

**UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE ADMINISTRATIVE LAW JUDGE**

In the Matter of:

ROBERT A. IUSSA,

Respondent.

Proceeding No. D2020-25

November 2, 2020

INITIAL DECISION ON DEFAULT JUDGMENT

This matter arises from a disciplinary complaint filed by the Director for the Office of Enrollment and Discipline (“OED Director”) for the United States Patent and Trademark Office (“USPTO” or “the Office”) against Robert A. Iussa (“Respondent”) pursuant to 35 U.S.C. § 32 as implemented by 37 C.F.R. Part 11.¹ The OED Director has filed a *Motion for Entry of Default Judgment and Imposition of Disciplinary Sanction* (“Default Motion”), and a Memorandum in Support, seeking a default judgment and an order excluding Respondent from practice before the Office.

PROCEDURAL HISTORY

On June 11, 2020, the OED Director filed a *Complaint and Notice of Proceedings under 35 U.S.C. § 32* (“Complaint”) against Respondent pursuant to 37 C.F.R. §§ 11.32 and 11.34, alleging violations of the USPTO Rules of Professional Conduct (37 C.F.R. §§ 11.101 *et seq.*). The *Complaint* describes Respondent’s misconduct related to his failure to perform his ethical obligations to his client, the public, and the tribunal. Specifically, Respondent neglected his client’s patent application, failed to keep his client reasonably informed about the status of the matter, failed to respond to his client’s reasonable requests for information, failed to promptly return funds paid to him, and failed to cooperate in the disciplinary investigation. The *Complaint* also specifically enumerated Respondent’s violations of the USPTO Rules of Professional Conduct.

On the same day that the *Complaint* was filed, June 11, 2020, the OED Director, in accordance with 37 C.F.R. § 11.35(a)(2), attempted to serve a copy of the *Complaint* on Respondent by sending a copy to him via certified mail to the Phoenix, Arizona address that Respondent had provided to the Office of Enrollment and Discipline (“OED”) pursuant to 37 C.F.R. § 11.11.² The *Complaint* was also sent to two other addresses where the OED Director reasonably believed that Respondent received mail. The copy of the *Complaint* sent to Respondent’s 37 C.F.R. § 11.11

¹ Pursuant to an Interagency Agreement in effect beginning March 27, 2013, Administrative Law Judges of the U.S. Department of Housing and Urban Development have been appointed by the U.S. Commerce Secretary and are authorized to hear cases brought by the U.S. Patent and Trademark Office.

² 37 C.F.R. § 11.11(a) requires a registered practitioner such as Respondent to notify the OED Director of the postal address for the practitioner’s office and to provide written notice of any address change within 30 days of the change.

address was returned to the OED Director by the United States Postal Service. The two other copies of the *Complaint* were “Delivered, Left with Individual” on June 15, 2020.

Also on June 15, 2020, this Court issued a *Notice of Hearing and Order*, requiring Respondent to file his Answer on or before July 13, 2019. The Notice also set other pre-hearing deadlines.

On July 21, 2020, counsel for the OED Director filed a *First Status Report and Request to Vacate Prehearing Deadlines and Hearing Date* because she had been unable to achieve service on Respondent pursuant to 37 C.F.R. § 11.35(a)(2)(i). The same date, July 21, 2020, the Court vacated the previously scheduled dates and issued an *Order to Show Cause* directing Respondent to explain why the Court should not issue a default judgment against him. The OED Director filed a second and final status report on August 26, 2020. Each status report was mailed to Respondent at his 37 C.F.R. § 11.11 address, and each status report notified Respondent that the OED Director intended to file a motion for default judgment. Respondent did not respond to any of the status reports.

Meanwhile, because the OED Director was unable to confirm that the *Complaint* was served on Respondent pursuant to 37 C.F.R. § 11.35(a)(2)(i), he served notice on Respondent via publication pursuant to 37 C.F.R. § 11.35(b). Notices were published in the USPTO *Official Gazette* for two consecutive weeks, on August 18, 2020 and August 25, 2020. USPTO regulations mandate that Respondent had thirty days from the date of publication of the second Notice in the *Official Gazette* to file an Answer to the Complaint, thus making his Answer due on or before September 24, 2020. See 37 C.F.R. § 11.35(b). Respondent did not file an Answer, request an extension of time to do so, or otherwise contact counsel for the OED Director or this Court.

On October 19, 2020, the OED Director filed a *Default Motion*. Pursuant to the *Notice of Hearing and Order* issued by this Court on June 15, 2020, any party opposing a motion must file his or her opposition within ten days after the motion is docketed. Accordingly, Respondent’s response to the *Default Motion* was due on or before October 29, 2020. However, Respondent did not respond to the *Default Motion* by that date.

As of the date of this decision, Respondent has not filed an Answer, responded to the *Default Motion* or sought an extension of time to do so, nor otherwise appeared in this matter. In short, the Court has received no communication from or on behalf of Respondent.

APPLICABLE LAW

1. USPTO Disciplinary Proceedings

The USPTO has the “exclusive authority to establish qualifications for admitting persons to practice before it, and to suspend or exclude them from practicing before it.” Kroll v. Finnerty, 242 F.3d 1359, 1364 (Fed. Cir. 2001). This authority flows from 35 U.S.C. § 2(b)(2)(D), which empowers the USPTO to establish regulations governing patent practitioners’ conduct before the Office, and 35 U.S.C. § 32, which empowers the USPTO to discipline a practitioner who is “shown to be incompetent or disreputable, or guilty of gross misconduct,” or who violates the USPTO’s regulations. The practitioner must receive notice and an opportunity for a hearing before such disciplinary action is taken. See 35 U.S.C. § 32. Disciplinary hearings are conducted in accordance with the USPTO’s procedural rules at 37 C.F.R. part 11, subpart C, and with section 7 of the

Administrative Procedure Act, 5 U.S.C. § 556, by a hearing officer appointed by the USPTO. See 37 C.F.R. §§ 11.39(a), 11.44. The OED Director has the burden of proving any alleged violations by clear and convincing evidence. See 37 C.F.R. § 11.49.

In 1985, the USPTO issued regulations based on the ABA Model Code of Professional Responsibility to govern attorney conduct and practice. See Practice Before the Patent and Trademark Office, 50 Fed. Reg. 5158 (Feb. 6, 1985) (Final Rule) (codified at 37 C.F.R. §§ 10.20-10.112). These rules set forth the USPTO Code and “clarif[ied] and modernize[d] the rules relating to admission to practice and the conduct of disciplinary cases.” Id. In May 2013, the USPTO replaced the USPTO Code with the USPTO Rules, which are fashioned on the ABA’s Model Rules of Professional Conduct. See Changes to Representation of Others Before the United States Patent and Trademark Office, 78 Fed. Reg. 20180 (April 3, 2013) (Final Rule) (codified at 37 C.F.R. §§ 11.101-11.901). By updating its regulations, the USPTO sought to “provid[e] attorneys with consistent professional conduct standards, and large bodies of both case law and opinions written by disciplinary authorities that have adopted the ABA Model Rules.”³ Id. at 20180.

2. Consequences for Failure to Answer Complaint

The USPTO’s procedural rules set forth the requirement for answering the Complaint and the consequences for failing to do so: “Failure to timely file an answer will constitute an admission of the allegations in the complaint and may result in entry of default judgment.” 37 C.F.R. § 11.36(e). The disciplinary Complaint served on Respondent also stated: “A decision by default may be entered against Respondent if a written answer is not timely filed.”

3. Burden of Proof

The OED Director must prove alleged disciplinary violations by “clear and convincing evidence.” 37 C.F.R. § 11.49; In re Johnson, Proceeding No. D2014-12 (USPTO Dec. 31, 2014)⁴ at 2. This standard “protect[s] particularly important interests . . . where there is a clear liberty interest at stake.” Johnson, at 3 (quoting Thomas v. Nicholson, 423 F.3d 1279, 1283 (Fed. Cir. 2005)) (internal quotation marks omitted). “Clear and convincing evidence” requires a level of proof that falls “between a preponderance of the evidence and proof beyond a reasonable doubt.” Id. (quoting Addington v. Texas, 441 U.S. 418, 424-25 (1979)) (internal quotation marks omitted). The evidence must be of such weight so as to “produce[] in the mind of the trier of fact a firm belief or conviction, without hesitancy, as to the truth of the allegations sought to be established.” Id. (quoting Jimenez v. DaimlerChrysler Corp., 269 F.3d 439, 450 (4th Cir. 2001)) (internal quotation marks omitted). “Evidence is clear if it is certain, unambiguous, and plain to the understanding, and it is convincing if it is reasonable and persuasive enough to cause the trier of facts to believe it.” Id. (quoting Foster v. AlliedSignal, Inc., 293 F.3d 1187, 1194 (10th Cir. 2002)) (internal quotation marks omitted).

³ Thus, the USPTO Code, the Comments and Annotations to the ABA Model Rules, and disciplinary decisions and opinions issued by state boards are useful to understanding the USPTO Rules. See Changes to Representation of Others Before the United States Patent and Trademark Office, 78 Fed. Reg. at 20180.

⁴ Available at: <https://go.usa.gov/x7x93>.

FINDINGS OF FACT

The USPTO registered Respondent as a patent agent on June 3, 2002; his registration number is 51,337. Respondent was admitted to practice law in Arizona on February 10, 2004, and is currently an active member in good standing. On March 9, 2004, the USPTO changed Respondent's status as a registered practitioner from "agent" to "attorney."

1. The Jeansonne Representation

In November 2017, Michael Jeansonne ("the Client") retained Respondent to prepare and file a non-provisional utility patent application with the USPTO. Respondent invoiced the Client \$6,730.00, including \$730.00 for government filing fees. On November 30, 2017, the Client paid Respondent \$4,000.00. On December 12, 2017, Respondent filed a non-provisional patent application, U.S. Patent Application No. 15/839,828 ("the '828 application"), for the Client's invention titled, "An Air Conditioning Drain Line, Anti-Contaminant Device." On the same date, December 12, 2017, Respondent filed an Application Data Sheet with the '828 application.

A USPTO-issued customer number is a unique number created by the USPTO that allows a practitioner to easily associate all of his or her filings with a single mailing address, thus eliminating typographical errors or variations in addresses that can make it difficult to receive patent correspondence from the USPTO. The USPTO issued customer number 89211 to Respondent, and at all times relevant to the *Complaint*, Respondent was the only registered patent practitioner affiliated with customer number 89211. The Application Data Sheet filed with the '828 application identified customer number 89211 as the correspondent and representative for the '828 application. The Application Data Sheet filed with '828 application also identified [REDACTED] as the email address for the USPTO to communicate with Respondent about the '828 application.

On December 12, 2017, Respondent sent an email to the Client informing him that Respondent had filed the '828 application, and attached the filing receipt to the email. Respondent also asked the Client to remit the balance of \$2,730.00 for the services rendered and reimbursement of the government filing fees. Respondent emailed the Client from [REDACTED]. On December 19, 2017, the Client paid Respondent \$2,730.00. On January 4, 2018, the USPTO mailed to Respondent a Notice to File Corrected Application Papers. The notice required that replacement drawings be submitted in the '828 application. The USPTO mailed the documents to the correspondence address associated with customer number 89211.

On February 21, 2018, Respondent filed replacement drawings in the '828 application. In March 2018, the Client retained Respondent to conduct a review of prior art and to submit an information disclosure statement to the USPTO. Respondent agreed to do so and invoiced The Client \$390.00 for this legal service. On March 27, 2018, Respondent filed an Information Disclosure Statement in the '828 application. On April 2, 2018, The Client paid the \$390.00 invoice.

On October 4, 2018, the USPTO mailed an Office action to Respondent alerting him that certain claims in the '828 application were subject to a restriction and/or election requirement ("restriction requirement"). The Office action also stated that "a shortened statutory period for reply is set to expire 2 months from the mailing date of this communication." (Emphasis in original). The USPTO mailed the Office action to the correspondence address associated with customer number 89211. On October 12, 2018, the USPTO mailed a courtesy reminder postcard to Respondent to

remind him that new correspondence (*i.e.*, the Office action) was available for his review via Private PAIR, a USPTO system that provides online access to information about pending patent applications. The USPTO mailed the postcard to the correspondence address associated with customer number 89211.

In February 2019, the Client retained Respondent to draft, edit, and finalize a response to the restriction requirement. Respondent agreed to do so and invoiced The Client \$812.50 for this additional legal service. The Client paid the invoice on February 6, 2019. The invoice stated “02/04/2019 PATENT Finalize draft and edit response to Patent Office restriction requirement; 2.5 total time for review, reporting, drafting and finalizing response.” Respondent did not file a response to the restriction requirement.

On February 27, 2019, the Client sent an email to Respondent concerning a telephone conversation that the Client had with a USPTO examiner. The Client informed Respondent that the USPTO was waiting for a response to the October 14, 2018 Office action (*i.e.*, restriction requirement). The Client asked Respondent if he had received the Office action and for the status of the response. The Client also provided Respondent with the examiner’s phone number. On the same date, February 27, 2019, Respondent replied to the Client’s email and said, among other things, that he would “touch base” with the examiner.

On March 5, 2019, the USPTO mailed Respondent an Examiner-Initiated Interview Summary. The Examiner-Initiated Interview Summary informed Respondent that the examiner assigned to the ’828 application called the Client to discuss a separate, pending patent application. The summary stated that the Client had requested an update on the ’828 application and was informed, among other things, that the examiner had sent a restriction requirement communication on October 4, 2018 with a two-month shortened statutory period to respond. The summary also stated that (a) the examiner had informed the Client “that by paying extension of time fees, the period for reply to the restriction requirement could be extended up to six months from the 10-4-18 communication date” and (b) the Client had expressed an intention to file a response to the restriction requirement. The USPTO mailed the Examiner-Initiated Interview Summary to the correspondence address associated with customer number 89211.

On the same date, March 5, 2019, the USPTO sent an email to Respondent to notify him of new correspondence pertaining to the ’828 application (*i.e.*, the Examiner-Initiated Interview Summary). The USPTO sent the email to [REDACTED]. On April 11, 2019, the USPTO mailed to Respondent a Notice of Abandonment stating that the ’828 application was abandoned because the Office did not receive a timely response to the restriction requirement. The USPTO mailed the Notice of Abandonment to the correspondence address associated with customer number 89211. On the same date, April 11, 2019, the USPTO sent an email to Respondent to notify him of new correspondence pertaining to the ’828 application (*i.e.*, the Notice of Abandonment). The USPTO sent the email to [REDACTED]. Respondent did not forward the Notice of Abandonment to the Client or otherwise inform him of it.

On April 29, 2019, the Client sent an email to Respondent in which he asked for a status update concerning the ’828 application and said “I’m getting nervous.” The same date, Respondent replied to the Client’s email and said that he would get back to the Client “today or tomorrow.” Respondent did not respond to the Client’s email. On May 30, 2019, the Client sent an email to Respondent which said: “[Respondent,] you have become unresponsive are you so busy that I should

seek help elsewhere?” The same date, Respondent replied to the Client’s email and said that he would review the Client’s matter “today and promise to get back to you.” Respondent did not respond to the Client’s email.

On June 18, 2019, the Client sent an email to Respondent in which he, among other things, stated that he did not understand Respondent’s “lack of response and follow through.” On the same date, Respondent replied to the Client’s email and said that, among other things, he would call the Client and discuss next steps. Also on June 18, 2019, the Client sent a second email to Respondent that said “I just talked to our app examiner and he tell[s] me that our apps have abandoned due to your lack of response from them.” Still on the same day, Respondent replied to the Client’s second email and said that he submitted the response to the restriction requirement and was waiting for a response from the USPTO examiner. Respondent stated that he “wasn’t aware” that the ’828 application was abandoned and stated that if so, “I will revive it and get it moving again.”

On June 24, 2019, the USPTO mailed to Respondent an Applicant-Initiated Interview Summary. The Applicant-Initiated Interview Summary informed Respondent that the Client had called the examiner assigned to the ’828 application to request a status update and that the examiner informed the Client that, among other things, the ’828 application was abandoned because the USPTO did not receive a timely response to the restriction requirement. The USPTO mailed the Applicant-Initiated Interview Summary to the correspondence address associated with customer number 89211. On the same date, June 24, 2019, the USPTO sent an email to Respondent to notify him of new correspondence pertaining to the ’828 application (*i.e.*, the Applicant-Initiated Interview Summary). The USPTO sent the email to [REDACTED]. Also on June 24, 2019, Respondent sent an email to the Client and stated that he planned to work on the Client’s matter and would contact the Client “by Wednesday or Thursday at the latest and we’ll get this all squared away.”

The following week, on July 2, 2019, Respondent sent an email to the Client in which he said, among other things, that he was working on the Client’s matter and he would “send [the Client] over a set of amended claims today.” Respondent did not send a follow-up email. In July 2019, the Client retained new counsel to represent him in the continued prosecution of the ’828 application. On July 24, 2019, the Client’s new counsel signed and filed a Power of Attorney on behalf of the Client in the ’828 application. Two days later, on July 26, 2019, the USPTO sent a Notice of Acceptance of Power of Attorney to the Client’s new counsel. On the same date, the Client’s new counsel filed a response to the restriction requirement and a Petition for Revival of An Application for Patent Abandoned Unintentionally Under 37 C.F.R. § 1.137(a), which the USPTO granted.

Also on July 26, 2019, the USPTO mailed to Respondent a Notice Regarding Change of Power of Attorney. The correspondence informed Respondent that the “Power of Attorney to you in this application has been revoked by the applicant.” The USPTO mailed the Notice Regarding Change of Power of Attorney to the correspondence address associated with customer number 89211. As of the date of the filing of the *Complaint*, Respondent has not refunded any of the \$812.50 the Client paid him on February 6, 2019, to draft, edit, and finalize a response to the restriction requirement. Respondent also did not withdraw from the representation or provide the Client’s file to the Client’s new counsel.

2. Failure to Cooperate with OED's Investigation

Pursuant to 37 C.F.R. § 11.11(a), Respondent was required to notify the OED Director of his postal address for his office, up to three email addresses where he receives email, and a business telephone number. Additionally, Respondent was required to notify the OED Director as to every change to any of those addresses or telephone numbers within thirty (30) days of the date of the change. See 37 C.F.R. § 11.11(a). Registered practitioners are required to so notify the OED Director independently of any change to an address in a USPTO-issue customer number. See 37 C.F.R. § 11.11(a).

During the course of an investigation, the OED Director may request from a practitioner information and evidence regarding possible grounds for discipline of the practitioner. See 37 C.F.R. § 11.22(f)(1)(ii). A practitioner has an ethical obligation to respond to any lawfully issued Request for Information and Evidence ("RFI"). See 37 C.F.R. § 11.801(b).

On August 15, 2019, the Office of Enrollment and Discipline ("OED") mailed an RFI to Respondent to two addresses at which OED reasonably believed Respondent received mail. The RFI was mailed to the address Respondent was required to provide to OED pursuant to 37 C.F.R. § 11.11: Iussa Law, PLLC, 610 E. Bell Road, Suite 2-243, Phoenix, Arizona 85022 ("the Bell Road address"). A copy of the RFI was also mailed to the address associated with Respondent's USPTO-issued customer number at the time, namely: 4040 E. Camelback Road, Suite 275, Phoenix, Arizona 85018 ("the Camelback Road address").

The August 15, 2019 RFI contained, among other things, questions requiring a response from Respondent about his failure to file a response to the restriction requirement in the '828 application and his failure to respond to a Notice of Abandonment. The August 15, 2019 RFI was lawfully issued pursuant to 37 C.F.R. § 11.22(f)(1)(ii). Respondent received the August 15, 2019 RFI as indicated by the signature of an individual on the certified mail return receipt card accepting delivery at Respondent's place of business at the Camelback Road address. Additionally, United States Postal Service ("USPS") records indicate that the RFI sent to the Camelback Road address was "Delivered, Left with Individual" on August 20, 2019.

On September 3, 2019, OED received the certified mail return receipt card associated with the RFI sent to the Bell Road address with the notation "Return to Sender Attempted – Not Known Unable to Forward." The August 15, 2019 RFI requested that Respondent respond within thirty days, or on or before September 14, 2019. Respondent did not respond to the RFI on or before September 14, 2019, nor did he request an extension of time to do so. On October 8, 2019, OED sent an email to Respondent at [REDACTED] to inquire about Respondent's correspondence address. On the same day, Respondent replied to OED's email and said that, among other things, he had not received any correspondence from OED. *Id.* Respondent also provided an updated address for OED to communicate with him: Iussa Law, PLLC 6925 E. 5th Ave., Suite 103 Scottsdale, Arizona 85251 ("the Fifth Avenue address"). Still on October 8, 2019, OED responded to Respondent's email and asked Respondent if he wanted to receive the correspondence via email. OED also informed Respondent that "pursuant to 37 C.F.R. §11.11, a registered practitioner must notify the OED Director of his postal address for his office, up to three email addresses where he receives mail, and a business telephone number, as well as any change to any of said addresses or telephone number within thirty days of the date of change." (Underline in original.)

On October 9, 2019, having failed to receive a response to the October 8, 2019 email inquiring if Respondent wanted to receive the correspondence via email, OED mailed to Respondent a Lack of Response to Request for Information and Evidence Under 37 C.F.R. § 11.22(f) letter (“Lack of Response letter”). OED mailed the Lack of Response letter to the Fifth Avenue address via USPS certified mail return receipt requested, and first-class mail. The Lack of Response letter noted that Respondent had failed to respond to the August 15, 2019 RFI and set forth the consequences of a failure to respond. Attached to the Lack of Response letter was the RFI and the USPS tracking information for the two addresses to which OED had sent the RFI. OED requested a response to the Lack of Response letter within fifteen days, on or before October 24, 2019.

On October 10, 2019, Respondent sent an email to OED asking OED to send the correspondence to him via email. Respondent also stated that he would update his correspondence information. On October 11, 2019, OED sent an email to Respondent at [REDACTED] attaching the Lack of Response letter, which included the August 15, 2019 RFI. In the email, OED also stated that OED had mailed the Lack of Response letter to Respondent on October 9, 2019. Respondent did not respond to the Lack of Response letter on or before October 24, 2019, nor did he request an extension of time to do so. On October 31, 2019, OED sent an email to Respondent at [REDACTED] to inquire about the status of his response to the Lack of Response letter, which was due on or before October 24, 2019. Respondent did not respond to OED’s email.

On November 13, 2019, OED received the certified mail return receipt card associated with the Lack of Response letter, which was mailed to the Fifth Avenue address. The return receipt card contained the notation “Return to Sender Insufficient Address Unable to Forward.” On November 22, 2019, OED sent an email to Respondent at [REDACTED] to inform him that OED had not received a response to the August 8, 2019 RFI and that OED would “continue to proceed with action pursuant to 37 C.F.R. §11.32.” Respondent did not respond to OED’s email. As of the date of the filing of the *Complaint*, OED has not received any response to the Lack of Response letter or the RFI, nor has Respondent otherwise communicated with OED. Also as of the date of the filing of the *Complaint*, “Iussa Law, PLLC, 610 E. Bell Road, Suite 2-243 Phoenix, Arizona 85022” remains the address that Respondent has provided to the OED Director pursuant to 37 C.F.R. § 11.11(a). No change of address has been received by OED.

CONCLUSIONS OF LAW

Based upon the foregoing findings of fact, the Court concludes that Respondent violated the following USPTO Rules of Professional Conduct, for the following reasons.

1. 37 C.F.R. § 11.103 provides that a practitioner “shall act with reasonable diligence and promptness in representing a client.” Respondent violated this rule during his representation of the Client by failing to file a reply to the restriction requirement issued in the ’828 application, allowing the ’828 application to become abandoned without the client’s knowledge or consent, and after the ’828 application became abandoned, making an inadequate, if any, effort to revive the ’828 application.

2. 37 C.F.R. § 11.104(a)(2) provides that a practitioner shall “reasonably consult with the client about the means by which the client’s objectives are to be accomplished.” Respondent violated this rule by failing to consult with the Client about the status of the ’828 application.

3. 37 C.F.R. § 11.104(a)(3) provides that a practitioner shall “[k]eep the client reasonably informed about the status of the matter.” Respondent violated this rule by failing to notify the Client that the ’828 application was abandoned.

4. 37 C.F.R. § 11.104(b) provides that a practitioner “shall explain a matter to the extent reasonably necessary to permit the client to make informed decisions regarding the representation.” Respondent violated this rule by failing to notify the Client about the Notice of Abandonment.

5. 37 C.F.R. § 11.116(d) provides that “[u]pon termination of representation, a practitioner shall take steps to the extent reasonably practicable to protect a client’s interests, such as giving reasonable notice to the client, allowing time for employment of other counsel, surrendering papers and property to which the client is entitled and refunding any advance payment of fee or expense that has not been earned or incurred.” Respondent violated this rule by failing to refund any of the \$812.50 in advance fees that the Client paid Respondent to prepare and file a response to the restriction requirement when Respondent did not prepare and file a response to the restriction requirement, to withdraw from the representation, or to provide the Client’s file to the Client’s new counsel.

6. 37 C.F.R. § 11.804(c) provides that Respondent shall not “engage in conduct involving dishonesty, fraud, deceit or misrepresentation.” Respondent violated this rule by informing the Client that he had filed a response to the restriction requirement when he did not, and failing to inform the Client that the ’828 application was abandoned when the USPTO sent an Office action informing Respondent of the abandonment.

7. 37 C.F.R. § 11.801(b) provides that Respondent shall not “fail to cooperate with the Office of Enrollment and Discipline in an investigation of any matter before it, or knowingly fail to respond to a lawful demand or request for information from an admissions or disciplinary authority.” Respondent violated this rule by failing to respond to the August 15, 2019 RFI and the October 9, 2019 Lack of Response letter, despite being provided ample notice, time, and opportunity to do so.

8. 37 C.F.R. § 11.804(d) provides that Respondent shall not “engage in conduct that is prejudicial to the administration of justice.” Respondent violated this rule by failing to respond to the August 15, 2019 RFI and the October 9, 2019 Lack of Response letter, despite being provided ample notice, time, and opportunity to do so.

SANCTIONS

The OED Director asked the Court to sanction Respondent by entering an order excluding him from practice before USPTO in patent, trademark, and other non-patent matters. The primary purpose of legal discipline is not to punish, but rather “is to protect the public and the administration of justice from lawyers who have not discharged, will not discharge, or are unlikely properly to discharge their professional duties to clients, the public, the legal system, and the legal profession.” In re Brufsky, Proceeding No. D2013-18 (USPTO June 23, 2014)⁵ at 8 citing Matter of Chastain, 532 S.E.2d 264, 267 (S.C. 2000).

⁵ Available at: <https://go.usa.gov/x7x9Y>.

In determining an appropriate sanction, USPTO regulations require this Court consider the following four factors: (1) whether the practitioner has violated a duty owed to a client, the public, the legal system, or the profession; (2) whether the practitioner acted intentionally, knowingly, or negligently; (3) the amount of the actual or potential injury caused by the practitioner's conduct; and (4) the existence of any aggravating or mitigating factors. See 37 C.F.R. § 11.54(b). See also In re Morishita, Proceeding No. D2017-25 (USPTO Sept. 28, 2018)⁶; In re Lau, Proceeding No. D2016-37 (USPTO May 1, 2017)⁷; and In re Schwedler, Proceeding No. D2015-38 (USPTO Mar. 21, 2016)⁸.

1. Respondent violated duties owed to his clients, the public, and the legal profession

Respondent violated eight sections of the USPTO Rules of Professional Conduct (Rules)⁹ when he failed to file the restriction requirement response, to respond to the Notice of Abandonment, and allowed the '828 application to become abandoned; failed to explain matters to the extent reasonably necessary to permit the Client to make informed decisions regarding the representation; failed to notify the Client that the '828 application was abandoned; misleadingly told the Client that he had filed a response to the restriction requirement when he did not; failed to refund any of the \$812.50 in advance fees that the Client paid Respondent to prepare and file a restriction requirement response, which Respondent did not prepare and file; and failed to cooperate with OED's investigation.

The practitioner-client relationship is a fiduciary relationship in which the practitioner owes the client a duty to represent his or her interests diligently and in good faith. See Moatz v. Bender, Proceeding No. D2000-01 (USPTO Sept. 30, 2003)¹⁰ at 20 ("Respondent owed a fiduciary duty individually to each of his clients. . . ."); Carter v. ALK Holdings, Inc., 605 F.3d 1319, 1325 (Fed. Cir. 2010) (referencing patent practitioner's expected fiduciary duties to clients). See also Pet. of Bd. of Law Examiners, 210 N.W. 710, 711 (Wis. 1926) ("An attorney occupies a fiduciary relationship towards his client. It is one of implicit confidence and of trust. . . . There is no field of human activity which requires fuller realization with respect to fiduciary relationship than that which exists between the lawyer and his client.").

In the instant matter, Respondent breached his fiduciary practitioner-client relationship when he intentionally prejudiced the Client's patent application by, *inter alia*, agreeing to draft, edit, and finalize a response to the restriction requirement; receiving \$812.50 from the Client to perform this patent service, but failing to prepare and file the restriction requirement response.

⁶ Available at: <https://go.usa.gov/x7x94>.

⁷ Available at: <https://go.usa.gov/x7x92>.

⁸ Available at: <https://go.usa.gov/x7x9T>.

⁹ See 37 C.F.R. §§ 11.103 (duty to act with reasonable diligence and promptness); 11.402(a)(2) (duty to reasonably consult with client about the means by which client's objectives will be accomplished); 11.104(a)(3) (duty to keep client reasonably informed about status of a matter); 11.104(b) (duty to explain a matter to extent reasonably necessary to permit client to make informed decisions); 11.116(d) (duty to, upon termination of representation, take steps to protect client's interests); 11.804(c) (duty to not engage in conduct involving dishonesty, fraud, deceit or misrepresentation); 11.801(b) (duty to cooperate with OED investigation or to respond to a lawful demand for information); and 11.804(d) (duty to not engage in conduct prejudicial to the administration of justice).

¹⁰ Available at: <https://go.usa.gov/x7x9b>.

Respondent violated duties he owed to the public, the legal system, and the legal profession by failing to file an answer to the *Complaint*, thereby flouting this Court's authority and imperiling the orderly functioning of the disciplinary process. See In re Lau, supra. He similarly violated his duty to the legal profession by engaging in misconduct that decreases the public's confidence in the integrity and professionalism of persons who practice before the Office by not representing the Client competently and diligently, not communicating with the Client or the USPTO, engaging in conduct involving dishonesty, and failing to participate in these disciplinary proceedings.

2. Respondent acted intentionally and knowingly

Respondent's acts and omissions were intentional and knowing. Respondent knowingly agreed to represent the Client and received compensation to draft, edit, and finalize a response to the restriction requirement. However, Respondent intentionally and repeatedly ignored the Client's communications, and he knowingly failed to file the response to the restriction requirement or to revive the '828 application after it became abandoned and he told the Client he would do so. Respondent also intentionally and knowingly failed to return the \$812.50 fee that the Client paid for the preparation of the restriction requirement response, and knowingly did not turn over the Client's file after the Client's newly retained counsel entered his notice of appearance. Lastly, Respondent intentionally and purposefully ignored all communications from this Court and OED. See STANDARDS § 3.0; see also, e.g., In re Phillips, 244 P.3d 549, 555 (Ariz. 2010) (lawyer's mental state at the time of a violation is important, as it affects the appropriate discipline imposed; "[i]ntentional or knowing conduct is sanctioned more severely than negligent conduct because it threatens more harm"); People v. Varallo, 913 P.2d 1 (Colo. 1996) (lawyer's mental state is decisive element in determining level of discipline).

The USPTO has suspended and excluded practitioners who intentionally and knowingly engaged in conduct that violates the USPTO ethics rules. See In re Ho, Proceeding No. D2009-04 (USPTO Jan. 30, 2009)¹¹ (initial decision on default excluding practitioner who, *inter alia*, "knowingly failed to provide information requested by OED and intentionally failed to cooperate with OED's investigation."); In re Anderson, Proceeding No. D2019-03 (USPTO July 1, 2019)¹² at 17 (initial decision on default excluding practitioner who, *inter alia*, purposefully failed to communicate with clients, and "intentionally and purposefully ignored all communications from this Tribunal and OED.").

Practitioners have also been suspended and excluded for allowing patent applications to go abandoned. See In re Hormann, Proceeding No. D2008-04 (USPTO July 8, 2009)¹³ (practitioner excluded for, *inter alia*, allowing patent applications to go abandoned without the clients' consent and failing to notify clients of abandonments); In re Day, Proceeding No. D2011-32 (USPTO Aug. 10, 2011)¹⁴ (practitioner suspended for two years with a two-year probation for, *inter alia*, allowing applications to go abandoned without client consent and failing to take action to revive four

¹¹ Available at: <https://go.usa.gov/x7x9D>.

¹² Available at: <https://go.usa.gov/x7x9W>.

¹³ Available at: <https://go.usa.gov/x7x9B>.

¹⁴ Available at: <https://go.usa.gov/x7x98>.

applications); *In re Frantz*, Proceeding No. D2012-32 (USPTO Mar. 5, 2013)¹⁵ (practitioner excluded on consent for neglecting 33 patent matters and 19 trademark matters by allowing them to go abandoned without the clients' consent).

A lawyer's duty to communicate honestly and promptly with a client is fundamental. When a practitioner fails to communicate with his client in order to hide his mishandling of their legal matters, other jurisdictions have imposed severe sanctions. See *Cincinnati Bar Assn. v. Deaton*, 806 N.E.2d 503, 509 (Ohio 2004) (citations omitted) ([“B]ecause respondent also deliberately concealed his neglect to protect his personal interests, thereby sacrificing his clients' welfare to preserve his own[, w]e view his actions as the equivalent of misappropriating funds from these clients, an offense that, absent sufficiently mitigating circumstances, requires our most severe sanction.”)

The USPTO has also suspended and excluded practitioners who acted knowingly, intentionally, or negligently in failing to advise a client of important Office communications in violation of the ethics rules. See e.g., *In re Myers*, Proceeding No. D2015-33 (USPTO Dec. 31, 2015)¹⁶ (practitioner excluded for, *inter alia*, allowing multiple patent applications to go abandoned without client consent and failing to notify the client of important Office communications); *In re Schaefer*, Proceeding No. D2007-01 (USPTO Apr. 30, 2017)¹⁷ (practitioner suspended for, *inter alia*, failing to inform client of important Office communications); *Moatz v. Rosenberg*, Proceeding No. D2006-07 (USPTO Mar. 7, 2007)¹⁸ (practitioner excluded for, *inter alia*, failing to notify a client of important Office communications).

Respondents who fail to take steps to the extent reasonably practicable to protect a client's interests upon termination of representation, such as giving reasonable notice to the client, surrendering papers and property to which the client is entitled, and refunding any advance payment of expenses that have not been earned or incurred also have been dealt with severely by the USPTO Director. See *In re Morishita*, *supra*, (practitioner who, *inter alia*, failed to refund advance payment of fee or expenses that had not been earned or incurred was excluded from practice by way of a default judgment); *In re Schwedler*, *supra* (default judgment excluding practitioner, where among other things, he failed to refund any portion of the unearned fees paid to him in advance by the client); *In re Walker*, Proceeding No. D2019-04 (USPTO Mar. 23, 2018)¹⁹ (practitioner suspended on consent where he, *inter alia*, agreed to refund client money but did not do so).

3. The Actual Injuries are Significant

Respondent caused actual injury to the Client by allowing the '828 application to become abandoned, telling the Client that he would revive the application but failing to do so, and unilaterally ceasing communication with the Client. During the representation, Respondent purposefully failed to inform the Client about important Office communications, how to respond, and/or the consequences

¹⁵ Available at: <https://go.usa.gov/x7x9X>.

¹⁶ Available at: <https://go.usa.gov/x7x95>.

¹⁷ Available at: <https://go.usa.gov/x7x9N>.

¹⁸ Available at: <https://go.usa.gov/x7x9Q>.

¹⁹ Available at: <https://go.usa.gov/x7x9U>.

of failing to respond. As a result of Respondent's conduct, the Client had to retain new counsel to revive the abandoned '828 application. Although the application has been revived, the Client's invention—should a patent issue—may have a shortened patent life, and the Client may have experienced delays in the marketing and sale of his invention. Most egregiously, the Client did not receive a refund of the \$812.50 that he pre-paid Respondent to prepare and finalize the response to the restriction requirement. Having caused the Client actual injury, Respondent should receive a significant sanction. See e.g., In re Coyle, Proceeding No. D2016-16 (USPTO July 26, 2016)²⁰ (initial decision excluding practitioner who caused actual and potential injury when he abandoned a patent application and failed to return payment for services that he did not perform).

4. Aggravating and Mitigating Factors Exist in this Case

The STANDARDS FOR IMPOSING LAWYER SANCTIONS (2019), ("STANDARDS" or "STANDARD"), published by the American Bar Association, set forth aggravating and mitigating factors for the Court to consider in determining an appropriate sanction. Citing § 9.22 of the American Bar Association's Standards for Imposing Lawyer Sanctions (2019), the OED Director contended that the following seven aggravating factors warranted a more severe sanction in this case: a dishonest or selfish motive; a pattern of misconduct; multiple violations; bad faith obstruction of the disciplinary proceeding by intentionally failing to comply with rules or orders of OED; failure to cooperate in this disciplinary process, refusal to acknowledge the wrongful nature of his conduct, substantial experience in the practice of law, and indifference to making restitution. This Court agrees.

The first aggravating factor is a "dishonest or selfish motive." See STANDARDS § 9.22(b). Respondent acted with a dishonest and selfish motive when he took money from the Client to perform a patent service but did not prepare and file the response to the restriction requirement for the '828 application. After Respondent stopped communicating with the Client and after the USPTO sent Respondent a Notice Regarding Changing Power of Attorney, which indicated that the Client had retained new counsel, Respondent nevertheless failed to refund any portion of the \$812.50 that the Client pre-paid him to prepare the response to the restriction requirement. Further, Respondent displayed a dishonest or selfish motive when he purposefully ignored the Client's repeated requests for updates on the '828 application, and in one instance, dishonestly told the Client that he did not know the '828 application was abandoned after the USPTO mailed a Notice of Abandonment to him. Respondent's inconsistent, uninformative, and insincere communications with the Client about the '828 application enabled Respondent to conceal his inattention to the matter and the application's abandonment. See In re Anderson, supra (practitioner acted with dishonest and selfish motive when she failed to communicate with her clients, and attempted to hide the neglect and abandonment of their applications); In re Halling, supra (practitioner showed dishonest and selfish motive when he, *inter alia*, failed to inform clients that their applications went abandoned); Matter of Arrick, 882 P.2d 943, 950 (Ariz. 1994) (lawyer's deliberate misrepresentations were "designed to cover his negligence" and supported dishonesty or selfish motive as an aggravating factor).

The second aggravating factor is "a pattern of misconduct." See STANDARDS § 9.22(c). Respondent repeatedly failed to exercise diligence and promptness while representing the Client. Similarly, Respondent repeatedly failed to communicate with the Client about the '828 application. Moreover, Respondent dishonestly told the Client that he did not know the '828 application had become abandoned, and shortly thereafter Respondent stopped communicating with the Client. Respondent also engaged in a pattern of deliberately failing to respond to OED's requests for

²⁰ Available at: <https://go.usa.gov/x7x9E>.

information and evidence during the investigation. Respondent misleadingly informed OED that he had not received any correspondence concerning the investigation, and that he would update his § 11.11 address. When OED sent correspondence to the Fifth Avenue address provided by Respondent in his October 8, 2019 email, he did not respond. Respondent also did not file a change of address with OED. When evidence demonstrates repeated instances of similar misconduct, the aggravating factor of “a pattern of misconduct” may be established under STANDARDS § 9.22(c). See In re Halling, Proceeding No. D2019-10 (USPTO June 13, 2019)²¹ (finding pattern of misconduct where respondent repeatedly failed to communicate with one client); see also In re Wysolmerski, 2020 WL 3478305 (Vt. 2020) (finding pattern of misconduct where “misconduct occurred within one case and involved only one of respondent’s clients”); In re Disciplinary Proceedings Against Bowe, 800 NW2d 367, 371 (Wis. 2011) (finding “pattern of misconduct arising out of one client matter”).

The third aggravating factor is the commission of “multiple offenses.” See STANDARDS § 9.22(d). Multiple offenses committed in the context of a single disciplinary proceeding may be an aggravating factor. See In re Flindt, Proceeding No. D2016-04 (Aug. 4, 2017)²² (practitioner committed “multiple offenses” that violated six separate provisions of the Rules); In re Fuess, Proceeding No. D2015-08 (USPTO July 21, 2017)²³ (practitioner abandoned multiple applications and violated multiple Rules). Respondent’s misconduct was directed at the Client and OED, and violated eight provisions of the USPTO Rules.

The fourth aggravating factor is “bad faith obstruction of the disciplinary proceeding by intentionally failing to comply with rules or orders of the disciplinary agency.” See STANDARDS § 9.22(e); In re Mar, Proceeding No. D2019-11 (Aug. 2, 2019)²⁴ at 26 (initial decision excluding practitioner who demonstrated obstruction of disciplinary proceeding by, *inter alia*, “fail[ing] to participate in the disciplinary process once the *Complaint* was filed.”). Courts have found that a lawyer’s bad faith obstruction of a disciplinary proceeding by intentionally failing to comply with disciplinary rules or orders constitutes an aggravating factor under STANDARD § 9.22(e), see In re Halvorson, Proceeding No. D2016-33 (Oct. 12, 2016)²⁵ (practitioner obstructed disciplinary proceeding when he failed to respond to lawful requests for information from OED). Despite receiving the *Complaint*, the Notice of Hearing and Order, and the Order to Show Cause and Order Vacating Hearing Date and Prehearing Deadlines, Respondent did not file an answer to the *Complaint* and did not seek permission to file a late answer. See e.g., In re Coyle, supra (bad faith obstruction found where practitioner, *inter alia*, did not file an answer or seek permission to file a late answer); In re Peartree, 885 P2d 1083, 1085 (Ariz. 1994) (bad faith obstruction found where lawyer intentionally failed to cooperate in disciplinary proceeding). Respondent’s behavior demonstrates willful disregard of his obligations to the USPTO and the Court.

An attorney’s failure to cooperate in his own disciplinary proceeding is a significant aggravating factor that is indicative of indifference toward, and even contempt for, disciplinary procedures, and demonstrates a complete want of professional responsibility. A lawyer’s obstruction

²¹ Available at: <https://go.usa.gov/x7x9y>.

²² Available at: <https://go.usa.gov/x7x9p>.

²³ Available at: <https://go.usa.gov/x7x9f>.

²⁴ Available at: <https://go.usa.gov/x7x9G>.

²⁵ Available at: <https://go.usa.gov/x7x9A>.

of a disciplinary proceeding by intentionally failing to comply with disciplinary rules or orders constitutes an aggravating factor under STANDARDS § 9.22(e). See, e.g., In re Morishita, supra; In re Lau, supra; In re Schwedler, supra; see also People v. Barbieri, 61 P3d 488, 495 (Colo. O.P.D.J. 2000) (“In disciplinary matters involving an attorney’s conduct, compliance with unchallenged orders issued by the disciplinary body is not elective; it is mandatory. Failure to do so, almost invariably, will insure substantially enhanced discipline.”); Iowa Supreme Court Bd. of Professional Ethics and Conduct v. Ramey, 639 NW2d 243, 246 (Iowa 2002) (attorney’s “failure to respond to this attorney disciplinary proceeding suggests an overall attitude of disrespect and disregard for this profession. Moreover, his misconduct compromises the standards of the legal profession.”).

The fifth aggravating factor is a practitioner’s refusal “to acknowledge the wrongful nature of his or her conduct.” See STANDARDS § 9.22(g). A lack of remorse warrants a more severe sanction. Id.; In re Stecewycz, Proceeding No. D2014-15 (USPTO May 5, 2016)²⁶ at 37 (“failure to acknowledge the wrongful nature of [the] misconduct or show any remorse for [the] conduct is a weighty factor in aggravation.”). Respondent has not displayed any remorse for his actions. He never apologized to the Client for failing to draft and file the response to the restriction requirement, for allowing the ’828 application to become abandoned or for failing to revive the ’828 application. Nor has Respondent expressed any remorse for intentionally disregarding OED’s communications during the investigation of this matter and failing to participate in this disciplinary proceeding.

The sixth aggravating factor is “substantial experience in the practice of law.” See STANDARDS § 9.22(i). Substantial years of practice is an aggravating factor because a lawyer with a great deal of experience should know better than to engage in misconduct. See STANDARDS § 9.22, annotation at 480; In re Anderson, supra (practitioner’s over nine years of experience warrants a severe sanction). The USPTO registered Respondent as a patent agent in 2002. Respondent was admitted to the practice of law in Arizona in 2004. Thus, Respondent has been licensed to practice before the Office for 18 years. With nearly two decades of experience, Respondent surely knew better than to engage in the misconduct described in this Motion. See e.g., In re Vickers, 729 SE2d 355 (Ga. 2012) (several aggravating factors including lawyers’ six years of law practice experience warranted disbarment); In re Disciplinary Proceedings Against Theobald, 786 NW2d 834 (Wis. 2010) (lawyer’s 14 years of experience aggravating factor in determining sanction).

The seventh and final aggravating factor is Respondent’s indifference to making restitution. See STANDARDS § 9.22(j); In re Myers, supra (practitioner, *inter alia*, failed to return prepaid filing fees, an aggravating factor that resulted in exclusion); In re Goucher, Proceeding No. D2019-36 (USPTO Feb. 5, 2020)²⁷ (practitioner made no effort to compensate clients for abandoned applications or to reimburse client \$3,000 for patent application that was never filed). Respondent has made no apparent attempt to refund the \$812.50 in pre-paid fees that he collected from the Client. Respondent has also exhibited indifference to compensating the Client for the ’828 application’s abandonment or costs that the Client incurred by hiring new counsel to file the response to the restriction requirement and the petition to revive the ’828 application. Respondent’s indifference to making restitution warrants a severe sanction. See In re Gilboy, Proceeding No. D2019-56 (USPTO July 20, 2020)²⁸ (finding indifference to making restitution where practitioner, *inter alia*, failed to

²⁶ Available at: <https://go.usa.gov/x7x9s>.

²⁷ Available at: <https://go.usa.gov/x7x96>.

²⁸ Available at: <https://go.usa.gov/x7x9z>.

reimburse clients for services that were never provided); see e.g., Matter of Augenstein, 871 P2d 254, 258 (Ariz. 1994) (finding of indifference to make restitution where lawyer failed to contact his clients or offer them a “mere apology for his neglect.”); In re Woodring, 210 P3d 120 (Kan. 2009) (indifference to making restitution when lawyer failed to repay clients by time of hearing and oral argument, and provided no evidence of inability to do so).

The Court finds all of the foregoing to be aggravating factors. These factors, along with the actual injury Respondent caused to the Client, the knowing and intentional nature of his conduct, and the fact that he violated duties owed to his clients and his profession, warrant the severe sanction of exclusion.

STANDARD § 9.32 identifies mitigating factors which, if they exist, are considerations or factors that may justify a reduction in the degree of discipline to be imposed. See STANDARDS § 9.31. The sole mitigating factor present is the “absence of a prior disciplinary record.” See STANDARDS § 9.32(a). The Court finds that mitigating factor to be of little weight, given Respondent’s misconduct as described above.

CONCLUSION

Because Respondent has failed to answer the *Complaint* or otherwise appear in this matter, Respondent is found to be in **DEFAULT**. Based on the facts hereby admitted, this Court finds that Respondent has violated the USPTO Rules of Professional Conduct as alleged. The OED Director requested that the Court sanction Respondent by excluding him from practice before the USPTO in patent, trademark, and other non-patent matters. After analyzing the factors enumerated in 37 C.F.R. § 11.54(b), this Court concludes that Respondent’s misconduct warrants the sanction of exclusion.

Accordingly, Respondent shall be **EXCLUDED** from practice before the U.S. Patent and Trademark Office in patent, trademark, and other non-patent matters.²⁹

So **ORDERED**,



J. Jeremiah Mahoney
United States Administrative Law Judge

Notice of Required Actions by Respondent: Respondent is directed to refer to 37 C.F.R. § 11.58 regarding his responsibilities in the case of suspension or exclusion.

Notice of Appeal Rights: Within thirty (30) days of this initial decision, either party may file an appeal to the USPTO Director pursuant to 37 C.F.R. § 11.55.

²⁹ An excluded practitioner is eligible to apply for reinstatement no earlier than five years from the effective date of the exclusion. See 37 C.F.R. § 11.60(b). Eligibility is predicated upon full compliance with 37 C.F.R. § 11.58.