

**UNITED STATES
PATENT AND TRADEMARK OFFICE**



Emerging ethical issues in trademark practice before the USPTO

Office of Enrollment and Discipline (OED)
United States Patent and Trademark Office

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Registration statement/CLE

- Final rule published August 3, 2020: 85 FR 46932
 - Proposed guidelines published October 9, 2020: 85 FR 64128
- Biennial registration statement replaces survey of registered patent practitioners
 - No active patent practitioner fee
 - Notice will be provided 120 days in advance of due date
 - Anticipated implementation November 2024
- Voluntary certification of CLE
 - *See* 37 C.F.R. § 11.11(a)(3)
 - Recognition of CLE completion in online practitioner directory
 - Certification of six credits of CLE within preceding 24 months: 5 credits in patent law and practice, 1 credit in ethics in Spring 2022



Misrepresentation/failure to supervise/UPL

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

- Disciplinary complaint alleged, *inter alia*:
 - TM attorney established The Trademark Company, PLLC.
 - Permitted non-attorneys to sign TM applications and practice TM law with little to no supervision.
 - Multiple fraudulent or digitally manipulated TM specimens were filed with the 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



Improper signatures/communication

In re Lou, Proceeding No. D2021-04 (USPTO May 12, 2021)

- Trademark Attorney had business relationship with foreign company that provided IP services to merchants.
- Over the course of their relationship, attorney reviewed up to 500 applications per month and received over \$10,000 in compensation.
- As of Oct. 12, 2020, all of the attorney's TM cases were received from the foreign company.
- Attorney impermissibly gave a company employee authorization to enter his electronic signature in the applications and attendant declarations.
 - Did not subsequently inform applicants that their applications were impermissibly signed.
- Provided the foreign company's email address as correspondence address in applications.
 - Did not monitor the email address; relied on the foreign company to provide him with updates on USPTO correspondence.
- Did not conduct conflicts checks for clients received from the foreign company.
- Settlement: three-month suspension
- Rule highlights:
 - 37 C.F.R. § 11.101 – Competence
 - 37 C.F.R. §§ 11.104(a) & (b) – Client communications
 - 37 C.F.R. §§ 11.303(a)(1), (a)(2), (b) & (d) – Candor toward tribunal
 - 37 C.F.R. § 11.503(b) – Responsibilities regarding non-practitioner assistance
 - 37 C.F.R. § 11.505 – Aiding UPL



Signatures on trademark documents

- 37 C.F.R. § 2.193 Trademark correspondence and signature requirements
 - “(a)...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....**
 - *** **
 - (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 the signer 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.”

Signatures on trademark documents

37 C.F.R. § 2.193(f) Signature as certification. The presentation to the office (whether by signing, filing, submitting, or later advocating) of any document by any person, whether a practitioner or non-practitioner, constitutes a certification under §11.18(b) of this chapter. **Violations of §11.18(b) of this chapter may jeopardize the validity of the application or registration, and may result in the imposition of sanctions under §11.18(c) of this chapter.** Any practitioner violating §11.18(b) of this chapter may also be subject to disciplinary action. See §11.18(d) and §11.804 of this chapter."

Signatures on trademark documents

- TMEP § 611.01(b) Requirements for signature
 - “All documents must be personally signed. 37 C.F.R. §§2.193(a)(1), (c)(1), 11.18(a). The person(s) identified as the signatory must manually enter the elements of the electronic signature. Another person (e.g., paralegal, legal assistant, or secretary) may not sign the name of a qualified practitioner or other authorized signatory. See *In re Dermahose Inc.*, 82 USPQ2d 1793 (TTAB 2007); *In re Cowan*, 18 USPQ2d 1407 (Comm’r Pats. 1990). Just as signing the name of another person on paper does not serve as the signature of the person whose name is written, typing the electronic signature of another person is not a valid signature by that person.”

Trademarks: local counsel rule

- Increase in foreign parties not authorized to represent trademark applicants improperly representing foreign applicants in trademark (TM) matters.
- Fraudulent or inaccurate claims of use are a burden on the trademark system and the public and jeopardize validity of marks.
- Effective August 3, 2019:
 - Foreign-domiciled trademark applicants, registrants, and parties to Trademark Trial and Appeal Board proceedings must be represented at the USPTO by an attorney who is licensed to practice law in the United States.
- Final rule: 84 Fed. Reg. 31498 (July 2, 2019)
- Canadian patent agents are no longer able to represent Canadian parties in U.S. TM matters.
- Canadian TM attorneys and agents will only be able to serve as additionally appointed practitioners.
 - Clients must appoint U.S.-licensed attorney to file formal responses.
 - The USPTO will only correspond with U.S. licensed attorney.



Trademarks: local counsel rule

Dear,

I would like to rent a U.S. lawyer's license or get granted to use your U.S. attorney licensed information. At same time, I pay you yearly fee.

If you are interested in it and want to discuss more, you can contact me.

Regards,
Francis

Improper signatures

In re Caldwell II, Proceeding No. D2020-12 (USPTO March 17, 2020)

- Respondent was U.S. attorney working for Canadian company that provided trademark services.
 - Was attorney of record for company's clients before the USPTO.
 - Allowed company employee to sign his name on documents filed with the USPTO.
 - Did not have prior experience in trademark legal work.
- Mitigating factors:
 - No prior discipline.
 - Fully and diligently cooperated with OED investigation.
 - Terminated his employment with company and informed company and new attorney of record of potential consequences of failing to comply with USPTO signature regulations.
- Settlement: public reprimand and 1-year probation
- Rule highlights:
 - 37 C.F.R. § 11.101 – Competence
 - 37 C.F.R. § 11.103 – Diligence
 - 37 C.F.R. § 11.804(c) – Misrepresentation



Improper signatures

In re Bashtanyk, Proceeding No. D2020-09 (USPTO April 17, 2020)

- Respondent was Canadian trademark agent reciprocally recognized under 37 C.F.R. § 11.14(c).
- Disciplinary complaint alleged:
 - Respondent had relationship with Florida attorney with no prior TM experience.
 - Florida attorney was named attorney of record in U.S. trademark applications.
 - Respondent would enter Florida attorney's signature on documents filed with the USPTO.
 - Respondent failed to cooperate with OED investigation.
- Exclusion on consent.
- Rule highlights:
 - 37 C.F.R. § 11.101 – Competence
 - 37 C.F.R. § 11.801(b) – Failure to cooperate with disciplinary investigation
 - 37 C.F.R. § 11.804(c) – Misrepresentation
 - 37 C.F.R. § 11.804(i) – Other conduct adversely reflecting on fitness to practice



Competence, informed consent, dishonesty

In re Caraco, Proceeding No. D2019-50 (USPTO Sept. 12, 2019)

- TM attorney:
 - Worked with a reciprocally-recognized Canadian practitioner to represent clients located in Canada before the USPTO in trademark matters.
 - Reviewed TM applications and related documents prior to filing, but never consulted or spoke with clients.
 - Allowed Canadian practitioner and her non-practitioner assistants to enter his signature on TM filings.
 - Failed to notify any of the TM clients that he failed to personally sign any of the declarations in TM filings or any of the potential adverse consequences.
 - Failed to notify trademark operations at USPTO of the impermissible signatures.
 - Excluded.
- Rule highlights:
 - 37 C.F.R. § 11.303(a)(1) - False statements of fact or law to the USPTO.
 - 37 C.F.R. § 11.303(a)(3) - Requiring a practitioner to take reasonable remedial measures if practitioner becomes aware of falsity of material evidence.

Decisions imposing public discipline available in “FOIA Reading Room”

- foiadocuments.uspto.gov/oed/
- Official Gazette for Trademarks:
 - www.uspto.gov/learning-and-resources/official-gazette/trademark-official-gazette-tmog



Thank you!

OED

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