

UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE DIRECTOR

In re Avid Identification Sys., Inc. )  
Ex Parte Reexamination No. 90/008,702 ) Decision on Request  
BPAI Final Decision: June 14, 2011 ) under 37 C.F.R. § 1.304(a)(3)(ii)

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MEMORANDUM AND ORDER

On October 5, 2010, patent owner Avid Identification Sys., Inc. (“Avid”) filed a request seeking an extension of time under 37 C.F.R. §1.304(a)(3)(ii) to file a Notice of Appeal in *ex parte* reexamination no. 90/008702.

Avid’s petition is granted.

On March 23, 2011, the Board of Patent Appeals and Interferences (Board) affirmed the Examiner’s rejection of claims 1, 3-10, 12, and 16-20, of U.S. Patent No. 5,499,017 in the subject ‘702 reexamination. On June 14, 2011, the Board issued its Decision on Avid’s Request for Rehearing, declining to alter its previous decision.

Under 37 C.F.R. § 1.304(a)(1), Avid had until August 14, 2011 (two months from June 14, 2011) in which to file a Notice of Appeal to the U.S. Court of Appeals for the Federal Circuit.

On August 4, 2011 – ten days prior to its deadline – Avid electronically filed a paper titled “Notice of Appeal From the Examiner to the Board of Patent Appeals and Interferences” with the USPTO. While Avid apparently filed this paper in an attempt to trigger an appeal to the Federal Circuit, the form it filed is used to appeal the Examiner’s final office action to the Board, and not to appeal the Board decision to the Federal Circuit. Avid did not file the correct Notice,

or attempt to remedy its incorrect attempt to trigger an appeal, prior to the August 14, 2011 deadline. On September, 9, 2011, Avid filed the underlying Request for Extensions of Time to Seek Judicial Review in which to properly file the Notice of Appeal to the Federal Circuit.

The Director may extend the time for filing a civil action or appeal “after the expiration of the period for filing an appeal or commencing a civil action upon a showing that the failure to act was the result of excusable neglect.” 37 C.F.R. § 1.304(a)(3)(ii). The Director has delegated the authority to decide such requests to the Solicitor. MPEP § 1002.02(k)(3). In determining excusable neglect, the PTO applies the standard used by the Federal Courts. MPEP § 1216. The determination of whether failing to properly file a civil action or appeal within the proscribed time period is the result of “excusable neglect” is “an equitable one, taking account of all relevant circumstances surrounding the party’s omission. These include . . . the danger of prejudice to [another party], the length of the delay and its potential impact on judicial proceedings, the reason for the delay, including whether it was within the reasonable control of the movant, and whether the movant acted in good faith.” *Pioneer Inv. Servs. v. Brunswick Assocs. Ltd. P’ship*, 507 U.S. 380, 395 (1993).

Examining the most critical factor – the reason for the failing to file a proper notice of appeal within the two-month window set forth at 37 C.F.R. § 1.304 – the Director observes that Avid did attempt to file its Notice of Appeal within that window; Avid simply filed the wrong paper. In support of its request for additional time to file the correct Notice, Avid’s attorney, David Abel, declares that the paper filed on August 4, 2011, was “intended[ed to initiate an appeal]” to the Federal Circuit. Abel Decl. ¶ 3. As the Request explains, “the error was a mistake in selection of the form.” Req. ¶ 4. Avid’s timely, but incorrect, attempt to give notice of its

appeal before the filing deadline reflects a critical difference between the facts here, and those seen in other “excusable neglect” cases involving seemingly simple errors. *See, e.g., U.S. For and on Behalf of R&R Mechanical, Inc. v. St. Paul Fire & Marine Ins. Co.*, 1994 WL 504407, 36 F.3d 1106 (10th Cir. Sept. 15, 1994) (unpublished opinion). Unlike other situations where the reason for the delay undercut finding excusable neglect, Avid’s diligence in both adhering to the filing period, and timely correcting its error, does not indicate ignorance or flaunting of the USPTO rules governing appeals to the Federal Circuit. *Graphic Communications Int’l Union, Local 12-N v. Quebecor Printing Providence, Inc.*, 270 F.3d 1, 5-6 (1st Cir. 2001) (counsel’s ignorance of rule governing time to file appeal is not excusable neglect, applying *Pioneer*); *cf. Anheuser-Busch, Inc. v. Mambo Seafood #1, Inc.*, TTAB Opp. # 91160250 (Entry #76) (Aug. 31, 2009) (denying request for time extension under “excusable neglect” standard where parties’ explanation was not based upon a “reasonable or plausible” reading of relevant regulations). Toward that end, the paper Avid filed is at least facially related to pursuing an appeal (albeit to the Board, and not from the Board).

Further, application of the *Pioneer* factors must reflect a weighing of all relevant considerations. And those additional factors counsel in favor of granting the extension in this case. Mr. Abel declares that he reviewed the reexamination file in late August – not long after the incorrect Notice of Appeal was filed – and immediately set to discover the proper course for remedying the error. Abel Decl. ¶ 4-5. The instant Request for additional time to file the correct paper was filed shortly thereafter, on September 9, 2011. Thus, Avid’s prompt discovery of the error, and attempt to remedy it, strongly indicates good faith in attempting to comply with USPTO regulations and related statutory provisions.

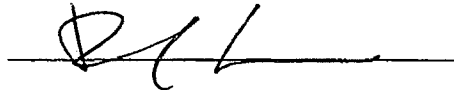
There does not appear to be any prejudice to another private party, or impact on judicial proceedings. The '017 patent involved in the underlying '702 reexamination here is the subject of district court litigation (*Allflex USA, Inc. v. AVID Identification Sys., Inc.*, (C.D. Cal. 06-1109)). Final judgment on various issues was entered by the district court on August 27, 2011. See Exh. B to Avid's Request. AVID has since appealed the district court's orders to the Federal Circuit. PACER Entry #787 (Sept. 21, 2011). While there appears to be an overlap between the issues addressed by the district court and USPTO (in particular, construction of the same claim limitations), there is no indication that permitting AVID to appeal the Board's patentability decision here will directly impact, or otherwise delay, its appeal from the district court litigation. That AVID's appeal from the district court ruling will not apparently raise any issues of patentability strengthens that conclusion. Lastly, because the underlying reexamination proceeding here was conducted *ex parte*, granting additional time for Avid to perfect its appeal will not directly prejudice another private party.

Given these considerations, the Director concludes that the balance of the *Pioneer* factors weighs in favor of granting the extension.

ORDER

Upon consideration of the request for an extension of time under 37 C.F.R. § 1.304(a)(3)(ii), it is ORDERED that that request is granted.

Avid's time for seeking judicial review under 37 C.F.R. § 1.304(a)(1) in the above-captioned reexamination is extended from August 14, 2011, to October 18, 2011.



Raymond T. Chen  
Deputy General Counsel for  
Intellectual Property Law and Solicitor

DATE: October 4, 2011

cc: David B. Abel  
DLA PIPER US LLP  
1999 Avenue of the Stars, Suite 400  
Los Angeles, CA 90067-6023  
310/595-3062 (T)