

**UNITED STATES
PATENT AND TRADEMARK OFFICE**



Professional Responsibility and Practice Before the USPTO

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Register of Patent Practitioners

- Register of persons authorized to practice before the USPTO in patent matters is found on USPTO website:
<https://oedci.uspto.gov/OEDCI/>.
- New web portal enables practitioners to:
 - Indicate whether they are currently accepting new clients;
 - Change official address with OED;
 - Change name;
 - View certain transactions with OED; and
 - Add email addresses to receive certain communications and reminders from OED.
- Register now lists persons granted limited recognition.
- More updates to come.

Law School Clinic Certification Program

- Allows students in a participating law school's clinic program to practice before the USPTO under the strict guidance of a Law School Faculty Clinic Supervisor.
- The OED Director grants participating law students limited recognition to practice before the USPTO.
- Signed into law by President Obama on December 16, 2014.
- 43 law schools actively participate:
 - 20 trademark only,
 - 6 patent only,
 - 17 both.
- Accepting new applications from law school clinics through June 30, 2017.
- As of April 1, 2016, over 490 patent applications and over 1,745 trademark applications filed through program.

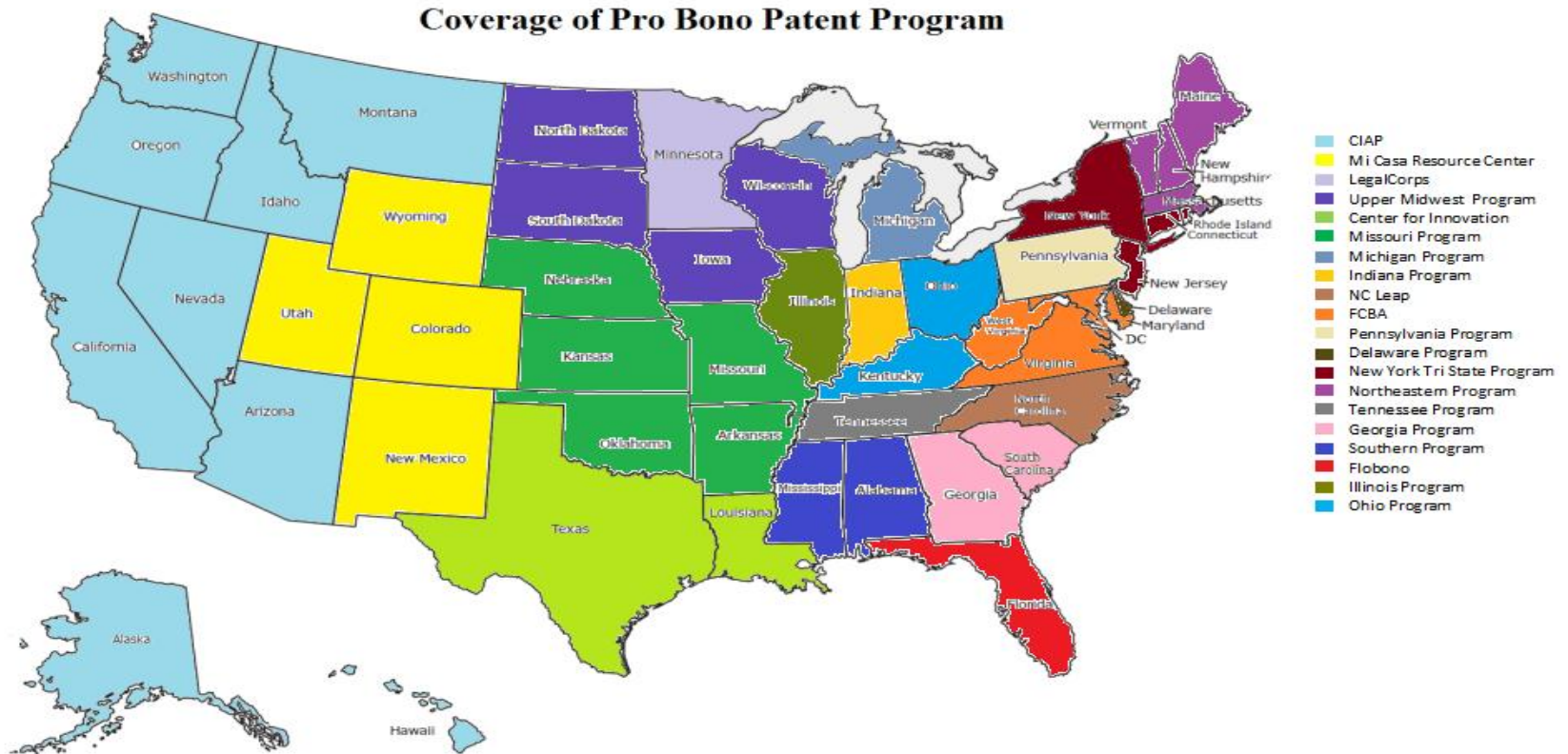


USPTO Patent *Pro Bono* Program

- Congress calls for increased focus on patent pro bono (see §32 of the AIA).
- USPTO assists and promotes regional *pro bono* programs.
- Programs provide coverage in all 50 states and Washington DC by IP law associations and non-profit groups.
- Inventors and interested attorneys can navigate the USPTO website to find links to their regional program: <http://www.uspto.gov/probonopatents>.
- Also, inventors can request assistance through the National Clearinghouse portal:
 - <http://fedcirbar.org/Pro-Bono-Scholarships/PTO-Pro-Bono/Overview-FAQ>
- For further questions, contact John Kirkpatrick, Patent Pro Bono Coordinator at 571-270-3343 or probono@uspto.gov.



USPTO Patent *Pro Bono* Program



Professional Responsibility Rules Relating to Quality of Legal Services

- 37 C.F.R. § 11.101 (Competence)
- 37 C.F.R. § 11.102 (Scope of representation and allocation of authority)
- 37 C.F.R. § 11.103 (Diligence)
- 37 C.F.R. § 11.104 (Communication)
- 37 C.F.R. § 11.301 (Meritorious claims)

Scenario for Consideration #1

- January 2010: Practitioner files application
- February 2012: Office action issues, not reported to Client, no response filed
- August 2012: Notice of Abandonment, not reported to Client
- January 2014: Client asks for status, Practitioner suggests application is pending and recommends filing a continuation-in-part (CIP) application; Client agrees and pays \$2650 toward filing
- Practitioner does not file CIP, but tells Client it was filed and sends Client fabricated documentation
- September 2014: Client learns that application went abandoned in August 2012

Scenario for Consideration #2

- Spring 2007: Client asks Practitioner about revival of previously abandoned patent application
- Practitioner advises application can be revived at any time within five years of abandonment; Client chose to wait
- January 2008: Client again chose to wait
- September 2010: Power of Attorney filed
- August 2011: Practitioner files petition to revive certifying that “[t]he entire delay in filing the required reply” was unintentional
- August 2012: Office action, not reported and no response filed
- April 2013: Notice of Abandonment, not reported to client
- January 2014: Practitioner advises Client his application is “still in play”

***In re Etkin*, Proceeding No. D2016-05 (USPTO Jan. 8, 2016).**

- For conduct prior to May 3, 2013, OED Director asserted violation, *inter alia*, of 37 C.F.R. §§ 10.23(c)(8) [failure to inform client of important Office correspondence], 10.23(c)(15) [signing paper in violation of certification requirements], 10.23(b)(4) [conduct involving dishonesty, fraud, deceit, or misrepresentation], 10.23(c)(2)(i) [knowingly giving false or misleading information to client], 10.23(c)(2)(ii) [knowingly giving false or misleading information to the Office], 10.77 [neglect] and 10.84 [representing a client zealously]
- For conduct after May 3, 2013, OED Director asserted violation, *inter alia*, of 37 C.F.R. §§ 11.101 [competence], 11.104 [communication], and 11.804(c) [conduct involving dishonesty, fraud, deceit, or misrepresentation]
- Exclusion on consent

***In re Lahser*, Proceeding No. D2016-27 (USPTO June 10, 2016).**

- Mr. Lahser retained by client to file three provisional patent applications, one non-provisional patent application, and a trademark application
- Did not report or respond to an Office action, patent application abandoned
- After Petition to Revive, multiple non-compliant amendments filed
- Did not report or explain developments in application to client
- Overcharged client for government filing fees and did not submit fees to Office
- Did not report or respond to Office action in continuation application, which went abandoned
- Client paid for trademark application that was prepared but not filed
- Made restitution to client and cooperated with disciplinary investigation
- Settlement: 12 months suspension with eligibility to request reinstatement after 9 months

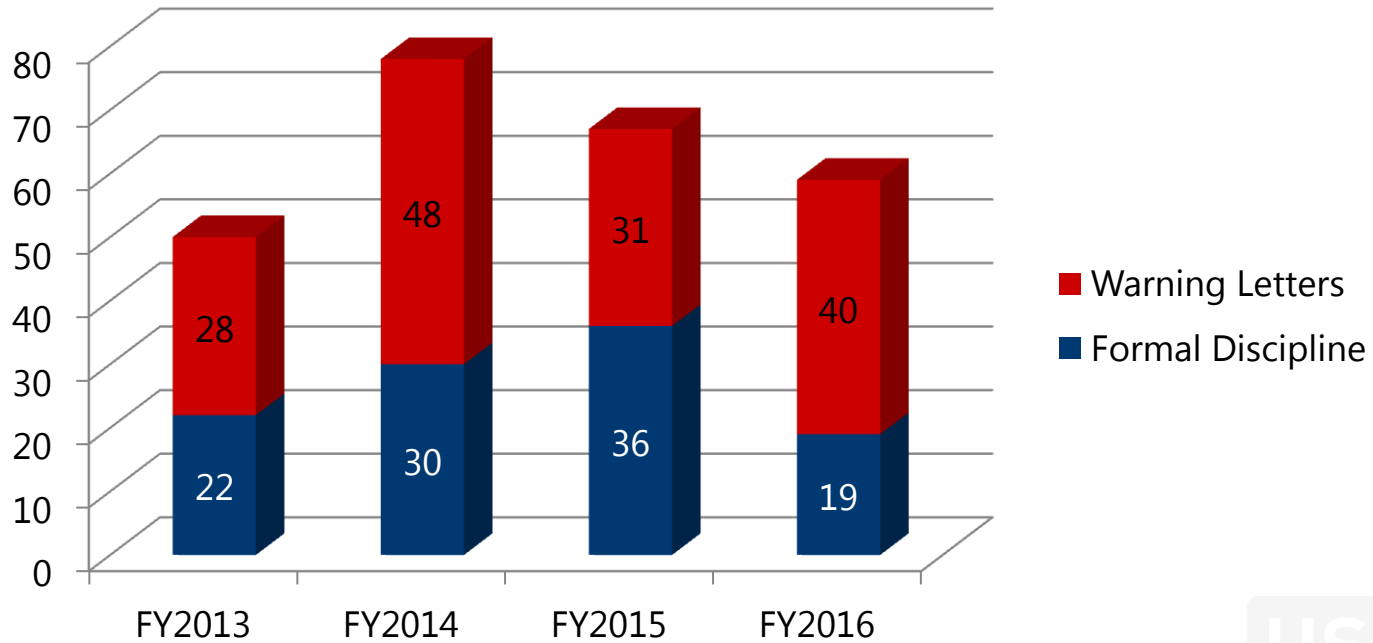
***In re Schulman*, Proceeding No. D2016-02 (USPTO April 13, 2016).**

- Mr. Schulman represented multiple clients in connection with 21 patent applications and 19 trademark matters
- Neglected applications, which went abandoned without client consent, did not report Office correspondence, and in some cases misrepresented status of applications in response to client inquiries
- Long career with no prior discipline
- Attempted to mitigate harm to clients by reviving some patent applications at his own expense
- Expressed remorse
- Cooperated with disciplinary investigation
- Settlement: 2 year suspension

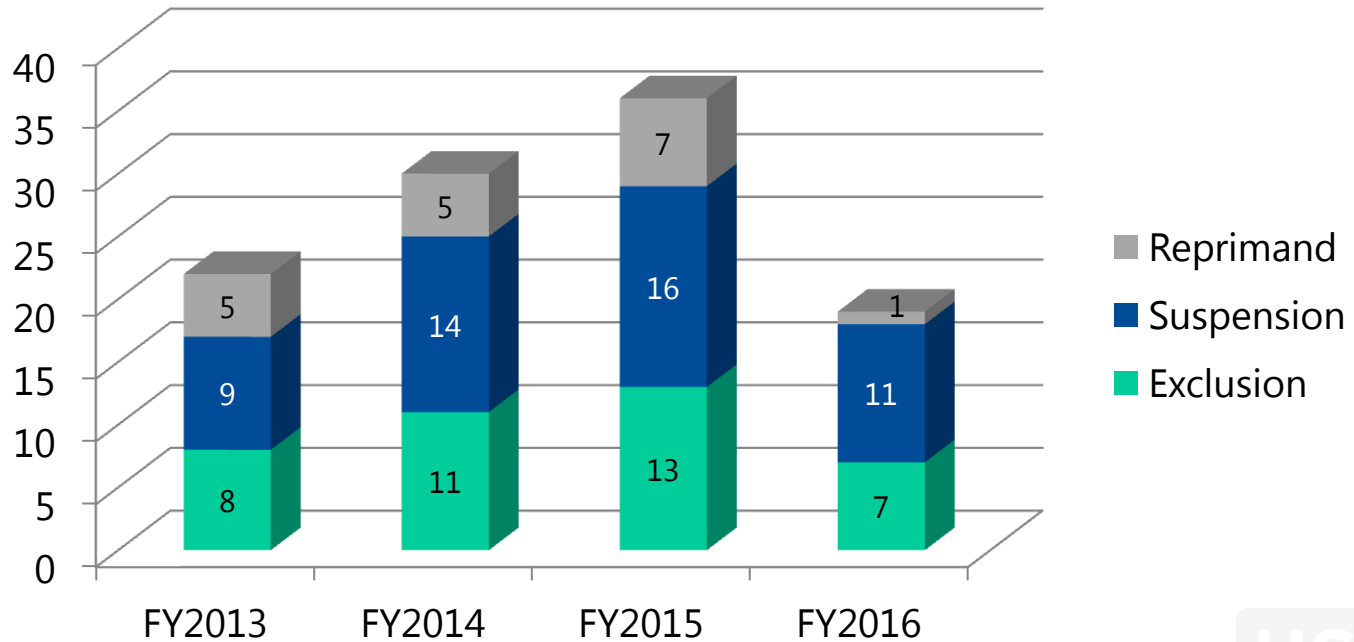
Office of Enrollment and Discipline

Disciplinary Statistics

OED Discipline: Warnings vs. Formal Discipline

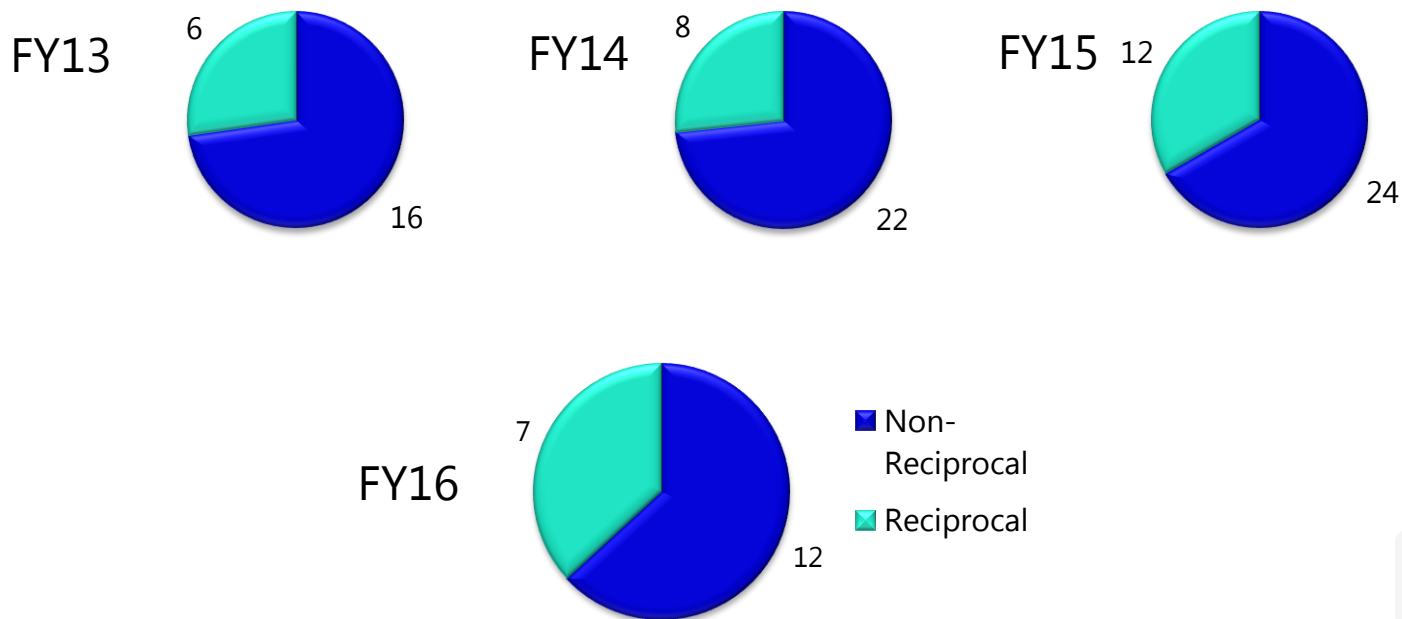


Formal Discipline



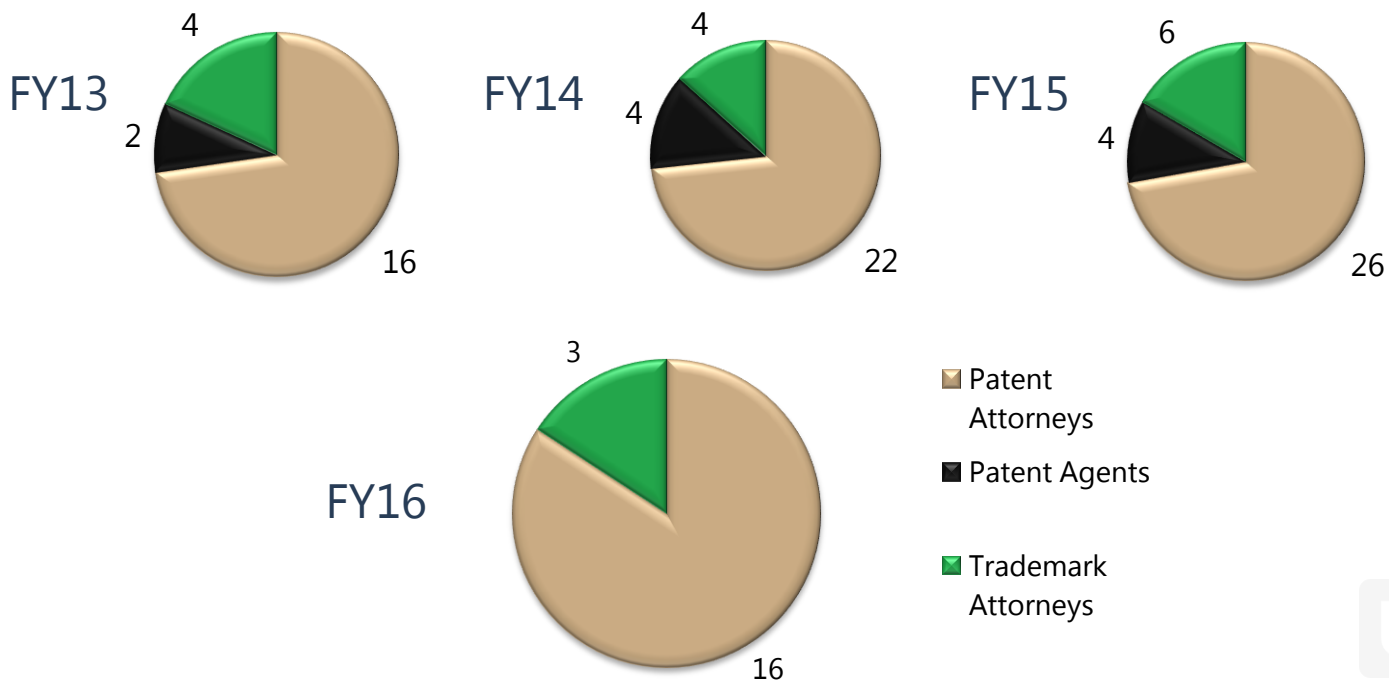
USPTO Disciplinary Decisions

Breakdown of Reciprocal vs. Non-Reciprocal Formal Decisions



USPTO Disciplinary Decisions

Breakdown of Disciplinary Decisions by Practitioner Type



Office of Enrollment and Discipline

Case Law Review

Patent Agent Privilege

In re Queen's University at Kingston, No. 2015-45
(Fed. Cir. March 7, 2016).

- U.S. District Court granted Samsung's Motion to Compel documents, including communications between Queen's University employees and registered (non-lawyer) patent agents discussing prosecution of patents at issue in suit.
- Federal Circuit recognized privilege **only** as to those activities which Patent Agents are authorized to perform.
See 37 C.F.R. § 11.5(b)(1).

Conflict of Interest

Maling v. Finnegan, 42 N.E. 3d 199 (Mass. 2015).

- Plaintiff engaged law firm to prosecute patents for screwless eyeglass hinge.
- After patents were obtained, plaintiff learned that firm had simultaneously represented another client in the same industry.
- Plaintiff's work was done in firm's Boston office; 2nd party's work was done in D.C. office.
- Plaintiff alleges that firm belatedly commenced preparation of one of his applications and that it inexplicably took a long time to do so.
- Plaintiff alleges he would not have made investment in developing his product if firm had disclosed its conflict and work on 2nd party's patents.

Maling (cont.)

- Appellate court stated that subject matter conflicts may present a number of potential legal, ethical, and practical problems, but they do not, standing alone, constitute actionable conflict of interest that violates Mass. Rule of Professional Conduct 1.7 (Conflict of Interest).
- Court did not find that competing for patents in the same space placed clients directly adverse to one another.
 - Analogized with two clients attempting to obtain radio broadcast licenses.
- Court discussed likelihood of interference as a barometer for conflict between two clients in same space.
- No evidence or even allegation that Plaintiff's claims were altered or limited because of simultaneous representation.

Maling (cont.)

KEY TAKEAWAY:

“This court has not defined a minimum protocol for carrying out a conflict check in the area of patent practice, or any other area of law. However, no matter how complex such a protocol might be, law firms run significant risks, financial and reputational, if they do not avail themselves of a robust conflict system adequate to the nature of their practice.”

Conflict of Interest

Uropep GbR v. Eli Lilly, et al., No. 2:15-CV-1202-WCB
(E.D. Texas Feb. 26, 2016). (Federal Circuit Judge Bryson)

- Law firm represents plaintiff in patent litigation commencing in March of 2015
- Firm previously represented co-defendant in a separate patent infringement matter.
 - Hired as counsel in March 2011; case settled in November 2013.
 - Engagement agreement expressly limited representation to the case at issue, and included waiver of future conflicts.
- In May of 2015, Firm sent previous client a disengagement letter to formally end attorney-client relationship.

Uropep (cont.)

- Court ruled that previous client was indeed a former client as original engagement letter was clear about finite nature of representation.
- Current action was found not to be adverse to former client because:
 - The current and former actions are not “substantially related.”
 - Firm had not received significant confidential information from former client.
- No determination on validity of advance waiver since court found there was no need for a waiver.

Scenario for Consideration #3

- Law Firm X is hired by Widget Corp. to defend against a patent infringement suit brought by Research Inc.
- Law Firm X had previously performed patent prosecution work for Research Inc. and still holds power of attorney for some of Research Inc.'s patents.

Scenario for Consideration #4

- Registered practitioner Trent represents Maria in a U.S. utility application that recently received a Notice of Allowance.
- Trent reported the Notice of Allowance to Maria and requested pre-payment of the issue fee.
- Maria has not yet provided pre-payment of the issue fee to Trent. The payment date for the issue fee is approaching.

Conflict of Interest

In re Blackowicz, Proceeding No. D2015-13 (USPTO May 11, 2015).

In re Newman, Proceeding No. D2015-14 (USPTO Nov. 11, 2015).

- Newman (Partner) asks Blackowicz (Associate) to represent Client 1 & Client 2, who co-own TM application.
- Newman and Blackowicz also represent Client 2's father (Client 3), Client 2's uncle (Client 4), and the uncle's company (Client 5).
- No disclosures to Clients 1 & 2 regarding potential effects of co-representation or in light of representation of Clients 3, 4 & 5.
- Work on Client 1 & 2's application is billed to Client 5.
 - No disclosures are made regarding possible issues with this arrangement.
- Clients 3 and 4 were copied on confidential emails with Clients 1& 2.
- Dispute develops between Client 1 and Client 2.

Conflict of Interest

In re Blackowicz, Proceeding No. D2015-13 (USPTO May 11, 2015).

In re Newman, Proceeding No. D2015-14 (USPTO Nov. 11, 2015).

- Blackowicz and Newman correspond with Client 2 and Client 3 regarding the TM application and the dispute between Client 1 and Client 2.
 - Discussed abandonment of joint application in favor of new applications for the same mark owned by Client 3's company (Client 6).
- Blackowicz abandoned co-owned application. Did not consult with Client 1.
- Filed new applications on behalf of Client 3's company (Client 6) for same mark.
- Client 1 complained and Blackowicz filed petition to reinstate the co-owned application, even though, if granted, the co-owned application would have been directly adverse to Client 6 applications.

Conflict of Interest

In re Blackowicz, Proceeding No. D2015-13 (USPTO May 11, 2015).

- Settlement.
- 30-day suspension.
- Required to take MPRE & attain score of 85 or better.
- 13-month probation with practice monitor.
- Mandatory conflicts CLE attendance.

In re Newman, Proceeding No. D2015-14 (USPTO Nov. 11, 2015).

- Settlement.
- 30-day suspension.
- Required to take MPRE and attain score of 85 or better.
- 18-month probation.
- Mandatory practice management or conflicts CLE attendance.

Conflict of Interest

- *In re Karasik*, Proceeding No. D2011-58 (USPTO Feb. 15, 2012).

- Trademark Attorney:
 - Represented clients in connection with a land-development transaction.
 - A dispute arose between the clients and attorney informed them that she could no longer represent them due to the conflict.
 - Afterwards, attorney reviewed documents relating to the same matter for one of the clients.
 - Attorney also later participated in a modification of the land deal for the same client.
 - Supreme Court of California found that attorney accepted employment adverse to a former client without informed consent.
- Settlement: Public reprimand and 3 years probation.

Conflict of Interest

- ***In re Lane***, Proceeding No. D2011-64 (USPTO Feb. 8, 2012).
 - Patent Agent:
 - Represented cardiothoracic surgeon in obtaining patent protection for medical device.
 - Entered into contract with client to assist in development and marketing of invention.
 - During representation of the client, filed a patent application in same technology area naming himself as an inventor, but excluding the client.
 - Did not obtain consent after full disclosure of actual or potential conflicts caused by business relationship or additional patent application.
 - Settlement: Public reprimand and 2 years probation.

Conflict of Interest

- ***In re Watkins***, Proceeding No. D2006-04 (USPTO June 18, 2008).
 - *State Bar of Arizona v. Watkins*, (Arizona Supreme Ct. No. SB-07-00062-D)
 - Patent Attorney represented TASER company in patent matters.
 - Took stock options as payment for representation.
 - Claimed to have invented new power source for use in stun guns.
 - Filed paperwork with USPTO indicating that TASER employee was sole inventor of new power source.
 - After he cashed out stock options, attorney revealed that he was joint inventor of new power source and demanded payment.
 - Filed application naming himself as co-inventor.
 - Excluded on consent from practice before USPTO.

Disreputable or Gross Misconduct

- ***In re Schroeder***, Proceeding No. D2014-08 (USPTO May 18, 2015)
 - Patent Attorney:
 - Submitted unprofessional remarks in two separate Office action responses.
 - Remarks were ultimately stricken from application files pursuant to 37 C.F.R. § 11.18(c)(1).
 - Order noted that behavior was outside of the ordinary standard of professional obligation and client's interests.
 - Aggravating factor: has not accepted responsibility or shown remorse for remarks.
 - Suspended from practice before USPTO for 6 months.

Disreputable or Gross Misconduct

- ***In re Tassan***, Proceeding No. D2003-10 (USPTO Sept. 8, 2003).
 - Registered practitioner who became upset when a case was decided against his client, and left profane voicemails with TTAB judges.
 - Called and apologized one week later; said he had the flu and was taking strong cough medicine.
 - Also had a floral arrangement and an apology note sent to each judge.
 - Mitigating factors: private practice for 20 years with no prior discipline; cooperated fully with OED; showed remorse and voluntarily sought and received counseling for anger management.
 - Settlement: Reprimanded and ordered to continue attending anger management and have no contact with board judges for 2 years.

Dishonesty, Fraud, Deceit or Misrepresentation

- ***In re Throne***, Proceeding No. D2015-19 (USPTO April 22, 2015).
 - Patent attorney who was sentenced to nearly 6 years in prison for swindling about \$5 million from window-covering company Hunter Douglas while employed as one of the companies leading patent attorneys.
 - After learning of the civil complaint filed against Mr. Throne by Hunter Douglas, OED opened an investigation into the allegations of misconduct.
 - In response to OED's inquiry, Mr. Throne voluntarily resigned from practice before the USPTO, and was excluded on consent.

Decisions Imposing Public Discipline Available In FOIA Reading Room

- ▶ <http://e-foia.uspto.gov/Foia/OEDReadingRoom.jsp>
 - ▶ In the field labeled "Decision Type," select "Discipline" from the drop down menu.
 - To retrieve all discipline cases, click "Get Info" (not the "Retrieve All Decisions" link).
- ▶ Official Gazette for Patents
 - http://www.uspto.gov/news/og/patent_og/index.jsp Select a published issue from the list, and click on the "Notices" link in the menu on the left side of the web page.

Contacting OED

For Informal Inquiries, Contact OED at
571-272-4097

THANK YOU

