

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

In the Matter of)	
)	
Raymond Y. Chan,)	Proceeding No. D2011-21
)	
Respondent)	

FINAL ORDER

The Deputy General Counsel for Enrollment and Discipline and the Director of the Office of Enrollment and Discipline (“OED Director”) for the United States Patent and Trademark Office (“USPTO” or “Office”) and Raymond Y. Chan (“Respondent”) have submitted a Proposed Settlement Agreement (“Agreement”) to the Under Secretary of Commerce for Intellectual Property and USPTO Director for approval.

The Agreement, which resolves all disciplinary action by the USPTO arising from the stipulated facts set forth below and the disciplinary complaint pending against Respondent, is hereby approved. This Final Order sets forth the parties’ stipulated facts, legal conclusions, and sanctions found in the Agreement.

Jurisdiction

1. At all times relevant hereto, Respondent of Monterey Park, California, has been an agent registered to practice patent law before the Office (Registration No. 37,484) and is subject to the USPTO Disciplinary Rules set forth at 37 C.F.R. § 10.20 et seq.
2. The USPTO Director has jurisdiction over this matter pursuant to 35 U.S.C. §§ 2(b)(2)(D) and 37 C.F.R. § 11.26.

Stipulated Facts

3. Respondent of Monterey Park, California, has been a patent agent registered to practice patent law before the Office since October 8, 1993. Respondent’s registration number is 37,484.
4. Nonprovisional patent applications filed in the Office must include an oath or declaration by each inventor that complies with 37 C.F.R. § 1.63. See 37 C.F.R. § 1.51(b)(2).
5. Patent prosecution rules mandate, *inter alia*, that the required § 1.63 oath or declaration state that the person making the oath or declaration has reviewed and understands

the contents of the application, including the claims, as amended by any amendment specifically referred to in the oath or declaration. See 37 C.F.R. § 1.63(b)(2).

6. For several years, Respondent engaged in a business practice of having his inventor/applicant-clients sign the required § 1.63 oath or declaration prior to the client's review of his or her application, which often was not prepared or completed until after the client signed the oath or declaration.

7. Respondent represents that it was his business practice to discuss with the client the invention, the manner in which he intended to describe the invention in the specification, and the claims he intended to assert. Respondent also represents that, if the client was satisfied with the nature of the patent legal services Respondent intended to render, Respondent and the client would sign a retainer agreement.

8. Respondent represents that, at the same time Respondent and the client signed a retainer agreement, Respondent would explain the purpose of the required § 1.63 oath or declaration and ask the client whether he or she would like to sign the declaration at that time. Respondent represents that he would confirm with the client whether he or she would like to review the completed specification, drawings and claims before the application was filed in the Office.

9. Respondent's business practice of having a client sign the required § 1.63 oath or declaration prior to the preparation or completion of the application is plainly contrary to patent prosecution rules and Disciplinary Rules of the USPTO Code of Professional Responsibility, and it causes potential harm to the client, the public, and the Office.

10. Respondent represents that he did not intend to mislead the Office in any way by having a client sign the required § 1.63 oath or declaration prior to the preparation or completion of the application.

11. Respondent represents that he now fully understands the nature of his misconduct and the potential harm to the client, the public, and the Office that may have stemmed therefrom.

Legal Conclusions

12. Based on the foregoing stipulated facts, Respondent acknowledges that, based on the information contained in stipulated facts, above, his conduct violated 37 C.F.R. §§ 10.23(b)(4) (proscribing misrepresentation), 10.23(b)(5) (proscribing conduct prejudicial to the administration of justice), and 10.23(c)(15) (proscribing signing a paper filed in the Office in violation of the provisions of 37 C.F.R. § 11.18).

Mitigating Factors

13. Respondent has no prior disciplinary history before the Office during the nearly eighteen (18) years he has been registered as a patent agent.

14. Respondent fully cooperated with the Office of Enrollment and Discipline during

the investigation and resolution of this matter.

Agreed Upon Sanction

15. Respondent agreed, and it is ORDERED that:
- a. Respondent be, and hereby is, publicly reprimanded;
 - b. Respondent shall serve a thirty-six (36) month period of probation commencing on the date this Final Order is signed;
 - c. (1) if the OED Director is of the opinion that Respondent, during Respondent's probationary period, failed to comply with any provision of this Final Order or any Disciplinary Rule of the USPTO Code of Professional Responsibility,

(A) the OED Director shall issue to Respondent an Order to Show Cause why the USPTO Director should not enter an order immediately suspending Respondent for up to twenty-four (24) months for the violations set forth in paragraph 12, above;

(B) send the Order to Show Cause to Respondent at the last address of record Respondent furnished to the OED Director pursuant to 37 C.F.R. § 11.11; and

(C) grant Respondent fifteen (15) days to respond to the Order to Show Cause;

and

(2) in the event after the 15-day period for response and consideration of the response, if any, received from Respondent, the OED Director continues to be of the opinion that Respondent, during Respondent's probationary period, failed to comply with any provision of this Final Order or any Disciplinary Rule of the USPTO Code of Professional Responsibility, the OED Director shall:

(A) deliver to the USPTO Director: (i) the Order to Show Cause, (ii) Respondent's response to the Order to Show Cause, if any, and (iii) argument and evidence supporting the OED Director's conclusion that Respondent, during Respondent's probationary period, failed to comply with any provision of this Final Order or any Disciplinary Rule of the USPTO Code of Professional Responsibility; and

(B) request that the USPTO Director enter an order immediately suspending Respondent for up to twenty-four (24) months for the violations set forth in paragraph 12, above;

- d. If, pursuant to the preceding subparagraph, the USPTO Director enters an order immediately suspending Respondent, then (i) the USPTO shall promptly dissociate Respondent's name from all USPTO Customer Numbers and Public Key Infrastructure ("PKI") certificates and (ii) Respondent may not apply for or obtain a USPTO Customer Number unless and until he is reinstated to practice before the USPTO;
- e. If, pursuant to subparagraph c., above, the USPTO Director enters an order immediately suspending Respondent and Respondent seeks a review of the USPTO Director's action, any such review shall not operate to postpone or otherwise hold in abeyance the USPTO Director's order;
- f. The OED Director shall publish this Final Order at the Office of Enrollment and Discipline's Reading Room electronically located at:
<http://des.uspto.gov/Foia/OEDReadingRoom.jsp>;
- g. The OED Director shall publish a notice materially consistent with the following in the *Official Gazette*:

Notice of Public Reprimand and Probation

This notice concerns Raymond Y. Chan of Monterey Park, California, a registered patent agent (Registration No. 37,484). Mr. Chan has been publicly reprimanded and placed on probation for thirty-six (36) months by the United States Patent and Trademark Office ("USPTO" or "Office") for violating 37 C.F.R. §§ 10.23(b)(4) (proscribing misrepresentation), 10.23(b)(5) (proscribing conduct prejudicial to the administration of justice, and 10.23(c)(15) (proscribing signing a paper filed in the Office in violation of the provisions of 37 C.F.R. § 11.18). Mr. Chan is permitted to practice patent law before the Office during his probation unless he is subsequently suspended or excluded by the USPTO Director.

For several years, Mr. Chan engaged in a business practice of having his inventor-clients sign the oaths or declarations required by 37 C.F.R. § 1.63 prior to the preparation of the clients' non-provisional patent applications. Mr. Chan represents that he never intended to mislead the Office. Nevertheless, the practice of having clients sign the required § 1.63 oath or declaration prior to the preparation of the application is contrary to patent prosecution rules and the USPTO Code of Professional Responsibility. The required § 1.63 oath or declaration must state, *inter alia*, that the person making the oath or declaration has reviewed and understands the contents of the application, including the claims, as amended by any amendment specifically referred to in the oath or declaration. See 37 C.F.R. § 1.63(b)(2). Violation of that patent

prosecution rule causes potential harm to the client, the public, and the Office.

Mitigating factors reflected in the agreed upon resolution of this disciplinary matter include: (i) Mr. Chan has no prior disciplinary history before the Office during the nearly 18 years he has been registered as a patent agent and (ii) Mr. Chan fully cooperated with the Office of Enrollment and Discipline during the investigation and resolution of this matter.

This action is the result of a settlement agreement between Mr. Chan and the OED Director pursuant to the provisions of 35 U.S.C. § 2(b)(2)(D) and 37 C.F.R. §§ 11.20, 11.26, and 11.59. Disciplinary decisions involving practitioners are posted for public reading at the Office of Enrollment and Discipline Reading Room located at: <http://des.uspto.gov/Foia/OEDReadingRoom.jsp>.

- h. In addition to subparagraph i, Respondent shall take the remedial action communicated between the parties within one-hundred eighty (180) days from the date of this Final Order and:
 - i. within seventy-five (75) days from the date of this Final Order provide an affidavit to the OED Director attesting to the remedial action taken to such date;
 - ii. within one hundred thirty-five (135) days from the date of this Final Order provide an affidavit to the OED Director attesting to the remedial action taken to such date but not inclusive of the first seventy-five (75) days from the date of this Final Order; and
 - iii. within one hundred ninety-five (195) days from the date of this Final Order provide an affidavit to the OED Director attesting to the remedial action taken to such date but not inclusive of the first one hundred thirty-five (135) days from the date of this Final Order.
- i. Respondent shall hire, at Respondent's own expense, an attorney who is registered to practice before the Office and who licensed and in good standing by the State of California ("the practice monitor"). Respondent shall ensure that the practice monitor (i) regularly reviews Respondent's patent practice during the probationary period and (ii) prepares and submit a report to the OED Director every six months starting six months after the date this Final Order is signed and ending thirty-six months after the date this Final Order is signed. The report shall indicate whether Respondent is in compliance with the rules governing patent prosecution before the Office, including regulatory and statutory requirements for filing patent applications. If Respondent is not in compliance, the report shall identify each patent prosecution rule implicated and briefly explain the manner in which Respondent's acts or omissions do not comply therewith.

- j. Nothing in the Agreement or this Final Order shall prevent the Office from seeking discipline against Respondent in accordance with the provisions of 37 C.F.R. §§ 11.34 through 11.57 for the misconduct that caused the USPTO Director to enter immediately suspend Respondent pursuant to the provisions of subparagraph e, above;
- k. Nothing in the Agreement or this Final Order shall prevent the Office from considering the record of this disciplinary proceeding, including this Final Order, (1) when addressing any further complaint or evidence of the same or similar misconduct by Respondent brought to the attention of the Office, and/or (2) in any future disciplinary proceeding concerning Respondent (i) as an aggravating factor to be taken into consideration in determining any discipline to be imposed and/or (ii) to rebut any statement or representation by or on Respondent's behalf;
- l. Within thirty (30) days of the date on which this Final Order is signed, the OED Director shall file a motion to dismiss the disciplinary proceeding currently pending against Respondent; and
- m. The OED Director and Respondent bear their own costs incurred to date and in carrying out the terms of the Agreement.

JAN 17 2012

Date



JAMES O. PAYNE
Deputy General Counsel for General Law
United States Patent and Trademark Office

on behalf of

David M. Kappos
Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office

cc:

Director of the Office of Enrollment and Discipline
U.S. Patent and Trademark Office

Cameron Weiffenbach, Esq.
Miles & Stockbridge
1751 Pinnacle Drive, Suite 500
McLean, VA 22102-3833
Counsel for Respondent

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JAMES O. PAYNE
Deputy General Counsel for General Law
United States Patent and Trademark Office

on behalf of

David M. Kappos
Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office