

UNITED STATES PATENT AND TRADEMARK OFFICE

In the Matter of:)
)
Stephen Wallace Barns,) Proceeding No. D2019-28
)
Respondent)
_____)

FINAL ORDER PURSUANT TO 37 C.F.R. § 11.24

Pursuant to 37 C.F.R. § 11.24, Stephen Wallace Barns (“Respondent”) is hereby publicly reprimanded for violation of 37 C.F.R. § 11.804(h), having been disciplined by a duly constituted authority of a state.

Background

On June 6, 2019, a “Notice and Order Pursuant to 37 C.F.R. § 11.24” (“Notice and Order”) was sent by certified mail (receipt nos. 70172620000001058186 and 70172620000001058179) notifying Respondent that the Director of the Office of Enrollment and Discipline (“OED Director”) had filed a “Complaint for Reciprocal Discipline Pursuant to 37 C.F.R. § 11.24” (“Complaint”) requesting that the Director of the United States Patent and Trademark Office impose reciprocal discipline upon Respondent identical to the discipline imposed by the State of Ohio in *Columbus Bar Assn. v. Barns*, Slip Opinion No. 2018-Ohio-5098 for Case No. 2018-0823. The Notice and Order provided Respondent an opportunity to file, within forty (40) days, a response opposing the imposition of reciprocal discipline identical to that imposed by the State of Ohio in *Columbus Bar Assn. v. Barns*, Slip Opinion No. 2018-Ohio-5098 for Case No. 2018-0823, based on one or more of the reasons provided in 37 C.F.R. § 11.24(d)(1). Respondent received the Notice and Order on June 17, 2019 but did not file a response.

Analysis

In light of Respondent's failure to file a response, it is hereby determined that there is no genuine issue of material fact under 37 C.F.R. § 11.24(d) and Respondent's public reprimand is the appropriate discipline.

ACCORDINGLY, it is hereby **ORDERED** that:

1. Respondent is publicly reprimanded regarding the practice of patent, trademark, and other non-patent law before the USPTO;
2. The OED Director publish the following Notice in the *Official Gazette*:

Notice of Public Reprimand

This notice concerns Stephen Wallace Barns of Granville, Ohio, who is a registered patent attorney (Registration Number 38,057). In a reciprocal disciplinary proceeding, the Director of the United States Patent and Trademark Office ("USPTO") has ordered that Mr. Barns be issued a public reprimand regarding his practice before the USPTO in patent, trademark, and other non-patent matters for violating 37 C.F.R. § 11.804(h), predicated upon being issued a Public Reprimand regarding the practice of law by a duly constituted authority of a State.

Mr. Barns is an administratively suspended registered patent practitioner. Mr. Barns is not authorized to practice before the USPTO in patent matters. On December 20, 2018, in Case No. 2018-Ohio-0823, the Supreme Court of Ohio issued a public reprimand based upon the final report filed by the Board of Professional Conduct on June 11, 2018. The Board of Professional Conduct's final report included the following:

On January 1, 2010, Mr. Barns was appointed Chief Legal Officer of American Health Technology Corporation ("AHT") and was responsible for all of the usual services rendered by an attorney in that role. However, Mr. Barns failed to counsel and assist AHT in fulfilling all of its corporate requirements and obligations under Ohio law. Mr. Barns admitted that when he began representing AHT, he knew nothing about corporate law and that he was not competent to practice corporate law. This conduct violated Ohio Prof.Cond.R. 1.1 (requiring a lawyer to provide competent representation to a client).

In May of 2011, AHT terminated the president and chief executive officer of AHT. Mr. Barns negotiated the terms of the severance agreement directly with the terminated employee, although Mr. Barns knew that the terminated employee was represented by counsel. This conduct violated Ohio Prof.Cond.R. 4.2 (prohibiting a lawyer from communicating about the subject of the representation with a person represented by counsel without the consent of counsel).

In late 2011, Barns drafted and entered into an agreement with AHT to become a salaried employee of AHT. However, AHT never paid Mr. Barns directly. Instead, Mr. Barns continued to bill AHT through his law firm and was paid as an independent contractor. He also received shares of stock as compensation. He did not provide AHT with written confirmation of the terms of that compensation or recommend that AHT seek the advice of independent counsel regarding the transaction, nor did he obtain AHT's informed consent to the essential terms of the transaction in writing. This conduct violated Ohio Prof.Cond.R. 1.8(a) (prohibiting a lawyer from entering into a business transaction with a client or knowingly acquiring an ownership, possessory, security or other pecuniary interest that is adverse to a client unless the client is advised in writing of the desirability of obtaining independent legal counsel and the terms of the transaction are fair, reasonable, and fully disclosed in writing and signed by the client).

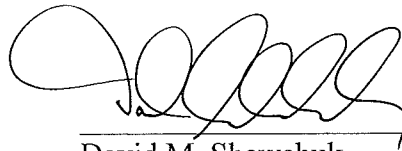
At some point during his representation of AHT, Mr. Barns' professional liability insurance lapsed. Mr. Barns failed to notify his clients, including AHT, of this fact. He also failed to notify his new clients that he did not carry professional liability insurance. This conduct violated Ohio Prof.Cond.R. 1.4(c) (requiring a lawyer to inform the client if the lawyer does not maintain professional liability insurance of at least \$100,000 per occurrence and \$300,000 in the aggregate and obtain a signed acknowledgment of that notice from the client) and 1.4(c)(1) (requiring a lawyer to maintain a copy of a client's signed acknowledgment that the attorney does not maintain professional liability insurance for five years after the termination of the representation of the client).

This action is taken pursuant to the provisions of 35 U.S.C. § 32 and 37 C.F.R. § 11.24. Disciplinary decisions are available for public review at the Office of Enrollment and Discipline's FOIA Reading Room, located at: <http://e-foia.uspto.gov/Foia/OEDReadingRoom.jsp>;

3. The OED Director give notice pursuant to 37 C.F.R. § 11.59 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.

5 August 2019
Date



David M. Shewchuk
Deputy General Counsel for General Law
United States Patent and Trademark Office

on delegated authority by

Andrei T. Iancu
Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office