

UNITED STATES  
PATENT AND TRADEMARK OFFICE

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# 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 on December 16, 2014.
- 54 law schools actively participate:
  - 23 trademark only,
  - 8 patent only,
  - 23 both.
- Accepting applications from law school clinics through December 31, 2017.
- As of January 1, 2017, over 580 patent applications and over 2,216 trademark applications filed through program.

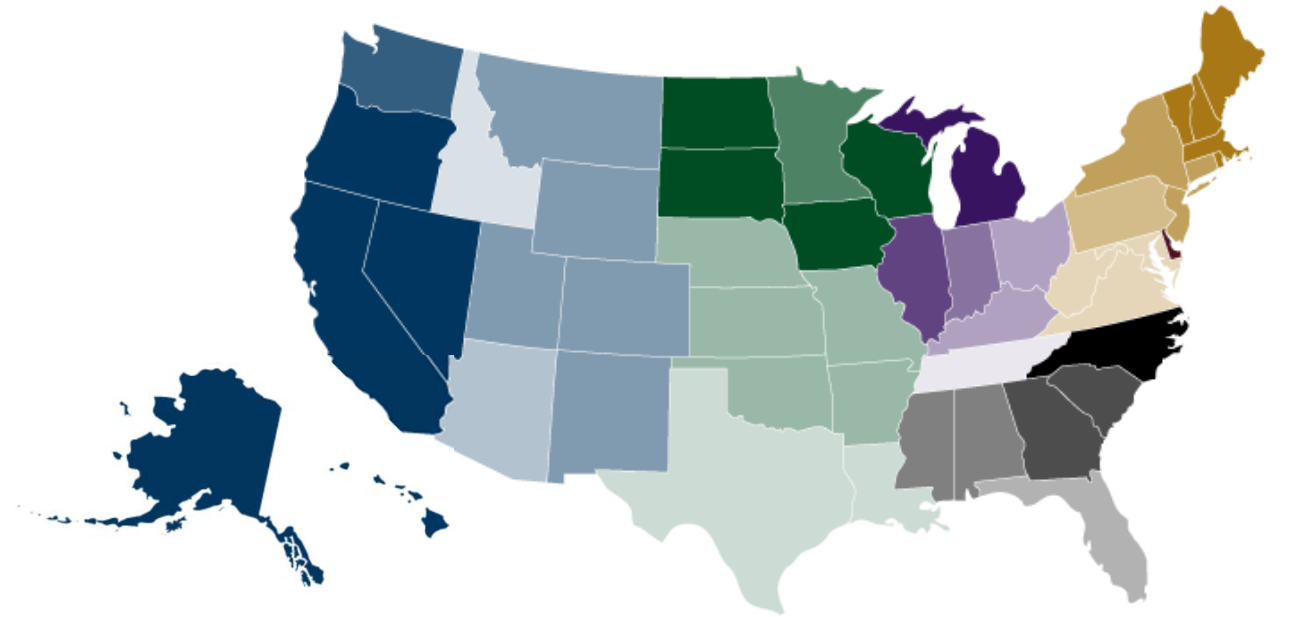


# Patent Pro Bono Program

- 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>.
- Volunteer Lawyers for the Arts, New York, serves under-resourced inventors in New Jersey, New York, and Connecticut.
  - Contact: Katie Wagner - [kwagner@vlany.org](mailto:kwagner@vlany.org), 212-319-2787
- 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.



# Patent Pro Bono Program Coverage



- |                                      |                                     |                              |
|--------------------------------------|-------------------------------------|------------------------------|
| ■ Washington Pro Bono Patent Network | ■ Gateway Venture Mentoring Service | ■ New England Program        |
| ■ Idaho Patent Pro Bono              | ■ TALA                              | ■ New York Tri State Program |
| ■ CIAP                               | ■ Chicago-Kent Patent Hub           | ■ Delaware Program           |
| ■ ProBoPat                           | ■ Patent Connect for Hoosiers       | ■ FCBA (Mid-Atlantic)        |
| ■ Arizona Public Patent Program      | ■ IP Venture Clinic (OH KY)         | ■ PA Patent                  |
| ■ Upper Midwest Program              | ■ LAVPA (TN)                        | ■ NC Leap                    |
| ■ LegalCorps (MN)                    | ■ BBVLP Patent Program (MS AL)      | ■ Georgia Patents            |
| ■ Pro Bono Patent Project (MI)       |                                     | ■ Patent Pro Bono FL         |





# Office of Enrollment and Discipline

Discipline at OED



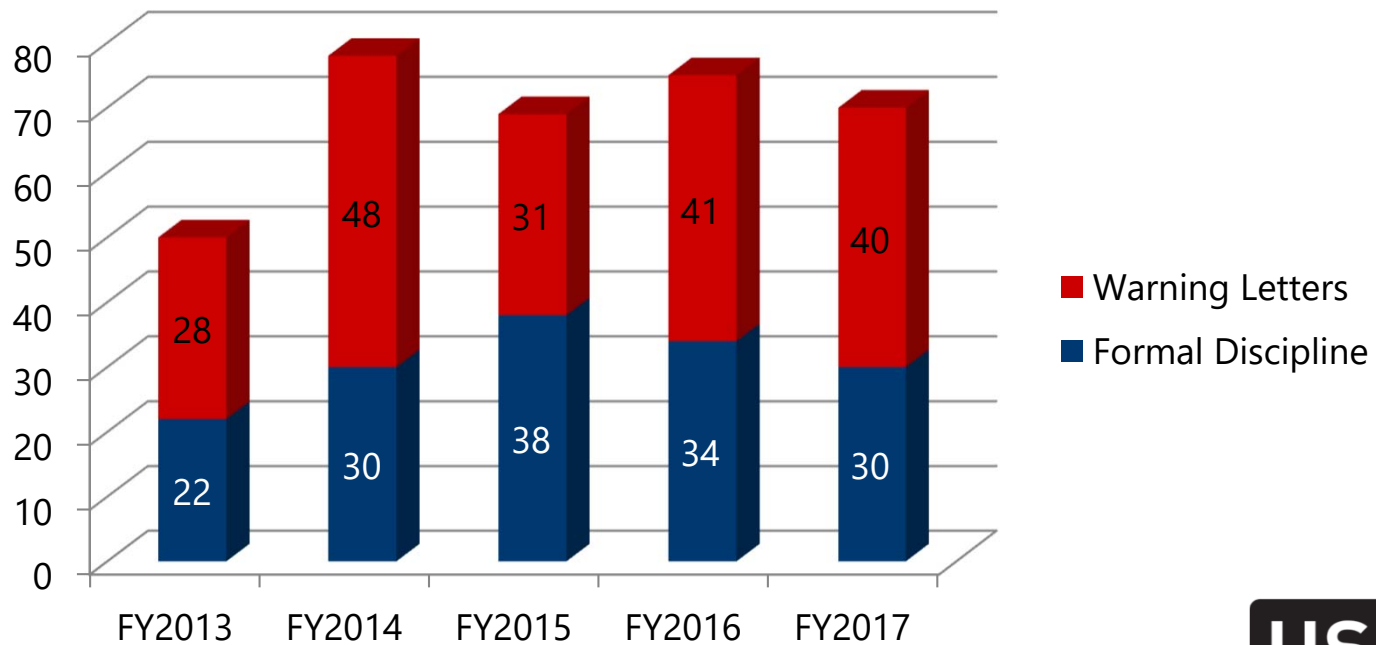
# OED Discipline: Warnings vs. Formal Discipline

- 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

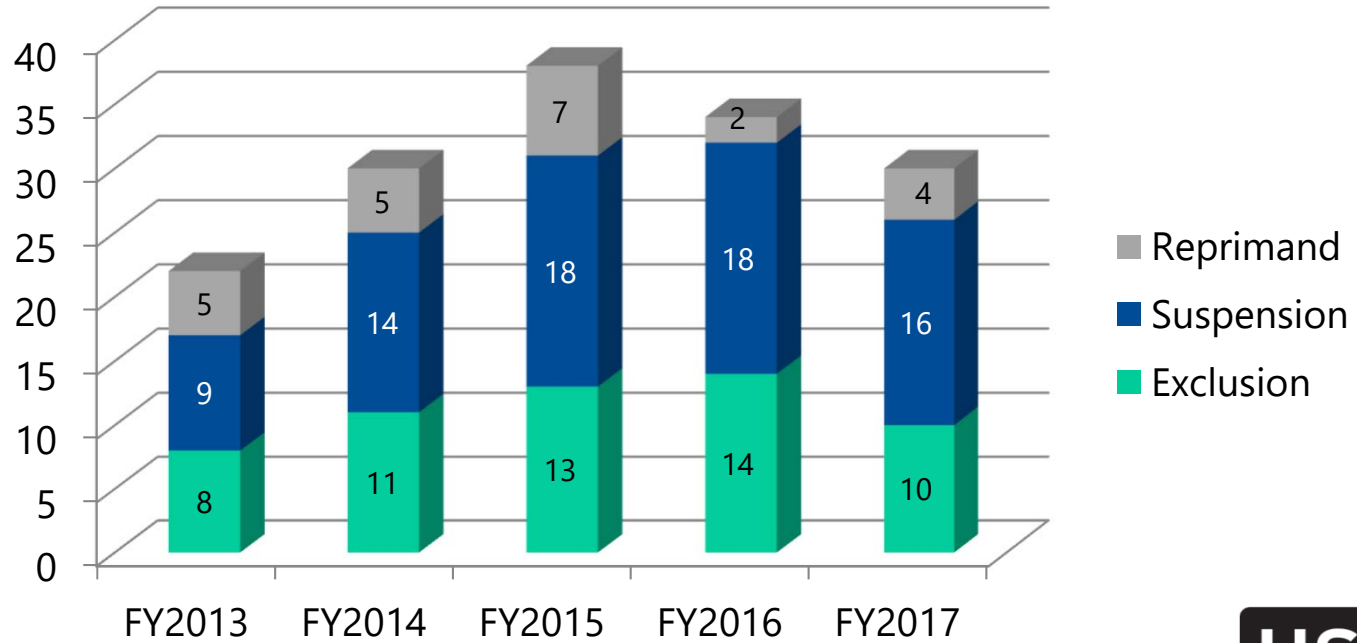
- An investigation of possible grounds for discipline may be initiated by the receipt of a grievance. See 37 C.F.R. § 11.22(a).
- Grievance: “a written submission from any source received by the OED Director that presents possible grounds for discipline of a specified practitioner.” 37 C.F.R. § 11.1.
- 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

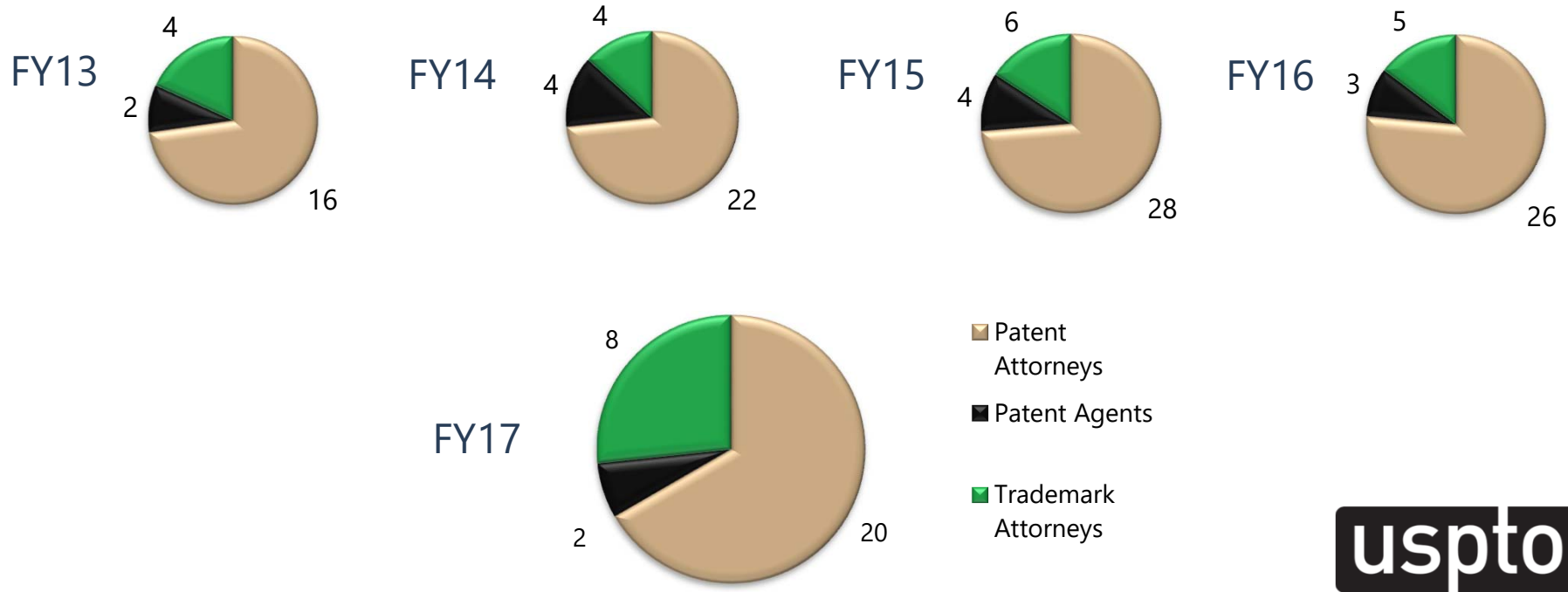


## Other Types of Discipline

- 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 Disciplinary Decisions by Practitioner Type





# **Office of Enrollment and Discipline**

Proposed Revision of 37 C.F.R. § 1.56



# Current 37 C.F.R. § 1.56

- (a) . . . Each individual associated with the filing and prosecution of a patent application has a duty of candor and good faith in dealing with the Office, which includes a duty to disclose to the Office all information known to that individual to be material to patentability as defined in this section."
- (b) . . . information is material to patentability when it is not cumulative to information already of record or being made of record in the application, and (1) It establishes, by itself or in combination with other information, a prima facie case of unpatentability of a claim; or (2) It refutes, or is inconsistent with, a position the applicant takes in: (i) Opposing an argument of unpatentability relied on by the Office, or (ii) Asserting an argument of patentability.
- (b) . . . A prima facie case of unpatentability is established when the information compels a conclusion that a claim is unpatentable under the preponderance of evidence, burden-of-proof standard, giving each term in the claim its broadest reasonable construction consistent with the specification, and before any consideration is given to evidence which may be submitted in an attempt to establish a contrary conclusion of patentability.

(emphasis added)





## ***Therasense, Inc. v. Becton, Dickinson & Co.,*** **649 F.3d 1276 (Fed. Cir. 2011)**

- Materiality standard is “but-for” materiality.
  - Prior art is but-for material if the PTO would not have allowed a claim had it been aware of the undisclosed prior art.
- Materiality prong may also be satisfied in cases of affirmative egregious misconduct
- Intent to deceive USPTO must be weighed independent of materiality.
  - Courts previously used sliding scale when weighing intent and materiality.
- Intent to deceive must be single most reasonable inference to be drawn from evidence.



## 2011 Proposed Changes to 37 C.F.R. § 1.56

- Initial NPRM issued on July 21, 2011 (76 FR 43631)
- 2011 Proposed Amendment to 37 C.F.R. § 1.56(b)
  - Information is material to patentability if it is material under the standard set forth in [*Therasense*]. Information is material to patentability under *Therasense* if: (1) The Office would not allow a claim if it were aware of the information, applying the preponderance of the evidence standard and giving the claim its broadest reasonable construction; or (2) The applicant engages in affirmative egregious misconduct before the Office as to the information.
- Similar proposed amendment to 37 C.F.R. § 1.555.
- USPTO received feedback from 24 commenters.



# 2016 Notice of Proposed Rulemaking

- NPRM issued October 28, 2016; <https://www.federalregister.gov>.
- 60 day comment period.
- 2016 NPRM addresses comments received to 2011 proposed rules.
- Proposed amendment to 37 C.F.R. § 1.56 (emphasis added):
  - (a) . . . Each individual associated with the filing and prosecution of a patent application has a duty of candor and good faith in dealing with the Office, which includes a duty to disclose to the Office **all information known to that individual** to be material to patentability under the **but-for materiality standard** as defined in paragraph (b) of this section. . . . Information material to the patentability of a claim that is cancelled or withdrawn from consideration need not be submitted if the information is not material to the patentability of any claim remaining under consideration in the application. . . . However, no patent will be granted on an application in connection with which **affirmative egregious misconduct** was engaged in, fraud on the Office was practiced or attempted, or the duty of disclosure was violated through bad faith or intentional misconduct. The Office encourages applicants to carefully examine: (1) Prior art cited in search reports of a foreign patent office in a counterpart application, and (2) The closest information over which individuals associated with the filing or prosecution of a patent application believe any pending claim patentably defines, to make sure that any material information contained therein is disclosed to the Office.
  - (b) Information is but-for material to patentability if the Office would not allow a claim if the Office were aware of the information, applying the preponderance of the evidence standard and giving the claim its broadest reasonable construction consistent with the specification.





# Office of Enrollment and Discipline

Select Case Law Review



# Conflict of Interest

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

- Exclusion on consent of patent attorney.
- Disciplinary complaint alleged:
  - Respondent's firm had agreement with companies to provide patent legal services to referred clients.
  - Engaged in numerous conflicts of interest with respect to referred clients.
  - Directed associate to withhold filing of client applications until client paid 3<sup>rd</sup> party company \$125 fee.
- Rule highlights:
  - 37 C.F.R. § 11.107(a) – Conflict of interest; current clients.
  - 37 C.F.R. § 11.108(f) – Accepting compensation from third party.
  - 37 C.F.R. § 11.504 – Permitting 3<sup>rd</sup> party payer to regulate professional judgment.



# 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.
  - 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.
  - Failed to respond to Office actions for referred clients.
- Settlement: 5-year suspension
  - Eligible to petition for reinstatement after 2 years; must take MPRE.
- Rule highlights:
  - 37 C.F.R. § 11.107(a) – Conflict of interest; current clients.
  - 37 C.F.R. § 11.108(f) – Accepting compensation from third party.
  - 37 C.F.R. § 11.504 – Permitting 3<sup>rd</sup> party payer to regulate judgment.



# Conflict of Interest

*In re Mikhailova*, Proceeding No. D2017-18  
(USPTO June 16, 2017).

- Patent Agent contracted with Desa Industries, Inc d/b/a World Patent Marketing (“WPM”) to prepare, file, and respond to Office actions for clients referred by WPM.
- Permitted WPM to act as full intermediary with clients.
- Settlement: 20 month suspension with 28 months probation.
- Rule highlights:
  - 37 C.F.R. § 11.105(b) – communicating scope of representation/fee.
  - 37 C.F.R. § 11.107(a) – Conflict of interest; current clients.
  - 37 C.F.R. § 11.108(f) – Accepting compensation from third party.
  - 37 C.F.R. § 11.504 – Permitting 3<sup>rd</sup> party payer to regulate judgment.
  - 37 C.F.R. § 11.505 – Unauthorized Practice of law.



# 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.
- Public reprimand, CLE attendance, and MPRE passage.
- Rule highlights:
  - 37 C.F.R. §§ 11.107(a)(1) & (2) and (b)(3) & (4).
  - 37 C.F.R. §§ 11.104(a)(1)-(5) and (b).





# 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.
- Received public reprimand.
  - Mitigating factors included clean 50-year disciplinary history.
- Rule highlights:
  - 37 C.F.R. § 10.66(b): no joint representation if practitioner's independent professional judgment 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.



# 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.
- Rule highlights:
  - 37 C.F.R. § 10.62(a) – client conflict with practitioner’s own interests (*see* 37 C.F.R. § 11.107(a)).
  - 37 C.F.R. § 10.65 – entering business transaction with client (*see* 37 C.F.R. 108(a)).





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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: has not accepted responsibility or shown remorse for remarks.
- Default: 6-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.



# 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.
  - Attorney failed to file client's application, but posted the invention for sale on his website.
  - Attorney filed application 20 months after posting on the website.
- Aggravating factors included prior disciplinary history.
- Received two-year suspension.
- Rule highlights:
  - 37 C.F.R. § 10.23(a) – Disreputable or gross misconduct.
  - 37 C.F.R. § 11.18(b) – Certification upon filing of papers.
  - 37 C.F.R. § 10.77(c) – Neglect.





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# Misrepresentation/UPL

*In re Swyers*, Proceeding No. D2016-20  
(USPTO January 26, 2017)

- Disciplinary complaint alleged:
  - TM attorney established The Trademark Company, PLLC.
  - Permitted non-attorneys to practice TM law for him with little to no supervision.
  - Multiple fraudulent or digitally manipulated TM specimens were filed with 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.



# Communication/Cooperation/UPL

***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.
  - 37 C.F.R. § 11.101 – Competence.
  - 37 C.F.R. § 11.115 – Safekeeping property.
  - 37 C.F.R. § 11.505 – Unauthorized practice of law.





# Neglect/Candor

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

- Disciplinary Complaint Alleged:
  - Attorney allowed applications to go abandoned without client approval.
  - Misled clients regarding status of abandoned applications.
  - Advised client to file a Track 1 CIP application and allow the original application to go abandoned. Took \$, but failed to file it; fabricated documents purporting to show filed Track 1 application.
  - Advised a 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.
- Exclusion on consent.
- Rule highlights:
  - 37 C.F.R. § 11.101 – Competence.
  - 37 C.F.R. § 11.104 – Communication.
  - 37 C.F.R. § 11.804(c) – Conduct involving dishonesty, fraud, deceit, or misrepresentation.



# Dishonesty, Fraud, Deceit or Misrepresentation

- ***In re Caracappa***, Proceeding No. D2015-37 (USPTO Jan. 5, 2016)
  - Disciplinary complaint alleged:
    - Patent attorney conspired with in-house counsel to defraud 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.
  - Rule highlights:
    - 37 C.F.R. § 11.804(b) – Criminal acts that adversely reflects on honesty, etc.
    - 37 C.F.R. § 11.804(d) – Conduct that is prejudicial to administration of justice.



# 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



