Commissioner of Patents and Trademarks
Patent and Trademark Office (P.T.O.)

HARRISON E. MCCANDLISH, ACTING DIRECTOR, OFFICE OF ENROLLMENT AND DISCIPLINE
v.
JOHN DOE, RESPONDENT
Proceeding No. D91-19
February 11, 1992
***1** Entered February 11, 1992

Harry F. Manbeck, Jr.

Assistant Secretary and Commissioner of Patents and Trademarks

FINAL ORDER

John Doe [a pseudonym] (Respondent), being sworn (or affirmed), deposes and says that he, being fully advised by his attorney, desires to settle this disciplinary matter without the need for a hearing. Respondent, in cooperation with the Acting Director of Enrollment and Discipline (Director), therefore presents to the Commissioner this agreed upon FINAL ORDER as settlement of the above identified proceeding.

Respondent is an attorney registered to practice (Registration No. xx,xxx) before the Patent and Trademark Office (PTO). Respondent is a partner in the law firm of Boe & Roe [a pseudonym firm name] and practices in their [city omitted] office.

Respondent acknowledges that the Director has investigated and brought charges against Respondent for possible violations of the disciplinary rules by Respondent in connection with his conduct respecting his participation in the preparation of a petition filed by another attorney (Attorney A) with the Commissioner of Patents and Trademarks. For the purpose of settling this disciplinary matter without the benefit of a hearing, the Director and Respondent have agreed and Respondent admits as follows:

1. Respondent acknowledges that he is aware that the Director is of the opinion that Respondent has violated 37 CFR § 10.23(a), and/or 37 CFR § 10.23(b)(4) and/or 37 CFR § 10.23(b)(6), and/or 37 CFR § 10.23(c)(2)(ii), and/or 37 CFR § 10.23(d) and/or, 37 CFR § 10.85(a)(3), and/or § 10.85(a)(6); and that Respondent may be entitled to a hearing in this proceeding (37 CFR § 10.144); and that he hereby waives any right to a hearing in this matter.

2. Respondent freely and voluntarily acknowledges that he could not successfully defend against the charges set forth in the COUNTof the COMPLAINT AND NOTICE OF PROCEEDINGS UNDER 35 U.S.C. § 32 served upon him and reproduced below:

COUNT

By participating in a material way in preparing and filing a petition with the Commissioner wherein the petition relied on affidavits and the opinions of the affiants when Respondent knew the affiants had said the affidavits could not be used for any purpose, and by withholding from the PTO the fact that affidavits and opinions expressed therein had been withdrawn by the affiants prior to the filing of the petition, Respondent was not candid with the PTO, Respondent misrepresented facts in the petition, and Respondent otherwise engaged in professional misconduct.

***2** 3. Respondent, although a partner in name, was a salaried, nonequity partner in the law firm of Boe & Roe in 1990, and did not attend partners' meetings and had no voting power.

4. Attorney A is, and was in 1990, a full equity and voting partner in the law firm of Boe & Roe.

5. Attorney A represented an applicant for registration with the PTO in 1989 and 1990. In connection with this representation, Attorney A filed in the PTO a RESPONSE TO ORDER TO SHOW CAUSE DATED AUGUST 17, 1989 (Response) (OED Exhibit 2), and supplement (OED Exhibit 3) which appended a total of seventeen (17) affidavits and letters as Exhibits 4-18, 21 and 22. The 17 affidavits and letters included four (4) affidavits executed by attorneys at the law firm of Smith & Jones [a pseudonym firm name] (S & J) in [city and state omitted]. The applicant worked as an associate at the S & J firm at the time of the execution of the affidavits. The four S & J affiants were Mr. SRJ [pseudonym letters], Esq., Mr. BSW [pseudonym letters], Esq., Mr. MCJ [pseudonym letters], Esq., and Mr. LLW [pseudonym letters], Esq. The S & J affidavits attested to applicant's skill as a patent attorney and to his good moral character.

6. The applicant was denied registration in a Decision on Application for Registration to Practice dated March 2, 1990, and reexecuted in a Decision dated March 5, 1990 (OED Decision) (OED Exhibit 4).

7. In the earlier OED Decision, the Director referred in paragraph 23 on page 8, to "a number of testimonials (OED Exhibit 9)," which consisted of copies of the seventeen (17) letters and affidavits.

8. Beginning on page 21 of the OED Decision, the Director stated the following regarding the seventeen letters and affidavits:

The seventeen testimonials submitted with applicant's response to the Order to Show Cause have been considered. Most of them attested to applicant's expression of remorse, although somewhat belatedly, for his improper conduct in the PTO. The testimonials from members of the Smith & Jones firm were of particular interest. They were very supportive of applicant's competence as a patent practitioner and his high standards dealing with clients and other members of the firm. Many of the testimonials show applicant to be a very caring and helpful person who is dependable, honest and trustworthy. These testimonials will be reconsidered should applicant reapply for registration.

9. Attorney A had until April 5, 1990, to request reconsideration of the OED Decision, or until Monday, May 7, 1990, to appeal by petition to the Commissioner rather than seek reconsideration.

10. On April 30, 1990, Attorney A received a letter dated April 27, 1990, from Mr. MCJ, one of the attorneys with the S & J law firm (April 27th letter) (OED Exhibit 5). The April 27th letter stated at pages 14:

(1) ... the conclusions and opinions expressed in those prior Affidavits are no longer valid ... are no longer to be used by [applicant] or you [Attorney A] with respect to [the applicant's] efforts to obtain registration with the [PTO] or for any purpose whatsoever. If you have not already filed an appeal, you must not refer to our affidavits in any appeal document. If you have already filed an appeal, you must file an amended appeal removing all references to our affidavits.

***3** (2) Henceforth, my affidavit and the affidavits of LLW, SRJ and BSW are not to be used by [applicant] or you ... for any other purpose whatsoever.

11. On or about April 30, 1990, Attorney A asked Respondent to review two documents: (1) a draft of a paper entitled "Petition Under 37 C.F.R. § 10.2(c) To Review Sanction Refusing To Register An Individual (37 C.F.R. § 10.6), Or, Alternatively, Under 37 C.F.R. § 10.170 To Suspend Or Waive The Regulations Of Part 10, Chapter 1, 37 C.F.R., To Permit Registration Of That Individual" ("Petition"), that Attorney A had prepared for submission to the PTO; and (2) the April 27th letter.

12. Attorney A further requested that Respondent consider what impact the April 27th letter had upon the Petition.

13. Later that day or the following day, Attorney A and Respondent discussed the impact of applicant's alleged activities, as described in the April 27th letter, upon applicant's attempts to become registered before the PTO. Attorney A advised Respondent that the applicant had assured him that the allegations of improper conduct in the April 27th letter were incorrect, and that the events upon which Mr. MCJ's allegations were based either did not occur or had been misinterpreted in the April 27th letter. There was then a discussion about the problems of establishing the applicant's position regarding these allegations, particularly in so far as they related to events involving persons who were not with S & J.

14. During these discussions, Attorney A and respondent spoke about the fact that the April 27, 1990, letter was a request by the S & J affiants to withdraw the affidavits from consideration by the PTO.

15. During the discussion of the Petition and the April 27th letter, the Respondent expressed to Attorney A his concerns about the appropriateness of continuing to make any use of the S & J affidavits from LLW, SRJ, BSW, and MCJ ("the S & J affiants") in connection with applicant's Petition. Respondent and Attorney A discussed at length whether Attorney A had an obligation to advise the PTO "immediately" that the S & J affiants had requested their affidavits be withdrawn.

16. As part of the discussion, Attorney A expressed a number of reservations about advising the PTO "immediately" that all the S & J affidavits had been withdrawn, especially before consulting with the applicant, so that a response could be prepared to the substance of the allegations in the April 27th letter.

17. Another concern discussed involved the impact on the Petition of "immediately" withdrawing the affidavits. Attorney A agreed that the S & J affidavits would have to be withdrawn if a common understanding were not reached with the S & J affiants concerning the changed circumstances, as they apparently saw them, which formed the basis for rescinding their conclusions reached previously in their affidavits.

***4** 18. Attorney A decided with Respondent's concurrence not to immediately inform the PTO of the April 27th letter.

19. Attorney A expressed to Respondent the belief that the perceived changed circumstances which occasioned the withdrawal of the S & J affidavits were in error.

20. Respondent believed that Attorney A was concerned that applicant's case would be prejudiced by explicitly withdrawing the affidavits.

21. Accordingly, Attorney A asked Respondent to "mark up" a draft of the Petition to indicate all statements that would have to be deleted so that no reliance would be placed upon any of the S & J affidavits.

22. Attorney A did not request that the Respondent indicate in the petition that the S & J affidavits had been withdrawn.

23. Attorney A and Respondent discussed the possibility of stating that there were only thirteen (13) affidavits thereby not relying on the four (4) S & J affidavits, but decided that this might weaken applicant's case.

24. Respondent prepared a suggested "mark up" in which the S & J affidavits were no longer referenced by name but were relied on in that seventeen (17) affidavits, which included the S & J affidavits were mentioned.

25. Attorney A reviewed the "marked up" draft and, although he expressed to Respondent a recognition that the proposed deletions of the reference to the S & J affidavits by name might weaken applicant's position, he agreed to the proposed deletions.

26. There was never a discussion between Respondent and Attorney A about the option of seeking to waive or extend the time provision of 37 CFR § 10.2(c) for filing a petition to provide time to ascertain before filing the petition whether a common understanding could be reached with the S & J affiants.

27. The petition (OED Exhibit 12) was filed on May 7, 1990, and on page 16 stated:

> While OED states that the 17 sworn and/or executed factual statements by third parties attesting to petitioner's character, integrity and remorse over the conflict of interest were "considered", OED refers to these statements as mere "testimonials" and gives them no weight in determining the sanction imposed on petitioner [footnote omitted, emphasis in original].

28. Footnote 14 on this same page stated:

> Although OED refers to these "testimonials" in the pejorative

sense, they are not merely "testimonials"; they are sworn statements and signed letters from lawyers and lay persons that testify to many factual matters with which the affiants/declarants/signees have first hand, personal knowledge and, based upon those factual matters, contain their personal opinions. As such, they are entitled to significant weight in determining the appropriate sanction to be imposed on petitioner, and it would be entirely arbitrary and capricious to accord them little or no weight in the context of the nature and scope of the sanction determination [emphasis in original].

***5** 29. The petition further stated on page 26:

In fact, the evidence of good moral character and repute is substantial. Each of the 17 letters and affidavits details particular facts which underlie the author's/affiant's opinion that petitioner is honest and reliable, and is of good moral character and repute [footnote omitted, emphasis in original].

30. The petition still further stated on page 26:

Not surprisingly, there is no evidence in the record of any misconduct before or since the isolated conflict of interest incident [emphasis added].

31. During the period when the Petition was being finalized and submitted in early May 1990, there was correspondence between Attorney A and Mr. MCJ. Attorney A asked for Respondent's comments with respect to at least some of this correspondence and Respondent provided the requested comments.

32. Specifically, on May 8, 1990, Attorney A received a letter from Mr. MCJ dated May 7, 1990 (May 7th letter) which stated at page 1:

However, as I stated in my April 27, 1990 letter to you, based on what has occurred in the past few weeks I now believe my prior assessment of [the registration applicant's] character was incorrect. The fact that my opinion has changed, and the reasons why my opinion has changed, must be disclosed to the PTO.

33. The May 7, 1990 letter further stated at page 2:

I am concerned that [applicant] and you somehow indirectly gave the PTO the impression that our attorneys still maintain the same beliefs and opinions as are stated in the affidavits that are on file with the PTO [emphasis in original].

34. Respondent's next involvement with this matter occurred during the week beginning Monday, July 30, 1990 (probably on Tuesday, July 31, 1990, or Wednesday, August 1, 1990), when Attorney A, another Boe & Roe attorney (Attorney B), and Respondent were having lunch at their offices. Attorney A advised Respondent and Attorney B that it had not been possible to come to an understanding with the S & J affiants. Respondent and Attorney B told Attorney A that Attorney A must notify the PTO immediately.

35. On or about July 31, 1990, or August 1, 1990, Attorney A gave the Respondent for his review a draft paper advising the PTO that the S & J affidavits had been withdrawn by Mr. MCJ and the other S & J affiants. Attorney A, Attorney B, and Respondent discussed the suggested changes to the draft paper.

36. On Thursday, August 2, 1990, the Respondent and Attorney A had lunch at a nearby restaurant. Almost immediately after they returned to the office, Attorney A showed Respondent a paper from the Commissioner of Patents and Trademarks which apparently had been received in the Boe & Roe office while they were out. The paper remanded applicant's case to OED because of a letter dated June 29, 1990, from Mr. MCJ (OED Exhibit 13) which was attached to the Commissioner's paper. The June 29, 1990 letter stated in part:

I have requested that [Attorney A] inform the PTO that such Affidavits should be withdrawn or, at the very minimum, not be relied upon by the PTO in support of [applicant's] Application for Registration. Despite repeated requests and inquiries, I have received no assurances whatsoever from [Attorney A] that the PTO has been so notified.

***6** 37. Later, on August 2, 1990, Attorney A asked the Respondent to review a draft letter he proposed to send to the Director of OED. Respondent provided suggestions about the draft to Attorney A on Friday, August 3, 1990.

38. Where a reasonable practitioner has participated in a material way in the preparation of a petition in support of an applicant for registration, which is filed in the PTO and which relies on affidavits that the practitioner knows are not to be used for any purpose in support of the applicant for registration, the reasonable practitioner would believe that he or she has a duty to be completely candid with the PTO when the petition is filed and disclose to the PTO (i) that the affiants had withdrawn their affidavits, and (ii) the conduct the applicant was alleged to have engaged in which occasioned the withdrawal of the S & J affidavits.

39. By knowing that the S & J affiants said their affidavits were no longer to be used for any purpose whatsoever because they no longer considered their opinions and conclusions to be valid, and nevertheless helping Attorney A prepare a petition wherein Attorney A and Respondent continued to use and rely upon the S & J affidavits, and by failing to inform the PTO that affidavits had been withdrawn and repudiated, Respondent engaged in conduct that adversely reflects on his fitness to practice before the PTO.

40. By knowing that the S & J affiants said their affidavits "are no longer to be used for any purpose whatsoever" because they no longer were of the opinion that the applicant is honest and reliable, and is of good moral character and repute, and nevertheless helping Attorney A prepare a petition wherein Attorney A and Respondent continued to use and rely upon the S & J affidavits among the 17 letters and affidavits and by representing that the 17 affidavits and letters were evidence of the affiant's current opinion of the applicant's honesty, reliability, and good moral character and repute, Respondent (i) participated in the preservation of evidence when he knew or it was obvious that the evidence was false, (ii) engaged in conduct involving dishonesty, deceit or misrepresentation, and (iii) knowingly gave false or misleading information or knowingly participated in a material way in giving false or misleading information to the Office or any employee of the Office.

41. Attorney A and Respondent concealed from the PTO, Mr. MCJ's

demand that the S & J affidavits be withdrawn and no longer relied upon until after Mr. MCJ's June 29th letter was received by OED on July 11, 1990, when OED for the first time was informed about the April 27th letter.

42. The Respondent admits that he engaged in the conduct set forth above and that such conduct constitutes professional misconduct which justifies exclusion, suspension, or reprimand by the Commissioner under Part 10, Title 37, Code of Federal Regulations, to wit 37 CFR § § 10.23(a), and/or 10.23(b)(4) and/or (6), 10.23(C)(2)(ii), and/or 10.23(d), and/or 10.85(a)(3), and/or 10.85(a)(6).

***7** 43. Respondent acknowledges that his actions as set out above violated 37 CFR § § 10.23(a), and/or 10.23(b)(4), and/or 37 CFR 10.23(b)(6) and/or 10.23(c)(2)(ii), and/or 10.23(d), and/or 10.85(a)(3), and/or 10.85(a)(6).

44. Respondent will not contest a subpoena to testify on behalf of OED in Disciplinary Proceeding No. D91---.

45. Respondent acknowledges that he is not acting under duress and coercion from the PTO, and that he is fully aware of the implications of approval and entry of the FINAL ORDER.

46. Respondent is aware of the charges arising from his conduct and complaints alleging that he violated the PTO Code of Professional Responsibility, the nature of which are set forth above in the count of the COMPLAINT AND NOTICE OF PROCEEDINGS UNDER 35 U.S.C. § 32.

47. In view of the surrounding circumstances, the Respondent will be publicly reprimanded by the Commissioner.

48. The Director and Respondent request that the Commissioner enter the FINAL ORDER.

49. As a result of this FINAL ORDER, the following Notice will appear in the Official Gazette:

John Doe, of [jurisdiction omitted], whose registration number is xx,xxx has been reprimanded by the Commissioner of the Patent and Trademark Office pursuant to 37 CFR § 10.130.

50. The Director and Respondent shall bear their own costs and attorney fees.

51. This action is taken pursuant to 35 U.S.C. § 32 and 37 CFR § 10.133(g).

52. This final order shall be deemed commenced on the date the Commissioner executes the FINAL ORDER. The FINAL ORDER is entered pursuant to 35 U.S.C. § 32 and 37 CFR § 10.133(g). Entry of this FINAL ORDER terminates the disciplinary proceedings based on the COMPLAINT AND NOTICE OF PROCEEDINGS UNDER 35 U.S.C. § 32.

53. The contents of this FINAL ORDER shall be open to the public, except that OED Exhibits 1-14, which are attached to the COMPLAINT will remain confidential unless and until OED Exhibits 1-20 attached to the COMPLAINT in Disciplinary Proceeding No. D91---- are open to the

public.

Approved and SETTLEMENT AGREEMENT Entered:

22 U.S.P.Q.2d 1223

END OF DOCUMENT