
UNITED STATES
PATENT AND TRADEMARK OFFICE
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Professional responsibility and practice before the USPTO

Office of Enrollment and Discipline

United States Patent and Trademark Office

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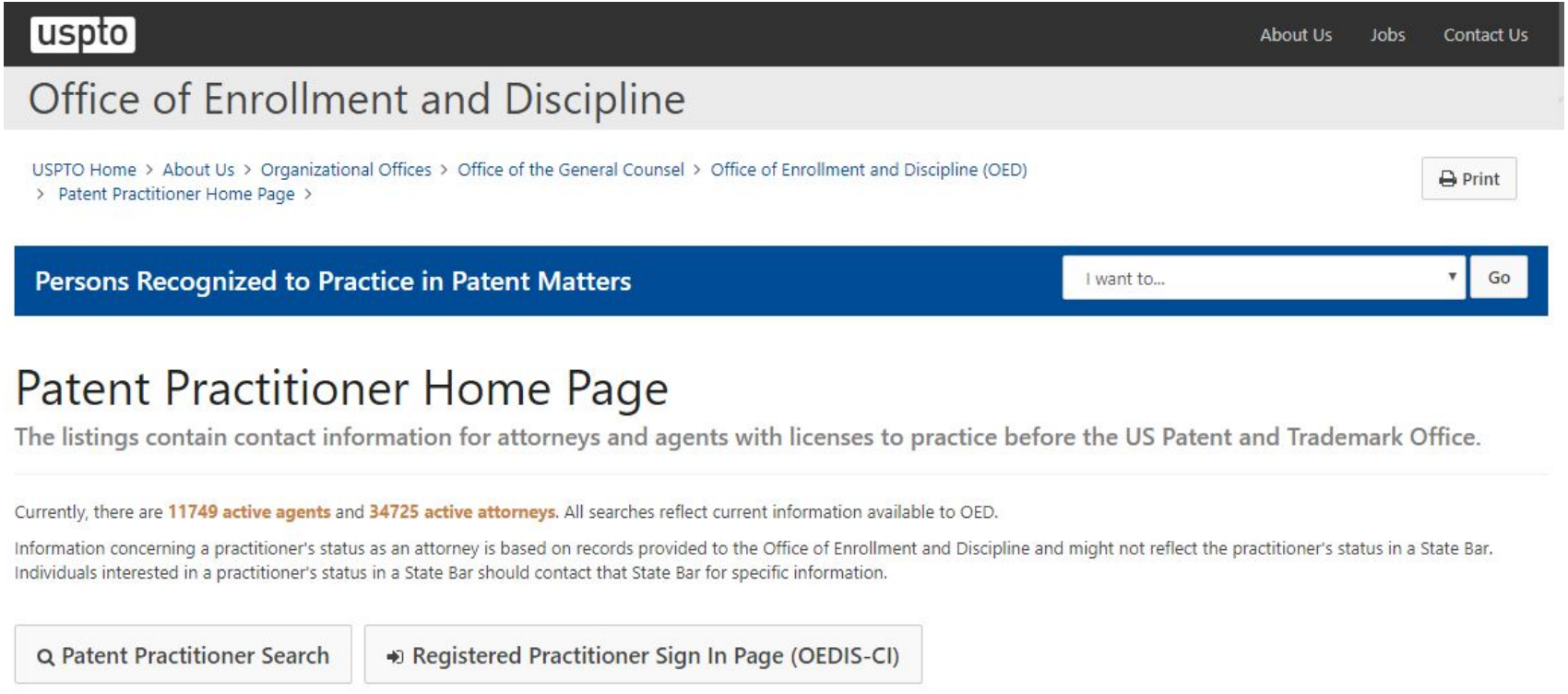
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Trademarks: local counsel rule

- Increase in foreign parties not authorized to represent trademark applicants improperly representing foreign applicants in trademark (TM) matters
- Fraudulent or inaccurate claims of use are a burden on the trademark system and the public and jeopardize validity of marks
- Effective August 3, 2019:
  - Foreign-domiciled trademark applicants, registrants, and parties to Trademark Trial and Appeal Board proceedings must be represented at the USPTO by an attorney who is licensed to practice law in the United States.
- Final rule: 84 Fed. Reg. 31498 (July 2, 2019)
- Canadian patent agents no longer able to represent Canadian parties in U.S. TM matters
- Canadian TM attorneys and agents will only be able to serve as additionally appointed practitioners
  - Clients must appoint U.S.-licensed attorney to file formal responses.
  - USPTO will only correspond with U.S. licensed attorney.

Register of patent practitioners

oedci.uspto.gov/OEDCI/



OED Diversion Pilot Program

- In 2016, the ABA Commission on Lawyer Assistance Programs and the Hazelden Betty Ford Foundation published a study of about 13,000 currently practicing attorneys and found the following:
  - About 21% qualify as problem drinkers
  - 28% struggle with some level of depression
  - 19% struggle with anxiety
  - 23% struggle with stress
- Other difficulties include social alienation, work addiction, sleep deprivation, job dissatisfaction, and complaints of work-life conflict
- In 2017, the USPTO launched the Diversion Pilot Program

OED Diversion Pilot Program – criteria

- Willingness and ability to participate in the program
- No public discipline by the USPTO or another jurisdiction in the past three years
- Misconduct at issue must not:
  - Involve misappropriation of funds or dishonesty, fraud, deceit, or misrepresentation
  - Result in or be likely to result in substantial prejudice to a client or other person
  - Constitute a "serious crime" (see 37 C.F.R. § 11.1)
  - Be part of a pattern of similar misconduct or be of the same nature as misconduct for which practitioner has been disciplined within the past five years

Pro Bono Programs

- USPTO 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
  - Limited recognition for participating students
  - www.uspto.gov/lawschoolclinic
- USPTO Patent Pro Bono Program:
  - Independent regional programs located across the nation work to match financially under-resourced inventors and small businesses with volunteer practitioners to file and prosecute patent applications
  - Inventors and interested attorneys can navigate the USPTO website to find links to their regional program: www.uspto.gov/probonopatents

Select OED regulations

Office of Enrollment and Discipline

Practice before the office

- Activities that constitute practice before the USPTO are broadly defined in 37 C.F.R. §§ 11.5(b) & 11.14:
  - Includes communicating with and advising a client concerning matters pending or contemplated to be presented before the office (37 C.F.R. § 11.5(b))
  - Consulting with or giving advice to a client in contemplation of filing a patent application or other document with the office (37 C.F.R. § 11.5(b)(1))
  - Consulting with or giving advice to a client in contemplation of filing a trademark application or other document with the office (37 C.F.R. § 11.5(b)(2))
  - Nothing in this section (37 C.F.R. § 11.5(b)) proscribes a practitioner from employing or retaining non-practitioner assistants under the supervision of the practitioner to assist the practitioner in matters pending or contemplated to be presented before the office
  - *See also* 37 C.F.R. § 11.14 for details regarding individuals who may practice before the office in trademark and other non-patent matters

OED discipline: grievances and complaints

- An investigation into possible grounds for discipline may be initiated by the receipt of a grievance (see 37 C.F.R. § 11.22(a))
- Grievance: "a written submission from any source received by the OED Director that presents possible grounds for discipline of a specified practitioner" (37 C.F.R. § 11.1)
- In the course of the investigation, the OED Director may request information and evidence regarding possible grounds for discipline of a practitioner from:

  i. The grievant

  ii. The practitioner, or

  iii. Any person who may reasonably be expected to provide information and evidence needed in connection with the grievance or investigation

  (37 C.F.R. § 11.22(f)(1))

OED discipline: grievances and complaints

- Upon the conclusion of an investigation, the OED Director may:
  - Close the investigation without issuing a warning or taking disciplinary action
  - Issue a warning to the practitioner
  - Institute formal charges upon the approval of the Committee on Discipline, or
  - Enter into a settlement agreement with the practitioner and submit the same for approval of the USPTO Director.

  (37 C.F.R. § 11.22(h))

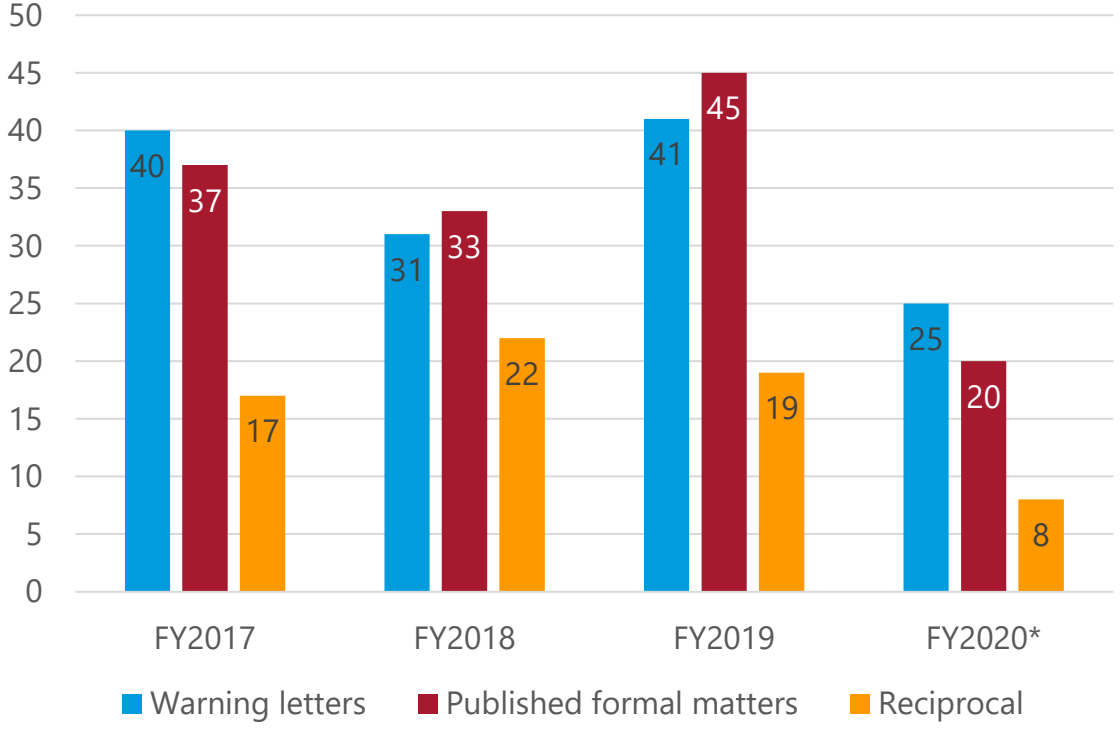
OED discipline: grievances and complaints

- If investigation reveals that grounds for discipline exist, the matter may be referred to the Committee on Discipline to make a probable cause determination (*see* 37 C.F.R. § 11.32).
- 37 C.F.R. § 11.34(d) specifies that the timing for filing a complaint shall be within one year after the date on which the OED Director receives a grievance.
- 37 C.F.R. § 11.34(d) also states that no complaint may be filed more than 10 years after the date on which the misconduct occurred.
- Self-reporting is often considered as a mitigating factor in the disciplinary process.

Other types of discipline

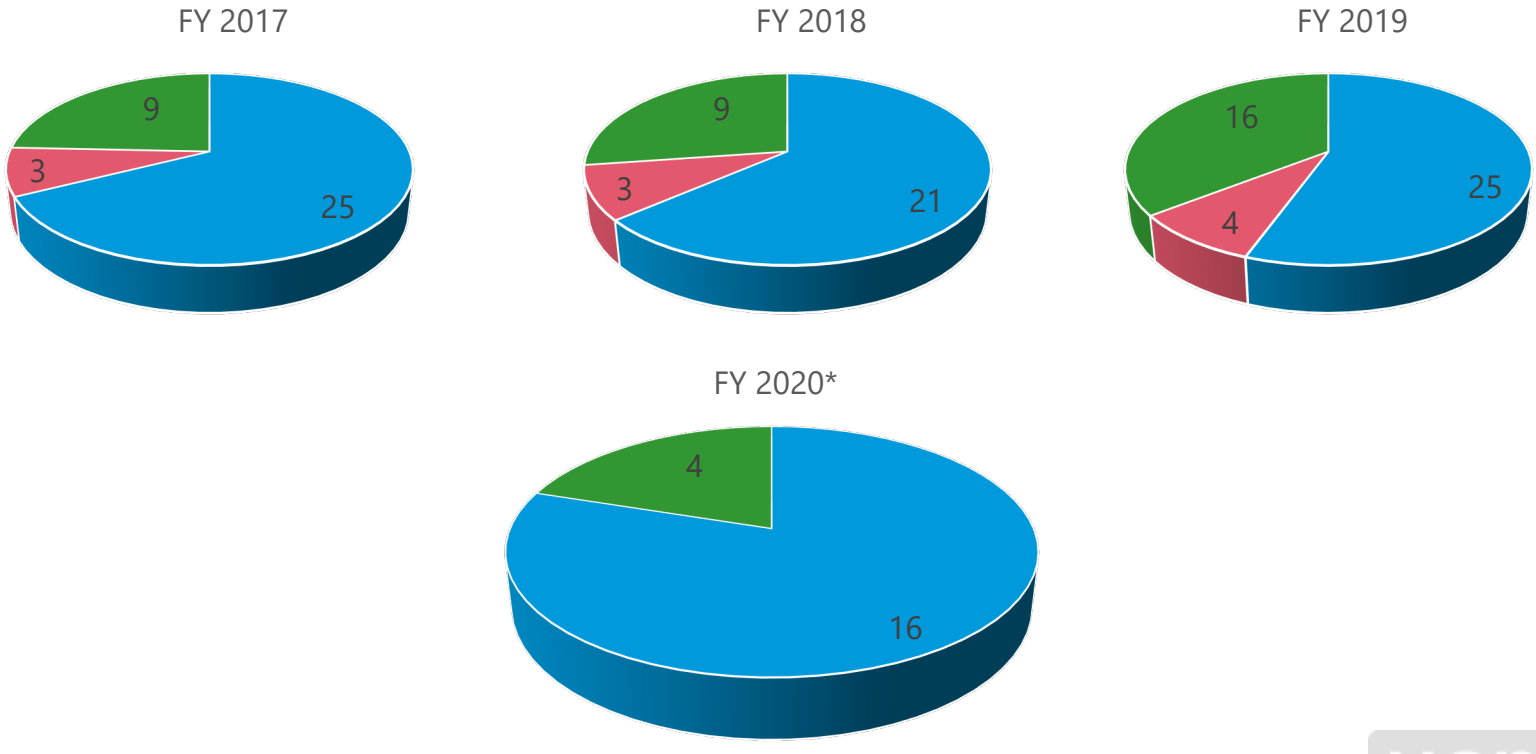
- Reciprocal discipline (37 C.F.R. § 11.24)
  - Based on discipline by a state or federal program or agency
  - Often conducted on documentary record only
- Interim suspension based on conviction of a serious crime (37 C.F.R. § 11.25)
  - Referred to a hearing officer for determination of final disciplinary action

USPTO disciplinary matters



*Through May 2020

USPTO disciplinary matters



*Through May 2020

Office of Enrollment and Discipline

Ethics scenarios and select case law

Patent agent privilege

- *In re Queen's University at Kingston*, 820 F.3d 1287 (Fed. Cir. 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 that patent agents are authorized to perform (*see* 37 C.F.R. § 11.5(b)(1))
- *In re Silver,* 540 S.W.3d 530 (Tex. 2018)
  - Lower court ruled that communications between client and patent agent were not protected from discovery because Texas law did not recognize patent agent privilege
  - Supreme Court of Texas overturned, citing patent agents' authorization to practice law
- *Rule on Attorney-Client Privilege for Trials Before the Patent Trial and Appeal Board*, 82 Fed. Reg. 51570 (Nov. 7, 2017)

Patent agent privilege

- *Onyx Therapeutics, Inc. v. Cipla Ltd. et. al.*, C.A. No. 16-988-LPS (consolidated), 2019 WL 668846, (D. Del. Feb. 15, 2019)
  - U.S. District Court found that a group of documents it inspected *in camera* would "almost certainly be within the scope of attorney client privilege," but not be "protected by the narrower patent agent privilege," because they were not "reasonably necessary and incident to" the ultimate patent prosecution
  - Documents were communications between scientists referencing prior art found by an individual who performed a patent assessment at the direction of a patent agent
  - Email discussion among the scientists was found not to be protected by the patent-agent privilege "because the assessment was done as part of a plan to develop new chemical formulations, not to seek patent protection for already-developed formulations"


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Trademark declarations of use

- Post Registration Proof of Use Audit Program
  - www.uspto.gov/trademarks-maintaining-trademark-registration/post-registration-audit-program
- Permanent audit program launched November 1, 2017
- A registration may be audited if it meets both of these requirements:
  - A Section 8 or 71 declaration of use is filed
  - The registration includes at least one class with four or more goods or services, or at least two classes with two or more goods or services
- If audited, proof of use for additional goods/services in the registration will be required
- 37 C.F.R. § 11.18(b): By presenting to the office…any paper, the party presenting such paper, whether a practitioner or non-practitioner, is certifying that:
  - All statements made therein of the party's own knowledge are true…
  - To the best of the party's knowledge, information and belief, formed after an inquiry reasonable under the circumstances…(iii) [t]he allegations and other factual contentions have evidentiary support or, if specifically so identified, are likely to have evidentiary support after a reasonable opportunity for further investigation or discovery; and (iv) [t]he denials of factual contentions are warranted on the evidence, or if specifically so identified, are reasonably based on a lack of information or belief

Inequitable conduct

- ***Ohio Willow Wood Co. v. Alps South, LLC*, 813 F.3d 1350 (Fed. Cir. 2016)**
  - Concurrent litigation and reexamination for patent at issue. Patentee used same firm for both litigation and reexam. Firm established an ethical screen between the two teams.
  - Director of research at patentee company was the connection between litigation and reexamination teams. He was not a registered practitioner, but had experience in patent matters.
  - Director knew of evidence that contradicted arguments made by reexam counsel in favor of patentability.
  - Federal Circuit affirmed district court finding of inequitable conduct for failure to bring the evidence to the attention of the USPTO.

Information disclosure statements (IDS)

- *In re Janka*, D2011-57 (USPTO 2011)
  - Patent attorney was part of litigation team for infringement suit. District court found contempt connected with attorney's submission of IDS to USPTO in a reexamination proceeding. IDS contained documents covered by a protective order.
  - IDS was prepared by the attorney, forwarded to colleague (registered practitioner) who filed it with the USPTO.
  - Attorney argued that he believed the confidentiality of the documents had been waived and therefore they were not covered by protective order.
  - Conduct violated 37 C.F.R. § 10.77(b) – handling legal matter without preparation adequate under the circumstances.
  - Settlement: public reprimand.

Information disclosure statements (IDS)

- *In re Bollman*, D2010-40 (USPTO 2011)
  - Related to *In re Janka*, D2011-57 (USPTO 2011).
  - Patent attorney received an assembled IDS from practitioner involved in litigation related to pending reexamination proceeding. He filed the IDS (six boxes of documents) without inspecting them. Did not file documents as confidential.
  - Some of the documents were confidential and subject to a protective order in the related litigation.
  - Submitting the IDS without inspection of the documents held to be a false certification pursuant to 37 C.F.R. § 11.18(b).
  - Settlement: public reprimand and two-year probation.


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Misrepresentation/failure to supervise/UPL

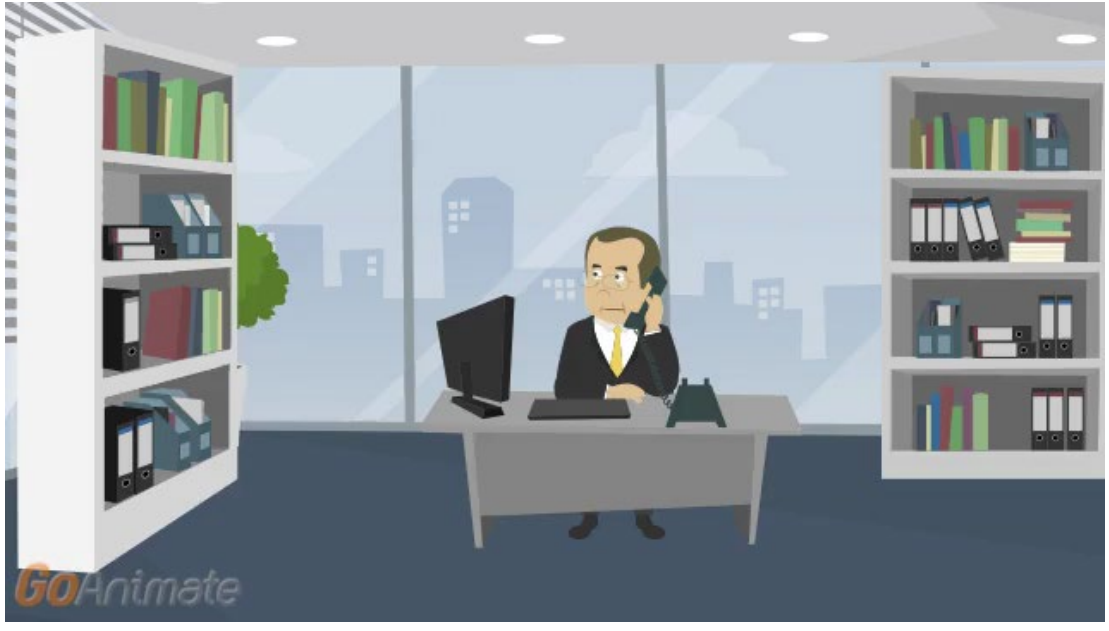
- *In re Swyers,* Proceeding No. D2016-20 (USPTO Jan. 26, 2017)
  - Disciplinary complaint alleged, inter alia:
    - TM attorney established The Trademark Company, PLLC
    - Permitted non-attorneys to sign TM applications and practice TM law with little to no supervision
    - Multiple fraudulent or digitally manipulated TM specimens were filed with the USPTO
    - Failed to deposit client advance funds into a client trust account
    - Failed to cooperate with OED investigation
  - Exclusion on consent
  - Rule highlights
    - 37 C.F.R. § 10.23(b)(5) – Conduct prejudicial to the administration of justice
    - 37 C.F.R. § 10.23(c)(2)(ii) – Giving false or misleading information to the office
    - 37 C.F.R. § 10.47(a) & (c) – Aiding the unauthorized practice of law

Failure to supervise/UPL

- *In re Crabtree*, Proceeding Nos. D2018-31 & D2018-47 (USPTO Apr. 25, 2019)
  - Disciplinary complaint alleged, inter alia:
    - Attorney was part-owner and general counsel of entity that provided TM-related services
    - Beginning in 2017 until early 2018, non-practitioner employees used a cut and paste procedure to apply applicant signatures from application summaries into TM filings
    - Non-practitioner employees expressly abandoned application (including client signature) without applicant knowledge
    - Non-practitioner employees would offer suggestions to customers relating to class, specimen acceptability, and description
    - After disclosure to and agreement by applicant, company retained $50 filing fee difference for TEAS Plus applications
    - Company did not maintain escrow accounts for applicants fees or USPTO filing fees
  - Exclusion on consent
  - Rule highlights:
    - 37 C.F.R. § 11.101 – Competence
    - 37 C.F.R. §§ 11.115(a) & (c) – Safekeeping property
    - 37 C.F.R. § 11.303(a)(1) – Candor toward tribunal
    - 37 C.F.R. § 11.503 – Responsibilities regarding non-practitioner assistance
    - 37 C.F.R. § 11.505 – Aiding UPL

Misrepresentation/UPL

- *In re Chow*, Proceeding No. D2018-27 (USPTO Apr. 30, 2019)
  - Patent agent was sole registered practitioner for company that provided patent services to clients
    - Patent agent's son operated a 2nd company that provided client referrals
    - Between August 2012 and December 2017, agent's customer number was associated with 6,760 patent applications (~105/month; ~five/work day)
    - Non-practitioner employees of son's company drafted patentability opinions, drafted patent applications, and would routinely communicate with clients, all with little to no supervision from patent agent
    - Clients paid son's company, who would allegedly pass funds along to patent agent. No disclosure to client of payment arrangement.
    - No disclosure to client regarding large referral relationship between companies
  - Settlement: three-year suspension
  - Rule highlights:
    - Conduct prejudicial to the administration of justice:
      - 37 C.F.R. §§ 10.23(b)(5) & 11.804(d)
    - Aiding UPL:
      - 37 C.F.R. §§ 10.47(a),(c) & 11.505
    - Conflicts:
      - 37 C.F.R. §§ 10.62(a), 10.68(a)(1), 11.107(a)(2), & 11.108(f)


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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: had not accepted responsibility or shown remorse for remarks
  - Default: Six-month suspension
  - Rule highlights:
    - 37 C.F.R. § 10.23(a) – Disreputable or gross misconduct
    - 37 C.F.R. § 10.89(c)(5) – Discourteous conduct before the office
    - 37 C.F.R. § 10.23(b)(5) – Conduct prejudicial to the administration of justice
    - 37 C.F.R. § 11.18 – Certification upon filing of papers

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
  - 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: public reprimand and ordered to continue attending anger management and have no contact with board judges for two years

Decisions imposing public discipline available in "FOIA Reading Room"

- foiadocuments.uspto.gov/oed/
- Official Gazette for Patents
  - 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 webpage.



Thank you!

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