 1979. That application is now issued as United States Patent No. 4,211,190.

After Schwartz's death, petitions were filed in each of the above-listed seven applications to have them revived. The respective petitions were followed by a consolidated petition for revival of all seven applications. In all applications except for applications 2 and 5, the initial petitions had already been denied when the consolidated petition was filed. Subsequent to the filing of the consolidated petition in each application, the petitions were granted and each application was revived. In each decision granting respective petitions, the PTO attributed Schwartz's failure to respond timely to his "inability to perform his responsibilities."

The seven applications were revived mainly on the basis of the consolidated petition, which included (1) a declaration of Dr. Ezra A. Sharp; and (2) a declaration of Herbert Barlow, a patent attorney who took over several of Schwartz's on-going patent matters after Schwartz's death. Incidentally, it is noted that the consolidated petition misstated the filing date of application 1 as January 21, 1978, of application 2 as December 22, 1976, and of application 7 as January 25, 1980.

In addition to Dr. Sharp's testimony already discussed above, Dr. Sharp stated:

> In recent years I have had no doctor-patient relationship with Max Schwartz that would enable me to provide a professional opinion as to his mental deterioration in recent years. However, his senility would not be inconsistent with my prior observations of him during those occasions when I was called upon to treat his heart problems.

***10** Mr. Barlow stated that his law firm assumed the prosecution of a number of patent applications which were formerly handled by Schwartz. His testimony recounted three instances in which Schwartz had not filed completed United States patent applications which should have been filed, and nine instances in which Schwartz caused erroneously instructed foreign associates to drop the prosecution of corresponding

foreign applications. Mr. Barlow stated that the foreign applications were filed "in the fall and early spring of 1978- 79." He also stated that one of the three unfiled United States patent applications included a signed declaration dated September of 1979; no dates for the other two unfiled United States applications were noted.

As evidenced above, Schwartz's course of professional failures subsequent to April 1973 was progressively worse. The failures began in early 1974 and became more frequent in the following years. Because Schwartz's state of health became precarious as early as April 1973, there is no reason to isolate the year 1974 and treat it differently from the later years. Accordingly, the initial abandonment of the '365 application was due at least in part to Schwartz's illness and thus excused within the meaning of unavoidable delay under 35 U.S.C. § 133. See e.g. In re Mattullath, 1912 Dec.Comm'r Pat. 490, 493 (App.D.C.1912); Ex parte Sellers, 1905 Dec.Comm'r Pat. 336 (Comm'r Pat.1905); McDuffee v. Hestonville, 181 F. 503, 510-11 (E.D.Pa.1910).

Conclusion

For the foregoing reasons and on this rather unusual set of facts, Lonardo has demonstrated unavoidable delay within the meaning of 35 U.S.C. § 133, and the renewed petition under 37 CFR § 1.137(a) to revive the '365 application from abandonment is granted.

17 U.S.P.Q.2d 1455

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