

**UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE DIRECTOR OF THE UNITED STATES PATENT AND  
TRADEMARK OFFICE**

In the Matter of:	)	
	)	
Raymond M. Galasso,	)	
	)	Proceeding No. D2009-17
Respondent	)	
	)	

**FINAL ORDER  
PURSUANT TO 37 C.F.R. § 11.27**

Pursuant to 37 C.F.R. § 11.27, the Director of the United States Patent and Trademark Office ("USPTO" or "Office") received for review and approval from the Director of Enrollment and Discipline (OED Director) an Affidavit of Resignation submitted by Raymond M. Galasso ("Respondent"), a registered patent attorney.

For the reasons set forth herein, Respondent's Affidavit of Resignation is approved, and Respondent is excluded on consent from the practice of patent, trademark, and other non-patent law before the Office.

**Jurisdiction**

At all times relevant hereto, Respondent of Austin, Texas, has been a registered patent attorney (Registration No. 37,832) and subject to the USPTO Disciplinary Rules.

Pursuant to of 35 U.S.C. §§ 2(b)(2)(D) and 32 and 37 C.F.R. § 11.27, the USPTO Director has the authority to approve Respondent's Affidavit of Resignation and to exclude Respondent on consent from the practice of patent, trademark, and other non-patent law before the Office.

**Respondent's Resignation Affidavit**

Respondent acknowledges in his Affidavit of Resignation:

1. His resignation is freely and voluntarily rendered; he is not being subjected to coercion or duress; and he is fully aware of the implications of submitting his resignation.

2. He is aware that there is currently pending against him a proceeding initiated by a complaint containing charges involving allegations of misconduct, the nature of which is specifically set in paragraphs 4-13 of the Affidavit of Resignation.

3. If and when he applies for reinstatement under 37 C.F.R. § 11.60, the Director of Enrollment and Discipline will conclusively presume, for the limited purpose of determining the application for reinstatement, that:

- (a) the facts upon which the complaint is based are true, and
- (b) he could not have successfully defended himself against the charges in the complaint.

#### **Allegations of Misconduct in the Complaint**

Respondent's Affidavit of Resignation further acknowledges that the complaint included the following allegations of misconduct:

4. In count 1, the complaint contains charges alleging that Respondent: (i) violated 37 C.F.R. §§ 10.23 (b)(4), 10.23 (b)(5) and 10.23 (c)(2)(ii) by providing evasive answers and factual misrepresentations in response to OED's inquiry regarding 26 applications (referenced in count 1 of the complaint), and that Respondent established a pattern of filing provisional applications, delaying until after the provisional applications became abandoned to file related non-provisional applications, which were thereby barred from making a priority claim; (ii) violated 37 C.F.R. § 10.23 (b)(6) by demonstrating incompetence in simply stating there is value in a provisional application alone because "a provisional application provides an applicant with proof of a prior use date for a patent application" and not explaining why Respondent permitted his clients' 26 provisional applications to go abandoned before filing corresponding non-

provisional applications; (iii) violated 37 C.F.R. § 10.77 (b) by demonstrating incompetence by stating “if a non-provisional [sic] and provisional application are not related and the non-provisional claims new subject matter not disclosed in the provisional, no good faith claim to the benefit of the earlier filing date can be made” when, in fact, the 26 provisional applications at issue had the same or similar disclosure as their respective non-provisional applications and would have benefitted from a priority claim.

5. In count 2, the complaint contained charges alleging that Respondent: (i) violated 37 C.F.R. §§ 10.23(b)(4), 10.23 (b)(5) and 10.23 (c)(2)(ii) by providing evading, misleading answers to OED's inquiries regarding representation of Respondent's client, [ ]; (ii) violated 37 C.F.R. §§ 10.77(b) and 10.77(c) by failing to file a non-provisional application before the abandonment of [ ] provisional, failing to advise [ ] that a non-provisional must be filed prior to abandonment of the provisional to claim priority, failing to explain the difference between a provisional and non-provisional, and failing to explain the impact on patent rights if there is a hiatus between the abandonment of the provisional and filing of the non-provisional; (iii) violated 37 C.F.R. § 10.68 (a)(1) by accepting compensation from Aarons & Fleisher (non-lawyer entity) for services rendered to [ ] without obtaining his [ ] consent after full disclosure; (iv) violated 37 C.F.R. § 10.57(b)(1) by providing a copy of [ ] provisional application to Aarons & Fleisher without obtaining [ ] consent after full disclosure; (v) violated 37 C.F.R. § 10.48 by sharing with Patent and Trademark Institute (PTI), Aarons & Fleisher and/or others a portion of the fee paid by [ ] for the filing of a provisional application; (vi) violated 37 C.F.R. §§ 10.112 (a) and (b) by failing to provide documentation that he maintained \$ 6,000.00 advanced by [ ] in an escrow account separate from Respondent's firm's operating account.

6. In count 3, the complaint contained charges alleging that Respondent: (i) violated 37 C.F.R. §§ 10.23(b)(4), 10.23 (b)(5) and 10.23 (c)(2)(ii) by providing evading, misleading and/or false answers to OED's inquiries regarding representation of Respondent's client, [ ]; (ii) violated 37 C.F.R. § 10.77(b), and 10.77(c) by failing to file a non-provisional application before the abandonment of the provisional, failing to advise [ ] that a non-provisional application must be filed prior to abandonment of the provisional to claim priority, failing to explain the difference between a provisional and non-provisional, and failing to explain the impact on patent rights if there is a hiatus between abandonment of the provisional and filing of the non-provisional; (iii) violated 37 C.F.R. § 10.68(a)(1) by seeking and accepting compensation from Aarons & Fleisher (non-lawyer entity) for services rendered to [ ] without obtaining his [ ] consent after full disclosure; (iv) violated 37 C.F.R. § 10.57(b)(1) by providing a copy of [ ] provisional application to Aarons & Fleisher without obtaining his consent after full disclosure; (v) violated 37 C.F.R. § 10.48 by sharing with PTI, Aarons & Fleisher and/or others a portion of the fee paid by [ ] for filing his provisional application.

7. In count 4, the complaint contained charges alleging that Respondent: (i) violated 37 C.F.R. §§ 10.23(b)(4), 10.23(b)(5) and 10.23(c)(2)(ii) by providing evading, misleading and/or false answers to OED's inquiries regarding representation of Respondent's client, [ ]; (ii) violated 37 C.F.R. § 10.77(b) and 10.77(c) by failing to file a non-provisional application before abandonment of her provisional, failing to advise [ ] that a non-provisional must be filed prior to abandonment of her provisional to claim priority, failing to explain the difference between a provisional and non-provisional, and failing to explain the patentability impact if there is a hiatus between the abandonment of the provisional and filing of the non-provisional; (iii) violated 37 C.F.R. § 10.57(b)(1) by providing a copy of [ ] provisional application to Aarons & Fleisher

without obtaining her consent after full disclosure; (iv) violated 37 C.F.R. § 10.48 by sharing with PTI, Aarons & Fleisher and/or others a portion of the fee paid by [ ] for the filing of a provisional application.

8. In count 5, the complaint contained charges alleging that Respondent: (i) violated 37 C.F.R. §§ 10.23 (b)(4), 10.23 (b)(5) and 10.23 (c)(2)(ii) by providing evading, misleading and/or false answers to OED's inquiries regarding representation [of] clients [in] 17 applications (referenced in count 5 of the complaint, ¶ 46); (ii) violated 37 C.F.R. § 10.77(b) and 10.77(c) by failing to file non-provisional applications before abandonment of related provisional applications, failing to advise his clients that non-provisional applications must be filed prior to abandonment of the provisional applications to claim priority, failing to explain the difference between a provisional and non-provisional, and failing to explain the risk and impact on patent rights if there is a hiatus between abandonment of the provisional and filing of the non-provisional application; (iii) violated 37 C.F.R. § 10.68(a)(1) by accepting compensation from Aarons & Fleisher (non-lawyer entity) for services rendered to his clients without obtaining his client's consent after full disclosure; (iv) violated 37 C.F.R. § 10.57(b)(1) by providing a copy of and disclosing his clients' provisional applications to Aarons & Fleisher without obtaining his clients' consent after full disclosure; and (v) violated 37 C.F.R. § 10.48 by sharing with PTI, Aarons & Fleisher and/or others a portion of legal fees paid by his clients for the filing of a provisional applications.

9. In count 6, the complaint contained charges alleging that Respondent: (i) violated 37 C.F.R. §§ 10.23(b)(4), 10.23(b)(5) and 10.23(c)(2)(ii) by giving evading, misleading and/or false answers to OED's inquiries regarding his representation of 8 clients (6 design applications) (referenced in count 6 of the complaint, ¶ 56); (ii) violated 37 C.F.R. §§ 10.77(b) and 10.77(c) by

filing provisional applications for each client instead of design application at the time a provisional application was filed, failing to advise his clients that design applications, by law, can not claim benefit of a provisional application, failing to explain to his clients the difference between a provisional, non-provisional, design and utility applications, and failing to explain to his clients that prior art with a publication date prior to the filing of each design application could impact his clients' right to a patent due to a design application's legal inability to make a priority claim to an earlier filed provisional application; (iii) violated 37 C.F.R. § 10.68(a)(1) by accepting compensation from Aarons & Fleisher (non-lawyers) for services rendered to his clients without obtaining his clients' consent after full disclosure; (iv) violated 37 C.F.R. § 10.57(b)(1) by providing a copy of his clients' provisional applications to Aarons & Fleisher without obtaining his clients' consent after full disclosure; and (v) violated 37 C.F.R. § 10.48 by sharing with PTI, Aarons & Fleisher and/or others a portion of the legal fees paid by his clients for the filing of provisional applications.

10. In count 7, the complaint contained charges alleging that Respondent: (i) violated 37 C.F.R. §§ 10.23 (b)(4) by providing misleading, evasive and/or false answers to OED's inquiries regarding his involvement and conduct in infringement suits and an ITC proceeding (referenced in count 7 of the complaint), (ii) violated 37 C.F.R. §§ 10.23(b)(5) and 10.26 (b)(6) by participating as an owner/director of Verve LLC and as partner and head of the technology practice group with the SGF firm in filing infringement suits and an ITC proceeding without sufficient pre-filing infringement investigation and by continuing to file infringement suits in additional jurisdictions after being put on notice that pre-filing infringement investigation was insufficient.

11. In count 8, the complaint contained charges alleging that Respondent violated 37 C.F.R. § 10.89 (c)(6) by engaging in habitual and repeated violation of the disciplinary rules, namely repeatedly submitting provisional applications for Respondent's clients, allowing them to abandon, and then file either a non-provisional or design applications for his clients in which they were not able to claim priority of the earlier provisional filing date.

12. In count 9, the complaint contained charges alleging that Respondent: (i) violated 37 C.F.R. § 10.66(a) by failing to decline to prepare/prosecute the [ ] application (covering the same subject matter as an application previously filed for [ ]) for [ ] and by accepting employment on behalf of [ ] without first obtaining consent of [ ] after full disclosure of potential conflicts and effect of such representation on the exercise of Respondent's independent professional judgment on behalf of each client, (ii) violated 37 C.F.R. § 10.66 (b) by continuing to represent [ ] in the prosecution of the [ ] application until December 19, 2007, while simultaneously representing [ ] in the prosecution of the [ ] application without first obtaining consent of [ ] after full disclosure of the potential conflict and effect of such representation on the exercise of Respondent's independent professional judgment on behalf of each client.

13. In count 10, the complaint contained charges alleging Respondent: (i) violated 37 C.F.R. § 10.48 by engaging in fee splitting/sharing with PTI, a non-practitioner; (ii) violated 37 C.F.R. § 10.68(a)(1) by accepting compensation from PTI for his legal services without obtaining consent of his client, [ ], after full disclosure; (iii) violated 37 C.F.R. § 10.68(b) by permitting PTI, who referred and paid Respondent to render legal services for [ ], to direct or influence his legal judgment by allowing PTI to intercede and/or direct [ ] to make arrangements to pay PTI prior to him preparing and filing a non-provisional application for [ ]; (iii) violated 37 C.F.R. § 10.47(a) by aiding the unauthorized practice of law when Respondent instructed [ ]

to contact PTI to help her decide if she wanted to convert her provisional into a non-provisional application or to file a non-provisional application; (iv) violated 37 C.F.R. § 10.77(b) by failing to handle a legal matter with adequate preparation when Respondent did not maintain communications with PTI to ascertain if [ ] responded to his October 9, 2002 letter and/or if [ ] paid fees to PTI (received July 3, 2003) for preparation of a non-provisional application; (v) violated 37 C.F.R. § 10.77(c) by neglecting a legal matter entrusted to him when Respondent failed to timely return calls and reply to inquiries by [ ] and failing to report a Notice of Missing Parts to [ ] in a timely manner; (vi) violated 37 C.F.R. § 10.23(b)(5) and 10.77(c) by neglecting an entrusted legal matter and engaging in conduct prejudicial to the administration of justice when Respondent failed to file a non-provisional application before the abandonment of [ ] provisional on July 18, 2003; (vii) violated 37 C.F.R. § 10.23 (b)(4) by engaging in conduct involving dishonesty, fraud, deceit or misrepresentation when he stated to OED that [ ] did not respond to reminder letters and when he represented to [ ] that his firm, Simon, Galasso & Franz no longer practiced IP law, but continued to maintain a deposit account at the PTO.

#### **Exclusion on Consent**

Based on the foregoing, the USPTO Director has determined that Respondent's Affidavit of Resignation complies with the requirements of 37 C.F.R. § 11.27(a). Accordingly, it is ORDERED that:

- a. Respondent's Affidavit of Resignation shall be, and hereby is, approved;
- b. Respondent shall be, and hereby is, excluded on consent from the practice of patent, trademark, and other non-patent law before the Office beginning on the date this Final Order is signed;



- c. Respondent shall be, and hereby is, granted limited recognition to practice before the Office for a period of thirty (30) days beginning on the date this Final Order is signed and expiring thirty (30) days thereafter for the sole purpose of winding up all client business;
- d. Respondent, during the time of his limited recognition, shall wind up all client business before the Office and withdraw from employment in all pending proceedings in accordance with 37 C.F.R. § 10.40;
- e. Respondent, during the time of his limited recognition, shall not accept any new clients having business before the Office;
- f. The OED Director shall publish this Final Order at OED's Reading Room electronically located at: <http://des.uspto.gov/Foia/OEDReadingRoom.jsp>;
- g. The OED Director shall publish the following notice in the Official Gazette:

#### **Notice of Exclusion on Consent**

Raymond M. Galasso of Austin, Texas, a registered practitioner (Registration Number 37,832), has been excluded from the practice of patent, trademark, and non-patent law before the United States Patent and Trademark Office (USPTO). The Director of the United States Patent and Trademark Office has accepted Mr. Galasso's affidavit of resignation at a time when disciplinary charges were pending against him before an Administrative Law Judge. In his affidavit, Mr. Galasso acknowledged that if and when he applies for reinstatement, the Director of Enrollment and Discipline will conclusively presume, for the limited purpose of determining the application for reinstatement, that the facts upon which the complaint is based are true, and he could not have successfully defended himself against the charges in the complaint. Mr. Galasso's exclusion on consent resolves a disciplinary proceeding initiated by a complaint centered around his conduct in representing clients referred to him by Patent & Trademark Institute (PTI) and Aarons & Fleisher (non-lawyer companies). The complaint charged Mr. Galasso with violating 37 C.F.R. §§ 10.23(b)(4), 10.23(b)(5) and 10.23(c)(2)(ii) by providing evasive answers and factual misrepresentations to OED; with violating 37 C.F.R. §§ 10.23(b)(6) and 10.77(b) by preparing inadequately; with violating 37 C.F.R. §§ 10.77(b) and 10.77(c) by preparing inadequately and neglecting entrusted legal matters; with violating 37 C.F.R. § 10.23(b)(4) by engaging in conduct involving dishonesty, fraud, deceit or misrepresentation; with violating 37 C.F.R. § 10.47(a) by aiding the unauthorized practice of law; with violating 37 C.F.R. § 10.48 by sharing legal fees with non-practitioners; with violating

37 C.F.R. § 10.57(b)(1) by revealing a confidence or secret of a client without obtaining his clients' consent after full disclosure; with violating 37 C.F.R. § 10.66(a) by failing to decline proffered employment when the exercise of his independent professional judgment in behalf of his client would have likely involved his representing differing interests; with violating 37 C.F.R. § 10.66(b) by continuing multiple employment when the exercise of his independent professional judgment in behalf of his client was likely to be adversely affected by his representation of another client, or it was likely to involve his representing differing interests; with violating 37 C.F.R. § 10.68(a)(1) by accepting compensation from one other than his client for his legal services to or for his client without obtaining his clients' consent after full disclosure; with violating 37 C.F.R. § 10.68(b) by permitting a person who recommends, employs, or pays the practitioner to render legal services for another, to direct or regulate his professional judgment in rendering such legal services; with violating 37 C.F.R. § 10.112(a) and (b) by failing to provide documentation that he maintained funds advanced by his client in an escrow account separate from his firm's operating account; with violating 37 C.F.R. § 10.23(b)(5) by bringing frivolous infringement suits and ITC proceedings; with violating 37 C.F.R. § 10.89(c)(6) by engaging in habitual and repeated violation of the disciplinary rules.

It is pursuant to the provisions of 35 U.S.C. §§ 2(b)(2)(D) and 32 and 37 C.F.R. §§ 11.27 and 11.59 that this action is taken. Disciplinary decisions involving practitioners are posted for public reading at OED's Reading Room located at: <http://des.uspto.gov/Foia/OEDReadingRoom.jsp>.

- h. Respondent shall comply fully with 37 C.F.R. § 11.58 while excluded;
- i. The OED Director, in accordance with 37 C.F.R. § 11.59, shall give notice of the public discipline and the reasons for the discipline to disciplinary enforcement agencies in the State(s) where the practitioner is admitted to practice, to courts where the practitioner is known to be admitted, and the public;
- j. Respondent shall comply fully with 37 C.F.R. § 11.60 upon any request for reinstatement;
- k. The USPTO shall promptly dissociate Respondent's name from all USPTO customer numbers and public key infrastructure ("PKI") certificates;

l. Respondent shall not use any USPTO customer number or PKI certificate unless and until he is reinstated to practice before the USPTO; and

m. Respondent may not obtain a USPTO customer number or a PKI certificate unless and until he is reinstated to practice before the USPTO.

AUG 20 2010

Date



WILLIAM R. COVEY  
Deputy General Counsel for General Law  
United States Patent and Trademark Office

on behalf of

DAVID KAPPOS  
Undersecretary of Commerce for Intellectual Property and  
Director of the United States Patent and Trademark Office

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It is pursuant to the provisions of 35 U.S.C. §§ 2(b)(2)(D) and 32 and 37 C.F.R. §§ 11.27 and 11.59 that this action is taken. Disciplinary decisions involving practitioners are posted for public reading at OED's Reading Room located at:  
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AUG 20 2010

Date



WILLIAM R. COVEY

Deputy General Counsel for General Law  
United States Patent and Trademark Office

on behalf of

David Kappos

Undersecretary of Commerce for Intellectual Property and  
Director of the United States Patent and Trademark  
Office