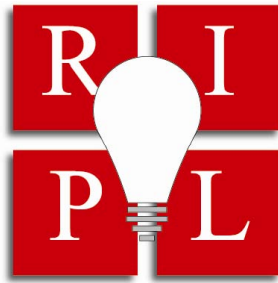


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ETHICAL ISSUES IN U.S. TRADEMARK PROSECUTION AND TTAB PRACTICE

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ABSTRACT

The conduct of practitioners and agents before the U.S. Patent and Trademark Office (“USPTO” or “Office”) is subject to regulation by the Office under 35 U.S.C. § 2(b)(2)(D). This provision grants the Under Secretary of Commerce for Intellectual Property and the Director of the USPTO the authority to establish regulations to govern the conduct of agents, attorneys, or other representatives before the Office, including establishing disciplinary measures for non-compliance with those regulations. The USPTO regulations governing conduct include the Patent and Trademark Office Code of Professional Responsibility. This article summarizes the key canons and disciplinary rules applicable to trademark practitioners and authorized representatives; outlines common ethical issues for practitioners and other authorized representatives that arise in *ex parte* and *inter partes* trademark proceedings before the USPTO. This article also discusses the case law that has developed relating to these issues. Although the practice of law is generally regulated by State ethics rules and regulations, trademark practitioners and authorized representatives should be equally familiar with the separate set of USPTO regulations governing their conduct before the Office. Additionally, although the USPTO canons and disciplinary rules are based on the Model Code of Professional Responsibility of the American Bar Association (like some State ethics codes), there are a number of ethical issues unique to the conduct of trademark practitioners and agents before the Office. Failure to adhere to these unique rules and regulations can result in disciplinary action by the USPTO that compounds or even exceeds any disciplinary action by the State.

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I. INTRODUCTION

The conduct of practitioners and agents before the U.S. Patent and Trademark Office (“USPTO” or “Office”) is subject to regulation by the Office under 35 U.S.C. § 2(b)(2)(D).¹ This provision grants the Under Secretary of Commerce for Intellectual Property and the Director of the USPTO (“Director”) the authority to establish regulations to govern the conduct of agents, attorneys, or other representatives before the Office, including establishing disciplinary measures for non-compliance with those regulations.² The USPTO regulations governing conduct include the Patent and Trademark Office Code of Professional Responsibility.³ This article summarizes the key canons and disciplinary rules applicable to trademark practitioners and authorized representatives; outlines common ethical issues for practitioners and other authorized representatives, which arise in *ex parte* and inter partes trademark proceedings before the USPTO; and discusses the case law that has developed relating to these issues.

II. DISCUSSION

*A. Patent and Trademark Office Code of Professional Responsibility**1. Cannons and Disciplinary Rules*

Part 10 of 37 C.F.R. contains nine canons of professional conduct⁴ as well as disciplinary rules.⁵

The USPTO canons are “statements of axiomatic norms, expressing in general terms the standards of professional conduct expected of practitioners in their

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¹ 35 U.S.C. § 2(b)(2)(D) (2006).

² *Id.*; *see also* 35 U.S.C. § 32 (granting the Director the right to suspend or exclude any person, agent, or attorney for various conduct).

³ Patent and Trademark Office Code of Professional Responsibility, 37 C.F.R. §§ 10.20–1.29 (2010).

⁴ *Id.* § 10.20(a) (“Cannons are set out in §§ 10.21, 10.30, 10.46, 10.56, 10.61, 10.76, 10.83, 10.100, and 10.110.”).

⁵ *Id.* § 10.20(b) (“Disciplinary Rules are set out in §§ 10.22–.24, 10.31–.40, 10.47–.57, 10.62–.68, 10.77, 10.78, 10.84, 10.85, 10.87–.89, 10.92, 10.93, 10.101–.103, 10.111, and 10.112.”).

relationships with the public, with the legal system, and with the legal profession.”⁶ In contrast, the disciplinary rules are “mandatory in character and state the minimum level of conduct below which no practitioner can fall without being subjected to disciplinary action.”⁷

The USPTO canons and disciplinary rules are based on the Model Code of Professional Responsibility of the American Bar Association.⁸ The preamble to Rule 10.1 states that the USPTO canons and disciplinary rules apply to the practice of law before the USPTO and that “nothing in this part shall be construed to preempt the authority of each State to regulate the practice of law.”⁹ Thus, a practitioner may be subject to concurrent disciplinary action before both the USPTO and State authorities.

2. Office of Enrollment and Discipline Proceedings

The USPTO, through the Office of Enrollment and Discipline (“OED”), has the power to discipline practitioners who violate the regulations.¹⁰ The OED Director is responsible for investigating grievances and allegations of misconduct.¹¹ When the Director conducts a disciplinary investigation, practitioners are required to report any unprivileged knowledge they possess of USPTO Code violations.¹² If, after investigation, the Director believes that a practitioner has violated a disciplinary rule, the matter is referred to the USPTO’s Committee on Discipline (the “Committee”).¹³ The Committee is comprised of a body of at least three USPTO attorneys appointed by the Director.¹⁴ The Committee decides whether there is probable cause to believe that a rule has been violated.¹⁵

If the Committee makes a finding of probable cause, a formal disciplinary proceeding may be initiated by the filing and serving of a complaint.¹⁶ The respondent is allowed an opportunity to file an answer, and a contested case is commenced.¹⁷ A hearing officer is then appointed by the USPTO Director to conduct the contested disciplinary proceedings.¹⁸ In the past, the hearing officers have been independent Administrative Law Judges of the U.S. Environmental Protection

⁶ *Id.* § 10.20(a).

⁷ *Id.* § 10.20(b).

⁸ Compare *id.* § 10.76 (stating that “[a] practitioner should represent a client competently”), with MODEL RULES OF PROF’L CONDUCT R. 1.1 (2010) (stating that “[a] lawyer shall provide competent representation to a client.”).

⁹ 37 C.F.R. § 10.1 pmb1.

¹⁰ *Id.* § 11.2(5).

¹¹ *Id.* §§ 11.2(b)(4), 11.22(a).

¹² *Id.* §§ 10.24(a), 11.22(f).

¹³ *Id.* §§ 11.22(h)(3), 11.23.

¹⁴ *Id.* § 11.23(a).

¹⁵ *Id.* § 11.23(b)(1).

¹⁶ *Id.* § 11.32.

¹⁷ *Id.* § 11.38 (stating that “[u]pon the filing of an answer by the respondent, a disciplinary proceeding shall be regarded as a contested case.”).

¹⁸ *Id.* § 11.39(a).

Agency who are not employees of the USPTO.¹⁹ The OED Director has the burden of proving a rule violation by clear and convincing evidence.²⁰ Depending upon the seriousness of the offense, the disciplinary proceedings may result in a warning, reprimand, suspension, or exclusion (i.e., disbarment or prohibition) from practice before the USPTO.²¹

B. Who May Practice Before the USPTO in Trademark Proceedings

The owner of a trademark may file and prosecute his or her own trademark application, or choose to be represented by an attorney or domestic representative.²² Similarly, a party may also represent itself or engage an attorney to represent it in a proceeding before the Trademark Trial and Appeal Board (“TTAB” or “the Board”).²³

There is no requirement for an attorney to obtain a registration or special recognition to practice before the USPTO, including the TTAB, in trademark matters.²⁴ An attorney need only be a member in good standing of any bar of any United States court or the highest court of any state.²⁵

The rules also permit certain foreign attorneys or agents from Canada to represent a party in proceedings before the Trademark Office and the Board.²⁶ A foreign attorney or agent who is a non-resident must file an application for reciprocal recognition and prove that he or she is registered or in “good standing before the patent or trademark office of the country in which he or she resides and practices and is possessed of good moral character and reputation.”²⁷

1. Misconduct, Neglect, and Improper Ex parte Communications

The following rules represent a non-exhaustive list of obligations and standards governing misconduct, neglect, and contact with USPTO officials that apply to practitioners before the USPTO, including trademark practitioners. These rules are

¹⁹ See 37 C.F.R. § 10.139 (2008) (granting administrative law judges authority to conduct disciplinary proceedings) (reserved by 37 Fed. Reg. 47,650, 47,687 (Aug. 14, 2008)).

²⁰ 37 C.F.R. § 11.49 (2010).

²¹ *Id.* § 11.20(a)(1)–(4); see *Goldstein v. Moatz*, 364 F.3d 205 (4th Cir. 2004) (describing OED proceedings).

²² U.S. PAT. & TRADEMARK OFFICE, U.S. DEP’T OF COMMERCE, TRADEMARK MANUAL OF EXAMINING PROCEDURE § 602 (7th ed., Oct. 2010) (citing 37 C.F.R. § 11.14) [hereinafter *TMEP*].

²³ U.S. PAT. & TRADEMARK OFFICE, U.S. DEP’T OF COMMERCE, TRADEMARK TRIAL AND APPEAL BOARD MANUAL OF PROCEDURE § 114.01 (2d ed., 1st rev. 2004) [hereinafter *TBMP*].

²⁴ *Id.* § 114.03; see 37 C.F.R. § 11.14(a).

²⁵ 37 C.F.R. § 10.1(c); see *In re Jensen*, No. D2009-46 (U.S. Dep’t of Commerce Feb. 18, 2010) (reprimanding counsel for aiding the unauthorized practice of law by hiring a non-attorney to prepare, sign, and file trademark applications on behalf of a client).

²⁶ 37 C.F.R. § 11.14(c).

²⁷ *Id.*; see *In re* [Name Redacted], No. Moral_16 (U.S. Dep’t of Commerce July 15, 2009), available at http://des.uspto.gov/Foia/RetrievePdf?system=OED&fNm=0563MOR_2009-07-15 (denying reciprocal recognition of foreign practitioner who prosecuted trademark applications before the Trademark Office without prior approval, and who falsely represented to the Office that he had such approval).

often at issue in OED proceedings.²⁸ Although the vast majority of decisions, both published and unpublished, involve patent practitioners, these decisions provide valuable guidance to trademark practitioners for avoiding ethical issues before the USPTO.

a. Misconduct Under 37 C.F.R. § 10.23

37 C.F.R. § 10.23 contains the major conduct prohibitions and states the minimum level of conduct for a practitioner before the USPTO.²⁹ The prohibitions often at issue in OED proceedings include:

- Engaging in conduct involving dishonesty, fraud, deceit, or misrepresentation;³⁰
- Engaging in conduct that adversely reflects on the practitioner's fitness to practice before the Office;³¹
- Knowingly giving false or misleading information or knowingly participating in a material way in giving false or misleading information, to: (i) a client in connection with any immediate, prospective, or pending business before the Office or (ii) the Office or any employee of the Office;³²
- Misappropriation of, or failure to properly or timely remit, funds received by a practitioner or the practitioner's firm from a client to pay a fee which the client is required by law to pay to the Office;³³
- Directly or indirectly improperly influencing, attempting to improperly influence, offering or agreeing to improperly influence, or attempting to offer or agreeing to improperly influence an official action of any employee of the Office by: (i) use of threats, false accusations, duress, or coercion, (ii) an offer of any special inducement or promise of advantage, or (iii) improperly bestowing of any gift, favor, or thing of value;³⁴

²⁸ See, e.g., *Lipman v. Dickinson*, 174 F.3d 1363, 1366–67, 1372 (Fed. Cir. 1999), *Moatz v. Kersey*, 67 U.S.P.Q.2d (BNA) 1291, 1292 (T.T.A.B. 2002).

²⁹ *Id.* § 10.23(a)–(b) (stating what a practitioner “shall not” do).

³⁰ *Id.* § 10.23(b)(4).

³¹ *Id.* § 10.23(b)(6).

³² *Id.* § 10.23(c)(2)(i)–(ii); see *In re Barndt*, 27 U.S.P.Q.2d (BNA) 1749, 1750 (U.S. Dep't of Commerce 1992) (affirming the suspension of a practitioner from practice before USPTO for five years because he had concealed from one or more clients that a patent application had become abandoned).

³³ 37 C.F.R. § 10.23(c)(3).

³⁴ *Id.* § 10.23(c)(4).

- Suspension or disbarment from practice as an attorney or agent on ethical grounds by any duly constituted authority of a State or the United States;³⁵
- Failing to inform a client or former client, or failing to timely notify the Office of an inability to notify a client or former client, of correspondence received from the Office or the client's or former client's opponent in an inter partes proceeding before the Office when the correspondence (i) could have a significant effect on a matter pending before the Office, (ii) is received by the practitioner on behalf of a client or former client and (iii) is correspondence of which a reasonable practitioner would believe under the circumstances the client or former client should be notified;³⁶
- Knowingly misusing a "Certificate of Mailing or Transmission" under § 1.8;³⁷
- Knowingly filing or causing to be filed an application containing any material alteration made in the application papers after the signing of the accompanying oath or declaration without identifying the alteration at the time of filing the application papers;³⁸
- Knowingly filing, or causing to be filed, a frivolous complaint alleging a violation by a practitioner of the Patent and Trademark Office Code of Professional Responsibility;³⁹
- Signing a paper filed in the Office in violation of the provisions of § 11.18 or making a scandalous or indecent statement in a paper filed in the Office;⁴⁰ and,
- In the absence of information sufficient to establish a reasonable belief that fraud or inequitable conduct has occurred, alleging before a

³⁵ *Id.* § 10.23(c)(5).

³⁶ *Id.* § 10.23(c)(8); see *In re Van Der Wall*, No. D04-02 (U.S. Dep't of Commerce May 24, 2004), available at http://des.uspto.gov/Foia/ReterivePdf?system=OED&fNm=0097_DIS_2004-05-27 (practitioner reprimanded for failing to inform client of deadline to respond to Office Action and resulting abandonment of application).

³⁷ 37 C.F.R. § 10.23(c)(9); see *Klein v. Peterson*, 696 F. Supp. 695, 696, 699 (D.D.C. 1988) (affirming suspension of patent counsel from practice before the USPTO for seven years because he backdated, or caused to be backdated, certificates of mailing); *Small v. Weiffenbach*, 10 U.S.P.Q.2d (BNA) 1898, 1905-06 (U.S. Dep't of Commerce 1989) (suspending a patent practitioner from practice before the USPTO for five years because he instructed secretary to backdate numerous documents filed with the USPTO); *Moatz v. Bode*, No. D02-14 at 2 (U.S. Dep't of Commerce July 28, 2004), available at http://des.uspto.gov/Foia/ReterivePdf?system=OED&fNm=0016_DIS_2004-07-28 (suspending patent counsel from practice before USPTO for seven years, with final four-year suspension stayed on probation, for backdating certificate of mailing).

³⁸ 37 C.F.R. § 10.23(c)(11).

³⁹ *Id.* § 10.23(c)(12).

⁴⁰ *Id.* § 10.23(c)(14).

tribunal that anyone has committed a fraud on the Office or engaged in inequitable conduct in a proceeding before the Office.⁴¹

b. Incompetence and Neglect Under 37 C.F.R. §§ 10.76–.77

Canon 6 provides that a practitioner should represent a client competently.⁴² In addition, 37 C.F.R. § 10.77 mandates, in part, that “[a] practitioner shall not [h]andle a legal matter without preparation adequate in the circumstances . . . [or n]eglect a legal matter entrusted to the practitioner.”⁴³

Disciplinary actions before the USPTO often involve allegations of neglect. The USPTO regulations do not define “neglect.”⁴⁴ In *In re Klein*,⁴⁵ however, the USPTO Commissioner held that a showing of willfulness is not necessary in order to prove neglect.⁴⁶ Further, the comments to the Federal Register Notice of Proposed Rulemaking indicate that neglect may be based on a single incident of neglect.⁴⁷ The following are descriptions of representative cases finding of neglect under 37 C.F.R. § 10.77:

- Failure to adequately explain different types of patents to inventor-clients. A practitioner failed to explain differences between utility and design patents, with the result that inventor-clients did not understand nature of patent for which they were applying.⁴⁸
- Failure to timely file or delay in filing patent application. A practitioner was suspended for failure to complete preparation of one patent application in more than two and one-half years, and failure to file second patent application in more than five years after being paid in full.⁴⁹
- Failure to respond to USPTO Office Action. Attorney filed 24 patent applications on behalf of one client, and the USPTO issued Office Actions in each of them. Through a series of clerical errors and staffing problems at the law firm, the response deadlines were not docketed, and the applications unintentionally went abandoned. The attorney

⁴¹ *Id.* § 10.23(c)(18).

⁴² *Id.* § 10.76.

⁴³ *Id.* § 10.77.

⁴⁴ *See id.* § 10.1.

⁴⁵ 6 U.S.P.Q.2d (BNA) 1528 (U.S. Dep’t of Commerce 1988).

⁴⁶ *Id.* at 1542–43.

⁴⁷ Practice Before the Patent and Trademark Office, 49 Fed. Reg. 10,012, 10,017 (proposed Mar. 16, 1984).

⁴⁸ *See* *Moatz v. Colitz*, 68 U.S.P.Q.2d (BNA) 1079, 1081, 1100 (U.S. Dep’t of Commerce 2003) (affirming suspension of a patent practitioner for five years due to his failure to adequately describe the difference between a design patent and utility patent to his clients among other violations).

⁴⁹ *See* *Bovard v. Gould*, No. D96-02 (U.S. Dep’t of Commerce May 6, 1997), available at http://des.uspto.gov/Foia/RetrievePdf?system=OED&flNm=0044_DIS_1997-05-06 (attorney excluded from practice before USPTO for delay in filing patent application and non-responsiveness to a client’s inquiries).

informed the client of the problem, personally paid the full amount to revive all of the applications, and was able to prevent any harm to his client's interests. The attorney was reprimanded for neglect violations under Rule 10.77(c).⁵⁰

- Filing incorrect or improper paper. Attorney subject to discipline for filing a petition to revive as opposed to a petition to accept delayed payment of the issue fee, which resulted in abandonment of application.⁵¹

c. Contact with Officials Under 37 C.F.R. § 10.93

37 C.F.R. § 10.93 provides, in part, that in an adversarial proceeding, including an inter partes proceeding before the Board, a practitioner shall not communicate, or cause another to communicate, as to the merits of the cause with a judge, official, or office employee before whom the proceeding is pending, except:

- (1) In the course of official proceeding in the case;
- (2) In writing if the practitioner promptly delivers a copy of the writing to opposing counsel or to the adverse party if the adverse party is not represented by a practitioner;
- (3) Orally upon adequate notice to opposing counsel or to the adverse party if the adverse party is not represented by a practitioner; and
- (4) As otherwise authorized by law.⁵²

The Trademark Trial and Appeal Board Manual of Procedure ("TBMP") § 105 further provides that parties and attorneys may contact the Board to inquire about the status of a case or ask general procedural information.⁵³ However, that section also provides that a party may not contact the Board to discuss the merits of a case or any particular issue.⁵⁴

A party or practitioner may contact the Board or interlocutory attorney responsible for a particular case to initiate a telephone conference hearing on a

⁵⁰ See *In re Cohen*, 66 U.S.P.Q.2d (BNA) 1782, 1783–85 (U.S. Dep't of Commerce 2002) (suspending an attorney for failure to respond to multiple Office Actions); *In re Barndt*, 27 U.S.P.Q.2d (BNA) 1749, 1751, 1757 (U.S. Dep't of Commerce 1992) (affirming suspension for neglect in failing to file one or more amendments or drawings in response to office actions and failing to pay filing fees).

⁵¹ *In re Bard*, 20 U.S.P.Q.2d (BNA) 1708, 1710, 1712 (U.S. Dep't of Commerce 1991); see also *Bovard v. Barron*, 55 U.S.P.Q.2d (BNA) 1860, 1863–64 (U.S. Dep't of Commerce 1999) (suspending practitioner for mishandling patent application by failing to respond to USPTO notices and filing petition to revive application that did not contain required materials).

⁵² 37 C.F.R. § 10.93(b) (2010).

⁵³ TBMP, *supra* note 23, § 105 (2d ed. 1st Rev., Mar. 2004).

⁵⁴ *Id.*

motion.⁵⁵ Under TBMP § 502.06(a), however, the initial contact with the Board must be “limited to a simple statement of the nature of the issues proposed to be decided by telephone conference, with no discussion of the merits.”⁵⁶

C. Duty of Candor and Disclosure

The duty of candor and good faith in patent prosecution proceedings is stated in 37 C.F.R. § 1.56. According to the rule, “each individual associated with the filing and prosecution of a patent application has a duty of candor and good faith in dealing with the Office, which includes a duty to disclose to the Office all information known to that individual to be material to patentability as defined in this section.”⁵⁷

This duty of candor has been described as a very high level “fiduciary-like duty of full disclosure” that “encompasses affirmative acts of commission, e.g. submission of false information, as well as omissions, e.g., failure to disclose material information.”⁵⁸ The rationale for the high level of candor and disclosure in patent cases is that every right granted to a patentee is conferred by the Patent Office, and the Office must protect the public from fraudulently obtained patent monopolies.⁵⁹

Under this stringent duty of candor, an inventor, attorney, or agent who prepares or prosecutes an application is required to fully and voluntarily disclose all material information known relating to the invention, including information on prior use or sales known to the inventor, questions of inventorship, or prior publication or patents.⁶⁰ Failure to comply with Rule 1.56 constitutes “inequitable conduct” (fraud on the Patent Office), and it is often raised as a defense to a charge of patent infringement.⁶¹ A finding of “inequitable conduct” in a patent infringement action can render the patent unenforceable and result in liability for attorney’s fees and antitrust damages.⁶² Further, although there are few published decisions on the

⁵⁵ 37 C.F.R. § 2.120(i)(1).

⁵⁶ TBMP, *supra* note 23, § 502.06(a); *see, e.g.*, Carrini, Inc. v. Carla Carini S.R.L., 57 U.S.P.Q.2d (BNA) 1067, 1071–73 (T.T.A.B. 2000) (entering sanctions against both parties dismissing the proceeding without prejudice and abandoning the application without prejudice on the ground that the attorneys repeatedly filed papers in violation of Board orders, and attempted ex parte contact with Board attorneys and Administrative Trademark Judges); Tassan, No. D03-10 (U.S. Dep’t of Commerce Sept. 8, 2003), *available at* http://des.uspto.gov/Foia/ReterivePdf?system=OED&fINm=0094_DIS_2003-09-08 (reprimanding attorney for communicating with an interlocutory attorney and Administrative Trademark Judges on several occasions regarding the merits of a final decision).

⁵⁷ 37 C.F.R. § 1.56 (2010).

⁵⁸ 6 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION, § 31:63 (4th ed. 2010) [hereinafter MCCARTHY] (quoting *J.P. Stevens & Co. v. Lex Tex, Ltd.*, 747 F.2d 1553, 1559 (Fed. Cir. 1984)).

⁵⁹ *Id.*; *see also* 37 C.F.R. § 1.56 (“A patent by its very nature is affected with a public interest.”); *Precision Instrument Mfg. Co. v. Auto. Maint. Mach. Co.*, 324 U.S. 806, 816 (1945).

⁶⁰ *See* U.S. PATENT & TRADEMARK OFFICE, U.S. DEPT OF COMMERCE, MANUAL OF PATENT EXAMINING PROCEDURE §§ 2000–04 (8th ed. 8th Rev., July 2010) [hereinafter MPEP].

⁶¹ 37 C.F.R. § 1.56; *see, e.g.*, *Critikon Inc. v. Becton Dickinson Vascular Access, Inc.*, 120 F.3d 1253, 1256 (Fed. Cir. 1997).

⁶² *See* 35 U.S.C. § 285 (2006) (awarding attorney’s fees in exceptional circumstances); *see, e.g.*, *Taltech Ltd. v. Esquel Enters. Ltd.*, 604 F.3d 1324, 1335 (Fed. Cir. 2010); *Molins PLC v. Textron*, 48 F.3d 1172, 1191–92 (Fed. Cir. 1995) (Nies, J., dissenting in part).

subject, an attorney or agent in violation of Rule 1.56 may be subject to disciplinary action for “misconduct” under the USPTO Disciplinary Rules.⁶³

Although this stringent duty of candor under Rule 1.56 does not apply to trademark proceedings before the USPTO, there is a duty of candor and disclosure in practice before the Trademark Office and TTAB.⁶⁴ In certain cases, clear and convincing evidence of false statements of material fact made to or withheld from the Trademark Office, with an intent to deceive, may also rise to a level of fraud and result in the refusal of registration or cancellation of an existing registration.⁶⁵ Further, although there are no published decisions on the subject, an attorney or authorized representative who makes such false statements, withholds material information from the Trademark Office, or fails to correct a misrepresentation once known—regardless of who made the misstatement—may be subject to disciplinary action under USPTO regulations.⁶⁶

1. *Fraud Before the Trademark Office Post Bose*

The issue of fraud in the procurement or maintenance of a registration may arise during an opposition or cancellation proceeding before the TTAB, as grounds for cancellation in a civil action, as an affirmative defense to a charge of infringement of a registered mark, or in other civil actions.⁶⁷ It is also possible, although there are no published cases on this point, that fraud before the Trademark Office may be grounds for disciplinary action by the Office of Enrollment and Discipline on grounds of misconduct and/or neglect under 37 C.F.R. §§ 10.23 and 10.77 or other violations.⁶⁸

a. *Elements of Fraud*

In *In re Bose Corp.*, the Court of Appeals for the Federal Circuit clarified that “a trademark is obtained fraudulently under the Lanham Act only if the applicant or registrant knowingly makes a false, material representation with the intent to deceive the USPTO.”⁶⁹ The court recognized, among other things, that “[m]ere negligence is not sufficient to infer fraud or dishonesty,” and gross negligence may not “itself justify an inference of intent to deceive.”⁷⁰ The court also held that fraud must be proven “to the hilt” by clear and convincing evidence, and that there is “no

⁶³ 37 C.F.R. § 10.23(b)(4), (c)(2), (c)(10), (c)(15); *Jaskiewicz v. Mossinghoff*, 822 F.2d 1053, 1061 (Fed. Cir. 1987).

⁶⁴ See 37 C.F.R. § 10.23(b)(4), (c)(2)(ii); see, e.g., *Yocum v. Covington*, 216 U.S.P.Q. (BNA) 210, 216 (T.T.A.B. 1972); *Aromatique, Inc. v. Gold Seal, Inc.*, 28 F.3d 863, 877 (8th Cir. 1994) (holding that a trademark applicant owes a duty of candor to the USPTO (citing *Copelands' Enter., Inc. v. CNV, Inc.*, 945 F.2d 1563, 1567–68 (Fed. Cir. 1991) and *Orient Express Trading Co. v. Federated Dep't Stores, Inc.*, 842 F.2d 650, 653 (2d Cir. 1988))).

⁶⁵ See 15 U.S.C. § 1064(3) (2006); *In re Bose Corp.*, 580 F.3d 1240, 1244–45 (Fed. Cir. 2009).

⁶⁶ See, e.g., 37 C.F.R. §§ 10.23(b)(4), (c)(2)(ii), (c)(15), 10.85(b)(1).

⁶⁷ MCCARTHY, *supra* note 58, § 31:59.

⁶⁸ 37 C.F.R. §§ 10.23, 10.77, 11.18; see MPEP, *supra* note 60, app. r at 262.

⁶⁹ 580 F.3d at 1243, 1245.

⁷⁰ *Id.* at 1244 (quoting *Symbol Tech, Inc., v. Opticon, Inc.*, 935 F.3d 1569, 1582 (Fed. Cir. 1991) and *Kingsdown Med. Consultants, Ltd. v. Hollister Inc.*, 863 F.2d 867, 876 (Fed. Cir. 1988)).

room for speculation, inference or surmise.”⁷¹ Following the Federal Circuit’s *Bose* decision, the Board has issued a series of decisions imposing a heightened standard for pleading and proving fraud claims before the Trademark Office.⁷²

Although intent to deceive and fraud may be more difficult to plead and prove, this does not necessarily mean that misstatements before the USPTO can never amount to fraud. Whether a “reckless disregard of the truth” may constitute fraud is still an open question.⁷³ To date, there are no cases defining what constitutes a “reckless disregard of the truth” for purposes of trademark fraud. Some commentators have suggested, however, that failure to read a filing or investigate the accuracy of declarations of use in commerce could amount to a “reckless disregard of the truth” and fraud.⁷⁴ Moreover, the USPTO’s regulations governing conduct before the Office require an “inquiry reasonable under the circumstances” to confirm that “allegations and other factual contentions have evidentiary support.”⁷⁵ Thus, a duty to investigate the accuracy of statements made to the USPTO is set forth in the rules.

b. Types of Fraud

The following is a non-exhaustive list of types of conduct that may give rise to a claim of fraud before the Trademark Office:

- Signing a Statement of Use claiming use of the mark on all goods in the Notice of Allowance when applicant made no such use;⁷⁶
- Stating in application and Section 8 affidavit that the mark had been used on specific goods when, in fact, the mark had never been used on such goods;⁷⁷

⁷¹ *Id.* at 1243 (quoting *Smith Int’l, Inc. v. Olin Corp.*, 209 U.S.P.Q. (BNA) 1033, 1044 (T.T.A.B. 1981)); *see also* *Woodstock's Enters. Inc. (Cal.) v. Woodstock's Enters. Inc. (Or.)*, 43 U.S.P.Q.2d (BNA) 1440, 1443–44 (T.T.A.B. 1997).

⁷² *See, e.g.*, *Asian & Western Classics B.V. v. Selkow*, 92 U.S.P.Q.2d (BNA) 1478, 1478–79 (T.T.A.B. 2009); *Enbridge Inc. v. Excelerate Energy LP*, 92 U.S.P.Q.2d (BNA) 1537, 1540 (T.T.A.B. 2009).

⁷³ *See* *DaimlerChrysler Corp. v. Am. Motors Corp.*, 94 U.S.P.Q.2d (BNA) 1086, 1086 n.5 (T.T.A.B. 2010) (citing *In re Bose Corp.*, 580 F.3d 1240, 1246 n.2 (Fed. Cir. 2009)).

⁷⁴ *See* Brief for American Intellectual Property Law Ass’n as Amicus Curiae Supporting Appellant at 12–14, *Bose Corp. v. Hexawave Inc.*, 88 U.S.P.Q. (BNA) 1332 (T.T.A.B. 2007) (No. 91157315).

⁷⁵ 37 C.F.R. § 11.18(2)(iii) (2010).

⁷⁶ *Compare In re Bose*, 580 F.3d at 1246, *with* *M.C.I. Foods, Inc. v. Bunte*, 96 U.S.P.Q.2d (BNA) 1544 (T.T.A.B. 2010) (finding no fraud where the registrant relied on the advice of counsel in seeking registration of an overly broad description of goods, and there was no evidence that counsel had advised against the improper filing strategy or that the registrant otherwise had an intent to deceive the UPSTO).

⁷⁷ *See* *W. Farmers Ass’n v. Loblaw, Inc.*, 180 U.S.P.Q. (BNA) 345 (T.T.A.B. 1973); *see also* *First Int’l Servs. Corp. v. Chuckles, Inc.*, 5 U.S.P.Q.2d (BNA) 1628 (T.T.A.B. 1988) (finding an application oath fraudulent when applicant had not used mark at time of filing application on all goods listed).

- Falsely stating in a renewal affidavit that the mark was still in use for all goods when, in fact, it was only used on one of the listed goods;⁷⁸
- Falsely stating in Section 8 and 15 affidavits that the mark had been used continuously in interstate commerce for five consecutive years;⁷⁹
- Falsely stating or withholding material facts in response to an Examining Attorney's request for information under 37 C.F.R. § 2.61(b);⁸⁰
- Signing trademark application oath claiming ownership of the applied-for mark when applicant, who was merely the U.S. distributor of the product, knew his company did not own the mark;⁸¹
- Failing to disclose the fact that a term is generic;⁸²
- Failing to correct a misrepresentation once known, even if the misrepresentation was originally an innocent mistake;⁸³
- Making false statements in an application pertaining to the date of first use in commerce of the mark, and a false statement in response to an Office Action stating that the "goods have been shipped in interstate commerce between Thailand and the U.S. beginning March 1994 by the distributor;"⁸⁴ and
- Using a false or misleading date on a certificate of mailing.⁸⁵

⁷⁸ *Torres v. Cantine Torresella S.r.l.*, 808 F.2d 46, 48 (Fed. Cir. 1986).

⁷⁹ *Mister Leonard, Inc. v. Jacque Leonard Couture, Inc.*, 23 U.S.P.Q.2d (BNA) 1064, 1065 (T.T.A.B. 1990).

⁸⁰ 37 C.F.R. § 2.61(b); *see* *Global Maschinen GmbH v. Global Banking Sys., Inc.*, 227 U.S.P.Q. (BNA) 862, 867 (T.T.A.B. 1995); *TMEP*, *supra* note 22, § 814.

⁸¹ *See Global Maschinen GmbH*, 227 U.S.P.Q. (BNA) at 867.

⁸² *See G. Levor & Co. v. Nash, Inc.*, 123 U.S.P.Q. (BNA) 234, 234–35 (T.T.A.B. 1959) (finding fraud for a failure to disclose that CABRETTA is generic for leather made from the skins of hair sheep); *cf.* *Kelly Servs., Inc. v. Green's Temporaries, Inc.*, 25 U.S.P.Q.2d (BNA) 1460, 1463–64 (T.T.A.B. 1992) (finding there was no duty to disclose descriptive, non-trademark use by third parties); *Societe Civile Des Domaines Dourthe Freres v. S.A. Consortium Vinicole De Bordeaux Et De La Gironde*, 6 U.S.P.Q.2d (BNA) 1205, 1208 (T.T.A.B. 1988) (refusing registration of a surname).

⁸³ *Mister Leonard, Inc.*, 23 U.S.P.Q.2d at 1066 (citing *Space Base Inc. v. Stadis Corp.*, 17 U.S.P.Q.2d (BNA) 1216, 1219 (T.T.A.B. 1990)).

⁸⁴ *The Pep Boys Manny, Moe & Jack of California v. Hanharuataivan*, 2004 T.T.A.B. LEXIS 625, at *34–38 (T.T.A.B. Sept. 29, 2004) (No. 91105133).

⁸⁵ *See S. Industries Inc. v. Lamb-Weston Inc.*, 45 U.S.P.Q.2d (BNA) 1293, 1295 (T.T.A.B. 1997) (finding the opposer's certificate of mailing associated with its Motion to Extend to be fraudulent); *see also Klein v. Peterson*, 696 F. Supp. 695, 696 (D.D.C. 1988), *aff'd*, 866 F.2d 412 (Fed. Cir. 1989) (barring patent attorney from practice before USPTO on ground that he backdated, or caused to be backdated, certificates of mailing); *Small v. Wiffenbach*, 10 U.S.P.Q.2d (BNA) 1898, 1899–1900 (Comm'r Pats. & Trademarks 1989) (barring patent attorney from practice before the USPTO

2. Allocating the Duty of Candor: Practitioner and Client

A practitioner and client “share the duty” to avoid fraud.⁸⁶ That is, a practitioner has a duty to advise the client of candor toward the tribunal, in this case the USPTO, and to seek the client’s cooperation to meet that obligation.⁸⁷ Similarly, a practitioner has a duty to seek out facts supporting or controverting statements made before the USPTO, and to be satisfied that such statements are accurate, contain evidentiary support, and are supported by prevailing law.⁸⁸

Moreover, if an application or other papers filed before the USPTO contain misstatements made by the applicant or registrant, and the practitioner is aware of them but takes no action to correct the misstatements, the practitioner may be subject to disciplinary action under 37 C.F.R. §§ 10.23(b)(4) and 10.23(c)(2)(ii), and subject to sanctions under 37 C.F.R. § 11.18.⁸⁹ Similarly, a practitioner who prepares and files Office Action responses, amendments, and arguments in support of registration must be aware that false statements made to or failure to provide information requested by the Examining Attorney may rise to the level of fraud.⁹⁰

In addition, if the practitioner, applicant, or registrant becomes aware of any misrepresentation made in the application or registration, Office Action response, or supporting affidavits, the case law and rules indicate that there is a continuing duty of candor to correct the misrepresentation once known.⁹¹ 37 C.F.R. § 10.85(b)(1) also requires that if a practitioner receives information clearly establishing that a client has, in the course of representation, perpetrated a fraud upon the USPTO, the practitioner “shall promptly call upon the client to rectify the same, and if the client refuses to do so the practitioner shall reveal the fraud to the PTO.”⁹²

because he instructed secretary to backdate certificate of mailing used to mail the notice of appeal to USPTO).

⁸⁶ See *Hachette Filipacchi Presse v. Elle Belle LLC*, 85 U.S.P.Q.2d (BNA) 1090, 1094 (T.T.A.B. 2007) (finding that “respondent and its attorney shared the duty to ensure the accuracy of the application and the truth of its statements.”); Jeffrey M. Samuels, *Ethical Considerations for Attorneys Practicing Before the PTO in Trademark Cases*, in TRADEMARKS, COPYRIGHTS, AND UNFAIR COMPETITION FOR THE GENERAL PRACTITIONER 177, 184 (ALI-ABA Continuing Legal Education Course of Study 1993).

⁸⁷ See *Hachette Filipacchi Presse*, 85 U.S.P.Q.2d (BNA) at 1094; 37 C.F.R. § 10.23(c)(2)(ii) (2010); MODEL RULES OF PROF'L CONDUCT R. 3.3 (2010).

⁸⁸ See 37 C.F.R. § 11.18(b)(2)(iii).

⁸⁹ 37 C.F.R. §§ 10.23, 11.18; see *Lipman v. Dickinson*, 174 F.3d 1363, 1372 (Fed. Cir. 1999) (finding that a practitioner’s participation in a material way in preparing and filing a petition with the Director that relied on affidavits that he knew could not be used for any purpose was a violation of USPTO Disciplinary Rules); cf. *M.C.I. Foods, Inc. v. Bunte*, 96 U.S.P.Q.2d (BNA) 1544 (T.T.A.B. 2010) (finding that although party filed an application that listed goods on which the mark was not yet used, there was no fraud because the party had relied on the advice of counsel in filing the application and there was no evidence of the an actual or implied intent to deceive the USPTO by the client; no allegation of attorney misconduct was raised in the case).

⁹⁰ See 37 C.F.R. § 2.61(b); TMEP, *supra* note 22, § 712; *Global Maschinen GmbH v. Global Banking Sys., Inc.*, 227 U.S.P.Q. (BNA) 682, 687 (T.T.A.B. 1995).

⁹¹ See, e.g., 37 C.F.R. § 10.23(b)(4), (c)(2)(ii); *Space Base Inc. v. Stadis Corp.*, 17 U.S.P.Q.2d (BNA) 1216, 1219 (T.T.A.B. 1990).

⁹² 37 C.F.R. § 10.85 (b)(1).

3. *Withdrawal from Representation*

If a practitioner believes that the client has engaged in fraudulent conduct before the USPTO, and/or the practitioner's efforts to call upon the client to rectify the fraud have been refused, the practitioner may seek to withdraw from representation under 37 C.F.R. § 10.40.⁹³ This section provides for mandatory withdrawal when the "practitioner knows or it is obvious that the practitioner's continued employment will result in violation of a Disciplinary Rule."⁹⁴ Further, it allows permissive withdrawal from representation if the practitioner's client "insists that the practitioner pursue a course of conduct that is illegal or that is prohibited under a Disciplinary Rule."⁹⁵

The Trademark Office and/or the TTAB will generally grant a request to withdraw from representation provided that it includes: (1) a statement of the reason(s) for the request to withdraw; (2) a statement that the attorney has given due notice to the applicant or registrant that the attorney is withdrawing from employment and will be filing the necessary papers with the Office (and in *ex parte* prosecution, that the applicant must be given notice of the withdrawal at least two months before the expiration of the response period); (3) a statement that the attorney has delivered to the applicant or registrant all papers and property in the attorney's file concerning the prosecution of the application or registration, and returned any advanced fees that remain unearned; (4) a statement that the attorney notified the applicant or registrant of any responses that may be due and the deadline for response; and (5) in inter partes cases, proof of service of the request upon the client and upon every other party to the proceeding.⁹⁶

D. Signatures, Certifications, and Duty to Make Reasonable Inquiry

Under 37 C.F.R. § 11.18(a), all documents filed in the Office and each piece of correspondence that is filed by a practitioner "must bear a signature, personally signed or inserted by such practitioner."⁹⁷

Rule 11.18(b) further provides, among other things, that by signing, filing, submitting, or advocating of any paper before the USPTO, 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 makes any false, fictitious or fraudulent statements or representations, or knowingly and willfully

⁹³ See 37 C.F.R. § 10.40(b)(2).

⁹⁴ *Id.*

⁹⁵ 37 C.F.R. § 10.40(c)(1)(iii).

⁹⁶ 37 C.F.R. § 2.19(b).

⁹⁷ 37 C.F.R. § 11.18(a).

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.⁹⁸

This rule is based on Fed. R. Civ. P. 11. Several courts have held that the duty to make a reasonable inquiry under Rule 11 “requires counsel to read and consider before litigating.”⁹⁹ Further, an attorney's “plea of ignorance [of the contents of the filed paper] is unavailing. Rule 11 establishes an objective test, and as we have repeatedly observed, an ‘empty head but a pure heart is no defense.’”¹⁰⁰ Moreover, Harry I. Moatz, Director of OED, commented that under 37 C.F.R. § 11.18(b)(2):

Practitioners submitting papers must read each paper submitted to the Office before it is submitted. Each submitted paper must read in its entirety—regardless of the source of the paper.¹⁰¹

Further, the rule was recently amended to impose the same obligations on both practitioners and non-practitioners.¹⁰² Any violation of the rule by a practitioner

⁹⁸ 37 C.F.R. § 11.18(b).

⁹⁹ U.S. Bank Nat'l Ass'n, N.D. v. Sullivan-Moore, 406 F.3d 465, 470 (7th Cir. 2005) (citing Thornton v. Whal, 787 F.2d 1151, 1154 (7th Cir. 1986)).

¹⁰⁰ *Id.* (citing Chambers v. Am. Trans Air, Inc., 17 F.3d 998, 1006 (7th Cir. 1994)).

¹⁰¹ See Harry I. Moatz, U.S. Patent & Trademark Office Dir. of Enrollment & Discipline, Presentation to the Intellectual Property Owners Association: Monitoring Practitioner Compliance with Disciplinary Rules and Inequitable Conduct (Sept. 11, 2007), available at http://www.patentdocs.typepad.com/patent_docs/files/MoatzHarry_presentation.pdf

¹⁰² 37 C.F.R. § 11.18(b).

may result in disciplinary action under 37 C.F.R. § 10.23(c)(15).¹⁰³ Any violation by a practitioner or non-practitioner may jeopardize the validity of a trademark application or registration, and result in sanctions deemed appropriate by the USPTO Director, hearing officer, or an Administrative Law Judge appointed under 5 U.S.C. § 3105.¹⁰⁴ Sanctions may include:

- (1) Striking the offending paper;
- (2) Referring a practitioner's conduct to the Director of Enrollment and Discipline for appropriate action;
- (3) Precluding a party or practitioner from submitting a paper, or presenting or contesting an issue;
- (4) Affecting the weight given the offending paper; or
- (5) Terminating the proceedings in the Office.¹⁰⁵

In *Central Manufacturing Inc. v. Third Millennium Technologies, Inc.*,¹⁰⁶ for example, the Board stated that the power to sanction any party, including a pro se party, is "manifestly clear" under this rule.¹⁰⁷ Further, in *Carrini, Inc. v. Carla Carini S.R.L.*,¹⁰⁸ the Board entered Rule 11-type sanctions based on attorney misconduct.¹⁰⁹ In that case, both attorneys repeatedly filed papers in violation of Board orders, attempted *ex parte* contact with Board attorneys and Administrative Trademark Judges, and engaged in unduly contentious arguments and posturing towards one another.¹¹⁰ As a sanction, the Board dismissed the proceeding without prejudice, and held the application abandoned without prejudice.¹¹¹

E. Conflicts and Potential Witness Disqualification

If a party to an *inter partes* or *ex parte* proceeding before the Board believes that a practitioner representing one of the parties has a conflict of interest or may be called to testify in the proceeding, the party may file a petition to disqualify.¹¹² A petition to disqualify is not a disciplinary proceeding, but rather is filed before the Board and determined by the Chief Administrative Trademark Judge or other authorized designee.¹¹³

¹⁰³ 37 C.F.R. § 10.23(c)(15).

¹⁰⁴ 5 U.S.C. § 3105 (2006); 37 C.F.R. § 11.18(c)(1)–(5).

¹⁰⁵ 37 C.F.R. § 11.18(c)(1)–(5).

¹⁰⁶ 61 U.S.P.Q.2d (BNA) 1210 (T.T.A.B. 2001).

¹⁰⁷ *Id.* at 1213.

¹⁰⁸ 57 U.S.P.Q.2d (BNA) 1067, 1071–72 (T.T.A.B. 2000).

¹⁰⁹ *Id.* at 1071–72.

¹¹⁰ *Id.* at 1069.

¹¹¹ *Id.* at 1073.

¹¹² See MPEP, *supra* note 60, app. r. § 11.19.

¹¹³ TBMP, *supra* note 23, § 513.02.

1. Disqualification of Practitioner as Witness

Section 10.63 of the USPTO Code of Professional Responsibility addresses the issue of whether a practitioner should be disqualified when the practitioner may become a witness in a proceeding:

- (a) If, after undertaking employment in a proceeding in the Office, a practitioner learns or it is obvious that the practitioner or another practitioner in the practitioner's firm ought to sign an affidavit to be filed in the Office or be called as a witness on behalf of a practitioner's client, the practitioner shall withdraw from the conduct of the proceeding and the practitioner's firm, if any, shall not continue representation in the proceeding, except that the practitioner may continue the representation and the practitioner or another practitioner in the practitioner's firm may testify in the circumstances enumerated in paragraphs (1) through (4) of § 10.62(b).
- (b) If, after undertaking employment in a proceeding before the Office, a practitioner learns or it is obvious that the practitioner or another practitioner in the practitioner's firm may be asked to sign an affidavit to be filed in the Office or be called as a witness other than on behalf of the practitioner's client, the practitioner may continue the representation until it is apparent that the practitioner's affidavit or testimony is or may be prejudicial to the practitioner's client.¹¹⁴

Section 10.62(b) sets out when it is appropriate for a practitioner to continue to represent a client despite the fact that the practitioner may have to testify on behalf of a client.

- (b) A practitioner shall not accept employment in a proceeding before the Office if the practitioner knows or it is obvious that the practitioner or another practitioner in the practitioner's firm ought to sign an affidavit to be filed in the Office or be called as a witness, except that the practitioner may undertake the employment and the practitioner or another practitioner in the practitioner's firm may testify:
 - (1) If the testimony will relate solely to an uncontested matter.
 - (2) If the testimony will relate solely to a matter of formality and there is no reason to believe that substantial evidence will be offered in opposition to the testimony.
 - (3) If the testimony will relate solely to the nature and value of legal services rendered in the case by the practitioner or the practitioner's firm to the client.

¹¹⁴ 37 C.F.R. § 10.63 (2010).

- (4) As to any matter, if refusal would work a substantial hardship on the client because of the distinctive value of the practitioner or the practitioner's firm as counsel in the particular case.¹¹⁵

The burden is on the moving party to establish the facts warranting disqualification.¹¹⁶ In determining whether or not disqualification is required under the rules, the primary considerations are “(1) whether an attorney ought to be called to testify on behalf of his [or her] client . . . or (2) whether the attorney may be called other than on behalf of his [or her] client and [the attorney’s] testimony is or may be prejudicial to the client.”¹¹⁷

Although petitions for disqualification are rarely granted for this reason, practitioners should take steps to avoid the possibility of being called as a witness in an *inter partes* proceeding. For example, counsel should avoid, if possible, signing interrogatory responses (except for objections), responses to requests for admissions, declarations in support of evidence submitted during an *ex parte* prosecution or in an *inter partes* proceeding, and application declarations or affidavits in support of registration.¹¹⁸

2. Disqualification for Conflict of Interest

37 C.F.R. § 10.66 addresses the issue of whether a practitioner should be disqualified for a conflict of interest.¹¹⁹ The relevant provision of the USPTO Code governing conflicts of interest provides:

- (a) A practitioner shall decline proffered employment if the exercise of the practitioner’s independent professional judgment in behalf of a client will be or is likely to be adversely affected by the acceptance of the proffered employment, or if it would be likely to involve the practitioner in representing differing interests, except to the extent permitted under paragraph (c) of this section.
- (b) A practitioner shall not continue multiple employment if the exercise of the practitioner’s independent professional judgment in behalf of a client will be or is likely to be adversely affected by the practitioner’s representation of another client, or if it would be likely to involve the practitioner in representing differing interests, except to the extent permitted under paragraph (c) of this section.

¹¹⁵ 37 C.F.R. § 10.62(b)(1)–(4).

¹¹⁶ See *Little Caesar Enters. Inc. v. Domino’s Pizza Inc.*, 11 U.S.P.Q.2d (BNA) 1233, 1235 (Comm’r Pats. & Trademarks 1989).

¹¹⁷ *Id.* (quoting *Optyl Eyewear Fashion Int’l Corp. v. Style Cos.*, 760 F.2d 1045, 1048 (9th Cir. 1985)).

¹¹⁸ See *Allstate Ins. Co. v. Healthy Am. Inc.*, 9 U.S.P.Q.2d (BNA) 1663, 1665–66 (T.T.A.B. 1988) (finding that the opposer’s attorney may sign a declaration in support of and/or in opposition to a summary judgment motion, but this could expose the attorney to being deposed as a witness and possible disqualification).

¹¹⁹ 37 C.F.R. § 10.66.

- (c) In the situations covered by paragraphs (a) and (b) of this section a practitioner may represent multiple clients if it is obvious that the practitioner can adequately represent the interest of each and if each consents to the representation after full disclosure of the possible effect of such representation on the exercise of the practitioner's independent professional judgment on behalf of each.¹²⁰

Canon 4 further provides that "a practitioner should preserve the confidences and secrets of a client."¹²¹ If a party believes that a practitioner has a conflict of interest under these rules, a Petition for Disqualification may be filed.¹²² The Director has, in certain cases, disqualified an attorney from appearing on behalf of an adversary to a former client in a subsequent, substantially related proceeding before the USPTO.¹²³ Further, if a practitioner is disqualified, then other partners or associates within the same firm may also be disqualified.¹²⁴

To prevail on a petition for disqualification on the ground of prior attorney-client relationship, however, the moving party must demonstrate that: (1) there was an attorney-client relationship involving the practitioner sought to be disqualified; (2) that practitioner now seeks to represent a party adverse to his or her former client; and (3) the subject matter of the *inter partes* proceeding is "substantially related" to the subject matter involved in the prior attorney-client relationship.¹²⁵

III. CONCLUSION

The practice of law is generally regulated by State ethics rules and regulations. Trademark practitioners and authorized representatives, however, should be equally familiar with the separate set of USPTO regulations governing their conduct before the Office. Although the USPTO canons and disciplinary rules are based on the Model Code of Professional Responsibility of the American Bar Association (like some State ethics codes), there are a number of ethical issues unique to the conduct of trademark practitioners and agents before the Office. Failure to adhere to these rules and regulations can result in disciplinary action by the USPTO that compounds or even exceeds any disciplinary action by the State.

¹²⁰ 37 C.F.R. § 10.66(a)–(c).

¹²¹ *Id.* § 10.56.

¹²² *See, e.g.,* Plus Prods. v. Con-Stan Indus., Inc., 221 U.S.P.Q. (BNA) 1071, 1072 (Comm'r Pats. & Trademarks 1984); Halcon Int'l, Inc. v. Werbow, 228 U.S.P.Q. (BNA) 611, 611–12 (Comm'r Pats. & Trademarks 1980).

¹²³ *See Plus Prods.*, 221 U.S.P.Q. (BNA) at 1074; *Halcon*, 228 U.S.P.Q. (BNA) at 613.

¹²⁴ 37 C.F.R. § 10.66(d).

¹²⁵ *Halcon*, 228 U.S.P.Q. (BNA) at 612–13.