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OFFICE OF PETITIONS

In re Application of :
Ziv A. HELLMANN et al. :
Application No. 10/845,097 : ON PETITION
Filed: May 14, 2004 :
Attorney Docket No. :

This is a decision on the petition under 37 CFR 1.181(a)(3), filed August 30, 2012, for review of a decision which approved, on August 16, 2012, a Request to Withdraw as Attorney or Agent of Record under 37 CFR 1.36(b). This is also a decision of the Power of Attorney Request filed August 30, 2012.

The petition under 37 CFR 1.181(a)(3) is **DENIED**¹.

The Power of Attorney Request is **NOT APPROVED**.

BACKGROUND

The above application was filed with the USPTO on May 14, 2004 with an acceptable Power of Attorney.

On August 16, 2012, a Request to Withdraw as Attorney or Agent of Record under 37 CFR 1.36(b) was approved.

The instant petition requests that the letter approving the withdrawal from representation be vacated and the withdrawn attorneys be reinstated as the attorneys of record.

REGULATION AND OFFICE PROCEDURE

35 U.S.C. § (2)(B)(2) provides, in part, that:

The Office-- may, establish regulations, not inconsistent with law, which

(A) shall govern for the conduct of proceedings in Office; and

(D) may govern the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Office, and may require them, before being recognized as representatives of applicants or other persons, to show that they are of good moral character and reputation and are possessed of the necessary qualifications to render to applicants or other persons valuable service, advice, and assistance in the presentation or prosecution of their applications or other business before the Office.

37 CFR 1.36(b) states:

A registered patent attorney or patent agent who has been given a power of attorney pursuant to § 1.32(b) may withdraw as attorney or agent of record upon application to and approval by the Director. The applicant or patent owner will be notified of the withdrawal of the registered patent attorney or patent agent. Where power of attorney is given to the patent practitioners associated with a Customer Number, a request to delete all of the patent practitioners associated with the Customer Number may not be granted if an applicant has given power of attorney to the patent practitioners associated with the Customer Number in an application that has an Office action to which a reply is due, but insufficient time remains for the applicant to file a reply. See § 41.5 of this title for withdrawal during proceedings before the Board of Patent Appeals and Interferences.

37 CFR 1.181 states, in part:

(a) Petition may be taken to the Director:

- (1) From any action or requirement of any examiner in the *ex parte* prosecution of an application, or in *ex parte* or *inter partes* prosecution of a reexamination proceeding which is not subject to appeal to the Board of Patent Appeals and Interferences or to the court;
- (2) In cases in which a statute or the rules specify that the matter is to be determined directly by or reviewed by the Director; and
- (3) To invoke the supervisory authority of the Director in appropriate circumstances. For petitions involving action of the Board of Patent Appeals and Interferences, see § 41.3 of this title.

37 CFR 10.40 states:

(a) A practitioner shall not withdraw from employment in a proceeding before the Office without permission from the Office (see §§ 1.36 and 2.19 of this subchapter). In any event, a practitioner shall not withdraw from employment until the practitioner has taken reasonable steps to avoid foreseeable prejudice to the rights of the client, including giving due notice to his other client, allowing time for employment of another practitioner, delivering to the client all papers and property to which the client is entitled, and

complying with applicable laws and rules. A practitioner who withdraws from employment shall refund promptly any part of a fee paid in advance that has not been earned.

(b) Mandatory withdrawal. A practitioner representing a client before the Office shall withdraw from employment if:

- (1) The practitioner knows or it is obvious that the client is bringing a legal action, commencing a proceeding before the Office, conducting a defense, or asserting a position in litigation or any proceeding pending before the Office, or is otherwise having steps taken for the client, merely for the purpose of harassing or maliciously injuring any person;
- (2) The practitioner knows or it is obvious that the practitioner's continued employment will result in violation of a Disciplinary Rule;
- (3) The practitioner's mental or physical condition renders it unreasonably difficult for the practitioner to carry out the employment effectively; or
- (4) The practitioner is discharged by the client.

(c) Permissive withdrawal. If paragraph (b) of this section is not applicable, a practitioner may not request permission to withdraw in matters pending before the Office unless such request or such withdrawal is because:

- (1) The petitioner's client:
 - (i) Insists upon presenting a claim or defense that is not warranted under existing law and cannot be supported by good faith argument for an extension, modification, or reversal of existing law;
 - (ii) Personally seeks to pursue an illegal course of conduct;
 - (iii) Insists that the practitioner pursue a course of conduct that is illegal or that is prohibited under a Disciplinary Rule;
 - (iv) By other conduct renders it unreasonably difficult for the practitioner to carry out the employment effectively;
 - (v) Insists, in a matter not pending before a tribunal, that the practitioner engage in conduct that is contrary to the judgment and advice of the practitioner but not prohibited under the Disciplinary Rule; or
 - (vi) Has failed to pay one or more bills rendered by the practitioner for an unreasonable period of time or has failed to honor an agreement to pay a retainer in advance of the performance of legal services.
- (2) The practitioner's continued employment is likely to result in a violation of a Disciplinary Rule;
- (3) The practitioner's inability to work with co-counsel indicates that the best interests of the client likely will be served by withdrawal;
- (4) The practitioner's mental or physical condition renders it difficult for the practitioner to carry out the employment effectively;
- (5) The practitioner's client knowingly and freely assents to termination of the employment; or

(6) The practitioner believes in good faith, in a proceeding pending before the Office, that the Office will find the existence of other good cause for withdrawal.

Change in Procedure for Requests to Withdraw from Representation in a Patent Application, 1329 *Off. Gaz. Pat. Office* 99 (April 8, 2008) states, in relevant part:

Revised Procedure: Under the revised procedure, the Office will no longer require at least thirty (30) days between approval of the request to withdraw from representation and the later of the expiration date of a time period for reply or the expiration date of the period which can be obtained by a petition and fee for extension of time under 37 CFR 1.136(a). Instead, the Office will require the practitioner(s) requesting withdrawal as practitioner of record to make specific certifications prior to withdrawal. Section 10.40(a) of Title 37 of the Code of Federal Regulations requires the practitioner to take "reasonable steps to avoid foreseeable prejudice to the rights of the client, including giving due notice to his or her client, allowing time for employment of another practitioner, delivering to the client all papers and property to which the client is entitled, and complying with all applicable laws and rules." In In re Slack, 54 USPQ2d 1504 (Comm'r Pat. 2000), the Office reviewed several statements in a practitioner's request to withdraw from representation to determine if the practitioner had taken reasonable steps to avoid foreseeable prejudice to the client's rights before permitting the practitioner to withdraw. In contrast, the Office did not permit the practitioner to withdraw in In re Legendary Inc., 26 USPQ2d 1478 (Comm'r Pat. 1992), finding that the practitioner had failed to take the reasonable steps to avoid foreseeable prejudice to the client's rights. In an effort to be consistent with these holdings and 37 CFR 10.40, the Office will require the practitioner(s) requesting withdrawal to: (1) give reasonable notice to the client, prior to the expiration of the response period, that the practitioner(s) intends to withdraw from employment; (2) deliver to the client or a duly authorized representative of the client all papers and property (including funds) to which the client is entitled; and (3) notify the client of any responses that may be due and the time frame within which the client must respond. The failure to do so may subject the practitioner to discipline. See, e.g., In re Hierl, <http://www.uspto.gov/web/offices/com/sol/foia/oed/disc/D2006-19.pdf>. The updated version of Form PTO/SB/83 will include a certification section allowing the practitioner requesting withdrawal to certify that he or she has performed the above activities.

By performing the acts noted in the above-cited certifications, the practitioner must provide the client with adequate time to file a reply, and the practitioner must take reasonable steps to avoid foreseeable prejudice to the rights of the client. In most situations, a practitioner will not be permitted to withdraw from representation as practitioner of record unless all the certifications are made. Certain exceptions, however, may exist. For example, a practitioner requesting to withdraw because they have been terminated by the client may not be required to certify to above item (1). However, if the practitioner cannot make all of the certifications, an explanation detailing why the

certification cannot be made must be included with the Request. It is also noted that submitting a false certification may violate a practitioner's duty under 37 CFR 10.23(b)(4) and (b)(5).

As long as the Request is filed prior to the expiration date of a time period for reply or the expiration date of a time period which can be obtained by a petition and fee for extension of time under 37 CFR 1.136(a), the Office will review the Request and render a decision, even if the decision on the Request is decided after the stated period for reply, after the application is abandoned, or after proceedings have terminated. In contrast, the Office will not decide requests to withdraw from representation as practitioner of record which are filed after the expiration date of a time period for reply or the expiration date of a time period which can be obtained by a petition and fee for extension of time under 37 CFR 1.136(a). These Requests will be placed in the application but will not be treated on their merits. In a similar situation, a revocation of power of attorney filed after the expiration date of a time period for reply or the expiration date of a time period which can be obtained by a petition and fee for an extension of time under 37 CFR 1.136 will simply be placed in the application file. The only exception will be a revocation and power of attorney accompanied with a petition to revive.

OPINION

The standard for review of the action or inaction of any employee or operation within the U.S. Patent and Trademark Office is whether that employee or operation acted in an arbitrary and capricious manner, such that the action or inaction was tantamount to an abuse of discretion. However, a review of the approval of the Request to Withdraw as Attorney or Agent of Record under 37 CFR 1.36(b) fails to demonstrate any abuse of discretion.

The applicable statute, 35 U.S.C. 2(B)(2), authorizes the Director to "govern the recognition and conduct of agents, attorneys, or other persons representing applicants or other parties before the Office." Thus, the U.S. Patent and Trademark Office (USPTO) may provide regulations and procedures which govern the appointment and/or withdrawal of attorneys and agents. Accordingly, the USPTO has provided regulations and procedures which govern the withdrawal of attorney and agents. See 37 CFR 1.36(b), 37 CFR 10.40, and Change in Procedure for Requests to Withdraw from Representation in a Patent Application, 1329 *Off. Gaz. Pat. Office* 99 (April 8, 2008), *supra*.

A thorough review of the Request to Withdraw as Attorney or Agent of Record shows the request: (1) provided reasons for the withdrawal under 37 CFR 10.40(c)(1)(iv) and 37 CFR 10.40(c)(1)(vi); (2) gave reasonable notice to the client, prior to the expiration of the response period, that the practitioner(s) intends to withdraw from employment; (3) delivered to the client or a duly authorized representative of the client all papers and property (including funds) to which the client is entitled; (4) notified the client of any responses that may be due and the time

frame within which the client must respond; and (5) provided the Office with a correspondence address to direct all future correspondence. As such the practitioner met the requirements to withdraw from representation and the USPTO did not error or act in an arbitrary and capricious manner in approving the practitioners request to withdraw from representation.

That applicant disagrees with the reasons presented in the Request to Withdraw as Attorney or Agent of Record does not affect the action taken by the Office in the August 16, 2012 decision, rather, it is a matter of conduct that may be taken up with the USPTO's Office of Enrollment and Discipline or a court of competent jurisdiction.

In view of the above, the request by applicant, filed August 30, 2012, to appoint the practitioners of customer number 109025 as attorney(s) or agent(s) of record is not approved.

DECISION

A review of the record indicates that the Office did not abuse its discretion or act in an arbitrary manner in its August 16, 2012 treatment of the Request to Withdraw as Attorney or Agent of Record. The record establishes that the Office had a reasonable basis to support its findings and conclusion to permit the attorneys/agents of record to withdraw from representation.

The petition is granted to the extent that the decision of the Office of August 16, 2012 has been reviewed, but is denied with respect to making any change therein. As such, the decision of August 16, 2012 will not be disturbed. The petition is **denied**.

Telephone inquiries concerning this decision should be directed to David A. Bucci at (571) 272-7099.



Anthony Knight
Director
Office of Petitions/
Petitions Officer

¹ This decision is as a final agency action within the meaning of 5 USC 704 for purposes of seeking judicial review. See MPEP 1002.02.