UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE COMMISSIONER OF PATENTS AND TRADEMARKS

KAREN L. BOVARD, Director, Office of Enrollment and Discipline, v. MICHAEL G. MARINANGELI, Respondent.	)	APR 24 1997 Disciplinary Proceeding D95-03

FINAL DECISION UNDER 37 C.F.R. § 10.156

Respondent Michael G. Marinangeli ("Marinangeli") appeals the Initial Decision of Hon. Edward J. Kuhlmann, Administrative Law Judge ("ALJ"), recommending that Marinangeli be suspended for two years from practice before the Patent and Trademark Office ("PTO").[1] I have reviewed the record, and I conclude that substantial evidence supports the ALJ's finding that Marinangeli violated PTO Disciplinary Rule (DR) 10.23(b)(3)[2] by engaging in illegal conduct involving moral turpitude. I will adopt the ALJ's recommended sanction.

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[1] Bovard v. Marinangeli, No. D95-03 (Admin. Law Judge July 18, 1995) (initial decision).

[2] The PTO Disciplinary Rules are part of the PTO Code of Professional Responsibility, 37 C.F.R. ch. 10 (1996). See 37 C.F.R. § 10.20(b) (listing Disciplinary Rules). Thus, DR 10.23(b)(3) appears at 37 C.F.R. § 10.23(b)(3).

Introduction

Marinangeli, Reg. No. 30,774, has been registered to practice before the PTO in patent cases, and has been a member of the New York and New Jersey bars, since the early 1980's. Hearing Transcript ("Hr'g") at 22. The majority of Marinangeli's legal practice has been in the area of patents and trademarks. Hr'g at 29.

In 1991, Marinangeli stole four credit cards and two bank checks from the mail, and used them to misappropriate more than $21,000. Initial Decision at 2. In 1992, he pleaded guilty to Theft of Mail Matter, 18 U.S.C. § 1708, a felony. Initial Decision at 2. The Court sentenced Marinangeli to three years' probation and ordered him to pay restitution to his victims. Id. Reacting to Marinangeli's conviction, the New York and New Jersey bars suspended him. In re Marinangeli, 600 N.Y.S.2d 230 (App. Div. 1993); In re Marinangeli, 632 A.2d 265 (N.J. 1993).

Marinangeli did not disclose his criminal conviction to the PTO until 1993, when he responded to a question about convictions in a PTO survey used to update the register of patent practitioners. Initial Decision at 3; see 37 C.F.R. § 10.11(b) (authorizing survey). The PTO Office of Enrollment and Discipline ("OED") then instituted an investigation. Initial

Decision at 3. OED asked Marinangeli to provide a written authorization and release to conduct an investigation, but Marinangeli never complied. Initial Decision at 4-5; cf. 37 C.F.R. § 10.131(b) (imposing duty to cooperate).

OED discovered the state bar suspensions. Initial Decision at 4. OED also discovered that during the suspensions, Marinangeli had continued to prosecute patent and trademark applications before the PTO. Id. In 1994, after OED informed Marinangeli that he could not prosecute trademark applications during his state bar suspensions, 37 C.F.R. § 10.14(b), Marinangeli curtailed his trademark practice. Initial Decision at 4. However, Marinangeli has continued to prosecute patent applications. See id. at 5 (listing papers Marinangeli filed in 1994-95).

OED brought a two-count complaint against Marinangeli. Director's Hr'g Ex. 1, at 4-5. The first count alleged that Marinangeli engaged in illegal conduct involving moral turpitude, in violation of DR 10.23(b)(3) and (c)(1). The second count alleged that Marinangeli's New York suspension violated DR 10.23(b)(1) and (c)(5).[3]

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[3] The Disciplinary Rules which Marinangeli is accused of violating provide:

The ALJ held a hearing in 1995; Marinangeli and OED filed post-hearing briefs. The ALJ, after review and consideration of the evidence, found that Marinangeli committed the alleged professional misconduct. Initial Decision at 6-7. After considering the penalty factors of 37 C.F.R. § 10.154(b), the ALJ recommended that Marinangeli be suspended from practice before the PTO for two years. Id. at 7-8.

Marinangeli appeals from the Initial Decision. Although Marinangeli takes exception to some of the ALJ's factual findings and legal conclusions, Marinangeli does not contest that he

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§ 10.23. Misconduct.

. . . .

(b) A practitioner shall not:

(1) Violate a Disciplinary Rule.

. . . .

(3) Engage in illegal conduct involving moral turpitude.

. . . .

(c) Conduct which constitutes a violation of paragraphs (a) and (b) of this section includes, but is not limited to:

. . . .

(1) Conviction of a criminal offense involving moral turpitude, dishonesty, or breach of trust.

. . . .

(5) 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

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. . . .

37 C.F.R. § 10.23.

violated the Disciplinary Rules as charged. Instead, Marinangeli's primary argument is that the recommended two-year suspension is too severe.

Opinion

I have authority to suspend a practitioner for violating the Disciplinary Rules. 35 U.S.C. § 32 (1994); see also Koden v. United States Dep't of Justice, 564 F.2d 228, 233 (7th Cir. 1977) (recognizing agency's inherent authority to discipline attorneys).

I have reviewed the record before the ALJ and Marinangeli's appeal exhibits, some of which Marinangeli did not make of record before the ALJ. To rely on the exhibits not of record below--appeal exhibits A, E-H, J, and K--Marinangeli would have to demonstrate they could not have been discovered by due diligence prior to the hearing. 37 C.F.R. § 10.155(c).[4] However, to the extent these exhibits are not redundant, they merely present additional arguments which I have considered in affirming the ALJ's decision.

[4] Marinangeli did not request that the disciplinary proceeding be reopened to allow consideration of new evidence.

Based on my review and consideration, I will adopt all of the ALJ's factual findings and legal conclusions except as indicated below.

On the first count, I adopt the ALJ's undisputed factual finding that Marinangeli violated DR 10.23(b)(3) by "engag[ing] in illegal conduct involving moral turpitude." Marinangeli committed and was convicted of Theft of Mail Matter. "Theft has always been held to involve moral turpitude, regardless of the sentence imposed or the amount stolen." Soetarto v. INS, 516 F.2d 778, 780 (7th Cir. 1975). DR 10.23(c)(1), cited in the complaint, reinforces that "conviction of a criminal offense involving moral turpitude [or] dishonesty" violates a prohibition in paragraph (b) of DR 10.23, specifically DR 10.23(b)(3).

The second count, which charges Marinangeli with his suspension from the New York bar, see DR 10.23(c)(5) (listing state bar suspension as an example of conduct violating DR 10.23(a) and (b)), is redundant. Marinangeli's theft conviction is the reason New York suspended him. Marinangeli, 600 N.Y.S.2d at 230-31. Marinangeli is directly charged for the theft conviction in the first count of OED's complaint. Thus, the second count is merely cumulative and does not affect my decision

on the proper punishment for Marinangeli's undisputed disciplinary violation.

Sanction

I also adopt the ALJ's recommended sanction of a two-year suspension. Considering the ALJ's recommendation in light of the penalty factors listed in 37 C.F.R. § 10.154(b), a two-year suspension is an appropriate sanction.

The first penalty factor is the public interest. § 10.154(b)(1). Practitioners have enormous power to further or impair the interests of their clients. Thus, the ALJ correctly observed that attorneys are held to a high standard because their work is a public trust. Initial Decision at 8. The public relies on the disciplinary process to ensure that practitioners act with integrity and in compliance with the rules. Thus, I find that the public interest weighs in favor of suspending or excluding Marinangeli. See also Marinangeli, 600 N.Y.S.2d at 231 (finding public interest supports suspending Marinangeli).

The second penalty factor is the seriousness of Marinangeli's criminal conviction, the Disciplinary Rule violation for which he is being disciplined. § 10.154(b)(2). Theft of Mail Matter is a felony and a serious crime.

Marinangeli, 600 N.Y.S.2d at 230-31. This penalty factor weighs in favor of suspending or excluding Marinangeli.

The third penalty factor is the deterrent effect deemed necessary to prevent similar Disciplinary Rule violations. § 10.154(b)(3). As the ALJ found, state bar suspensions will not adequately deter patent practitioners. Initial Decision at 8. A patent practitioner need not be admitted to the bar of any state. 37 C.F.R. §§ 10.6(b), 10.10(a). State bar discipline does not impact patent practice before the PTO and thus cannot be relied upon to deter misconduct by patent practitioners. Thus, I find that deterring other practitioners from committing such a serious crime weighs in favor of suspending or excluding Marinangeli.

Marinangeli contends that his continued patent practice throughout this disciplinary proceeding, and his trademark practice during part of his state bar suspensions, should not be held against him. Marinangeli is being disciplined for his criminal conviction, not for his patent and trademark practice. However, it is relevant to the appropriate penalty that Marinangeli in fact engaged in the unauthorized practice of

trademark law in violation of 37 C.F.R. § 10.14(b).[5] Thus, Marinangeli's unauthorized trademark practice is an aggravating factor, weighing in favor of a more severe penalty.

Marinangeli also argues that he has already been punished enough. However, Marinangeli has not yet been punished at all by the PTO.[6] Practitioners cannot escape the consequences of their misconduct by pointing to sanctions administered by other bars. Moreover, Marinangeli's criminal probation and state bar suspensions had relatively little effect on his legal practice, which focuses on patents and trademarks. Finally, Marinangeli's penalty is not intended solely to punish him, but also to deter

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[5] I do not find record support for the ALJ's finding that Marinangeli continued to prosecute trademark applications after OED told him to stop. Initial Decision at 8. However, the record, including Marinangeli's own listing of trademark applications he was prosecuting at the end of 1993, fully supports the ALJ's undisputed factual finding that Marinangeli prosecuted trademark applications in the period between his state bar suspensions in 1993 and OED's demand that he stop in 1994.

[6] Marinangeli contends that he has already been punished by loss of his status as a patent "attorney" during his state bar suspensions. The regulations recognize two classes of persons registered to practice before the PTO in patent cases: patent attorneys, who are licensed attorneys, and patent agents, who are not. 37 C.F.R. § 10.6. However, the two classes have identical power to practice before the PTO in patent cases. 37 C.F.R. § 10.10(a). Thus, the state bar suspensions had no effect on Marinangeli's PTO patent practice.

others and maintain public confidence in the integrity of patent practice.

The fourth penalty factor is the integrity of the legal profession. § 10.154(b)(4). Because practitioners have enormous power over the intellectual property rights of their clients, the disciplinary process must maintain the profession's integrity. I find that maintaining integrity weighs in favor of suspending or excluding Marinangeli.

The fifth and final penalty factor is extenuating circumstances. § 10.154(b)(5). I have carefully considered the extenuating circumstances that Marinangeli asserts. However, the sanction recommended by the ALJ is far less severe than it could have been, indicating that extenuating circumstances were given careful consideration.[7] I am not convinced that the recommended sanction is inappropriate.

Marinangeli contends that his addiction to alcohol and drugs and his recovery are extenuating circumstances. However, I agree with the ALJ and the New York Supreme Court that Marinangeli's

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[7] The ALJ could have recommended that Marinangeli be suspended for a longer period, or even excluded from PTO practice. 37 C.F.R. § 10.154(a). If Marinangeli were excluded, OED would not consider any petition for reinstatement for five years. 37 C.F.R. § 10.160(b).

addiction does not excuse or reduce the seriousness of his misconduct. Initial Decision at 8; Marinangeli, 600 N.Y.S.2d at 231. Marinangeli pled guilty to committing several extremely serious thefts. Marinangeli is responsible for the consequences of his criminal actions. Cf. Florida Bar v. Golub, 550 So.2d 455, 456 (Fla. 1989) ("While alcoholism explains the respondent's conduct, it does not excuse it.").

Marinangeli's recovery, while laudable, likewise does not excuse his crime. The purpose of discipline is to deter others from similar misconduct, as well as to punish Marinangeli and to deter him from further misconduct. While I credit Marinangeli's recovery as an extenuating circumstance, it does not support reducing his sanction.

Marinangeli also challenges the ALJ's alleged failure to consider expert testimony offered by his sister, an addiction counselor, and character references offered in mitigation. See Appeal Ex. I. However, Marinangeli introduced this evidence at the hearing, and the ALJ did not err in not mitigating the sanction even more in view of it. The expert testimony and the character references indicate that Marinangeli is recovering from his addiction and express confidence in his legal abilities.

However, as explained above, Marinangeli's recovery does not support a further reduction in his sentence.

Finally, Marinangeli argues his cooperation with OED is an extenuating circumstance.[8] Marinangeli challenges the ALJ's finding that he failed to fully cooperate with OED's investigation of his misconduct. Initial Decision at 8. However, the conviction occurred in December 1992, and Marinangeli was under a duty to inform OED as soon as reasonably possible. 37 C.F.R. § 10.24(a). Thus, Marinangeli's failure to report his suspension until asked by OED to respond to an inquiry weighs against mitigation. See Initial Decision at 8. Moreover, Marinangeli never complied with OED's request for a written authorization and release, hampering OED's ability to perform a timely and thorough investigation. This again weighs against mitigation. Marinangeli's level of cooperation with OED does not support a less severe penalty.

In sum, considering all of the penalty factors of § 10.154(b), four of the factors strongly support suspending Marinangeli for two years or longer, and would even support

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[8] Marinangeli was under a duty to cooperate with OED. 37 C.F.R. § 10.131(b). Marinangeli does not explain why mere compliance with this duty warrants a reduced penalty.

excluding Marinangeli from patent practice altogether. The fifth factor, extenuating circumstances, provides relatively little support for mitigating the sanction beyond the ALJ's initial penalty. Thus, the penalty factors fully support the two-year suspension recommended by the ALJ.

Marinangeli requests a less severe penalty of monitored probation, which would allow him to continue practicing before the PTO under the supervision of a practice monitor. However, I must deny that request. Suspension, not monitored probation, is the appropriate penalty in this case involving felony Theft of Mail Matter.

Marinangeli cannot rely on Weiffenbach v. Lett, 1101 OG 59 (Comm'r Pats. 1989), to avoid suspension. Lett and OED agreed to settle on monitored probation as the appropriate penalty for Lett's alcoholism-related misconduct. However, Lett had not been convicted of any crime, much less a serious felony. Moreover, while Lett received a lesser penalty than Marinangeli, the PTO and many states have also imposed greater penalties in cases involving similar misconduct. E.g., Weiffenbach v. Crabtree, No. DP87-1 (Comm'r Pat. 1987) (three-year suspension for income tax evasion); Day v. State Bar, 821 S.W.2d 172, 173 (Tex. Ct. App. 1991) (five-year suspension for unauthorized issuance of

cashier's checks, etc.); In re Plumb, 892 P.2d 739, 740 (Wash. 1995) (three-year suspension for felony theft). The appropriate penalty must be decided on the facts of each particular case. On the facts of this case, I conclude that suspending Marinangeli for two years is appropriate.

Publication

Finally, the ALJ ordered that "the facts and circumstances of this proceeding shall be fully published" in the Official Gazette. Initial Decision at 9. Marinangeli requests that the Initial Decision not be published because it mentions specific applications and thus may prejudice non-parties to this proceeding. The present Final Decision does not mention any specific applications. Therefore, the Initial Decision will be published with the information about specific patent and trademark applications deleted, and this Final Decision will also be published.

ORDER

Upon consideration of the entire record, and pursuant to 37 C.F.R. § 10.130(a), it is

ORDERED that one (1) month from the date this order is entered, MICHAEL G. MARINANGELI of New York, whose PTO Registration Number is 30,774, be suspended for two years from

practice before the PTO under the conditions set forth in 37 C.F.R. § 10.158;

ORDERED that the patent application numbers and applicants' names, and the trademark application numbers, marks, and applicants' names, be deleted from the Initial Decision before publication; and

ORDERED that this Final Decision in this proceeding be published.

RECONSIDERATION AND APPEAL RIGHTS

Any request for reconsideration of this decision must be filed within twenty (20) days from the date of entry of this decision. 37 C.F.R. § 10.156(c). Any request for reconsideration mailed to the PTO must be addressed to:

Bruce A. Lehman
Assistant Secretary of Commerce and
Commissioner of Patents and Trademarks
Crystal Park II, Suite 906
U.S. Patent and Trademark Office
Washington, D.C. 20231

A copy of the request must also be served on the attorneys for the Director of Enrollment and Discipline:

Scott A. Chambers
Kevin T. Kramer
Associate Solicitors
U.S. Patent and Trademark Office
Crystal Park II, Suite 918
Post Office Box 16116
Arlington, Virginia 22215

Any request hand-delivered to the PTO must be hand-delivered to the Office of the Commissioner, in which case the service copy for the attorney for the Director shall be hand-delivered to the Office of the Solicitor.

If a request for reconsideration is not filed, and Respondent desires further review, Respondent is notified that he is entitled to seek judicial review on the record in the U.S. District Court for the District of Columbia under 35 U.S.C. § 32 and Local Rule 213 of the U.S. District Court for the District of

Columbia within thirty (30) days of the date of entry of this decision.

BRUCE A. LEHMAN
Assistant Secretary of Commerce
and Commissioner of Patents
and Trademarks

cc: Karen L. Bovard
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