

**UNITED STATES
PATENT AND TRADEMARK OFFICE**



Candor and disclosure at the USPTO

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Duties of candor, disclosure, and good faith

- 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 certificate for correspondence filed in the office
- 37 C.F.R. § 11.106(c) - Confidentiality of information
- 37 C.F.R. § 11.303(a)-(e) - Candor toward the tribunal
- 37 C.F.R. § 11.801(a)-(b) - Registration, recognition, and disciplinary matters
- 37 C.F.R. § 11.804(c) - Misconduct (dishonesty, fraud, deceit, misrepresentation)
- 37 C.F.R. § 42.11 - Duty of candor; signing papers; representations to the Board; sanctions

Inequitable conduct

Therasense, Inc. v. Becton, Dickenson & 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.

Inequitable conduct

In re Tendler, D2013-17 (USPTO 2014)

- Patent attorney filed Rule 131 declaration re: reduction to practice with USPTO.
- Soon after, attorney learned that the inventor did not review the declaration and that declaration contained inaccurate information.
- Respondent did not advise the office in writing of the inaccurate information and did not fully correct the record in writing.
- District court held resultant patent unenforceable due to inequitable conduct, in part, because of false declaration. *Intellect Wireless v. HTC Corp.*, 910 F. Supp. 1056 (N.D. Ill. 2012). Federal Circuit upheld.
 - First requirement is to expressly advise the USPTO of existence of misrepresentation, stating specifically where it resides.
 - Second requirement is that the USPTO be advised of misrepresented facts, making it clear that further examination may be required if USPTO action may be based on the misrepresentation.
 - It does not suffice to merely supply the office with accurate facts without calling attention to the misrepresentation.
- Settlement: Four-year suspension (eligible for reinstatement after two years).

Candor toward tribunal

In re Hicks, D2013-11 (USPTO 2013)

- Attorney sanctioned by EDNY for non-compliance with discovery orders.
- Federal Circuit affirmed sanction and found appellate brief to contain “misleading or improper” statements.
 - Brief reads, “Both the Magistrate and the District Court Found that RTI's and its Litigation Counsel Hicks' Pre-Filing Investigation Was Sufficient.” However, neither the magistrate judge nor the district court ultimately found that RTI's or Mr. Hicks's pre-filing investigation was “sufficient.”
 - Mr. Hicks also failed to inform the court that a case citation was non-precedential and therefore unavailable to support his legal contentions aside from “claim preclusion, issue preclusion, judicial estoppel, law of the case, and the like.”
 - *Rates Technology, Inc. v Mediatrix Telecom, Inc.*, 688 F.3d 742 (Fed. Cir. 2012)
- Settlement: public reprimand and one-year probation.

Misrepresentations to the office

In re Massicotte, D2012-22 (USPTO 2012)

- Office actions sent to practitioner in several trademark matters.
 - Practitioner received the office actions prior to the expiration of their response periods.
- Applications became abandoned for failure to respond to the office actions.
- Practitioner filed petitions to revive unintentionally abandoned applications indicating that the office actions were not received prior to the expiration of the response period.
 - Petitions were granted based on this assertion.
- **Settlement:** practitioner received two-year suspension.
 - Eligible for reinstatement after two months
 - Two-year probation after reinstatement



Lack of candor

In re Anonymous, D2014-05 (USPTO 2014)

- Practitioner received TM rejection finding client's mark generic.
- Attorney received correspondence and exhibits from a competitor indicating that the mark was used generically by others.
- Attorney read the correspondence, but purposefully did not look at the exhibits.
- Attorney later submitted a declaration including a sworn statement in support of acquired distinctiveness of the mark, including assertions of "substantially exclusive and continuous use" of the mark.
- USPTO accepted the assertions and registered the mark.
- In a related infringement action, court found that mark was obtained by fraud on the office: the acquired distinctiveness assertion was a material misrepresentation made with the intent to deceive the USPTO.
- Settlement: public reprimand.

Inequitable conduct

Ohio Willow Wood Co. v. Alps South, LLC, **813 F.3d 1350 (Fed. Cir. 2016)**

- Concurrent litigation and reexamination for patent at issue. Patentee used same firm for both litigation and reexam. Firm established an ethical screen between the two teams.
- Director of research at patentee company was the connection between litigation and reexamination teams. He was not a registered practitioner, but had experience in patent matters.
- Director knew of evidence that contradicted arguments made by reexam counsel in favor of patentability.
- Federal Circuit affirmed district court finding of inequitable conduct for failure to bring the evidence to the attention of the USPTO.

Information disclosure statements (IDS)

In re Janka, D2011-57 (USPTO 2011)

- Patent attorney was part of litigation team for infringement suit. District court found contempt connected with attorney's submission of IDS to USPTO in a reexamination proceeding. IDS contained documents covered by a protective order.
- IDS was prepared by the attorney, forwarded to colleague (registered practitioner) who filed it with the USPTO.
- Attorney argued that he believed the confidentiality of the documents had been waived and therefore they were not covered by protective order.
- Conduct violated 37 C.F.R. § 10.77(b) – handling legal matter without preparation adequate under the circumstances.
- Settlement: public reprimand.

Information disclosure statements

In re Bollman, D2010-40 (USPTO 2011)

- Related to *In re Janka*, D2011-57 (USPTO 2011).
- Patent attorney received an assembled IDS from practitioner involved in litigation related to pending reexamination proceeding. He filed the IDS (six boxes of documents) without inspecting them. Did not file documents as confidential.
- Some of the documents were confidential and subject to a protective order in the related litigation.
- Submitting the IDS without inspection of the documents held to be a false certification pursuant to 37 C.F.R. § 11.18(b).
- Settlement: public reprimand and two-year probation.



Decisions imposing public discipline available in “FOIA Reading Room”

- foiadocuments.uspto.gov/oed/
- Official Gazette for Patents
 - 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 webpage.

OED investigations

- Court decisions are not dispositive, but are considered in ethical investigations.
 - Including factual findings and legal analysis
- Court decisions can represent an incomplete record of events.
- OED conducts its own investigation.
 - Contacts practitioner
 - Considers information not available to court



Thank you!

OED

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