



(Registration number 46,641). (A.45 ¶¶ 1-2; A.74 ¶¶ 1-2; A.1418, Stips. 1, 2). As a condition of registration, Appellant swore an oath to “observe the laws and rules of practice of the [USPTO].” (A.8; A.1418, Stip. 4; A.2501) (alteration in original).

2. Appellant has owned and operated a private law firm, K.P. Correll & Associates, LLC (“Correll & Associates”),<sup>3</sup> since September 4, 2002 and through the law firm provides patent and trademark legal services to the public. (A.48 ¶ 18; A.78 ¶ 18). The website for Correll & Associates includes information that: “K.P. Correll and Associates, LLC is an Intellectual Property (IP) Law firm serving corporate and individual clients across the country, and around the world, by protecting their Intellectual Property assets through patents, federal trademarks and federal copyrights.” (A.49 ¶ 28; A.79-80 ¶ 28; A.1542-43 ¶¶ 7, 12; A.1589; A.2514). Appellant is the sole member of Correll & Associates. (A.48 ¶ 26; A.79 ¶ 26). Appellant has advertised his law practice via the internet, paper flyers, the yellow book, and in two booth diorama displays at the T.F. Green Airport in Warwick, Rhode Island. (A.1542 ¶¶ 7, 10; A.1589; A.2299; A.2523-24; A.2544).

3. Beginning on September 16, 2002, Appellant had also been employed by the United States as an engineer for the Department of the Navy at the Naval Undersea Warfare Center (“NUWC”) of the Naval Sea Systems Command in Newport, Rhode Island. (A.46 ¶ 6; A.47 ¶ 16; A.75 ¶ 6; A.77 ¶ 16; A.1418, Stip. 5; A.1542 ¶ 6; A.1589; A.2325; A.2403-04). He worked for NUWC as a senior electronics engineer on submarine learning technologies. (A.47 ¶ 17; A.77-78 ¶ 17). Throughout his government career, Appellant maintained a secret level security clearance, had access to classified information, and worked in a secured facility. (A.2403-04; A.2532-33).

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<sup>3</sup> Appellant’s practice also may have been known as “Northeastern Patent Law Associates,” or “Patent Institute.” (A.1542 ¶¶ 7, 10; A.1589; A.2325; A.2359-60; A.2513-15).

4. From approximately 2004 until 2016, in addition to his regular duties at the NUWC, Appellant was also a voting member of the base's Invention Examination Board ("IEB"). (A.9; A.1458 ¶ 33; A.1474; A.1589; A.2325-26; A.2449; A.2451; A.2513). The IEB consists of approximately ten Navy inventors and engineers representing the various technical areas within the Newport laboratory, including sonar, antennas, combat systems, launchers, undersea vehicles, and others. (A.9; A.1472; A.2449). The IEB meets several times a year and is overseen by the base's non-voting Supervising Patent Counsel. (A.9; A.1470; A.1495; A.2449; A.2452). The IEB receives invention disclosures, which are "engineers' write-ups of their inventions" that are reviewed by the base's Patent Counsel's Office to both ensure the disclosures are complete and for an initial determination as to whether the invention is owned by the Navy or the employee/inventor, personally. (A.9; A.1471-73; A.2450; A.2452). If the invention belongs to the Navy, the IEB then reviews it and votes as to whether the Supervising Patent Counsel should seek patent protection for the invention on the Navy's behalf and the priority thereof. (A.9; A.2325-26; A.2449; A.2513).

5. Prior to his government employment, Appellant never sought ethics advice or clearance for continuing his law practice while simultaneously serving as a federal employee. (A.2538). However, shortly after joining the government in 2002, Appellant had a conversation with his then-direct government supervisor, Harold Watt, a division head at NUWC, from which he came away believing that his private law practice did not conflict with his government work and that he had Mr. Watt's informal, i.e., verbal, approval to continue to engage in such work. Appellant testified that this approval was never withdrawn. (A.8; A.2305; A.2326; A.2430-31; A.2506-07; A.2537). Throughout his career at NUWC, Appellant had other supervisors who became aware

that he had a law degree and maintained a private law practice, but he never sought from them any type of approval for his outside work activities. (A.9; A.2326-27).

6. On or about November 25, 2003, Appellant submitted a signed and dated response to a USPTO Office of Enrollment and Discipline survey. (A.45-46 ¶ 5; A.195-96). He provided his name and the name of his business, "K.P. Correll & Associates LLP," including his home and business addresses. (*Id.*). At that time, he also indicated he was an attorney and member of the Massachusetts state bar. (A.45-46 ¶¶ 3, 5; A.195-96). Question 6 on the survey read as follows:

Are you an employee of the United States Government? *PLEASE NOTE: U.S. Government employees are not available to accept private clients or to represent clients other than their agency before the United States Patent and Trademark Office. 18 U.S.C. § 205; 37 CFR § 10.10(c) and (d).*

(A.45-46 ¶ 5; A.195-96). Appellant checked the box "YES" in response to Question 6. (*Id.*). The OED Director received the survey response on December 2, 2003. (*Id.*).

7. Sometime in 2008 or 2009, Appellant filed an OGE Form 450 Financial Disclosure Report for 2008, in which he claims he disclosed his outside work activities. (A.10; A.2305; A.2327; A.2427). Appellant was aware that NUWC employees who are required to file OGE 450s must "obtain [his or her] supervisor's [written] concurrence before engaging in any business activities outside of their official duties or in any compensated employment." (A.10; A.2326 n.6; A.2430 n.5; A.2464 n.6) (second alteration in original). Nevertheless, Appellant did not seek or receive written concurrence for his outside work activities either before or after filing the OGE 450 form. (A.10; A.2540).

Appellant's legal services

8. Despite the notice provided in the November 25, 2003 survey, Appellant acknowledged in his Answer to the Complaint “that he was ‘paid/compensated for work considered “practice before the Office” pursuant to 37 C.F.R. § 11.5(b) (including subsections (1) and (2)), including, but not limited to, preparing and/or prosecuting patent and/or trademark applications before the USPTO.’” (A.49 ¶ 32; A.80 ¶ 32). Appellant has not withdrawn his representation in any of the patent and trademark applications since the onset of the OED investigation. (A.51-56 ¶¶ 41-42; A.58 ¶ 49; A.82-84 ¶¶ 41-42, A.86-87 ¶¶ 49-50). Appellant has never contacted the ethics counselor for the Navy to seek advice or to inform the counselor of his client representation in patent and trademark applications before the USPTO. (A.69 ¶ 83; A.91 ¶ 83).

9. In return for his legal services, Appellant charged and received financial compensation mostly on a flat-fee basis, “credit[ing] each fee forward.” (A.1551 ¶¶ 47, 48; A.2522; A.2540-41). For example, Appellant charged \$750 for an initial patent search, which would be credited against a \$1,900 fee if the client then hired him to prepare and file a provisional application with the USPTO, a fee that in turn could be credited against a total fee of \$4,500-\$5,500 for preparing and filing a utility application. (A.1551 ¶¶ 49, 52; A.2541-42). Appellant charged fees ranging between \$1,900 and \$1,500, for preparing and filing design applications. (A.1551 ¶ 52; A.2542-43). He charged a flat fee of \$300-\$400 for preparing and filing a trademark application. (A.1551 ¶ 53; A.2542).

10. Despite having been provided notice that continuing his law practice while working as a federal employee was problematic, between January 17, 2008 (when the statute of limitations began to run) and September 29, 2018 (when Appellant retired) – Appellant filed and/or prosecuted patent and trademark applications with the USPTO on behalf of paying clients.

(A.1912-2250; A.2471-82). Appellant admitted that he filed 20 patent applications after the OED Director mailed him a Request for Information that outlined the prohibitions of 18 U.S.C. §§ 203, 205 and 37 C.F.R. § 11.10(e). (A.56 ¶ 42; A.83-84 ¶ 42). Appellant also admitted that he filed 34 trademark applications after the OED Director mailed him a Request for Information that outlined the prohibitions of 18 U.S.C. §§ 203, 205 and 37 C.F.R. § 11.10(e). (A.63 ¶ 50; A.86-87 ¶ 50). Appellant has not withdrawn his representation in any of the patent and trademark applications since the onset of the OED investigation. (A.51-56 ¶¶ 41-42; A.58 ¶ 49; A.82-84 ¶¶ 41-42; A.86-87 ¶¶ 49, 50). Further, Appellant never contacted the ethics counselor for the Navy to seek advice or to inform the counselor of his client representation in patent and trademark applications before the USPTO. (A.69 ¶ 83; A.91 ¶ 83).

#### Further Notice to Appellant and Referral to OED

11. Since 2004, James M. Kasischke, Esq. has been the Supervisory Patent Counsel at the NUWC in Newport, RI. (A.9; A.1470; A.2449-50). His position involves overseeing the whole patent program for NUWC laboratory in Newport, including patent applications, patent licensing, patent prosecution, and the IEB. (A.9; A.2449-50).

12. Sometime around 2005 or 2006, while in a barbershop near NUWC, Mr. Kasischke came across a flyer offering the invention services of Kevin P. Correll or KP Correll Intellectual Property Services. (A.9; A.1477; A.2449-50). Mr. Kasischke knew that such outside work activities by Appellant were “wrong” and a possible conflict of interest. (A.1477-78; A.2449-50). Accordingly, Mr. Kasischke telephoned Appellant and notified him that, as a government employee, he could not file patent applications. (A.1480; A.2449-50). In reply, Appellant reassured Mr. Kasischke that he was aware of the prohibition and that “he wasn’t filing patent applications” but merely “advis[ing] people on what to do with their inventions and advis[ing]

them maybe to get somebody else to file the patent applications.” (A.10; A.1480; A.2449-50) (alterations in original). After warning Appellant, Mr. Kasischke did not “keep [his] eye on him” due to Appellant’s assurances that he was not filing patent applications. (A.10; A.1487) (alteration in original). He did not report Appellant to OED at that time because he “was trying to be a good guy. [Appellant] might not have known about the law.” (A.10; A.1491).

13. Around fall 2016, Mr. Kasischke noticed two large standing glass booths in the Providence, Rhode Island airport advertising Appellant’s professional services as Northeastern Patent Associates and another named entity. (A.10; A.1476; A.2299). Around the same time, other NUWC employees viewed the airport advertisements and brought them to Mr. Kasischke’s attention. (A.10; A.1475). Among those other employees was the head of the IEB, Dr. Theresa Baus, who advised Mr. Kasischke that “you know, you probably have to do something about that.” (A.10; A.1480-81).

14. At that point, Mr. Kasischke undertook a search to determine for himself whether Appellant had “really been filing patent applications” for private clients with the USPTO and found that he had. (A.10; A.1481). He also discovered that Appellant was not then identified as a government employee on the USPTO’s register of attorneys, “when I knew he was.” (A.10; A.1490); *see also* (A.2293, USPTO computerized registration data extracted Dec. 5, 2017 identifying Appellant as *not* being a federal employee). Mr. Kasischke became “mad” at Appellant “because I warned him, and he’d gone against my advice.” (A.10; A.1487). Mr. Kasischke concluded that it was his “duty as a Navy attorney” to report Appellant, “first, you know, as far as the ethics violation to the US government [a]nd then as a US PTO bar member, I had to report to the patent bar.” (A.10-11; A.1481; A.1489) (alteration in original).

15. On December 19, 2016, Mr. Kasischke emailed OED and informed that office that Appellant was filing patents and trademark applications while employed with the Department of Navy in contravention of 18 U.S.C. §§ 203 and 205. (A.11; A.2297). Mr. Kasischke also spoke with Dr. Baus and together they decided that it was no longer appropriate for Appellant to be on the IEB and Dr. Baus removed Appellant from the IEB sometime in the summer of 2016. (A.11; A.1481-82; A.2449; A.2451).

16. The OED opened an investigation, beginning on February 9, 2017 and continuing through November 2017, and sent Appellant a series of four Requests for Information (RFI). (A.2300-03). Each RFI advised Appellant that:

With a small number of exceptions, United States Government employees may not represent anyone other than themselves on any matter before the executive branch. *See* 18 U.S.C. 205. In addition, executive branch employees are prohibited from receiving any form of compensation derived from representation of another before the executive branch. *See* 18 U.S.C. 203. In addition, 37 C.F.R. § 11.10(e) provides that [p]ractice before the Office by Government employees is subject to any applicable conflict of interest laws, regulations or codes of professional responsibility.

(A.1544-47 ¶¶ 20, 24, 27, 30; A.1589; A.2301-02; A.2322; A.2368; A.2458; A.2516-17) (alteration in original).

17. Despite the advisement in the RFIs, and despite the on-going USPTO investigation, Appellant continued to both work for the NUWC and file USPTO applications for private clients, professing to believe he “fit within the small number of exceptions” and that “according to case law” he was entitled to “maintain[ ] the status quo until there was an adjudication.” (A.11-12; A.1550 ¶¶ 43, 44; A.1589; A.1979-2109; A.2517-18) (alteration in original). At no time before or after the OED’s investigation was initiated did Appellant ever seek guidance from

a government ethics official on the propriety of his dual work activities. (A.12; A.1545-47 ¶¶ 21, 25, 28, 31; A.2540).

18. On January 17, 2018, the OED Director filed the Complaint initiating this disciplinary proceeding seeking Appellant's exclusion or suspension as a USPTO practitioner based upon his dual work activities. (A.12; A.44-73; A.1551 ¶ 55; A.1589). Even after the Complaint was filed, Appellant continued to engage in both his federal employment and private practice. (A.12; A.1420, Stip. 15-18; A.2110-250; A.2520-21; A.2537-38). However, on September 4, 2018, Appellant notified his supervisor that he would be retiring from the Navy "by the end of the month." (A.12; A.1419, Stip. 9; A.1552 ¶ 60; A.1589; A.2470; A.2524-25). Appellant's voluntary separation from the Navy became effective as of September 29, 2018. (A.12; A.1419, Stip. 10; A.1552 ¶ 62; A.1589; A.1659; A.2526). The disciplinary proceedings were the driving force in his retirement. (A.12; A.2526-27).

## **II. OED DISCIPLINARY PROCEEDING**

The OED Director issued a Complaint and Notice of Proceedings against Appellant under 35 U.S.C. §§ 2(b)(2)(D), 32, and 37 C.F.R. §§ 11.32, 11.34, 11.39 on January 17, 2018. (A.44-73). The Complaint charged Appellant with two counts of professional misconduct through violations of the USPTO Code and the USPTO Rules. (*Id.*) The violations stemmed from allegations that Appellant represented private parties before the USPTO while he was employed by the federal government. (*Id.*) The OED Director requested an order excluding or suspending Appellant from practice before the USPTO in patent, trademark, and other non-patent matters. (A.70).

Appellant filed his "Answer Under 37 CFR 11.36, Defenses, and Counter Claims" ("Answer") on February 15, 2018. (A.74-101). Though Appellant admitted most of the factual allegations in the Complaint, he raised various affirmative defenses to the disciplinary proceedings. (*Id.*).

On May 24, 2018, the OED Director filed a motion for summary judgment, and subsequently, Appellant filed a motion to dismiss and a cross-motion for summary judgment. (A.135-258; A.265-78; A.279-326). After pleadings by the parties on the dispositive motions, on August 16, 2018, the ALJ issued an order denying Appellant's motion to dismiss. (A.403-13). On September 27, 2018, the ALJ issued an order on the parties' cross-motions for summary judgment. (A.414-40). That Order found Appellant have violated certain disciplinary rules,<sup>4</sup> but not all of the violations alleged in the Complaint. (*Id.*). The ALJ's September 27, 2018 Order also addressed Appellant's "Counter Claims and Defenses" including, but not limited to, First Amendment claims and Fifth Amendment claims involving substantive and procedural due process. (*Id.*) Appellant's defenses and counterclaims were rejected. (A.428-39). The ALJ denied summary judgment as to sanction. (A.439).

A hearing was held on April 16, 2019 in Providence, Rhode Island. (A.2483). At hearing, the OED Director elicited Appellant's testimony and submitted into evidence the written deposition testimony of Mr. Kasischke. (A.2483-558). The ALJ also admitted into evidence 20 Joint Exhibits, numbered 1-20, as well as five OED Director's Exhibits, nos. 20, 32-35. (*Id.*) Appellant testified on his own behalf at hearing but submitted no additional testimony or documents. (A.2530-48). Both parties submitted post-hearing briefs and the ALJ issued the Initial Decision on the October 3, 2019. (A.1-39).

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<sup>4</sup> The ALJ granted summary judgment to the OED Director on Count I with regard to the violations of the USPTO Code, 37 C.F.R. §§ 37 C.F.R. § 10.23(a), 10.23(b)(4), 10.23(b)(5), 10.23(c)(20), 10.40(b)(2), and the USPTO Rules, 37 C.F.R. §§ 11.111, 11.116(a)(1), 11.505, 11.804(d). (A.414-40). The ALJ denied summary judgment on Count I with regard to the alleged violations of 37 C.F.R. §§ 10.23(b)(6), 11.804(b), and 11.804(i), as well as to all of the allegations in Count II. (*Id.*).

### III. INITIAL DECISION BY ADMINISTRATIVE LAW JUDGE

On October 3, 2019, the ALJ issued the Initial Decision in this matter. (A.1-39). Having already concluded, via the September 27, 2018 summary judgment order, that Appellant violated multiple provisions of the USPTO Code and USPTO rules, the Initial Decision considered the issue of sanction. The ALJ thoroughly, and in great detail, considered the factors under 37 C.F.R. § 11.54(b), and concluded that Appellant should be suspended from practice before the USPTO in patent, trademark, and non-patent matters for 60-months months. (A.38).

Appellant filed an appeal on November 5, 2019, asking the USPTO Director to “dismiss the October 3, 2019 Initial Decision in Proceeding No. D2018-12. . . .”<sup>5</sup> (Appeal at 1). The appeal does not challenge either the ALJ’s conclusions that Appellant violated multiple USPTO disciplinary rules, as stated in the September 27, 2018 summary judgment order. Nor does the appeal challenge the ALJ’s imposition of a 60-month suspension form the practice before the Office. Rather, the appeal rests almost solely on the argument that the Initial Decision should be dismissed or stayed pending final resolution of Appellant’s First Amendment claims. (Appeal at 29). For the reasons set forth below, the appeal is **DENIED**.

### IV. DECISION

#### A. Appellant Engaged in Misconduct That Violated USPTO’s Disciplinary Rules.

Appellant largely admits the facts underlying the ALJ’s conclusion that Appellant violated multiple provisions of both the USPTO Code and the USPTO Rules. It is uncontroverted that

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<sup>5</sup> Although the Appeal states that it is an “Appeal from the Administrative Law Judge’s: Initial Decision (Oct. 3, 2019), Order on Appellant’s Motion to Dismiss (Aug. 16, 2008), and Order on Motions for Summary Judgement (Sep. 27, 2018),” the appeal does not address any of the identified Motions or make specific challenges to those Motions. Thus, for the reasons stated in the OED Director’s response brief, those decisions are affirmed. *See* 37 C.F.R. § 11.55(b) (“Any exception not raised will be deemed to have been waived and will be disregarded by the USPTO Director in reviewing the initial decision.”).

Appellant has been the sole owner and operator of Correll & Associates since September 4, 2002 and, through the law firm, provides patent and trademark legal services to the public. (A.48 ¶¶ 18, 26; A.49 ¶ 28; A.78 ¶18; A.79 ¶ 26; A.79-80 ¶ 28; A.1542-43 ¶¶ 7, 12; A.1589; A.2514). Appellant has advertised his law practice via the internet, paper flyers, the yellow book, and in two booth diorama displays at the T.F. Green Airport in Warwick, Rhode Island. (A.1542 ¶¶ 7, 10; A.1589; A.2299; A.2523-24; A.2544). Appellant charged and received financial compensation mostly on a flat-fee basis, “credit[ing] each fee forward” for his legal services, which included patent searches, and filing patent and trademark applications. (A.1551 ¶¶ 47-49, 51-53; A.2522; A.2540; A.2541-43).

It is also not in dispute that, beginning in September 16, 2002, Appellant began to be employed by the United States as an engineer for NUWC as a senior electronics engineer. (A.46-47 ¶¶ 6, 16; A.47 ¶ 17; A.74-75 ¶ 6; A.77-78 ¶¶ 16-17; A.1418, Stip. 5; A.1542 ¶ 6; A.1589; A.2325; A.2403-04). In addition to his regular duties at the NUWC, from approximately 2004 until 2016, Appellant was also a voting member of the base’s IEB. (A.9; A.1458 ¶ 33; A.1474; A.1589; A.2325-26; A.2449; A.2451; A.2513). The IEB receives invention disclosures that are reviewed by the base’s Patent Counsel’s Office to both ensure the disclosures are complete and for an initial determination as to whether the invention is owned by the Navy or the employee/inventor, personally. (A.9; A.1471-73; A.2450; A.2452). If the invention belongs to the Navy, the IEB then reviews it and votes as to whether the Supervising Patent Counsel should seek patent protection for the invention on the Navy’s behalf and the priority thereof. (A.9; A.2325-26; A.2449; A.2513).

Prior to his government employment, Appellant never sought ethics advice or clearance for continuing his law practice while serving as a federal employee, simultaneously. (A.2538).

However, undisputed facts in the record demonstrate he did have, or should have had, notice that continuing his law practice while working as a federal employee was problematic. This notice includes:

1. On or about November 25, 2003, Appellant submitted a signed and dated response to a USPTO Office of Enrollment and Discipline survey. (A.45-46 ¶ 5; A.195-96). He provided his name, the name of his business, "K.P. Correll & Associates LLP," and both his home and his business addresses. (*Id.*). Thereon, he also indicated he was an attorney and member of the Massachusetts state bar. (A.45-46 ¶¶ 3, 5; A.195-96). Question 6 on the survey read as follows:

Are you an employee of the United States Government? *PLEASE NOTE: U.S. Government employees are not available to accept private clients or to represent clients other than their agency before the United States Patent and Trademark Office. 18 U.S.C. § 205; 37 CFR § 10.10(c) and (d).*

(A.45-46 ¶ 5; A.195-96). Appellant checked the box "YES" in response to Question 6. (*Id.*). Despite the notice provided in the survey, Appellant acknowledged in his Answer that he was "paid/compensated for work considered 'practice before the Office' pursuant to 37 C.F.R. § 11.5(b) (including subsections (1) and (2)), including, but not limited to, preparing and/or prosecuting patent and/or trademark applications before the USPTO." (A.49, ¶ 32; A.80 ¶ 32).

2. In 2005 or 2006, after Mr. Kasischke noticed a flyer offering the invention services of Kevin P. Correll or KP Correll Intellectual Property Services, Mr. Kasischke telephoned Appellant and notified him that, as a government employee, he could not file patent applications. (A. 9; A.1477; A.1480; A.2449-50).

3. Sometime in 2008 or 2009, it is undisputed that Appellant filed an OGE Form 450 Financial Disclosure Report for 2008, in which he claims he disclosed his outside work activities. (A.10; A.2305; A.2327; A.2427). Appellant was aware that NUWC employees who are required to file OGE 450s must “obtain [his or her] supervisor’s [written] concurrence before engaging in any business activities outside of their official duties or in any compensated employment.” (A.10; A.2326 n.6; A.2430 n.5; A.2464 n.6) (second alteration in original). Nevertheless, Appellant did not seek or receive written concurrence for his outside work activities either before or after filing the OGE 450 form. (A.10; A.2540).
4. On December 19, 2016, after once again seeing that Appellant was filing patent applications with the USPTO and not identifying himself to OED as a government employee, Mr. Kasischke emailed OED and informed that office that Appellant was filing patents and trademark applications while employed with the Department of Navy in contravention of 18 U.S.C. §§ 203 and 205. (A.10-11; A.1481; A.1490; A.2297); *see also* A.2293 (USPTO computerized registration data extracted Dec. 5, 2017 identifying Appellant as *not* being a federal employee). Appellant was also removed from the IEB sometime in the summer of 2016. (A.11; A.1481-82; A.2449; A.2451). After receiving Mr. Kasischke’s complaint, OED opened an investigation, through which OED sent Appellant a series of four Requests for Information (RFI). (A.2300-03). Each RFI once again advised Appellant that:

With a small number of exceptions, United States Government employees may not represent anyone other than themselves on any matter before the executive branch. *See* 18 U.S.C. 205. In addition, executive branch employees are prohibited from receiving any form of compensation derived from representation of another before the executive branch. *See* 18 U.S.C. 203. In addition, 37 C.F.R. §

11.10(e) provides that [p]ractice before the Office by Government employees is subject to any applicable conflict of interest laws, regulations or codes of professional responsibility.

(A.1544-47, ¶¶ 20, 24, 27, 30; A.1589; A.2301-02; A.2322; A.2368; A.2458; A.2516-17) (alteration in original).

Despite having been provided notice that continuing his law practice while working as a federal employee was problematic, between January 17, 2008 (when the statute of limitations began to run) and September 29, 2018 (when Appellant retired) – Appellant filed and/or prosecuted patent and trademark applications with the USPTO on behalf of paying clients. (A.1912-2250; A.2471-82). Appellant admitted that he filed 20 patent applications after the OED Director mailed him a Request for Information that outlined the prohibitions of 18 U.S.C. §§ 203, 205 and 37 C.F.R. § 11.10(e). (A.56 ¶ 42; A.83-84 ¶ 42). Appellant also admitted that he filed 34 trademark applications after the OED Director mailed him a Request for Information that outlined the prohibitions of 18 U.S.C. §§ 203, 205 and 37 C.F.R. § 11.10(e). (A.63 ¶ 50; A.86-87 ¶ 50). Appellant has not withdrawn his representation in any of the patent and trademark applications since the onset of the OED investigation. (A.51-56 ¶¶ 41-42; A.58 ¶ 49; A.82-84 ¶¶ 41-42; A.86-87 ¶¶ 49, 50). Further, Appellant has never contacted the ethics counselor for the Navy to seek advice regarding the propriety of his dual employment or to inform the counselor of his client representation in patent and trademark applications before the USPTO. (A.12; A.69 ¶ 83; A.91 ¶ 83; A.1545-47 ¶¶ 21, 25, 28, 31; A.2540). Instead, Appellant continued to both work for the NUWC and file USPTO applications for private clients, professing to believe he “fit within the small number of exceptions” and that “according to case law” he was entitled to “maintain[ ] the status quo until there was an adjudication.” (A.11-12; A.1550 ¶¶ 43, 44; A.1589; A.1979-2109; A.2517-18) (alteration in original). Even after the January 17, 2018 Complaint

was filed, Appellant continued to engage in both his federal employment and private practice. (A.12; A.1420, Stips. 15-18; A.2110-250; A.2520-21; A.2537-38).

The facts stated above being beyond dispute, Appellant's only real attempt to challenge the ALJ's legal conclusions and or factual findings is to raise a challenge to facts that are largely irrelevant to the ALJ's findings of misconduct. For example, Appellant raises arguments about what he was required to disclose on his financial disclosure form and he challenges the ALJ's characterization of his position with the Navy. (Appeal at 27-28). However, even if the ALJ was factually incorrect as to these issues, they have no bearing on the ALJ's conclusions. Regardless of what he disclosed or was required to file on his financial disclosure form, and regardless of whether his position with NUWC is more properly characterized as a high or low graded employee, his obligations under the USPTO disciplinary rules and the federal ethics rules remained the same. These facts do not affect, mitigate, or concern in anyway the ALJ's conclusions that he was engaged in practice before the USPTO while employed by the Federal government, in violation of Federal conflict of interest rules, as well as 37 C.F.R. §§ 10.23(a), 10.23(b)(4), 10.23(b)(5), 10.23(c)(20), 10.40(b)(2), 11.111, 11.116(a)(1), 11.505, and 11.804(d). Thus, the appeal is denied on this basis.

**B. Appellant's First Amendment Rights Were Not Violated.**

As noted above, Appellant does not present any significant or relevant challenge to the ALJ's findings and conclusions. Nor could he make a sufficient challenged given his admissions, both in his Answer and throughout the disciplinary proceedings. Instead, the vast majority of his appeal rests on an argument that his First Amendment rights were violated by applying the conflict of interest statutes to activities he took in furtherance of his practice before the USPTO. (Appeal at 4-18). Appellant argues that when he engaged in practice before the office he was

acting as a private citizen who is entitled to free speech under the First Amendment to the U.S. Constitution and, further, that USPTO created and controlled designated public forums –PAIR and TESS- and preventing him from accessing these forums is prohibited censorship pursuant to the First Amendment. (Appeal at 5-9, 10-12, 14-17). He further argues that any suspension stemming from the USPTO’s “unconstitutional application of [18 U.S.C. §§ 203 and 205] will violate [his] First Amendment Freedom of Speech and Expressive Association rights,” and “[a]ny restraint imposed in advance of a final judicial determination [in Federal Court] on the [Constitutional] merits must be similarly limited to preservation of the status quo for the shortest fixed period compatible with sound judicial resolution.” (Appeal at 17-18) (fourth and fifth alterations in original) (citation omitted). Appellant bears the burden of proving these arguments by clear and convincing evidence. *See* 37 C.F.R. § 11.49 (A practitioner shall have the burden of proving any affirmative defense by clear and convincing evidence.). Since Appellant cannot sustain this burden with regard to his First Amendment claim, his appeal is denied.

Appellant’s entire argument rests on the premise that he has the unfettered right, under the First Amendment, to represent clients before the USPTO without being subject to the conflict of interest statutes. This is incorrect. Appellant was paid to represent clients before the USPTO while simultaneously working as a government. (A.423). As a result, and as noted in the September 27, 2018 Order on Summary Judgment (A.414-40), the appropriate analysis of Appellant’s arguments are the government-employee speech cases rather than the more general “government-imposed speaker-burden” cases. *See Pickering v. Bd. of Educ.*, 391 U.S. 563 (1968); *Connick v. Myers*, 461 U.S. 138 (1983); *Rankin v. McPherson*, 483 U.S. 378 (1987); *United States v. Nat’l Treasury Emps. Union (“NTEU”)*, 513 U.S. 454 (1995); *Garcetti v. Ceballos*, 547 U.S. 410 (2006); *see also* A.428. This line of cases calls for “a balance between

the interests of the [employee], as a citizen, in commenting upon matters of public concern and the interest of the State, as an employer, in promoting the efficiency of the public services it performs through its employees.” *Rankin*, 483 US at 384 (alteration in original) (quoting *Pickering*, 391 U.S. at 568); *NTEU*, 513 U.S. at 465-66 (quoting *Pickering*, 391 U.S. at 568). “Congress may impose restraints on the job-related speech of public employees that would be plainly unconstitutional if applied to the public at large.” *NTEU*, 513 U.S. at 465; *see also* A.428.

In reaching the conclusion that was not deprived of his First Amendment rights when he was disciplined by the USPTO, the ALJ properly considered *Van Ee v. Envtl. Prot. Agency*, 55 F. Supp. 2d 1, 10 (D.D.C. 1999), *rev’d on other grounds*, 202 F.3d 296 (D.C. Cir. 2000). (A.428-29). In *Van Ee*, the district court held that an EPA employee could not act as a spokesperson for environmental groups of which he has been a long-time member in connection with such groups’ public comments on draft environmental impact statements and similar land-use plans issued by federal agencies other than EPA because doing so would violate a criminal conflict-of-interest statute, 18 U.S.C. § 205. 55 F. Supp. 2d at 16. Van Ee had argued that his communications with other agencies on his own behalf were not a violation of § 205, and alternatively, the statute was unconstitutional. *Id.* at 4.

In reaching its holding, the Court determined that the *Pickering/NTEU* standard was appropriate for reviewing that claim. *Id.* at 12. “The Court must balance plaintiff’s interests in commenting upon matters of public concern, against the government’s interest as employer in promoting the efficiency of its public services.” *Id.* (citing *Pickering*, 391 U.S. at 568). Applying the *Pickering* standard, the Court found that the harm that § 205 imposed on the plaintiff was “limited” because the statute did not prohibit him “from representing organizations under all circumstances, only before federal agencies” and he remained free to represent his own,

individual views to the government and anyone else of his choosing. *Id.* at 12-14. Further, the Court declared that § 205 “makes speech neither more expensive nor less remunerative,” nor does it “impose prohibitive conditions on speech.” *Id.* at 13.

Regarding the government interests, the Court in *Van Ee* noted the dual purposes of § 205—preventing the use of inside information by government employees to assist private interests, and protecting the integrity of governmental processes—the Court held that “prohibiting government employees from representing private individuals and entities in their dealings before the government clearly furthers the government’s interests in avoiding actual and apparent conflicts of interests.” *Id.* at 15 (citing *United States v. Bailey*, 498 F.2d 677 (D.C. Cir. 1974); *DeMarrias v. United States*, 713 F. Supp. 346 (D.S.D. 1989)). Additionally, the Court noted, “[t]he Supreme Court has recognized the important concerns of avoiding appearances of conflicts and upholding confidence in the integrity of governmental processes,” and “[p]rohibiting government employees from representing private individuals and entities in their dealings before the government clearly furthers the government’s interests in avoiding actual and apparent conflicts of interests.” *Id.* Accordingly, the Court found that “the government’s stated interests weigh heavily” and “[a]fter considering the competing interests, the Court determine[d] that § 205 is a permissible restriction on [the] plaintiff’s conduct.” *Id.* at 15-16.

The ALJ properly found *Van Ee* persuasive and the analysis applicable to Appellant’s case. (A.429). As in *Van Ee*, Appellant sought to represent applicants before the USPTO in matters unrelated to his work at another agency, in this case, the Navy. (*Id.*) Appellant’s harm from the conflict of interest statutes was deemed limited as he is not prohibited from representing people in other legal contexts –only before the federal government- and he is free to represent his own views to the federal government and anyone else. (*Id.*) On the other hand, the government has an

interest in avoiding actual and apparent conflicts of interest. (*Id.*) Consequently, the conflict of interest statutes were concluded to not be an unconstitutional restraint on Appellant's free speech. (*Id.*) Appellant faced discipline "not for engaging in protected expression or association but because he has run afoul of the USPTO's regulations for practicing law before it by not abiding by its rules of ethics." (A.430). The ALJ noted USPTO's compelling interest in regulating attorneys who appear before it and "[a]ny abridgment of the right to free speech is merely the incidental effect of observing an otherwise legitimate regulation." (*Id.*) (alteration in original); see *Lawline v. Am. Bar Ass'n*, 956 F.2d 1378, 1386 (7th Cir. 1992) (citing *Ohralik v. Ohio State Bar Ass'n*, 436 U.S. 447, 459, 467-68 (1978)). Noting that Congress empowered USPTO to regulate practitioners before it, the ALJ concluded that USPTO was "carrying out that authority by disciplining [Appellant]." (A.430). Consequently, the ALJ concluded that Appellant was not deprived of his First Amendment rights when he was disciplined by the USPTO.

There is no reason to disturb the ALJ's analysis and, consequently, the ALJ's conclusion are affirmed. Appellant was a government employee at the time that he was representing clients before the USPTO and thus he is subject to the conflict of interest statutes and the USPTO's disciplinary rules. Appellant was not disciplined for the content of his personal speech, which was not affected by the statutes or disciplinary rules here. Rather, his discipline stemmed from a certain subset of speech that violated those statutes and the USPTO's disciplinary rules that it was charged with implementing. Appellant still retained the ability to practice law in other contexts and freely express himself personally. Appellant's argument that his First Amendment rights have been abridged are without any merit or support and amount to nothing more than mere disagreement with the ALJ's Initial Decision. He has not carried his burden of proving his

affirmative defense by clear and convincing evidence and, as a result, the ALJ's conclusions with regard to Appellant's first amendment claims are affirmed.

## V. SANCTION

The ALJ's Initial Decision concluded that Appellant engaged in misconduct that violated multiple disciplinary rules, and imposed a 60-month suspension from the practice before the Office. (A.38). An ALJ initial decision that imposes exclusion or suspension must explain the reason for imposing such a sanction after consideration of the following four factors:

- (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)(1)-(4).

The Director of the USPTO reviews an appeal from an ALJ Initial Decision on the record before the ALJ. *See* 37 C.F.R. § 11.55(f); *see also Marinangeli v. Lehman*, 32 F. Supp. 2d 1, 5 (D.D.C. 1998). Appellant does not challenge any aspect of the ALJ's analysis under § 11.54(b), including the ordered sanction. As a result, Appellant has waived any argument as to that analysis and order. *See* 37 C.F.R. § 11.55(b); *see also Impax Labs. Inc. v. Lannett Holdings Inc.*, 893 F.3d 1372, 1377 (Fed. Cir. 2018); *SmithKline Beecham Corp. v. Apotex Corp.*, 439 F.3d 1312, 1319 (Fed. Cir. 2006).

In addition to Appellant waiving any challenge to the imposed sanction, a review of the ALJ's analysis supports the decision to suspend Appellant from practicing before the USPTO for 60 months. The ALJ conducted a 22-page review and analysis of the four factors set forth in 37

C.F.R. § 11.54(b). (A.15-38). Specifically, the ALJ concluded that Appellant violated the duties he owed to his clients, the public and the legal system, and the profession, found Appellant's misconduct was intentional and caused injury to his clients. (A.21-26). The ALJ identified six (6) aggravating and three (3) mitigating factors. (A.26-35). The ALJ's conclusion that Appellant should be suspended from practicing before the USPTO was thorough, well-supported by the facts, and in line with other similar disciplinary cases. The 60-month suspension from practicing before the USPTO is **AFFIRMED**.<sup>6</sup>

### **ORDER**

Having considered Appellant's appeal under 37 C.F.R. § 11.55 from the October 3, 2019 Initial Decision of the ALJ to suspend Appellant from practice before the Office in patent, trademark and other non-patent matters for 60 months, it is **ORDERED** that the ALJ's initial decision is **AFFIRMED**.

It is further:

**ORDERED** that Appellant is suspended from practice before the USPTO in patent, trademark, and non-patent matters for 60 months. Appellant shall remain suspended from the practice of patent, trademark, and other non-patent law before the USPTO until the OED Director grants a petition requesting Respondent's reinstatement pursuant to 37 C.F.R. § 11.60;

**ORDERED** that 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 Appellant is admitted to practice, to courts where Appellant is known to be admitted, and to the public;

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<sup>6</sup> To the extent Appellant seeks a stay of discipline that request is denied. An appeal to the USPTO Director stays the effective date of sanction order. 37 C.F.R. §§ 11.55, 11.56. Thus, discipline has not yet been effected. Any appeal of the USPTO Director's decision to the U.S. District Court for the Eastern District of Virginia will not stay this order of discipline "except on proof of exceptional circumstances." 37 C.F.R. § 11.57; 35 U.S.C. § 32.

**ORDERED** that the USPTO shall dissociate Appellant's name from any Customer Number(s) and USPTO verified Electronic System account(s), if any;

**ORDERED** that Appellant shall not apply for a USPTO Customer Number, shall not obtain a USPTO Customer Number, nor shall he have his name added to a USPTO Customer Number, unless and until he is reinstated to practice before the USPTO; and

**ORDERED** that Appellant shall comply with the provisions of 37 C.F.R. § 11.58 governing the duties of disciplined practitioner.

### **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 pursuant to 37 C.F.R. § 11.56(c). Any request for reconsideration mailed to the USPTO must be addressed to:

David Berdan  
General Counsel  
United States Patent and Trademark Office  
600 Dulany St.  
P.O. Box 1450  
Alexandria, VA 22313-1450

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

Elizabeth Francis  
Counsel for the Director of Office of Enrollment and Discipline  
600 Dulany St.  
P.O. Box 1450  
Alexandria, VA 22313-1450

Any request hand-delivered to the USPTO must be hand-delivered to the Office of the General Counsel, in which case the service copy for the attorney for the Director shall be hand-delivered to the Office of Enrollment and Discipline.

If a request for reconsideration is not filed, and Appellant desires further review, Appellant is notified that he is entitled to seek judicial review on the record in the U.S. District Court for the Eastern District of Virginia under 35 U.S.C. § 32 “within thirty (30) days after the date of the order recording the Director’s action.” See E.D. Va. Local Civil Rule 83.5.

**IT IS SO ORDERED.**

02/04/2021

Date

*David L. Berdan*

David Berdan  
General Counsel  
United States Patent and Trademark Office

on delegated authority by

Andrew Hirshfeld  
Performing the Functions and Duties of the  
Under Secretary of Commerce for Intellectual Property  
and Director of the United States Patent and Trademark Office