

UNITED STATES  
PATENT AND TRADEMARK OFFICE



# Professional Responsibility and Practice Before the USPTO

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Office of Enrollment and Discipline

United States Patent and Trademark Office

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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 on December 16, 2014.
- 54 law schools actively participate:
  - 22 trademarks only,
  - 7 patents only,
  - 25 both patents and trademarks.
- Accepting applications from law school clinics through December 29, 2017.
- As of July 1, 2017, over 653 patent applications and over 2,480 trademark applications filed through program.



# Patent Pro Bono Program

- Assists financially under-resourced independent inventors and small businesses.
  - Section 32 of the AIA calls on the USPTO to work with and support IP law associations to establish *pro bono* programs.
  - 50 state coverage achieved and maintained since August 2015.
- Promote small business growth and development.
- Help ensure that no deserving invention lacks patent protection because of a lack of money for IP counsel.
- Inventors and interested attorneys can navigate the USPTO website to find links to their regional program: <http://www.uspto.gov/probonopatents>.
- USPTO *Pro Bono* Contacts:
  - John Kirkpatrick - [john.kirkpatrick@uspto.gov](mailto:john.kirkpatrick@uspto.gov), 571-270-3343.
  - Grant Corboy – [grant.corboy@uspto.gov](mailto:grant.corboy@uspto.gov), 571-270-3102.



# Coverage of Patent Pro Bono Program October 2016



20 regional non-profits across the nation match inventors with patent attorneys.

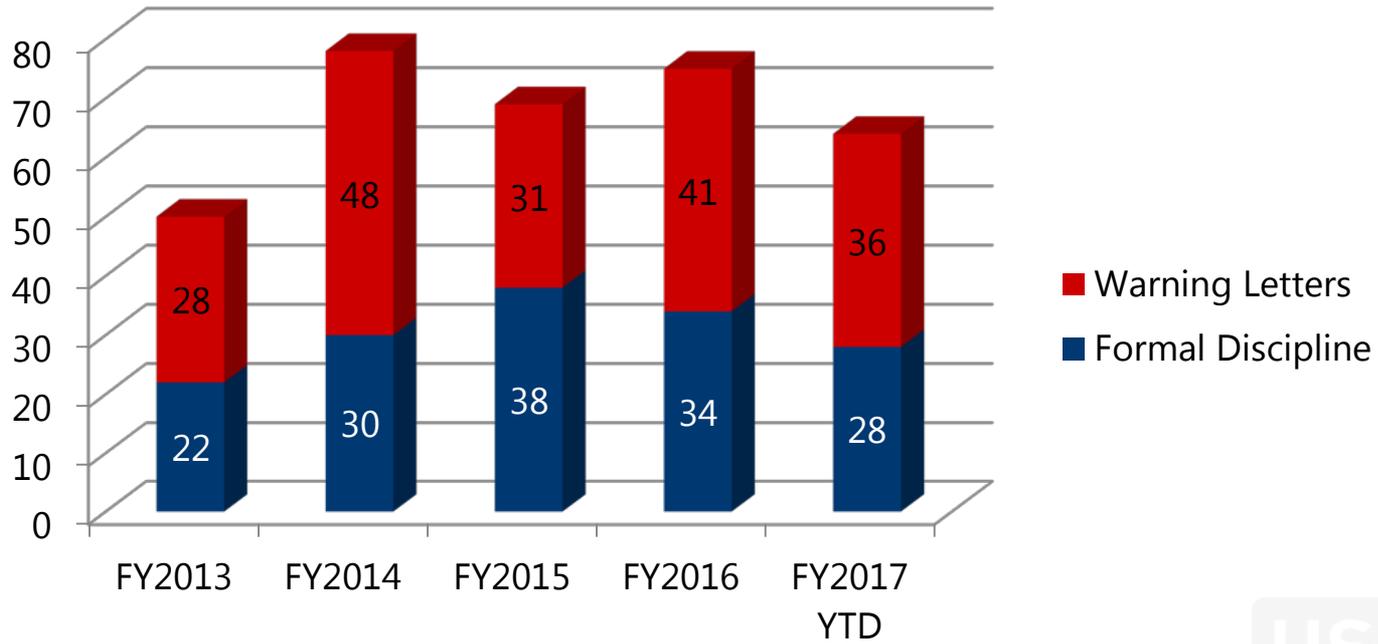
# Office of Enrollment and Discipline

## Discipline at OED

# OED Discipline: Warnings vs. Formal Discipline

- Generally speaking, “formal discipline” at OED is public discipline.
- Formal disciplinary sanctions include:
  - Exclusion from practice before the Office;
  - Suspension from practice before the Office; or
  - Public reprimand.  
37 C.F.R. § 11.20(a).
- The OED Director may conclude an investigation with a warning.  
37 C.F.R. § 11.21.
  - A warning is neither public nor a disciplinary sanction.

# OED Discipline: Warnings vs. Formal Discipline



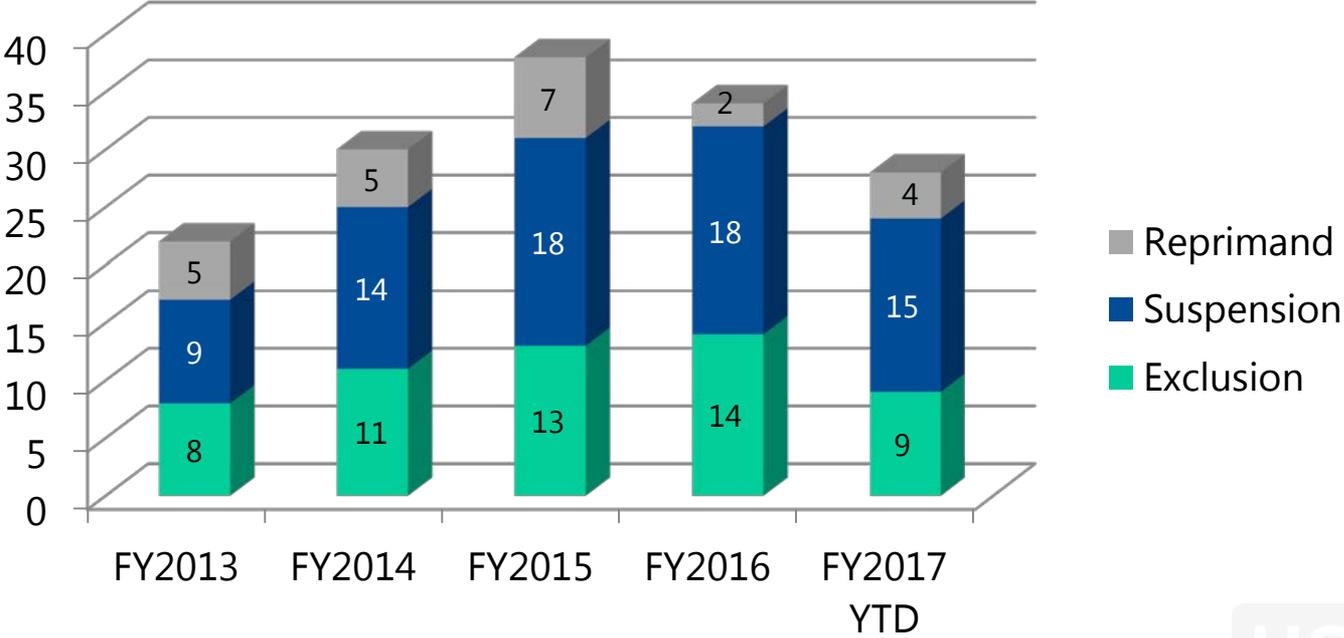
# OED Discipline: Grievances and Complaints

- An investigation of 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.
- Common Sources of Information:
  - External to USPTO: Clients, Colleagues, Others.
  - Internally within USPTO: Patent Corps, Trademark Corps, Other.
- Duty to report professional misconduct:
  - 37 C.F.R. § 11.803.

# 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.
- If probable cause is found, OED Director may file a complaint under 37 C.F.R. § 11.34. *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.

# USPTO Disciplinary Decisions

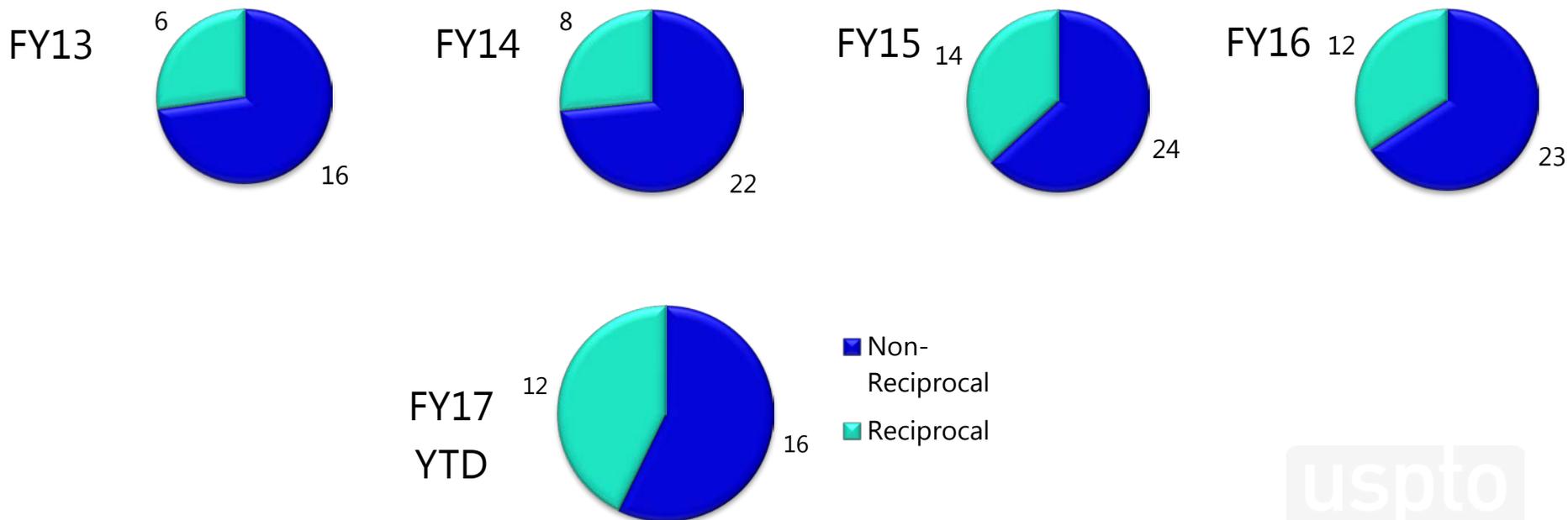


# Other Types of Discipline

- Reciprocal discipline. 37 C.F.R. § 11.24.
  - Based on discipline by a state or federal program or agency.
  - Usually conducted on documentary record only.
- Interim suspension based on conviction of a serious crime. 37 C.F.R. § 11.25.

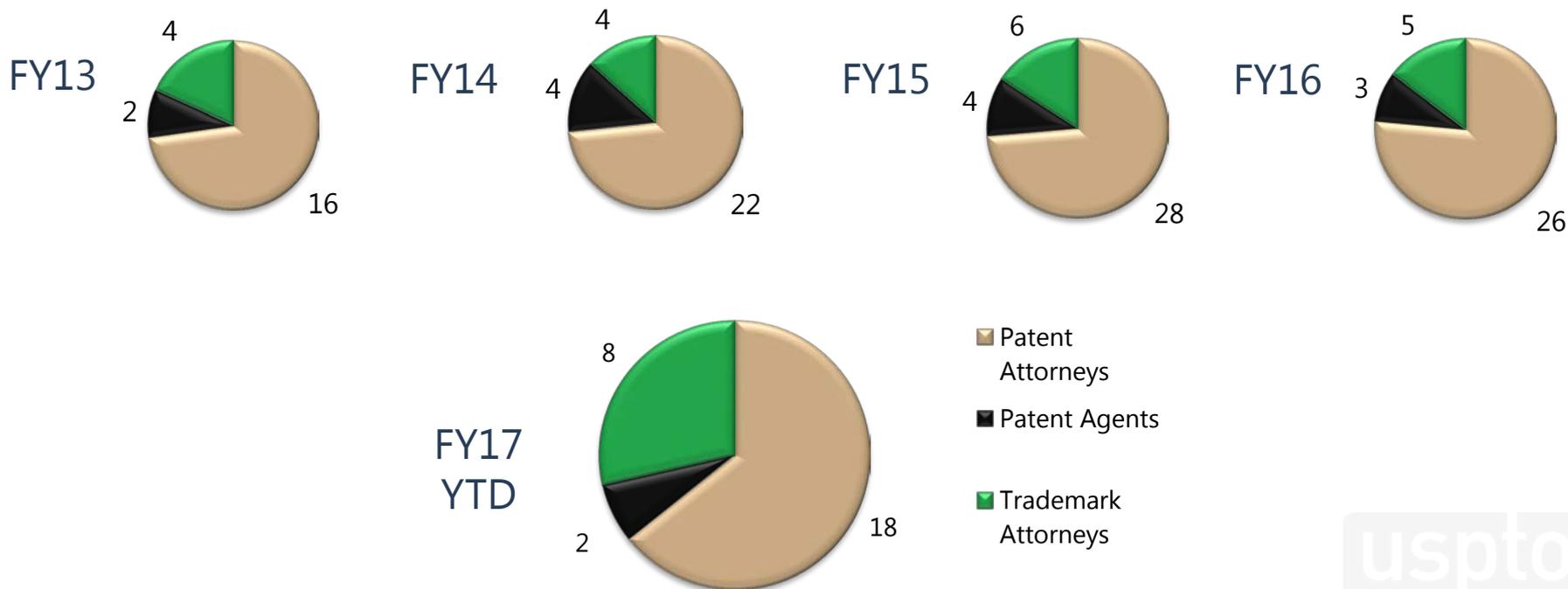
# USPTO Disciplinary Decisions

Breakdown of Reciprocal vs. Non-Reciprocal Formal Decisions



# USPTO Disciplinary Decisions

## Breakdown of Disciplinary Decisions by Practitioner Type



# Office of Enrollment and Discipline

Select Case Law Review

# Conflict of Interest

*In re Grey*, Proceeding No. D2017-02 (USPTO Feb. 22, 2017).

- Exclusion on consent of patent attorney.
- Disciplinary complaint alleged:
  - Respondent's firm had agreement with 2 companies to provide patent legal services to referred clients.
  - Engaged in numerous conflicts of interest with respect to referred clients:
    - Did not inform clients of fee arrangement between firm and company.
    - Did not inform clients of amount of \$\$ received from company for legal services.
    - Did not obtain informed consent for third-party payment.
  - Did not consult with client regarding the appropriate type of protection.
  - Failed to supervise associate to ensure compliance with conflict and other rules.
  - Directed associate to withhold filing of client applications until client paid 3<sup>rd</sup> party company \$125 fee.



# Conflict of Interest

*In re Virga*, Proceeding No. D2017-14 (USPTO Mar. 16, 2017).

- Patent Attorney:
  - Contracted with Desa Industries, Inc d/b/a World Patent Marketing (“WPM”).
  - Agreed to prepare, file, and respond to Office actions for clients referred by WPM.
    - Received payment for this work from WPM.
  - Attorney was unaware of amount WPM charged clients; clients were not likely aware of his compensation from WPM.
  - Did not confirm that legal fees were deposited in trust account.
  - Did not consult with clients regarding appropriateness of the patent protection sought.
    - Claims that WPM advised him what type of application to file.
    - Customers stated that WPM told them to select the type of patent application they could afford.
  - Generally did not communicate with clients unless they contacted him.
  - Failed to respond to Office actions for referred clients.
- Settlement: 5-year suspension
  - Eligible to petition for reinstatement after 2 years; must take MPRE.

# Conflicts of Interest

- ***In re Ramberg***, Proceeding No. D2017-12 (USPTO Feb. 14, 2017).
  - Patent attorney undertook joint representation of two clients who he listed as co-inventors on a provisional patent application.
  - A company owned by Inventor #1 is listed as the “Applicant” on the provisional.
  - Attorney later filed trademark application for company of Inventor #2.
  - Did not advise regarding potential conflicts or obtain consent for undertaking the TM matter.
  - Filed utility application naming only Inventor #1.
  - Continued representation of both parties
  - Failed to inform Inventor #2 that he was left off of the utility application.
  - Conduct violated:
    - 37 C.F.R. 11.107(a)(1) & (2) and (b)(3) & (4).
    - 37 C.F.R. 11.104(a)(1)-(5) and (b).
  - Public reprimand, CLE attendance, and MPRE passage.

# Conflicts of Interest

- ***In re Radanovic***, Proceeding No. D2014-29 (USPTO Dec. 16, 2014).
  - Represented co-inventors who later disputed inventorship.
  - Respondent represented that he did not believe there were differing interests or that his representation of first co-inventor was directly adverse to second co-inventor because there was no evidence from second co-inventor that he made a contribution to the allowed subject matter.
  - Rules:
    - 37 C.F.R. § 10.66(b): no multiple employment if practitioner's independent professional judgment is or is likely to be adversely affected or if it would be likely to involve representing differing interests.
    - 37 C.F.R. § 11.107(a): no representation if it will be directly adverse to another client or if there is a significant risk that representation will be materially limited by responsibilities to another client.
    - 37 C.F.R. § 11.109(a): no representation of a client in a substantially related matter in which client's interests are materially adverse to the interests of a former client – without informed consent.
  - Received public reprimand.
    - Mitigating factors included clean 50-year disciplinary history.

# Conflicts of Interest

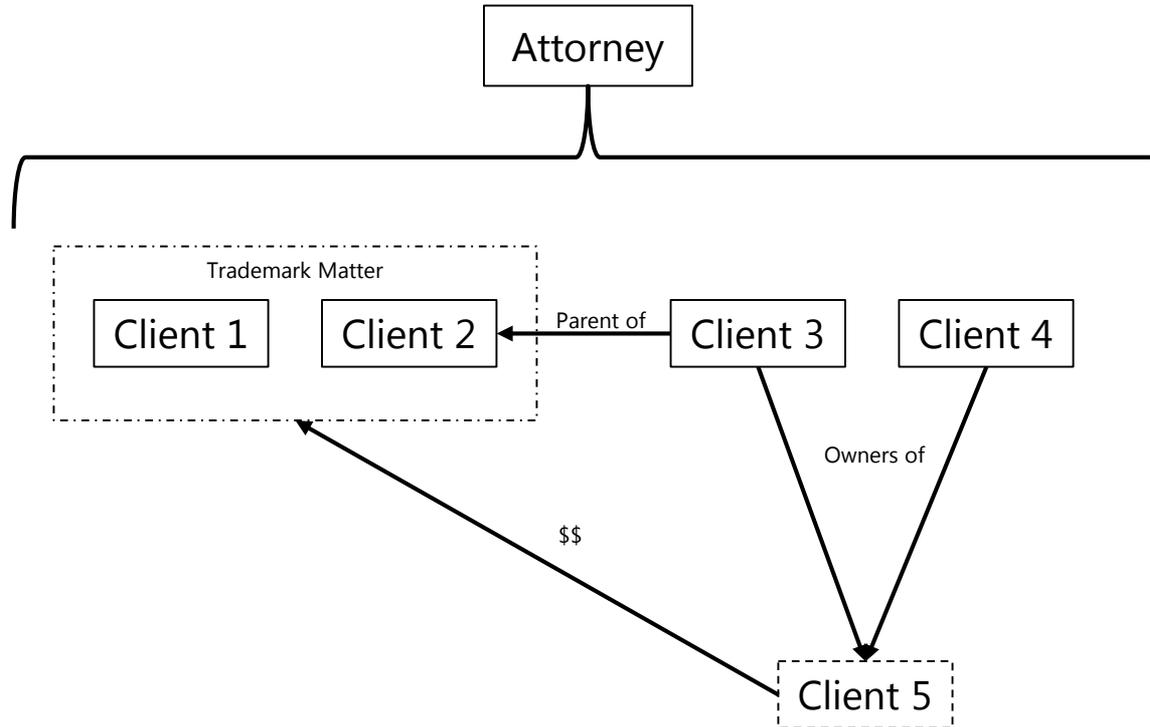
***In re Blackowicz***, Proceeding No. D2015-13 (USPTO May 11, 2015).

***In re Newman***, Proceeding No. D2015-14 (USPTO Nov. 12, 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.



# Conflicts of Interest



# Conflicts 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.

# Conflicts 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.



# Conflicts 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.

# Conflicts 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.

# Conflicts 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.

# Conflict of Interest

- ***In re Laux***, Proceeding No. D2016-39 (USPTO March 9, 2017)
  - D.C. attorney worked for USPTO.
  - While a USPTO employee, filed trademark applications on behalf of a relative and relative's companies in violation of government ethics rules.
    - *See* 18 USC §§ 203 & 205.
  - Also violated USPTO Rules of Professional Conduct.
    - *See e.g.*, 37 C.F.R. §§ 11.111, 11.116(a)(1), 11.505, & 11.804(d).
  - Suspended for 30 days.

# Neglect/Candor

*In re Kroll*, Proceeding No. D2014-14  
(USPTO March 4, 2016)

- Patent attorney:
  - Attorney routinely offered (and charged \$) to post client inventions for sale on his website.
  - Did not use modern docket management system.
  - Client hired Attorney to prepare and file application.
  - Attorney failed to file the application, but posted the invention for sale on his website.
  - Application file was discovered by chance. Attorney determined it had not yet been filed, and filed it 20 months after posting on the website.
    - Did not inform client about delay in filing.
- Aggravating factors included prior disciplinary history.
- Received two-year suspension.

# Neglect/Candor

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

- Disciplinary Complaint Alleged:
  - Attorney failed to report and respond to Office action in patent application, leading to abandonment, which was not reported to client. Implied to client that application was still pending. Advised client to file a Track 1 CIP application and allow the original application to go abandoned. Took \$ for track 1 application but failed to file it; fabricated documents purporting to show filed Track 1 application.
  - Failed to report Office action and abandonment of patent application of another client.
  - Advised a third client that an abandoned application could be revived within 5 years. Client waited to petition after multiple consultations on the subject. Ultimately filed Petition to Revive, certifying that the entire delay had been unintentional. Failed to report and respond to Office action, leading to abandonment, which was not reported to client. Misled client regarding status of application.
  - Failed to report and respond to TM Notice of Allowance, causing abandonment, which was not reported.
- Exclusion on consent

# Neglect/Candor

***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.

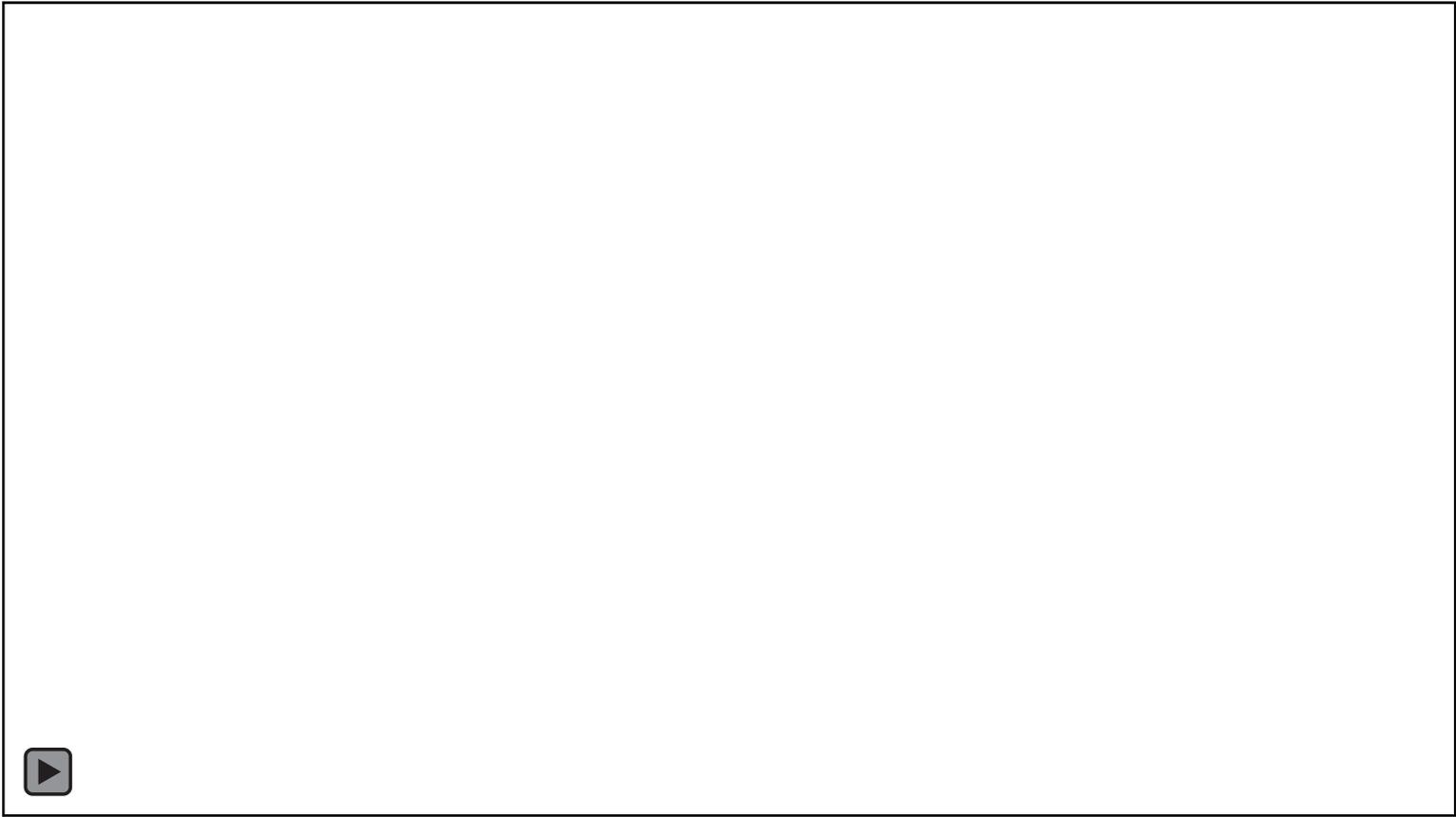
# Communication/Cooperation with Disciplinary Investigation

*In re Terzo*, Proceeding No. D2016-35  
(USPTO November 2, 2016).

- Disciplinary complaint alleged:
  - Mr. Terzo entered into a law firm partnership agreement with a practitioner who was emergency suspended by his state bar.
  - Mr. Terzo took over the representation of the suspended practitioner's trademark clients without informing the clients and did not consult with the clients prior to filing their applications.
  - Instead, Mr. Terzo relied on a "Trademark Questionnaire" filled out by the clients and directed non-practitioner assistants to provide clients with legal advice.
  - Mr. Terzo did not cooperate with the disciplinary investigation.
- Exclusion on consent

# 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.



# Dishonesty, Fraud, Deceit or Misrepresentation

- ***In re Throne***, Proceeding No. D2015-19 (USPTO April 22, 2015).
  - Patent attorney 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 company's 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.

# Dishonesty, Fraud, Deceit or Misrepresentation

- ***In re Caracappa***, Proceeding No. D2015-37 (USPTO Jan. 5, 2016).
  - Disciplinary Complaint:
    - Patent attorney conspired with in-house counsel to defraud in-house counsel's employer.
    - In-house counsel would assign work to respondent, who did not perform the work but would bill the employer.
    - In-house counsel would do the work and would receive a majority of the employer's payments to respondent.
    - Defrauded employer of \$2.4 million dollars.
  - 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](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

