

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

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|--------------------------|---|-------------------------|
| In the Matter of |) | |
| |) | |
| Walter E. Johansen, III, |) | Proceeding No. D2011-35 |
| |) | |
| Respondent |) | |

FINAL ORDER

The Deputy General Counsel for Enrollment and Discipline and Director of the Office of Enrollment and Discipline (“OED Director”) for the United States Patent and Trademark Office (“USPTO” or “Office”) and Walter E. Johansen, III (“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. Respondent is a registered patent attorney (Registration Number 26,744) and is subject to the Disciplinary Rules of the USPTO Code of Professional Responsibility, which are set forth in Part 10 of Title 37, Code of Federal Regulations.
2. The USPTO Director has jurisdiction over this matter under 35 U.S.C. § 2(b)(2)(D) and 37 C.F.R. § 11.26.

Stipulated Facts

Background

1. Respondent has been registered as a patent attorney since December 6, 1973. His registration number is 26,744.
2. Respondent has also been a member of the State Bar of California since January 5, 1972 (Bar No. 50,828). However, Respondent has not been eligible to practice law in California for administrative, non-disciplinary reasons since September 1, 2001.
3. The USPTO charges patent application fees as well as related patent processing,

issuance, and maintenance fees. See generally 37 C.F.R. §§ 1.16 through 1.28.

4. Patent application processing fees may be paid by check, cashier's check, money order, or credit card. See 37 C.F.R. § 1.23. They may also be paid via an authorization to charge a deposit account if a deposit account has been established with the USPTO. See 37 C.F.R. §§ 1.23 and 1.25.

5. Fees and charges payable to the USPTO are required to be paid in advance; that is, at the time of requesting any action by the USPTO for which a fee or charge is payable. See 37 C.F.R. § 1.22. Under 37 C.F.R. § 1.53, however, an application for a patent may be assigned a filing date without payment of the basic filing fee. See 37 C.F.R. § 1.22.

Respondent's Returned Checks

6. On behalf of a client, Respondent filed a petition to revive an unintentionally abandoned patent application along with a \$1,080.00 check for USPTO fees. Respondent's check, however, was returned to the USPTO because it had been drawn on an account with insufficient funds. Therefore, the client's patent application was not revived.

7. Respondent later submitted to the Office a \$1,130.00 cashier check to replace the \$1,080.00 check that had been returned for insufficient funds.¹

8. On behalf of another client, Respondent filed a petition to revive an unintentionally abandoned patent application along with a \$1,420.00 check for USPTO fees. Again, Respondent's check was returned to the USPTO because it had been drawn on an account with insufficient funds. Therefore, the client's patent application was not revived.

9. Respondent later submitted to the Office a \$1,470.00 cashier check to replace the \$1,420.00 check that had been returned for insufficient funds.²

10. Respondent represents that he discussed with his clients the status of their patent applications and the appropriate action to be taken before the Office on their behalf.

Additional Information

11. Respondent represents that, at all relevant times, he suffered from health problems that had a significant adverse impact on his ability to represent his clients effectively

¹ Respondent acknowledges, however, that he still owes the USPTO \$160.00 in fees in connection with this client's application and has taken steps to pay this outstanding amount. Respondent recognizes his obligation to pay this outstanding amount.

² Respondent acknowledges, however, that he still owes the USPTO \$200.00 in fees in connection with this client's application and has taken steps to pay this outstanding amount. Respondent recognizes his obligation to pay this outstanding amount.

before the Office.

12. Respondent represents that he has received medical treatment for his health problems and is now ready, willing, and able to represent clients before the Office competently, effectively, and zealously.

13. Respondent fully recognizes and understands his violations of the USPTO Code of Professional Responsibility and accepts full responsibility therefor.

Legal Conclusions

14. Based on the information contained in the Stipulated Facts above, Respondent acknowledges that:

- a. by signing and submitting checks to the Office drawn on an account with insufficient funds, he violated 37 C.F.R. § 10.23(b)(6) (proscribing engaging in conduct reflecting adversely on a practitioner's fitness to practice), and
- b. by failing to take appropriate action to revive two unintentionally abandoned patent applications, he violated 37 C.F.R. § 10.77(c) (proscribing neglect of a legal matter entrusted to the practitioner).

Agreed Upon Sanction

15. Respondent agrees, and it is ORDERED that:

- a. Respondent be, and hereby is, publicly reprimanded;
- b. Respondent shall serve a 24-month probationary period commencing on the date this Final Order is signed;
- c. (1) In the event that the OED Director is of the opinion that Respondent, during his 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. issue to Respondent an Order to Show Cause why the USPTO Director should not enter an order immediately suspending Respondent for up to 24 months for the violations set forth in paragraph 14, 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(a); and
- C. grant Respondent fifteen days to respond to the Order to Show Cause;

and

(2) In the event that, 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 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, and (iii) argument and evidence supporting the OED Director's conclusion that Respondent failed to comply with any provision of this Final Order or any Disciplinary Rule of the USPTO Code of Professional Responsibility during his probationary period, and
 - B. request that the USPTO Director enter an order immediately suspending Respondent for up to twenty-four months for the violations set forth in paragraph 14, above.
- d. If the Respondent is suspended during his probationary period pursuant to the provisions of the preceding subparagraph:
- 1) the OED Director shall disseminate information in accordance with 37 C.F.R. § 11.59;
 - 2) the USPTO shall promptly dissociate Respondent's name from all USPTO Customer Numbers and Public Key Infrastructure ("PKI") certificates; and
 - 3) Respondent may not apply for or obtain a USPTO Customer Number or PKI certificate unless and until he is reinstated to practice before the USPTO.
- e. In the event that the USPTO Director enters an order pursuant to this Final Order 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. 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 Respondent to be suspended pursuant to this Final Order;
- g. The OED Director shall publish this Final Order at the Office of Enrollment and Discipline's Reading Room electronically;
- h. Because Respondent represents that he discussed with his clients the status of their patent applications and the appropriate action to be taken before the Office on their behalf, notification under 37 C.F.R. § 11.20(a)(4) is not required.
- i. The OED Director shall publish a notice in the *Official Gazette* materially consistent with the following:

Notice of Public Reprimand and Probation

This notice concerns Water E. Johansen, III, a registered patent attorney (Registration Number 26,744). The United States Patent and Trademark Office ("USPTO" or "Office") has publicly reprimanded Mr. Johansen for violating 37 C.F.R. §10.23 (b)(6), by engaging in conduct reflecting adversely on a practitioner's fitness to practice, and § 10.77(c), by neglecting legal matters entrusted to the practitioner. Mr. Johansen is also required to serve a 24-month probationary period. Mr. Johansen will be permitted to practice before the Office during his probationary period unless subsequently suspended or excluded by the USPTO Director.

The aforementioned Disciplinary Rule violations are predicated upon Mr. Johansen having submitted to the Office two checks totaling \$2,500.00 that were not honored as they were drawn on an account with insufficient funds. Mr. Johansen submitted the checks to cover fees for petitions to revive unintentionally abandoned patent applications; consequently, the clients' patent applications were not revived.


This action is the result of a settlement agreement between Mr. Johansen and the OED Director pursuant to the provisions of 35 U.S.C. § 2(b)(2)(D) and 37 CFR §§ 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>.

- j. Pursuant to 37 CFR § 11.59, the OED Director shall give notice of the public discipline and the reasons for the discipline to disciplinary enforcement agencies in the state(s) where Respondent is admitted to practice, to courts where Respondent is known to be admitted, and to the public;

- k. Within 30 days of the day on which this Final Order is signed, the OED Director shall file a motion dismissing the disciplinary complaint currently pending against Respondent;
- l. 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 concerning 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; and
- m. The OED Director and Respondent shall each bear their own costs incurred to date and in carrying out the terms of the Agreement.

FEB - 6 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

Walter E. Johansen, III
1456 Cedarcrest Court South
Salem, OR 97306