

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

In the Matter of:)	
)	
Stephen R. Greiner,)	Proceeding No. D2012-25
)	
Respondent.)	Dated: October 18, 2012
)	

INITIAL DECISION ON DEFAULT

I. Procedural Background

This proceeding was initiated on May 31, 2012 by William R. Covey, Deputy General Counsel for Enrollment and Discipline and Director of the Office of Enrollment and Discipline ("OED"), United States Patent and Trademark Office ("PTO"), filing a Complaint and Notice of Proceedings Under 35 U.S.C. § 32 ("Complaint"), against Stephen R. Greiner ("Respondent"). The Complaint charges Respondent, a registered patent attorney before the PTO, with violating Disciplinary Rules for Representation of Others Before the Patent and Trademark Office, set forth at 37 C.F.R. part 10 ("Rules"). Specifically, the Complaint alleges that Respondent violated the Rules as enumerated in the following nine counts:

- (1) Misappropriating, or failing to properly or timely remit, funds received from a client to pay a fee required to be paid to the PTO, in violation of 37 C.F.R. § 10.23(a) and (b) via 37 C.F.R. § 10.23(c)(3);
- (2) Engaging in disreputable or gross misconduct by requesting, receiving and retaining client funds for fees and expenses but not forwarding the client funds for fees or incurring expenses, in violation of 37 C.F.R. § 10.23(a);
- (3) Engaging in conduct involving dishonesty, fraud, deceit, or misrepresentation, by requesting, receiving and retaining client funds for fees and expenses but not forwarding the client funds for fees or incurring expenses, in violation of 37 C.F.R. § 10.23(b)(4);
- (4) Filing to inform a client of correspondence received from the PTO when the correspondence (i) could have a significant effect on a matter pending before the PTO, (ii) is received by the practitioner on behalf of a client, and (iii) is correspondence of which a reasonable practitioner would believe under the circumstances the client should be notified, in violation of 37 C.F.R. § 10.23(c)(8);

(5) Neglecting a legal matter entrusted to the practitioner, in violation of 37 C.F.R. § 10.77(c);

(6) Intentionally prejudicing or damaging a client during the course of a professional relationship, in violation of 37 C.F.R. § 10.84;

(7) Engaging in conduct involving dishonesty, fraud, deceit, or misrepresentation, by submitting a check to PTO that had been drawn on insufficient funds and which was dishonored, in violation of 37 C.F.R. § 10.23(b)(4);

(8) Engaging in disreputable or gross misconduct by violating Virginia Code Section 18.2 -181 by submitting a check to the PTO when Respondent had insufficient funds in his account, failing to make the check good within five days of notice that the check was dishonored, and issuing a check that was dishonored after having been recently disciplined for submitting dishonored checks, in violation of 37 C.F.R. § 10.23(a) and 10.23(b)(4); and

(9) Engaging in other conduct that adversely reflects on the practitioner's fitness to practice before the PTO, in violation of 37 C.F.R. § 10.23(b)(6).

For these violations, OED seeks entry of an order (1) excluding Respondent from practice before the PTO in patent, trademark, and other non-patent cases or matters; (2) requiring Respondent to pay monetary restitution to a former client in the amount of \$1,564.00; and (3) for such additional relief as this Tribunal deems proper. The Complaint notified Respondent that he had thirty days from the date of the Complaint to file an answer with the hearing officer, and that a decision by default might be entered against him if he should fail to file a timely written answer. The Complaint also provided Respondent with the correct address of this Tribunal's office.

On June 1, 2012, the undersigned was designated to preside in this matter. On July 16, 2012 and August 10, 2012, OED filed status reports outlining the efforts made to serve Respondent with a copy of the Complaint. On August 21, 2012, more than eighty days after the Complaint was filed, OED filed a Motion for Entry of Default Judgment and Imposition of Disciplinary Sanction ("Motion" or "Mot."). In the Motion, OED states that as of August 21, 2012, Respondent has not answered the Complaint and has not contacted OED counsel. The Motion states that OED seeks entry of a default judgment against Respondent, an order excluding Respondent from practice before the PTO, and an order requiring Respondent to pay the aforementioned restitution.

To date, Respondent has not filed an answer to the Complaint or a response to the Motion, nor has he communicated at all with this Tribunal.

II. Default

The procedural rules that govern this proceeding, set forth at 37 C.F.R. part 11 (“Procedural Rules”), provide that OED may serve a complaint on a respondent “[b]y mailing a copy of the complaint by ‘Express Mail,’ first-class mail, or any delivery service that provides ability to confirm delivery or attempted delivery to . . . [a] respondent who is a registered practitioner at the address provided to OED pursuant to § 11.11,” or if the respondent is not registered, to the respondent’s last address known to the OED Director. 37 C.F.R. § 11.35(a)(2). Rule 11.11 requires a registered attorney or agent to notify the “OED Director of his or her postal address for his or her office, . . . e-mail addresses . . . , and business telephone number, as well as every change to any of said addresses or telephone numbers within thirty days of the date of the change.” 37 C.F.R. § 11.11(a). If a copy of the Complaint cannot be delivered to the respondent through the ways listed in Rule 11.35(a), the OED Director may serve the complaint “by causing an appropriate notice to be published in the Official Gazette for two consecutive weeks, in which case, the time for filing an answer shall be thirty days from the second publication of the notice.” 37 C.F.R. § 11.35(b).

The record shows that OED served Respondent with the Complaint in accordance with the requirements of the Procedural Rules. 37 C.F.R. § 11.35(b); Mot. at Ex. B. First, OED mailed a copy of the Complaint via first class certified mail, return receipt requested, to the most recent address provided to the OED Director pursuant to Rule 11.11: Greiner Law Offices, PC, 6701 Democracy Blvd. Suite 300, Bethesda, Maryland, 20817 (“the Maryland address”). See certificate of service attached to Complaint; Mot. at 1-2. OED also mailed a copy of the Complaint to Respondent by the same method to 544 General Early Drive, Harpers Ferry, West Virginia, 25425 (“the West Virginia address”), which is the address where OED believed Respondent may receive mail. *Id.* Both copies were returned to OED marked as undeliverable and unable to forward. Mot. at 2, Ex. A (photocopies of returned mailings). OED next attempted to serve Respondent by publication. Mot. at 2. On July 3, 2012 and July 10, 2012, notices to Respondent were published in the PTO’s Official Gazette. *Id.*; Mot. at Ex. B (two notices dated July 3, 2012 (1380 OG 43) and July 10, 2012 (1380 OG 99), stating the action being taken against Respondent and explaining how to obtain a copy of the Complaint). On July 11, 2012, OED counsel sent Respondent a letter by regular mail to the Maryland address, stating therein OED’s efforts to serve Respondent with the Complaint and its intention to file a motion for default judgment against him. Mot. at 2, Ex. C (letter to Respondent dated July 11, 2012). In the letter, OED counsel listed her contact information and invited Respondent to contact her “prior to the motion being filed so that we may discuss the possibility of resolving the motion voluntarily.” *Id.* This letter was returned to OED marked as undeliverable and unable to forward. Mot. at 3, Ex. D.

The Procedural Rules provide that “[f]ailure 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). Respondent’s failure to file an answer thirty days after service by publication was completed constitutes an admission of the allegations in the Complaint, and therefore, a

default judgment may be entered against him. *Id.*

The Procedural Rules provide that the judge determines the time period in which a response to a motion must be filed. 37 C.F.R. § 11.43. In this proceeding, where Respondent has not answered the Complaint or otherwise appeared, it is not necessary to allow more time than has already passed for a response to the Motion.

Because OED served Respondent with the Complaint in accordance with the requirements set forth in 37 C.F.R. § 11.35(b) and Respondent failed to file an answer, I hereby find Respondent to be in **DEFAULT** and to have admitted all allegations in the Complaint. 37 C.F.R. § 11.36(e).

Accordingly, based on the Complaint, the exhibit attached thereto, and the Motion filed in this proceeding, I make the following Findings of Fact and Conclusions of Law.

III. Findings of Fact

1. Respondent has been registered as a patent attorney since April 19, 1993, and is assigned Registration Number 36,817.
2. By Final Order dated January 18, 2011 (PTO Disciplinary Proceeding No. D2011-01), the PTO Director suspended Respondent from practicing patent, trademark, and other non-patent law before the PTO for two years because six checks he submitted to the PTO on behalf of six different clients were returned for insufficient funds.
3. The same January 18, 2011 Final Order immediately stayed Respondent's suspension and instead placed Respondent on probation for two years.
4. The same January 18, 2011 Final Order stated that Respondent was permitted to practice before the PTO during the two-year probationary period unless and until such time as the stay of his suspension was lifted.

Client Wolfram

5. In 2009, Steve Wolfram hired Respondent to prepare, file, and prosecute a patent application.
6. Respondent prepared and on December 10, 2009, filed U.S. Patent Application 12/653,227 ("227 application") with the PTO on behalf of Mr. Wolfram for his "Wheel Chock" invention.
7. On April 1, 2011, the PTO mailed Respondent a Notice of Allowance and Fee(s) Due

informing Respondent that issue and publication fees in the amount of \$1,055.00 had to be paid by July 1, 2011.

8. By letter dated April 14, 2011, Respondent informed Mr. Wolfram about the notice and requested funds from him, upon receipt of which Respondent would respond to the notice.
9. Mr. Wolfram promptly remitted \$1,564.00 to Respondent for the \$1,055.00 PTO fees, an attorney fee of \$500.00, and \$9.00 for copies, by mailing him two money orders, which Respondent received on April 27, 2011.
10. Respondent did not remit the \$1,055.00 to the PTO and did not respond to the Notice of Allowance and Fee(s) Due, and therefore the '227 application became abandoned and no patent was issued on Mr. Wolfram's "Wheel Chock" invention.
11. On July 19, 2011, the PTO mailed to Respondent a Notice of Abandonment to Respondent, which he received on behalf of his client. The Notice of Abandonment could have a significant effect on the '227 application, a matter pending before the PTO, and is correspondence of which a reasonable practitioner would believe under the circumstances the client should be notified.
12. Respondent did not respond to the Notice of Abandonment, nor did he inform Mr. Wolfram about it.
13. As of May 31, 2012, Respondent did not pay the \$1,055.00 patent issue and publication fees for the '227 application.
14. As of May 31, 2012, Respondent did not return any of the funds collected to Mr. Wolfram.
15. Respondent abandoned Mr. Wolfram as a client.

Client Cunningham

16. In 2008, Richard Cunningham hired Respondent to prepare, file, and prosecute a patent application.
17. Respondent prepared and on February 1, 2008 filed U.S. Patent Application 12/007,173 ("173 application") with the PTO on behalf of Mr. Cunningham for his "Beverage Cooler" invention.
18. On February 3, 2010, the PTO mailed a non-final Office action in the '173 application to Respondent, which Respondent received.

19. Respondent did not file a response to the Office action, nor did he inform Mr. Cunningham about it.
20. Due to the failure of Respondent to file a response to the Office action, the '173 application became abandoned.
21. On August 17, 2010, the PTO mailed a Notice of Abandonment to Respondent, which he received on behalf of his client. The Notice of Abandonment could have a significant effect on the '173 application, a matter pending before the PTO, and is correspondence of which a reasonable practitioner would believe under the circumstances the client should be notified.
22. Respondent did not file a response to the notice, nor did he inform Mr. Cunningham about it.
23. Mr. Cunningham made numerous attempts to contact Respondent, but Respondent did not respond to his inquiries.
24. After filing the 173 application, Respondent did not take adequate steps to protect Mr. Cunningham's interest therein.
25. Respondent abandoned Mr. Cunningham as a client.

Client Davis

26. In 2008, Douglas Davis hired Respondent to prepare, file, and prosecute a patent application.
27. Respondent prepared and on November 26, 2008, filed U.S. Patent Application 12/292,770 ("770 application") with the PTO on behalf of Mr. Davis for his "Firearm Modification Kit" invention.
28. On January 10, 2011, the PTO mailed Respondent a final Office action, which he received.
29. Respondent did not inform Mr. Davis about the final Office action.
30. On April 20, 2011, Respondent filed a Petition for Extension of Time, Amendment of Claims, and Remarks in response to the final Office action.
31. On May 6, 2011, the PTO mailed Respondent an "Advisory Action Before the Filing of

an Appeal Brief” informing Respondent that the April 20, 2011 submission was not proper because it raised new issues.

32. Respondent received the May 6, 2011 PTO correspondence.
33. Respondent failed to respond to the May 6, 2011 PTO correspondence, did not inform Mr. Davis about it, and took not steps to further pursue the ‘770 application.
34. On September 1, 2011, the PTO mailed a Notice of Abandonment to Respondent informing him that the ‘770 application had become abandoned because no proper reply had been filed in response to the final Office action of January 10, 2011.
35. Respondent received the Notice of Abandonment, but did not file a response and did not inform Mr. Davis about it. The Notice of Abandonment could have a significant effect on the ‘770 application, a matter pending before the PTO, and is correspondence of which a reasonable practitioner would believe under the circumstances the client should be notified.
36. Mr. Davis made numerous attempts to contact Respondent, but Respondent did not respond to his inquiries.
37. After filing the ‘770 application, Respondent did not take adequate steps to protect Mr. Davis’s interest therein.
38. Respondent abandoned Mr. Davis as a client.

Client Desbrunes

39. In 2011, Herman Desbrunes hired Respondent to prepare, file, and prosecute a patent application.
40. On May 16, 2011, Respondent filed U.S. Patent Application 13/068,567 (“‘567 application”) with the PTO on behalf of Mr. Desbrunes for his “Land Vehicle Braking System” invention.
41. With the ‘567 application, Respondent enclosed a check dated May 10, 2011, for filing fees in the amount of \$545.00.
42. The check, number 7299, was payable to the PTO and was drawn on SunTrust Bank for an account in the name of Greiner Law Officer, P.C., and was signed by Respondent.
43. Check 7299 was presented for payment in Alexandria, Virginia, where the PTO is

located.

44. Check 7299 was returned by the bank for insufficient funds.
45. On June 7, 2011, the PTO informed Respondent in writing of the return of the check and the necessity of making payment to the PTO by way of a "Notice to File Missing Parts of Nonprovisional Application."
46. The June 7, 2011 PTO notice stated that Respondent had to pay a \$50.00 processing fee because of the returned check in addition to the filing fees originally owed.
47. Respondent received the June 7, 2011 PTO notice.
48. On July 26, 2011, more than five days after receiving the June 7, 2011 PTO notice, Respondent made good on the check and paid the \$50.00 dishonored check processing fee.

IV. Conclusions of Law

1. Respondent is subject to the PTO Disciplinary Rules set forth in 37 C.F.R. part 10. *See* 35 U.S.C. § 2(b)(2)(D); 37 C.F.R. §§ 10.1(h) and 10.20(b).
2. Respondent requested, received and retained client funds for fees and expenses in connection with the '227 application, but did not forward the funds to PTO to pay the fees and did not incur expenses. Thereby, as alleged respectively in Counts 1, 2 and 3 of the Complaint, he engaged in disreputable or gross misconduct in violation of 37 C.F.R. § 10.23(a), engaged in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of 37 C.F.R. § 10.23(b)(4), and misappropriated, or failed to properly or timely remit, funds received from a client to pay a fee required to be paid to the PTO, in violation of 37 C.F.R. § 10.23(c)(3).
3. In connection with the '173 application, the '770 application, and the '227 application, Respondent failed to inform his clients of correspondence received from the PTO when the correspondence (i) could have a significant effect on a matter pending before the PTO, (ii) was received by the practitioner on behalf of a client, and (iii) is correspondence of which a reasonable practitioner would believe under the circumstances the client should be notified. Such failure violates 37 C.F.R. §§ 10.23(a) and 10.23(b) via §10.23(c)(8), as alleged in Count 4 of the Complaint.
4. In connection with the '173 application, the '770 application, and the '227 application, Respondent neglected a legal matter entrusted to the practitioner by abandoning his clients, failing to respond to his clients' numerous attempts to communicate with him, neglecting to advise his clients that their applications had been abandoned, and neglecting his clients' patent

applications. Such neglect violates 37 C.F.R. § 10.77(c), as alleged in Count 5 of the Complaint.

5. In connection with the '227 application, by Respondent's misappropriation of client funds, allowing the '227 application to become abandoned, failing to take steps for issuance of a patent, and abandoning his client, Respondent intentionally prejudiced or damaged a client during the course of a professional relationship in violation of 37 C.F.R. § 10.84, as alleged in Count 6 of the Complaint. In connection with the '173 application, by Respondent's failure to respond to office communications, allowing the '173 application to become abandoned, and abandoning his client, Respondent intentionally prejudiced or damaged a client during the course of a professional relationship in violation of 37 C.F.R. § 10.84, as alleged in Count 6 of the Complaint.

6. In connection with the '567 application, by submitting a check to the PTO that had been drawn on insufficient funds and was dishonored, after Respondent had been previously disciplined for issuing a check that was dishonored, Respondent engaged in conduct involving dishonesty, fraud, deceit, or misrepresentation in violation of 37 C.F.R. § 10.23(b)(4), as alleged in Count 7 of the Complaint.

7. Respondent violated a criminal provision of the Virginia Code, Section 18.2-181, when he submitted the check to the PTO when he had insufficient funds in his account, and failed to make the check good within five days of notice that the check was dishonored, after having been recently disciplined for submitting dishonored checks.

8. Upon consideration of the factors in Procedural Rule 37 C.F.R. § 11.54(b) and the Findings of Fact and Conclusions of Law herein, excluding Respondent from practice before the PTO is an appropriate sanction in this matter.

V. Discussion

A. Count 8

Section 18.2-181 of the Virginia Code states in pertinent part:

Any person who, with intent to defraud, shall make . . . any check . . . upon any bank . . . , knowing, at the time of such making, . . . that the maker . . . has not sufficient funds in . . . such bank, for the payment of such check, . . . although no express representation is made in reference thereto, shall be guilty of larceny; and, if this check . . . has a represented value of \$200 or more, such person shall be guilty of a Class 6 felony.

As to "intent to defraud," Section 18.2-183 of the Virginia Code states, in pertinent part:

. . . [T]he making . . . of a check . . . , payment of which is refused by the drawee because

of lack of funds . . . shall be prima facie evidence of intent to defraud or of knowledge of insufficient funds in . . . such bank . . . unless such maker . . . shall have paid the holder thereof the amount due thereon, . . . within five days after receiving written notice that such check . . . has not been paid to the holder thereof.

OED seeks judgment that Respondent violated 37 C.F.R. § 10.23(a) on the basis that Respondent received prompt notice that check number 7299 was dishonored, but he did not make good on the check for six weeks, and that under Virginia law, these facts establish intent to defraud, and therefore his issuance of a worthless check was a violation of the criminal code of Virginia. Mot. at 7-8. OED argues that Respondent violated duties owed to the public and legal profession by bringing disgrace on the patent bar and decreasing the public's confidence in the integrity and trustworthiness of patent practitioners. Mot. at 7.

The Rules include at Section 10.23(c) a list of types of conduct which constitute a violation of Section 10.23(a). The list does not include issuing a check with knowledge of insufficient funds in the bank, and does not include conduct which constitutes a criminal offense, although it does include “[c]onviction of a criminal offense involving moral turpitude, dishonesty or breach of trust.” 37 C.F.R. § 10.23(c)(1). OED has not alleged or shown that Respondent was convicted of any criminal offense.

The list is not exclusive, as Section 10.23(c) expressly states that conduct constituting a violation of Section 10.23(a) “includes but is not limited to” the conduct listed. Facts alleged by OED and found herein show that Respondent was subject to Section 18.2-181 of the Virginia Code and that he violated that section of the Code by making a check with intent to defraud or with knowledge that he had insufficient funds in his account. However, OED has not cited to any authority in support of its argument that such conduct constitutes a violation of 37 C.F.R. § 10.23(a), and it is not clear that such conduct constitutes “disreputable or gross misconduct” within the meaning of 37 C.F.R. § 10.23(a). Nevertheless, in view of the sanction imposed below based on the Findings of Fact and Conclusions of Law herein, it is not necessary to decide whether Respondent's issuance of a check with intent to defraud or knowledge that he had insufficient funds in his account constitutes a violation of 37 C.F.R. § 10.23(a).

B. Count 9

The Rules provide at 37 C.F.R. § 10.23(b) that “A practitioner shall not . . . (1) Violate a Disciplinary Rule. . . [or] (6) Engage in any other conduct that adversely reflects on the practitioner's fitness to practice before the Office.” As stated by the PTO's appellate tribunal, “to be ‘other’ conduct within the scope [of] Section 10.23(b)(6), conduct must not be prohibited by Section 10.23(b)(1)–(5).” *Moatz v. Colitz*, 68 U.S.P.Q.2d 1079, 1102–03 (2003); *see also Ho*, Proceeding No. D2009-04 (ALJ, Jan. 29, 2009). Rule 10.23(b)(1) prohibits the violation of “a Disciplinary Rule,” and the conduct alleged in Counts 1 through 7 of the Complaint was found herein to constitute violations of Disciplinary Rules as defined in 37 C.F.R. § 10.20(b).

Arguably, the conduct alleged in Count 8 of the Complaint may constitute “any other conduct that adversely reflects on the practitioner’s fitness to practice before the PTO.” The Complaint alleges that “Respondent violated 37 C.F.R. § 10.23(b)(6) . . . by engaging in the acts and omissions described in the Complaint.” Complaint ¶ 92; Mot. at 5. OED does not specifically argue that the conduct alleged in Count 8 constitutes a violation of 37 C.F.R. § 10.23(b)(6), but does argue, citing case law in support, that issuing a check which is dishonored for insufficient funds is a serious ethical violation, and that courts have disbarred attorneys for writing bad checks, misappropriating funds and neglecting clients Mot. at 13-15. Nevertheless, because the conduct alleged in Count 8 – Respondent’s submittal of a check that was dishonored for insufficient funds – also was the basis for Count 7, which alleged a violation of 37 C.F.R. § 10.23(b)(4), such conduct cannot also constitute “any other conduct” under Section 10.23(b)(6).

Therefore there is no conduct alleged in the Complaint that could qualify as “other conduct” within the meaning of Rule 10.23(b)(6).

C. The Sanction

1. Penalty Factors

The undersigned must consider, in determining the appropriate sanction to be imposed, the following, if applicable:

1. Whether the practitioner has violated a duty owed to a client, to the public, to the legal system, or to 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 misconduct; and
4. The existence of any aggravating or mitigating factors.

37 C.F.R. § 11.54(b).

2. OED’s Arguments

OED moves for an initial decision ordering Respondent’s exclusion from practice before PTO. OED summarizes Respondent’s misconduct by stating that he “abandoned three different clients by failing to respond to Office communications . . . failed to notify his clients of important communications from the Office and failed to respond to client inquiries . . . requested and received from a client funds . . . but he did not forward the client funds to the Office . . . and did

not return the funds to the client” and he “submitted a check drawn on insufficient funds” but “failed to make good on the check for more than six weeks.” Mot. at 5-6. OED argues that any one of these actions constitutes sufficient grounds on its own for exclusion; when considered together, exclusion is “certainly” justifiable. Mot. at 10 (citing *State v. Bouda*, 806 N.W.2d 879, 882 (Neb. 2011)). Citing several rulings in disciplinary cases and applying the standards set forth in the American Bar Association’s *Standards for Imposing Lawyer Sanctions* §§ 4.11, 4.41, 8.1, OED argues that a practitioner who misappropriates client funds, neglects a client’s case, and issues a bad check after being disciplined for it previously should be disbarred. Mot. at 11-15. Further, exclusion in this case is important “for maintaining the integrity of the profession, protecting the public, and deterring other attorneys from engaging in similar misconduct.” Mot. at 15.

Regarding the first penalty consideration, “[w]hether the practitioner has violated a duty owed to a client, to the public, to the legal system, or to the profession,” OED argues that Respondent breached duties to his clients, the public, and the profession. Mot. at 6. Specifically, after soliciting money from his client, Mr. Wolfram, to pay PTO fees and other costs involved with his application, Respondent retained the funds himself instead of remitting them to the PTO, and did not complete the tasks for which he was paid. Mot. at 6-7. Respondent similarly failed Mr. Cunningham and Mr. Davis, OED argues, by allowing their patent applications to become abandoned and failing to inform them of their applications’ status and PTO communications. Mot. at 7. OED also cites Respondent’s “issuance of a worthless check” as “conduct involving dishonesty, fraud, deceit, or misrepresentation,” and therefore, a violation of his duties as a practitioner before the PTO and of the laws in Virginia. *Id.* OED states generally that Respondent’s conduct brought “disgrace on the patent bar” and decreased the “public’s confidence in the integrity and trustworthiness of patent practitioners.” *Id.*

In reference to the second penalty consideration, “[w]hether the practitioner acted intentionally, knowingly, or negligently,” OED argues that Respondent intentionally chose not to inform his clients of PTO communications. Mot. at 8. Also, Respondent knowingly abandoned representation of his clients and failed to return unearned fees, and deliberately failed to pay fees to the PTO, OED argues. *Id.* Further, OED reasons that because Respondent has previously been disciplined for submitting a bad check (Finding of Fact 2), “it cannot be reasonably disputed that [his] misconduct was other than knowing and willful.” *Id.* OED asserts that, because Respondent received prompt notice that his payment was dishonored, but did not make payment for six weeks thereafter, under Virginia law, “these facts are sufficient to establish intent.” *Id.*

As to the third penalty consideration, the “amount of the actual or potential injury caused,” OED argues that Respondent caused significant actual injuries. *Id.* Specifically, OED asserts, Mr. Wolfram did not receive the patent to which he was entitled and was deprived of \$1,564.00; Mr. Davis’ application became abandoned and therefore, his intellectual property rights were harmed; and Mr. Cunningham had to hire another attorney to work on his application and pay more in attorney fees after his application was abandoned as a result of Respondent’s representation. Mot. at 8-9.

Finally, with regard to the fourth penalty consideration, whether there are any mitigating or aggravating factors, OED asserts that several aggravating factors listed by the American Bar Association as relevant to attorney discipline matters constitute aggravating factors in this case. Mot. at 9. First, Respondent is experienced, having been registered with the PTO for almost twenty years. *Id.* Second, he abandoned multiple clients. *Id.* Also, he misappropriated client funds and wrongfully retained them. *Id.* He wrote a check for insufficient funds, even after having been disciplined before for the same, and he failed to repay Mr. Wolfram. Mot. at 9-10. OED also argues that Respondent's failure to file an answer to the Complaint or offer any explanation for his behavior supports the imposition of a more severe sanction. Mot. at 10. No mitigating factors apply, OED argues. *Id.*

3. Discussion

The principles and standards applied in attorney disbarment cases are similar to those applied in PTO disciplinary proceedings. *See, Steven B. Kelber*, Proceeding No. D2006-13, slip op. at 61 (ALJ, Sept. 23, 2008). "The purpose of lawyer discipline proceedings 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." *Standards for Imposing Lawyer Sanctions* § 1.1. The ultimate issue to be decided in disbarment proceedings is whether the respondent is fit to practice. *Harary v. Blumenthal*, 555 F.2d 1113, 1116 (2d Cir. 1977) (upholding disbarment of certified public accountant from practice before the Internal Revenue Service). Attorneys who practice before the PTO have a duty to represent their clients competently and zealously, and to maintain "the integrity and competence of the legal profession." 37 C.F.R. §§ 10.21, 10.76, 10.83.

Abandonment of a case or client after being paid for legal services is a significant violation of these ethical duties, and for such violations, attorneys have been disbarred. *People v. Elliott*, 39 P.3d 551 (Colo. O.P.D.J. 2000), *Matter of Lyles*, 494 S.E.2d 338 (Ga. 1998)), or excluded from practice before the PTO. *Phillip T. Golden*, PTO Proceeding No. D07-09 (ALJ, Apr. 21, 2008). Courts have disbarred attorneys for writing bad checks, misappropriating funds and neglecting clients. *Oklahoma Bar Ass'n v. Busch*, 976 P.2d 38 (Okla. 1999); *In re Gorray*, 922 N.Y.S2d 190 (N.Y. 2011). Issuing worthless checks as an attorney is considered a serious ethical violation, especially when it affects the attorneys' clients or is criminal in nature. *The Florida Bar v. Kassier*, 730 So.2d 1273 (Fla. 1999); *Mississippi State Bar Ass'n v. Cotter*, 512 So.2d 1288 (Miss. 1987)).

The Findings of Fact above establish that Respondent violated duties owed to his clients, to the public, and to the legal profession, and that Respondent engaged in a pattern of neglecting matters that his clients entrusted to his professional care. The Findings of Fact show that Respondent's misconduct included intentional, knowing and negligent acts and omissions.

However, due to Respondent's default, a record has not been developed with regard to all of the circumstances surrounding the professional misconduct. Proceeding to submission of testimony or evidence as to the sanction to impose would result in unnecessary expenditure of government resources on a case in which the Respondent has chosen not to provide the OED Director with his current address as clearly required by the Procedural Rules, 37 C.F.R. § 11.11(a), and/or has chosen not to participate.

Accordingly, exclusion from practice before the PTO is an appropriate sanction to impose on Respondent. Therefore, OED's request for an order excluding Respondent from the practice of patent, trademark, and other non-patent law before the PTO is **GRANTED**.

D. Restitution

OED requests that Respondent be ordered to make restitution to Mr. Wolfram in the amount of \$1,564.00, and other reasonable relief that this Tribunal deems appropriate. Mot. at 16.

It appears, however, that this Tribunal does not have the authority to grant such relief. Under 35 U.S.C. § 32, the Director may, after notice and opportunity for a hearing, "suspend or exclude" a practitioner from practice before the PTO. The Procedural Rules set out the authority of hearing officers at 37 C.F.R. § 11.39, which includes making initial decisions under Procedural Rules 11.25 (interim discipline based upon conviction of committing a serious crime) and 11.54 (initial decision of hearing officer). 37 C.F.R. § 11.39(c)(9). In turn, Procedural Rule 11.54 states that an initial decision will include "[a]n order of default judgment, of suspension or exclusion from practice, of reprimand, or an order dismissing the complaint," but does not refer to restitution or any other form of relief. 37 C.F.R. § 11.54(a)(2).

Procedural Rule 11.20(b) provides that "[w]hen the USPTO Director imposes discipline, the practitioner may be required to make restitution . . . as a condition of probation or reinstatement." 37 C.F.R. § 11.20(b). The text of Rule 11.20(b) suggests that an order to pay restitution be set as a condition of reinstatement in the initial decision of the hearing officer – at the time discipline is imposed. However, the authority to impose the condition of restitution appears to rest with the PTO Director alone. This conclusion is supported by comparing the text of 37 C.F.R. § 11.56(b), which explicitly states that a final decision of the PTO Director "may also condition the reinstatement of the practitioner . . .," with the text of the provision governing initial decisions, 37 C.F.R. § 11.54, which does not include any reference to condition of reinstatement. Neither the Complaint nor the Motion cite any authority other than Procedural Rule 11.20(b) in support of the proposition that the administrative law judge has the authority to order restitution or other relief.


Therefore, OED's request for an order directing Respondent to pay Mr. Wolfram restitution and for additional relief is hereby **DENIED**.

ORDER

After consideration of the above facts and conclusions, and the factors identified in 37 C.F.R. § 11.54(b),

IT IS HEREBY ORDERED that Respondent **STEPHEN R. GREINER**, PTO Registration No. 36,817, be **EXCLUDED** from the practice of patent, trademark, and other non-patent law before the U.S. Patent and Trademark Office.

The facts and circumstances of this proceeding shall be fully published in the U.S. Patent and Trademark Office's official publication.



M. Lisa Buschmann
Administrative Law Judge
U.S. Environmental Protection Agency¹

Pursuant to 37 C.F.R. §11.54(a)(2), unless an appeal is filed with the U.S. PTO Director, this Initial Decision shall become the decision of the U.S. PTO Director thirty days from the date of this Initial Decision. Any appeal of this Initial Decision must be filed with the U.S. PTO Director within thirty (30) days after the date it is issued, in accordance with 37 C.F.R. § 11.55. An appeal must include a brief, and shall be filed with the PTO Director at the address provided in 37 C.F.R. § 1.1(a)(3)(ii). Such appeal must include exceptions to this Initial Decision and reasons in support. Any exception not raised will be deemed waived and disregarded. Failure to file an appeal in accordance with 37 C.F.R. § 11.55 will be deemed to be both an acceptance by Respondent of this Initial Decision and Respondent's waiver of rights to further administrative and judicial review.

Respondent's attention is directed to 37 C.F.R. § 11.58 regarding the duties of excluded practitioners, and 37 C.F.R. § 11.60 concerning any future petition for reinstatement.

¹ The Administrative Law Judges of the Environmental Protection Agency are authorized to hear cases pending before the United States Department of Commerce, Patent and Trademark Office, pursuant to an Interagency Agreement effective for a period beginning March 22, 1999.

CERTIFICATE OF SERVICE

I certify that a true copy of **Initial Decision on Default**, dated October 18, 2012 was sent this day in the following manner to the addressees listed below:

Original to:

Maria Whiting Beale
U.S. EPA
1200 Pennsylvania Ave. NW
Mailcode 1900L
Washington, DC 20460

Copy and sent by Mail to:

Elizabeth Ullmer Mendel
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Knolyn Jones
Legal Staff Assistant

Dated: October 18, 2012