KILPATRICK TOWNSEND

5 KEY TAKEAWAYS

Ethics in Patent Prosecution

Kilpatrick Townsend partners Gene Bernard and Karam J. Saab recently presented "Ethics in Patent Prosecution" at the firm's three-day CLE & Ski Series, KT Intellectual Property Seminar (KTIPS), in Colorado.

5 key takeaways from the presentation, include:

1

The updated USPTO Rules of Professional Conduct makes it harder to establish an unintentional attorney-client relationship with a prospective client, but caution is still warranted. In 2021, the USPTO updated Rule 37 CFR § 11.118(a) to note that a practitioner can turn someone into a prospective client after a consultation, instead of a mere discussion, about the possibility of forming a client-practitioner relationship. While the term "consults" implies a more formal communication than the term "discusses," the line between these terms is not bright, and practitioners should be cognizant of the potential of inadvertently turning a non-client into a prospective client.

2

In 2021, the USPTO disciplined a significant number of practitioners for violating the USPTO's signature rules (37 CFR § 1.4(d)(2)(i), 37 CFR § 2.193(a)(2)) in combination with the USPTO's U.S. Counsel Rule (37 CFR § 2.11). For both patent and trademark filings, a practitioner is required to affix their own s-signature to electronically-filed documents. An s-signature being affixed by a paralegal, assistant, or any other party on behalf of the practitioner is not acceptable. The U.S. Counsel rule requires that trademark filings for applicants domiciled outside of the United States must be performed by a U.S. attorney.

3

The violations of these USPTO rules frequently stemmed from an attorney permitting another party to use the attorney's signature to file trademark applications without the attorney participating to any significant extent in the application process, such as failing to review trademark specimens being filed with USPTO. As an example, in one disciplinary action, a Chinese entity reached an agreement with a US attorney to file thousands of applications. The applications were wholly prepared by the Chinese entity, including the U.S. attorney's signature. The U.S. attorney did not vet the content of the applications or communicate directly with the applicants. In this example, the U.S. attorney was suspended from practice before the USPTO for two years.

4

Patent practitioners should ensure their contact information is up-to-date with the Office of Enrollment and Discipline (OED) for multiple reasons. First, the USPTO has announced a November 1, 2024, tentative start date for Continuing Legal Education (CLE) requirements for patent practitioners. Communications about the new CLE requirements will be sent to practitioners using the contact information of record. Second, if the practitioner is ever the subject of a request for information (RFI) by the OED regarding a possible rule violation, incorrect contact information hinders the process, can itself serve as a basis for discipline, and may increase any disciplinary action issued by the OED. For example, in one disciplinary action from April 2021, the OED had difficulty reaching a practitioner regarding an investigation. In deciding to bar the practitioner from practice before the USPTO, the OED cited the practitioner's lack of availability for communication and cooperation as one of the reasons for exclusion from practice before the USPTO.

5

Ignoring client instructions for securing confidential information can expose patent practitioners to disciplinary proceedings before the OED. In 2021, the USPTO updated its Rules of Professional Conduct to include 37 CFR § 11.106(d) to note that a patent practitioner shall make reasonable efforts to prevent the inadvertent or unauthorized disclosure of, or unauthorized access to, information relating to the representation of a client. The updated rule more closely mirrors ABA Model Rule 1.6. The comments in Model Rule 1.6 note that client instructions for securing confidential information are a factor in determining the reasonableness of the efforts to preserve the confidentiality of the client information. Ignoring those client instructions can weigh heavily in determining whether a practitioner's efforts were reasonable.

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