



1

## PRACTICE BEFORE THE USPTO

- Administrative Procedure Act – basis for practice before the USPTO in non-patent matters
- Any licensed attorney in good standing with the highest court of any state/territory (and not suspended or excluded by the USPTO) may file trademarks or otherwise appear



2

## PRACTICE BEFORE THE USPTO

- Conduct of attorneys and agents is subject to regulation by the USPTO under 35 U.S.C. § 2(b)(2)(D):  
The [USPTO] may establish regulations... [that] may govern the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Office....
- See, e.g., *Lacavera v. Dudas*, 441 F3d 1380, 1381 (Fed Cir 2006) ("The PTO has statutory authority to regulate attorney practice before it"); *Bender v. Dudas*, 490 F3d 1361, 1368 (Fed Cir 2007) ("The regulations in question are well within the scope of the enabling statutes."); *Sperry v. Florida*, 373 US 379, 402, 83 S Ct 1322, 1334-35, 10 LEd2d 428, 442 (1963) ("the State maintains control over the practice of law within its borders except to the limited extent necessary for the accomplishment of the federal objectives.").



3

## OED COMES KNOCKING

- An investigation may be initiated through a grievance, information, or evidence from any source suggesting "grounds for discipline." See 37 CFR § 11.22(a).
- Investigation can close with no action, warning letter, diversion, public or private discipline through settlement, or formal charges. See 37 CFR § 11.22(h)
- Clear and convincing standard
- Committee on Discipline as "grand jury"



4

## BUT WAIT... ONLY MY BAR RULES APPLY!

- (a) Disciplinary Authority. A lawyer admitted to practice in this jurisdiction is subject to the disciplinary authority of this jurisdiction, regardless of where the lawyer's conduct occurs. A lawyer not admitted in this jurisdiction is also subject to the disciplinary authority of this jurisdiction if the lawyer provides or offers to provide any legal services in this jurisdiction. A lawyer may be subject to the disciplinary authority of both this jurisdiction and another jurisdiction for the same conduct.
- (b) Choice of Law. In any exercise of the disciplinary authority of this jurisdiction, the rules of professional conduct to be applied shall be as follows:
  - (1) for conduct in connection with a matter pending before a tribunal, the rules of the jurisdiction in which the tribunal sits, unless the rules of the tribunal provide otherwise; and
  - (2) for any other conduct, the rules of the jurisdiction in which the lawyer's conduct occurred, or, if the predominant effect of the conduct is in a different jurisdiction, the rules of that jurisdiction shall be applied to the conduct. A lawyer shall not be subject to discipline if the lawyer's conduct conforms to the rules of a jurisdiction in which the lawyer reasonably believes the predominant effect of the lawyer's conduct will occur.

See ABA Model Rule 8.5



5

## COMMON PITFALLS IN TRADEMARK PROSECUTION

- Fraudulent Specimens or False Statements of Use
- Signature Discrepancies
- Foreign Filings



6

## FRAUDULENT SPECIMENS OR FALSE STATEMENTS OF USE

- Trademark applicants submit sworn statements that their mark is in use on all goods or services in addition to a “specimen showing how the applicant uses the mark in commerce.”
- What not to do:
  - Mock-up of product or packaging that has been digitally created or altered to include mark does not show actual use in commerce.
    - 15 USC § 1127; TMEP §§ 904.04(a), 904.07(a)



7

## FRAUDULENT SPECIMENS OR FALSE STATEMENTS OF USE

### Request No. 51

A representative of The Trademark Company has informed the Office of Enrollment and Discipline that the specimen of use filed by The Trademark Company on behalf of Jason Price in U.S. Trademark Application No. 86287285 for the mark “SOUL INSIDE” was not an accurate depiction of the mark as it was used in commerce by the client. According to The Trademark Company representative, the mark was allegedly created as an example for The Trademark Company client but then the false specimen was allegedly inadvertently filed with the United States Patent and Trademark Office. The trademark application and the referenced specimen of use are accessible at <http://tsdr.uspto.gov>.

Are you The Trademark Company employee who created the false specimen of use filed by The Trademark Company in U.S. Trademark Application No. 86287285 for the mark “SOUL INSIDE”?

*Matthew H. Swyers v. United States Patent and Trademark Office, et al., No. 16-cv-00015-LO-IDD (E.D. Va. Jan. 6, 2016).*



8

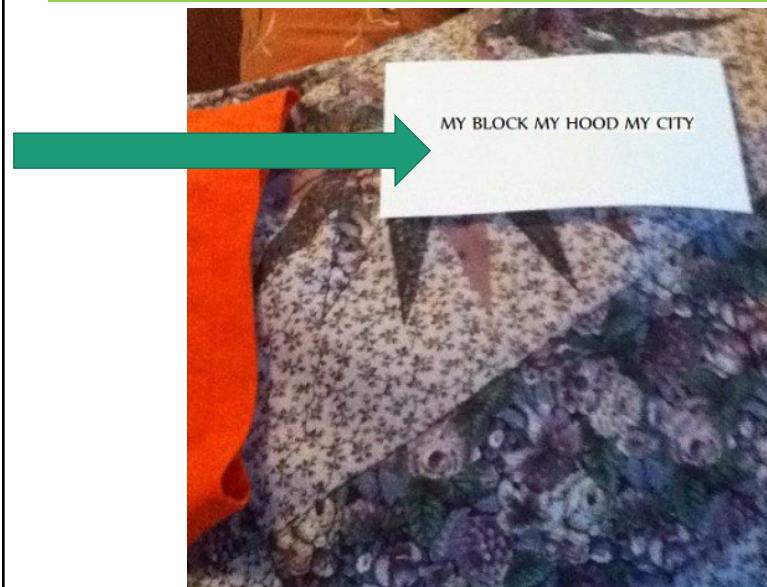
## FRAUDULENT SPECIMENS OR FALSE STATEMENTS OF USE



M//A

9

## FRAUDULENT SPECIMENS OR FALSE STATEMENTS OF USE



M//A

10

## FRAUDULENT SPECIMENS OR FALSE STATEMENTS OF USE

- Practitioners certify “To the best of [their] knowledge, information and belief, formed after an inquiry reasonable under the circumstances . . . allegations and other factual contentions have evidentiary support . . .” See 37 CFR §11.18
- OED proactive in investigating practitioners who receive multiple specimen rejections, and now investigating audit responses



11

## BASELINE “COMPETENCE”

- OED expects practitioners to:
  - Consult with their clients about the requirements for a valid specimen and use in commerce
  - Vet specimens prior to submission
  - Ask questions
  - If unsure, ask for better proof of use
- Submitting doctored specimens may raise issues of competence, honesty, and fitness to practice. May also implicate candor to the tribunal.
  - 37 CFR §§ 11.101, 11.303, 11.804



12

## FOREIGN FILINGS

- The USPTO is sophisticated and understands data.
- USPTO can capture and report, *inter alia*:
  - “Client” country
  - IP address of filing (and potentially the signature)
  - Application status
- Recently, OED has placed a large focus on trademarks, and the results of post-registration audits



13

## FOREIGN FILINGS

- On May 20, 2019 at INTA, Director Iancu stated:
  - “Over the last few years, the USPTO has seen a tremendous uptick in foreign applications with inaccurate or possibly fraudulent claims of use of the mark for the goods or services specified in the application.”
- The USPTO has taken notice and wants to clean up the Trademark Register
- Admittedly—they can’t do much to filers so they go after the practitioners that help them
- Changes to TEAS
  - Log-in requirement
  - Future passport/ID scanning



14

## USPTO Efforts to Stop Foreign Applicants

- The USPTO recognizes the nature of bad actors and implemented the U.S. Counsel Rule
- Location of applicant is the key.
- The USPTO represented in the NPRM that this practice will be “an effective tool for combatting the growing problem of foreign individuals, entities, and applicants failing to comply with U.S. law.”



15

## USPTO Efforts to Stop Foreign Applicants

- The new rule ushered in a wave of foreign solicitations:

*“Can I use your attorney address? We help customers apply for US trademarks, but we need you to provide attorney information and US recipient address. About submit US trademark, and reply to review comments are submitted by us, authorized email also writes us. Just use your attorney information, how much is it for one class/one trademark? I am looking forward to your reply. Thank you very much.”*



16

## SIGNATURE DISCREPANCIES

### 37 CFR § 2.193 Trademark correspondence and signature requirements.

- (a) Signature required. Each piece of correspondence that requires a signature must bear:
  - (1) A handwritten signature personally signed in permanent ink by the person named as the signatory, or a true copy thereof; or
  - (2) An electronic signature that meets the requirements of paragraph (c) of this section, personally entered by the person named as the signatory. The Office will accept an electronic signature that meets the requirements of paragraph (c) of this section on correspondence filed on paper, by facsimile transmission (§ 2.195(c)), or through TEAS or ESTTA.



17

## SIGNATURE DISCREPANCIES

### 37 CFR § 2.193 Trademark correspondence and signature requirements.

- (c) Requirements for electronic signature. A person signing a document electronically must:
  - (1) Personally enter any combination of letters, numbers, spaces and/or punctuation marks that he or she has adopted as a signature, placed between two forward slash ("/") symbols in the signature block on the electronic submission; or
  - (2) Sign the document using some other form of electronic signature specified by the Director.



18

## SIGNATURE DISCREPANCIES

- So what are the signature types?
  - DIRECT
    - Attorney signs filing
  - ESIGN-ON
    - Attorney sends signature link via e-mail to client (or receives from support staff)
  - HSIGN-ON
    - Attorney uploads hand signed document to TEAS



19

## SIGNATURE DISCREPANCIES

- Signature duty not delegable
- Whomever is signing—whether it is the attorney or the applicant—the paper must include that person's signature



20

## SIGNATURE DISCREPANCIES

- “When Trademark Engine began operations all trademark applications were signed by customers using the E-SIGN ON procedure. However, from a period starting in 2017 until early in 2018, non-practitioner Trademark Engine employees used a procedure that cut and pasted customers' signatures onto trademark applications, usually after Trademark Engine customers reviewed the application summaries and agreed to the same verifications required on the USPTO application.”
- *In re Crabtree*, Proceeding Nos. D2018-31 & D2018-47 (USPTO, April 25, 2019)



21

## SIGNATURE DISCREPANCIES

- “Mr. Meikle's company provided paralegal services to trademark clients. He had ultimate managerial authority over his nonpractitioner assistants even though the non-practitioner assistants took directions from, and were generally supervised by, others (i.e., client trademark practitioners). Contrary to the above regulations and TMEP guidance, Mr. Meikle mistakenly relied on consent from each named signatory and permitted his non-practitioner assistants to improperly sign trademark filings on behalf of the named signatory in up to thirty-five (35) trademark filings.”
- *In re Meikle*, Proceeding No. D2019-17 (USPTO, March 21, 2019)



22

## COMMON PITFALLS IN PATENT REPRESENTATION

- Best Way to Lose Registration Number
- Client Conflicts
  - Direct Adversity
  - Not My Client (Anymore)
  - Zero Sum Game
- Inequitable Conduct



23

## THE PROBLEM

- Polly Practitioner looking for clients.
- Craigslist ad for Invent Inc. promises steady clients
- Invent Inc. agrees to refer clients to Polly for fixed-fee:
  - \$250 search/opinion.
  - \$750 provisional or design apps.
- Irene Inventor designs wind powered car; calls Invent Inc. for help.
- Purchases “Gold Package” for \$25K
  - Includes getting patent app. filed.
- Invent Inc. sends Irene’s disclosure to Polly.
  - Polly prepares and files design app. as instructed.
- Polly invoices Invent Inc. for \$750
- App. rejected. Polly wants \$ for prosecution.
- Irene believes she paid for “a patent.” No response, Case goes abandoned.



24

## THE PROBLEM

- Invent Inc. is engaging in “practice before the Office”
  - Advises Irene on type of patent she should get
  - When Polly steps in, aiding UPL. 37 CFR 11.505
- Polly failed to communicate with Irene. 37 CFR 11.104
  - Irene thought she was protecting function.
- Polly allowed Inc. to interfere with her independent professional judgment. 37 CFR 11.201
- Polly limited scope rep. w/o client consent. 37 CFR 11.102



25

## THE PROBLEM

- Third-party payment of legal fees 37 CFR 11.108(f)
- Material limitation conflict based on referral business relationship. 37 CFR 11.107(a)  
Failure to disclose basis of fees to client. 37 CFR 11.105
- Failure to protect client confidences. 37 CFR 11.106
- Failing to safeguard client funds in trust account. 37 CFR 11.115



26

## THE RESULT

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- *In re Starkweather* – 3-year suspension
- *In re Mikhailova* – 2 year suspension.
- *In re Gray* – Exclusion on consent.
- *In re Virga* – 4-year suspension.
- *In re Wold* – 4-year suspension.
- *In re Chow* – 3-year suspension.
- *In re Montgomery* – 4-year suspension.



27

## DIRECT ADVERSITY

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- Firm represents Company A in one TM application
- Company B wants Firm to sue Company A for patent infringement
- Can Firm represent Company B?
- What if Company A were former client?



28

## DIRECT ADVERSITY

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- Cyber Switching seeks advice from K&L Gates regarding enforcement of patents in November 2013
- June 2014, Cyber Switching files suit against Eaton Corp. for the same portfolio
- Eaton Corp. retains K&L Gates to defend the action
- See *Cyber Switching Patents, LLC v. Eaton Corp.*, No. 4:14-cv-02862 (N.D. Cal.)



29

## NOT MY CLIENT (ANYMORE)

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- Lawyer worked for a Client on a patent prosecution matter
- Client assigns patent to Company
- Lawyer then hired by alleged infringing party to challenge the validity of the patent being asserted by Company
- See *Teletronics Proprietary, Ltd. v. Medtronic, Inc.*, 836 F.2d 1332 (Fed. Cir. 1988),



30

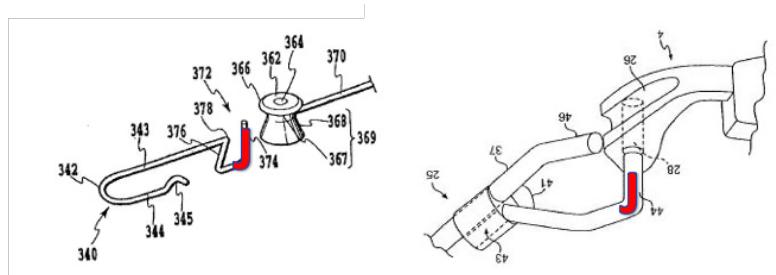
## ZERO SUM GAME

- Massachusetts Supreme Judicial Court held that no actionable conflict existed where law firm prosecuted parent applications for both Masunaga Optical and Chris Maling in the field of screwless eyeglass hinges.
- Boston office represented Maling in preparation and prosecution of multiple applications that led to 4 issued patents. DC area office represented Japanese “competitor” in seeking patents for “similar” technology.
- Maling claimed that Finnegan declined to provide an opinion regarding the patents, and such caused him to be unable to secure funding.



31

## ZERO SUM GAME



"In short, Masunaga and Maling both invented hinges for eyeglasses, but each invented a very different hinge. Masunaga's patent requires a J-shaped leg inserted into a hole in a drum-shaped or cylindrically-shaped component. Maling's patents require a leg that rests in an open groove with no structure for stopping the temple arm from being bent outward. The two inventions and their corresponding claims are not the same, or even close. Thus, it is not surprising that the PTO chose not to declare an interference between the Masunaga and Maling applications, and instead issued the patents to their respective owners."



32

## INEQUITABLE CONDUCT

- “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. The duty to disclose information exists with respect to each pending claim until the claim is cancelled or withdrawn from consideration, or the application becomes abandoned.”
- See 37 CFR 1.56 and MPEP 2001



33

## INEQUITABLE CONDUCT

- Full Federal Circuit in June declined to revisit decision that Cantor Colburn attorneys engaged in conduct that rendered their client's patent unenforceable
- Allegation that CleanTech offered to install the system prior to patent filing—was it a test or an offer for sale? District Court and Federal Circuit believe it was a sale, and the attorneys should have known/disclosed this.
- *GS CleanTech Corp. v. Adkins Energy LLC*



34

## MEA CULPA

- You make a mistake in a matter, but don't realize till after it is complete
- On the surface, everything looks good, but you realize that if the client goes to enforce the matter, it could backfire
- The client is happy and continues to provide you with new work
- What do you do?



35

## MEA CULPA

- "The Model Rules require a lawyer to inform a current client if the lawyer believes that he or she may have materially erred in the client's representation. Recognizing that errors occur along a continuum, an error is material if a disinterested lawyer would conclude that it is (a) reasonably likely to harm or prejudice a client; or (b) of such a nature that it would reasonably cause a client to consider terminating the representation even in the absence of harm or prejudice."
- "If a material error relates to a former client's representation and the lawyer does not discover the error until after the representation has been terminated, the lawyer has no obligation under the Model Rules to inform the former client of the error."
- ABA Formal Op. 481 (April 17, 2018)



36

## BEST PRACTICES

- Know your client
- Engagement agreement
- Counsel Clients
- Conflicts Check
- Post registration duties
- Self Assessment or Professional Assessment to show compliance



37

## Questions

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38