

PUBLIC PATENT FOUNDATION

Representing the Public's Interests in the Patent System

PUBPAT

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VIA ELECTRONIC MAIL
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Mail Stop OED – Ethics Rules
United States Patent and Trademark Office
P.O. Box 1450
Alexandria, VA 22313-1450

Re: Changes to Representation of Others Before the United States Patent and Trademark Office; Proposed Rule, 68 Federal Register 69442 (December 12, 2003)

Sir:

The Public Patent Foundation (“PUBPAT”) is a not-for-profit legal services organization working to protect the public from the harms caused by wrongly issued patents and unsound patent policy. PUBPAT provides the general public, particularly those persons or businesses otherwise deprived of access to the system governing patents, with representation, advocacy and education. PUBPAT appreciates the opportunity to offer comments on the *Changes to Representation of Others Before the United States Patent and Trademark Office (“PTO”); Proposed Rule* set forth in the above referenced notice (“Notice”).

Adopting Ethical Rules Based on the Model Rules is a Good First Step Towards Providing Practitioners with Consistent Ethical Guidance

The PTO’s current Office Rules of Professional Conduct (“PTO Rules”) differ in significant aspects from the Model Rules of Professional Conduct of the American Bar Association (“Model Rules”) and the ethical rules adopted by most state bars. When differences in ethical rules arise, practitioners are forced to make tough decisions regarding which rules should govern their conduct. This is a great burden on practitioners, with a correspondingly damaging effect on clients who end up receiving representation that either violates an applicable ethical rule expressly or, if the attorney fails to advance the client’s interests as fully as is otherwise permissible, violates the duty of zealous representation. See David Hricik, *Trouble Waiting to Happen: Malpractice and Ethical Issues in Patent Prosecution*, 31 AIPLA Q.J. 385, 2003. Either result impedes a properly working patent system because it leads to representation that is either inadequate or improper.

The most critical issue with respect to ethical considerations for patent practitioners is that they be given clear guidance. Modeling the PTO Rules after the Model Rules is a welcome step towards that goal, but will not completely achieve it. There will remain circumstances where practitioners are forced to resolve conflicts between the PTO Rules and the other ethical rules applicable to them, namely the rules of the state within which they practice.

Specific guidance needs to be given regarding how conflicts between the PTO Rules and any other ethical rules applicable to a practitioner should be resolved. In this regard, the case of *Buechel v. Bain*, 2000 WL 142598 (N.Y. App. Div. Sept. 28, 2000) is an example of a state court deciding that, with respect to conduct related to patent prosecution, its own state ethical rules took precedence over the PTO Rules.

Practitioners should not be forced into a catch-22 whereby their behavior is adjudged by the PTO according to the PTO Rules and by a state according to the state's rules. Such a situation may lead to practitioners having no course of conduct that satisfies the ethical rules of both adjudicators. The PTO is encouraged to help practitioners resolve these issues.

An Annual Registration Fee Is Not In the Public's Interest

Many registered practitioners never practice before the office, but nonetheless find value in maintaining their registration because clients often prefer to have registered patent practitioners handling their matters. For example, practitioners that solely litigate or license patents do nothing with the PTO other than maintain their registration. Such practitioners would very rarely, if ever, be the basis of disciplinary proceedings at the PTO.

As such, asking these practitioners to carry the costs of the disciplinary system equally with their patent prosecution colleagues who practice before the PTO on a routine basis is unfair. The cost of the system should be borne proportionally by those who burden it; namely, those who practice before the PTO should bear the cost of its disciplinary system.

Further, the statements in the Notice that an annual registration fee would stop the costs of the practitioner disciplinary system from being passed on to applicants and the general public is entirely incorrect. Notice at 69450. In fact, the exact opposite is true.

Whether hidden in the other costs of the patent system, or expressly called out and charged to practitioners directly, the cost of the PTO's disciplinary system will eventually be passed on to applicants. If an annual registration fee is adopted, practitioners will simply raise their rates as needed in order to compensate for this additional cost of being a registered patent practitioner.

This means that the costs will be passed on to more of the general public than under the current system because all practitioners, even those that do not practice before the PTO, will be forced to pass this cost on to their clients. Patent litigation and licensing clients will now be forced to pay higher rates in order to receive patent legal services that have nothing to do with the PTO. Such clients, having subsidized the PTO's disciplinary system, cannot even use that system because the activities of their practitioners are not within the PTO disciplinary system's jurisdiction. Why make these clients pay for something they cannot even use?

If the PTO's response to these comments is that the amount of the annual registration fee is so trivial that it will not have any real detrimental effect on the non-applicant clients of patent practitioners, then one is left to ask whether changing the system will have any real beneficial effect on applicant clients. In essence, an annual registration fee would still force applicants to bear some of the cost of the PTO's disciplinary system. The only difference created by instituting an annual registration fee would be to transfer some of the burden to non-applicants.

Lastly, an annual registration fee for state bars makes sense because all attorneys charged the annual registration fee are subject to the state's disciplinary system, regardless of the type of law they practice or the kind of matters they handle. This is different from the PTO's disciplinary system, which only has jurisdiction over practitioners with respect to matters before the PTO. Therefore, an annual registration fee is not appropriate for PTO registered practitioners.

Mandatory Continuing Education for Practitioners Is In the Public's Interest

PUBPAT agrees wholeheartedly with the PTO that "[i]t is in the interest of the practitioner community, applicants and the efficiency of the USPTO that practitioners keep their legal knowledge current." Notice at 69453. Unlike the annual registration fee discussed above, a uniform continuing education requirement placed on all registered practitioners is in the public interest because registered practitioners are expected to have an understanding of the entirety of current patent law, regardless of whether they counsel applicants or not.

The proposed mandatory continuing education will place only a minimal, if any, additional burden on practitioners, many of whom already have other continuing education requirements placed on them. Courses offered by pre-approved sponsors could be used to satisfy both the PTO and other continuing education requirements placed on practitioners, such as those of the states within which they practice. For those practitioners who choose not to satisfy their PTO continuing education requirements by attending a pre-approved sponsor's program, the proposed use of the Internet to deliver education materials and certify a practitioner's scrutiny thereof would provide an easy mechanism for satisfying the requirements.

Although a system which allows for either of these two alternatives would most assuredly ensure the PTO, clients, and the public at large, that practitioners have an awareness and understanding of current patent law, providing for satisfaction of the continuing education requirements only through attendance of a pre-approved sponsor's course would also be acceptable. In order to ensure access for all practitioners to such courses, the PTO could require sponsors to have an economic hardship policy that would allow practitioners of limited means to attend such courses. Many states, including New York, have such requirements. In this manner, imposing the continuing education requirements need not await, or be dependent upon, implementation of the PTO's Internet delivered alternative.

In closing, PUBPAT thanks the PTO for the opportunity to provide these comments and is available to provide any further comments or assistance the PTO might desire.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "D. Ravicher".

Daniel Ravicher
Reg. No. 47,015