

Ethics for PTAB Practitioners

**PTAB Bar Association
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OVERVIEW

- USPTO Power to Regulate
- Representing Parties Before the USPTO
- Candor Obligations to the USPTO
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USPTO Power to Regulate



USPTO Power to Regulate

- USPTO authorized to establish regulations governing "the recognition and conduct" of persons representing applicants or other parties before the Office.
 - 35 USC § 2(b)(2)(D)
- USPTO Director may suspend or exclude “any person, agent, or attorney who does not comply with the regulations established under section 2(b)(2)(D)”
 - 35 USC § 32



Representing Parties Before the USPTO

Representing Parties Before the USPTO

- “Only practitioners registered under § 11.6; individuals given limited recognition under § 11.9(a) or (b) or § 11.16; or individuals admitted pro hac vice as provided in § 41.5(a) or 42.10(c) of this chapter are permitted to represent others before the Office in patent matters.”

- 37 CFR 11.10

Representing Parties Before the USPTO

While the Board has jurisdiction:

- (a) Appearance pro hac vice. The Board may authorize a person other than a registered practitioner to appear as counsel in a specific proceeding.
- (b) Disqualification.
 - (1) The Board may disqualify counsel in a specific proceeding after notice and an opportunity to be heard.
 - (2) A decision to disqualify is not final for the purposes of judicial review until certified by the Chief Administrative Patent Judge.
- (c) Withdrawal. Counsel may not withdraw from a proceeding before the Board unless the Board authorizes such withdrawal. See § 11.116 of this subchapter regarding conditions for withdrawal.
- (d) Procedure. The Board may institute a proceeding under this section on its own or a party in a contested case may request relief under this section.
- (e) Referral to the Director of Enrollment and Discipline. Possible violations of the disciplinary rules in part 11 of this subchapter may be referred to the Office of Enrollment and Discipline for investigation. See § 11.22 of this subchapter.

- 37 CFR § 41.5

Representing Parties Before the USPTO

- (c) The Board may recognize counsel pro hac vice during a proceeding upon a showing of good cause, subject to the condition that lead counsel be a registered practitioner and to any other conditions as the Board may impose. For example, where the lead counsel is a registered practitioner, a motion to appear pro hac vice by counsel who is not a registered practitioner may be granted upon showing that counsel is an experienced litigating attorney and has an established familiarity with the subject matter at issue in the proceeding.
- (d) A panel of the Board may disqualify counsel for cause after notice and opportunity for hearing. A decision to disqualify is not final for the purposes of judicial review until certified by the Chief Administrative Patent Judge.

- 37 CFR § 42.10

Representing Parties Before the USPTO

- So how do we *Pro Hac*?
- Rules set out in *Unified Patents v. Parallel Iron*, IPR2013-00639, Paper 7 (Oct. 15, 2013).

Representing Parties Before the USPTO

- PHV motions can be denied.
- “...affidavit fails to show that [lawyer] is familiar with the subject matter at issue in the proceeding or if he has applied to appear *pro hac vice* in other proceedings.” See QSC *Audio Products, Inc. v. Crest Audio, Inc.*, IPR2014-00127, Paper 32 (December 23, 2014).

Representing Parties Before the USPTO

- Withdrawal may require approval of the PTAB. See 37 CFR § 41.5(c).
- Compare with patent prosecution. See 37 CFR § 1.36(b); MPEP 402.06.
- *Askeladden, LLC v. Purple Leaf, LLC*, IPR2016-01720, et. al.



Candor Obligations to the USPTO

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- 37 C.F.R. §1.56 -Duty to disclose information material to patentability
- 37 C.F.R. §1.555 -Information material to patentability in *ex parte* and *inter partes* reexamination proceedings
- 37 C.F.R. §11.18(b) -Signature and certifications for correspondence filed in the office
- 37 C.F.R. §11.303(a)-(e) -Candor toward the tribunal
- •37 C.F.R. §42.11 -Duty of candor; signing papers; representations to the Board; sanctions

Candor Obligations to the USPTO

- “By presenting to the Board a petition, response, written motion, or other paper - whether by signing, filing, submitting, or later advocating it - an attorney, registered practitioner, or unrepresented party attests to compliance with the certification requirements under § 11.18(b)(2) of this chapter.”

-37 CFR 42.11(c)

Candor Obligations to the USPTO

- By presenting to the Office or hearing officer in a disciplinary proceeding (whether by signing, filing, submitting, or later advocating) any paper, the party presenting such paper, whether a practitioner or non-practitioner, is certifying that -
- (1) All statements made therein of the party's own knowledge are true, all statements made therein on information and belief are believed to be true, and all statements made therein are made with the knowledge that whoever, in any matter within the jurisdiction of the Office, knowingly and willfully falsifies, conceals, or covers up by any trick, scheme, or device a material fact, or knowingly and willfully makes any false, fictitious, or fraudulent statements or representations, or knowingly and willfully makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry, shall be subject to the penalties set forth under 18 U.S.C. 1001 and any other applicable criminal statute, and violations of the provisions of this section may jeopardize the probative value of the paper; and
- (2) To the best of the party's knowledge, information and belief, formed after an inquiry reasonable under the circumstances,
 - (i) The paper is not being presented for any improper purpose, such as to harass someone or to cause unnecessary delay or needless increase in the cost of any proceeding before the Office;
 - (ii) The other legal contentions therein are warranted by existing law or by a nonfrivolous argument for the extension, modification, or reversal of existing law or the establishment of new law;
 - (iii) The 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) The denials of factual contentions are warranted on the evidence, or if specifically so identified, are reasonably based on a lack of information or belief.
- -37 CFR 11.18(b)

Related Proceedings

- “Parties to a proceeding are to identify any other judicial or administrative matter that would affect, or be affected by, a decision in the proceeding. Judicial matters include actions involving the patent in federal court. Administrative matters include every application and patent claiming, or which may claim, the benefit of the priority of the filing date of the party’s involved patent or application as well as any ex parte and inter partes reexaminations for an involved patent.”
 - PTAB Trial Practice Guide
- *Facebook, Inc. v. Sound View Innovations, LLC*, IPR2017-00998

Real Party In Interest

- An IPR petition may be considered only if the petition identifies all RPIs. See 35 U.S.C. § 312(a)(2).
- Updating such information should be done within 21 days of the date of the change. See 37 C.F.R. § 42.8(a)(3).
- What about the grey area and unknowns?



What Could Happen?

What Could Happen?

- Referral to OED - 37 CFR § 41.5
- Disqualification - 37 CFR § 41.5 & 42.10
- Sanctions (PTAB) - 37 CFR § 42.12
 - order holding facts to have been established
 - order expunging or precluding a party from filing a paper
 - order precluding a party from presenting or contesting a particular issue
 - order precluding a party from requesting discovery
 - order excluding evidence
 - order providing for compensatory expenses, including attorney fees
 - order requiring terminal disclaimer of patent term
 - judgment in the trial or dismissal of the petition.
- Striking Papers – 37 CFR § 11.18

What Could Happen?

- Many have tried, few have succeeded.
- A partial grant of sanctions in *RPX Corp v. Applications in Internet Time*, IPR2015-01750.
 - Included an award of attorney's fees
- Some have not tried at all.
- *Sua sponte* sanctions in *Euro-Pro Operating LLC v. Acorne Enterprises, LLC*, IPR2014-000351 and IPR2014-00352.

What Could Happen?

- In most cases, sanctions have been denied.
- Patent Owner sought relief when Petitioner allegedly used drawing to circumvent word limits. PTAB denied authority to file motion, citing lateness of the request. *See Akamai Tech., Inc. v. Limelight Networks, Inc.*, IPR2016-0100.
- Patent Owner sought relief for Petitioner allegedly refiling a rejected petition. The Board said that: “Patent Owner did not suffer the harm it alleges as a result of Petitioner’s action.” *See R.J. Reynolds Vapor Company v. Fontem Holdings 1 B.V.*, IPR2017-01318.

What Could Happen? OED Comes Knocking

- During a cross in an interference proceeding, an attorney allegedly selected and altered two pages from a lab notebook then used the edited document during a deposition of an expert.
- After the deposition, when the opposing side learned of the fabricated document, they moved for sanctions.
- The attorney claimed that he created the document as a demonstrative, but the tribunal was not happy.
- OED's disciplinary process requested a 3-year suspension, and the ALJ imposed a 60-day suspension in 2008.
- In 2014, the attorney was reciprocally disciplined in DC.

What Could Happen? OED Comes Knocking

- Attorney was counsel of record in a set of IPRs.
- It was alleged that the attorney allowed *ex parte* communications with the PTAB to occur.
- The attorney settled with the OED Director for a public reprimand.



Decorum

Decorum

- *In re Bruce A. Tassan*, Proceeding No. 2003-10 (USPTO, Sept. 8, 2003) (six-month stayed suspension for a practitioner who left voicemail messages for Trademark Trial and Appeal Board judges wherein Respondent cursed and referred to the judges as "imbecile," "worthless," and "idiots.")
- *In re Andrew Schroeder*, Proceeding No. 2014-08 (USPTO, May 18, 2015) (six-month suspension for a practitioner who filed OA responses asking if examiner was drunk, and alluding to the examiner having mental issues)

Privilege



Privilege

- Privilege under *In re Queen's University at Kingston* and generally
- “A communication between a client and a USPTO patent practitioner or a foreign jurisdiction patent practitioner that is reasonably necessary and incident to the scope of the practitioner's authority shall receive the same protections of privilege under Federal law as if that communication were between a client and an attorney authorized to practice in the United States, including all limitations and exceptions.”

-37 CFR § 42.57

MISC - PERSONAL SIGNATURE REQUIRED

- Each piece of correspondence that must be signed must be “personally entered by the person named as the signatory.” 37 CFR 1.4(d).
- PTAB has incorporated rule through 11.18. 37 CFR 42.11(b).
 - “Every petition, response, written motion, and other paper filed in a proceeding must comply with the signature requirements set forth in § 11.18(a) of this chapter. The Board may expunge any unsigned submission unless the omission is promptly corrected after being called to the counsel's or party's attention.”
- Non-delegable even with practitioner consent

Final Thoughts & Questions



THANK YOU!

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