

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

FINAL ORDER PURSUANT TO 37 C.F.R. § 11.26

The Director of the Office of Enrollment and Discipline (“OED Director”) for the United States Patent and Trademark Office (“USPTO” or “Office”) and Zachary R. Hiller (“Respondent”) have submitted a Proposed Settlement Agreement (“Agreement”) to the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office (“USPTO Director”) for approval.

The Agreement, which resolves all disciplinary action by the USPTO arising from the stipulated facts set forth below, is hereby approved. This Final Order sets forth the parties' stipulated facts, legal conclusions, and sanctions.

Jurisdiction

1. At all times relevant, Respondent of Houston, Texas, has been a registered patent practitioner (Registration No. 69,155) and an attorney licensed in the State of Texas. Respondent is registered to practice before the USPTO in patent matters and is subject to the USPTO Rules of Professional Conduct, which are set forth at 37 C.F.R. §§ 11.101 through 11.901.

2. The USPTO Director has jurisdiction over this matter pursuant to 35 U.S.C. §§ 2(b)(2)(D) and 32, and 37 C.F.R. §§ 11.19, 11.20, and 11.26.

Joint Stipulated Facts

Background

3. On November 5, 2010, Respondent was admitted to practice law in the State of Texas.

4. In September 2011, Respondent opened his own law firm, the Law Office of Zachary Hiller.

5. On December 6, 2011, Respondent signed an Oath or Affirmation in which he swore or affirmed that he would observe the laws and rules of practice of the USPTO.

6. On January 9, 2012, Respondent was registered as a patent attorney with the USPTO and was assigned registration number 69,155.

Clifford Williams and Kenneth Moore

7. Clifford Williams and Kenneth Moore (together, “the clients”) are the inventors of a portable barber chair.

8. On January 23, 2019, the clients hired Respondent to assist in patenting their invention. The clients paid Respondent \$2,500 in advance for a patent search.

9. Respondent conducted a patent search with respect to the invention and, on February 14, 2019, he provided the results to the clients.

10. On March 4, 2019, Respondent met with the clients, who decided to proceed with filing a non-provisional patent application. Respondent informed the clients that he would need an additional \$2,500 advance payment to begin drafting the application.

11. On November 12, 2019, the clients paid Respondent the \$2,500 to begin preparing a non-provisional patent application.

12. On November 18, 2019, Respondent sent the clients a first draft of the patent claims to be referenced in the non-provisional patent application.

13. On January 6, 2020, Respondent provided the clients with a draft of the completed non-provisional patent application.

14. On July 9, 2020, Respondent met with the clients to discuss revisions to the application.

15. On October 9, 2020, Respondent sent Mr. Moore a revised draft of the application.

16. On December 11, 2020, the clients paid Respondent an additional \$4,660 towards the non-provisional patent application, bringing the total amount paid to \$9,660.

17. On December 14, 2020, Mr. Moore sent Respondent an inventor’s declaration executed by Mr. Williams, the final document Respondent needed to file the non-provisional patent application.

18. On December 22, 2020, Respondent told Mr. Moore that he would file the non-provisional patent application “ASAP.”

19. On December 28, 2020, Mr. Williams asked Respondent by email when the non-provisional patent application would be filed. Respondent did not respond.

20. On April 17, 2021, Mr. Moore sent an email to Respondent with a number of questions about the non-provisional patent application, including whether it had been filed and when it had been filed.

21. On April 26, 2021, Respondent sent Mr. Moore an email responding to his questions.

22. Respondent's April 26, 2021 email falsely represented that he had filed the non-provisional patent application in December 2020:

This was filed in December just before Christmas. You may have received a confirmation from the patent office around then. I should have a copy in the office, but am still mostly working from home. Next time I go I [sic], I will try to dig it out of the filing cabinet.

23. In fact, as of April 26, 2021, Respondent had not filed the non-provisional patent application, nor any other patent application, on behalf of the clients.

24. On June 1, 2021, Mr. Moore sent an email to Respondent requesting a copy of the filed non-provisional patent application, confirmation from the USPTO that it had been received, and the application number.

25. Receiving no response to his June 1, 2021 requests, Mr. Moore sent follow-up emails to Respondent on July 5 and July 9, 2021, requesting the same information.

26. On July 27, 2021, Respondent electronically filed a non-provisional patent application for the clients' invention, U.S. Patent Application No. 17/386,516 (the "'516 application").

27. The application that Respondent filed included a Certification of Micro Entity Status that Respondent signed and dated July 27, 2021.

28. Upon filing the non-provisional patent application, Respondent received from the USPTO an Electronic Acknowledgment Receipt that displayed a filing date of July 27, 2021.

29. Shortly after filing the '516 application, Respondent emailed the clients:

Please find attached your patent documents as submitted to the patent office. We have not yet received any response. Lately, I have been averaging somewhere around 18 months on initial applications.

My apologies for the delay in sending this to you. I just went up to the office to check the mail, and had a letter from Cliff asking for this stuff. Upon searching my email, I missed a few from you the past couple week [sic] and I am sincerely sorry about that.

I know I said I would send it about a month ago, but after compiling all the information I found it sitting in my drafts folder this evening.

30. Respondent did not inform the clients that he had only just filed the application that same day and not in December 2020, as he had previously claimed.

31. Respondent attached to his July 27, 2021 email a copy of some pages of the application that he had filed.

32. Respondent did not attach to his July 27, 2021 email a copy of the filed Certification of Micro Entity Status that was dated July 27, 2021.

33. Respondent also attached to his July 27, 2021 email what purported to be an “Acknowledgment Receipt” of the filed application from the USPTO.

34. In actuality, Respondent had altered the “Acknowledgement Receipt” by digitally redacting the filing date from what he downloaded at the time of filing before sending the document to the clients.

35. By doing so, Respondent withheld from the clients the fact that he had not filed their application in December 2020 as he had previously represented to them.

36. On August 2, 2021, Respondent sent another email to Mr. Williams, again attaching the altered “Acknowledgement Receipt”, which falsely stated, “Here is another copy of the filing receipt that I received when the application was filed.”

37. On August 10, 2021, the USPTO mailed Respondent a Filing Receipt of the application, which displayed a filing date of July 27, 2021.

38. Respondent did not provide the clients with a copy of the Filing Receipt that the USPTO mailed to him on August 10, 2021.

39. In October 2021, the clients first learned that the ’516 application had been filed on July 27, 2021. They learned this information from the USPTO.

40. On December 28, 2021, following requests by the clients for their complete client file, Respondent emailed the clients and stated, “I have sent your file to you multiple times. There is nothing in there that I have not sent you in the past.”

41. In fact, as of December 28, 2021, Respondent had not sent to the clients the following documents that he received from the USPTO that are part of the ’516 application: Confirmation of Micro-Entity Status, the authentic Electronic Acknowledgement Receipt that he received from the USPTO when he filed the ’516 application, or the August 10, 2021 Filing Receipt.

42. Respondent did not provide the clients with these documents, each of which reflected the actual July 27, 2021 filing date for the '516 application, until April 7, 2022.

43. A Notice of Allowance was issued in the '516 application on February 7, 2023, and the Issue Fee was paid on February 16, 2023.

Yesukai Benayon

44. Yesukai Benayon is the inventor of a smart gas monitoring device.

45. In the Spring of 2020, Mr. Benayon hired Respondent to assist in patenting his invention.

46. On June 1, 2020, Mr. Benayon paid Respondent \$2,000.

47. The same day, Respondent provided Mr. Benayon with the results of a patent search he had conducted.

48. On June 15, 2020, Respondent provided Mr. Benayon with a draft patent application.

49. The next day, Mr. Benayon approved the patent application for filing.

50. On June 26, 2020, Mr. Benayon signed the inventor's declaration for the patent application.

51. On June 30, 2020, Mr. Benayon texted Respondent, asking, "Are we patent pending? And what's the remaining cost for the patent?"

52. The same day, Respondent replied,

We are filed. I am waiting for the confirmation with your application number to come back to me. It usually takes a couple of days but everything is processed slower than [sic] usual with Covid. Once I get that confirmation I'll send an invoice. Basically just waiting for someone at the patent office to look at it to make sure everything was filed correctly.

53. In fact, when he wrote and sent the above-quoted reply to his client, Respondent had not filed Mr. Benayon's patent application.

54. On July 3, 2020, Mr. Benayon texted Respondent, stating, "I have not received those documents yet..."

55. The same day, Mr. Benayon sent Respondent a message using the mobile application Whatsapp, stating, "I'm trying to get a hold of you every way I can, I have not received those documents yet... I hate to bother but I don't understand what's going on."

56. The same day, Mr. Benayon emailed Respondent, stating “Can you please send me the copy of the documents you sent?”

57. The same day, Respondent responded to Mr. Benayon’s July 3, 2020 email, attaching a copy of the unfiled patent application and stating, “Attached is the final packet. As soon as I have the confirmation mailing I will forward it to you.”

58. On July 9, 2020, Mr. Benayon texted Respondent, asking, “No word on the patent yet?”

59. The same day, Respondent replied, “Not yet. They mail that confirmation letter.”

60. On July 31, 2020, Mr. Benayon texted Respondent stating, “If you would please send me the patent application number so I can keep checking the status.”

61. The same day, Respondent replied, “Yes. Coming to your email, but you will not be able to access the status until it is published in approximately 18 months.”

62. The same day, Mr. Benayon texted Respondent, asking, “What did you mean when you told meat [sic] your office that after you send the application in about a month I would be able to offer the patent to possible buyers?”

63. Respondent did not respond to Mr. Benayon’s July 31, 2020 inquiry about offering the patent.

64. Based on his belief that the patent application had been filed, Mr. Benayon began marketing his invention to potential investors.

65. On January 4, 2021, Mr. Benayon texted Respondent, stating “How you doing mr hiller, I am still waiting on the patent number.”

66. Respondent did not respond to Mr. Benayon’s January 4, 2021 text message.

67. On March 12, 2021, Mr. Benayon texted Respondent, asking, “Hi Zach I have a question, Wasn’t I supposed to receive a [sic] official filing receipt in the mail after 3 or weeks from the patent office?”

68. Respondent did not respond to Mr. Benayon’s March 12, 2021 inquiry.

69. On March 15, 2021, Mr. Benayon texted Respondent, stating, “Hey Zach I’m still waiting on that receipt if you could send me I would appreciate.”

70. The same day, Mr. Benayon messaged Respondent on WhatsApp, stating, “Can you please send me the receipt from the patent office?”

71. On March 16, 2021, Mr. Benayon called the USPTO and learned that the USPTO had no record of Mr. Hiller filing his patent application.

72. The same day, Mr. Benayon messaged Respondent stating, "Just got off the phone with the patent office and they can't find the application you have sent them."

73. Respondent replied, "I'm on the phone. Will get the file to you in a moment."

74. Later that day, Respondent messaged Mr. Benayon, "Sorry that meeting ran long and then the day got away from me. Heading home but will sit down and pull the document."

75. Respondent did not send the documents to Mr. Benayon as he had stated he would on March 16, 2021.

76. On March 19, 2021, Jason Cordoba, an attorney who was assisting Mr. Benayon with business matters, emailed Respondent requesting "any and all information you have in your file for Yesukai, including the patent you worked on."

77. The same day, Mr. Benayon filed a grievance with the Texas Office of Chief Disciplinary Counsel.

78. On March 23, 2021, at 4:30 PM Eastern Time, Mr. Benayon messaged Respondent, stating,

Well zack as you know by now I have e [sic] hired an attorney to deal with your matters and I have also contacted Texas Bar wich they be [sic] contacting you soon, I don't know for how long you plan to keep going with this but you making this situation worse for you.

79. The same day, at 5:12 PM Eastern Time, Respondent for the first time filed a non-provisional patent application for Mr. Benayon's invention, U.S. Patent Application No. 17/210,090 (the "'090 application").

80. Upon filing the '090 application, Respondent received from the USPTO an Electronic Acknowledgment Receipt that displayed a filing date of March 23, 2021.

81. On March 23, 2021, at 5:23 PM Eastern Time, Respondent responded to Mr. Cordoba's email, stating,

Please find attached Mr. Benayon's file. The only thing not reflected in the attached documents is the actual patent application number 17/210,090.

Attached is a copy of the original submission to the patent office, the prior art search I conducted, and some client supplied documents.

We have not yet received formal correspondence from the patent office, but can forward it when I do.

82. Respondent did not provide Mr. Cordoba with a copy of the Electronic Acknowledgment Receipt displaying the March 23, 2021 filing date he had received when he electronically filed the '090 application.

83. Also on March 23, 2021, Respondent messaged Mr. Benayon on WhatsApp, stating, "My apologies for the delay but I just forwarded your entire file to you and the other attorney."

84. In response, Mr. Benayon emailed Respondent, stating, "I want the "filing receipt" The one you told me you received in the mail, checked to make sure everything was OK and had mailed it to my house which [sic] I never received. You told me you had a copy of it in your computer, please send it to me."

85. Respondent did not respond to his client's request for the filing receipt.

86. On March 31, 2021, the USPTO mailed Respondent a Filing Receipt of the application, which displayed a filing date of March 23, 2021.

87. Respondent never provided Mr. Benayon with any filing receipt for the '090 application.

Additional Considerations

88. Respondent has never previously been the subject of professional discipline by the USPTO.

89. Respondent has acknowledged the wrongfulness of his misconduct and expressed remorse.

90. Respondent represents that he has improved his law practice management by: (i) upgrading his case management software; (ii) attending continuing legal education seminars; and (iii) building out automated workflows to calendar deadlines.

Joint Legal Conclusions

91. Based on the information contained in the Joint Stipulated Facts above, Respondent violated the following provisions of the USPTO Rules of Professional Conduct:

- a. failing to act with reasonable diligence and promptness by (i) failing to file the '516 application in a timely fashion after he told Mr. Williams and Mr. Moore he would do so as soon as possible and (ii) failing to file the '090 application in a timely fashion, in violation of 37 C.F.R. § 11.103;
- b. failing to keep clients reasonably informed about the status of a matter by (i) failing to inform Mr. Williams and Mr. Moore that he had not filed '516 application after telling them he would do so as soon as possible, and that he

had filed the '516 application in July 2021 rather than December 2020 as he had falsely informed them, and (ii) failing to inform Mr. Benayon that he had not filed the '090 application after telling Mr. Benayon he had done so and that he filed the '090 application in March 2021 rather than June 2020 as he had previously informed Mr. Benayon, in violation of 37 C.F.R. § 11.104(a)(3);

- c. failing to promptly comply with reasonable requests for information from the client by, *inter alia*, failing to provide timely responses to Mr. Benayon's numerous requests for information about his patent application and related matters, in violation of 37 C.F.R. § 11.104(a)(4); and
- d. engaging in conduct involving dishonesty, fraud, deceit, or misrepresentation by (i) falsely representing to Mr. Williams and Mr. Moore in an email dated April 26, 2021, that he had filed their patent application in December 2020; (ii) failing to inform Mr. Williams and Mr. Moore in an email dated July 27, 2021, that he had filed the '516 application that day rather than in December 2020 as he had previously stated; (iii) withholding from Mr. Williams and Mr. Moore the Confirmation of Micro-Entity Status, the authentic Electronic Acknowledgement Receipt that he received from the USPTO when he filed the '516 application, and the August 10, 2021 Filing Receipt; (iv) altering the "Acknowledgment Receipt" and providing the altered version to Mr. Williams and Mr. Moore in order to conceal the fact that he had filed the '516 application on July 27, 2021; (v) representing to Mr. Williams in an email dated August 2, 2021, that the altered "Acknowledgement Receipt" was what he had received from the USPTO when he filed the '516 application; (vi) representing to Mr. Williams and Mr. Moore in a December 28, 2021 email that he had sent them the entire '516 application file when he had not done so; (vii) misrepresenting to Mr. Benayon that he had filed the '090 application in June 2020; (viii) failing to inform Mr. Benayon that he actually had filed the '090 application in March 2021 rather than in June 2020; and (ix) withholding from Mr. Benayon the Electronic Acknowledgement Receipt and the filing receipt for the '090 application, which showed the true filing date of the '090 application, in violation of 37 C.F.R. § 11.804(c).

Agreed Upon Sanction

92. Respondent has freely and voluntarily agreed, and it is hereby ORDERED that:
- a. Respondent is suspended from practice before the Office in patent, trademark, and non-patent law for nine (9) months, which shall commence on the date this Final Order is signed;
 - b. Respondent is to remain suspended from practice before the USPTO until the OED Director grants a petition requesting Respondent's reinstatement pursuant to 37 C.F.R. § 11.60;

- c. Pursuant to 37 C.F.R. § 11.58(f), Respondent is granted limited recognition for a period of thirty (30) days to conclude work on behalf of clients on any matters pending before the USPTO;
- d. Respondent, as a condition of being reinstated, shall provide to the OED Director a sworn affidavit or verified declaration attesting, and evidence demonstrating, that Respondent successfully completed ten (10) hours of continuing legal education credit on ethics, including at least six (6) on the subject of law office management for solo or small practitioners and an additional four (4) in intellectual property law or ethics;
- e. Respondent, within 30 days of this Final Order, shall provide to the OED Director a sworn affidavit or verified declaration attesting that he did not inform any additional client(s) that he had filed patent application(s) on their behalf when he had not;
- f. Respondent, as a condition of being reinstated, shall provide to the OED Director a written report documenting the efforts he has made during the suspension period to implement a docketing and practice management solution;
- g. Respondent shall serve a probationary period that commences on the date this Final Order is signed and terminates eighteen (18) months after a decision granting a petition seeking Respondent's reinstatement to practice before the USPTO pursuant to 37 C.F.R. § 11.60;
- h. Respondent, on a quarterly basis throughout the term of the probationary period, shall submit a written report to the OED Director stating that he has continued to attend support groups as recommended by the Texas Lawyers' Assistance Program;
- i.
 - (1) In the event the OED Director is of the opinion that Respondent, during the probationary period, failed to comply with any provision of the Agreement, this Final Order, or any disciplinary rule of the USPTO Rules of Professional Conduct, the OED Director shall: (i) issue to Respondent an Order to Show Cause why the USPTO Director should not order that Respondent be immediately suspended for up to an additional six (6) months for the violations set forth in the Joint Legal Conclusions, above; (ii) 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 (iii) grant Respondent fifteen (15) days to respond to the Order to Show Cause; and
 - (2) In the event that after the 15-day period for response and after the consideration of the response, if any, received from Respondent, the OED Director continues to be of the opinion that Respondent, during the probationary period, failed to comply with any provision of the Agreement,

this Final Order, or any disciplinary rule of the USPTO Rules of Professional Conduct, the OED Director shall: (i) deliver to the USPTO Director or his designee: (A) the Order to Show Cause; (B) Respondent's response to the Order to Show Cause, if any; and (C) argument and evidence causing the OED Director to be of the opinion that Respondent failed to comply with any provision of the Agreement, this Final Order, or any disciplinary rule of the USPTO Rules of Professional Conduct during the probationary period; and (ii) request that the USPTO Director immediately suspend Respondent for up to an additional six (6) months for the violations set forth in the Joint Legal Conclusions, above;

- j. Nothing herein shall prevent the OED Director from seeking discipline for any misconduct that formed the basis for an Order to Show Cause issued pursuant to the preceding subparagraph;
- k. In the event the USPTO Director suspends Respondent pursuant to subparagraph i., above, and Respondent seeks a review of the suspension, any such review of the suspension shall not operate to postpone or otherwise hold in abeyance the suspension;
- l. Nothing herein 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 against 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/or
 - (3) in connection with any request for reconsideration submitted by Respondent pursuant to 37 C.F.R. § 11.60;
- m. The OED Director shall electronically publish the Final Order at OED's electronic FOIA Reading Room, which is publicly accessible at: <http://foiadocuments.uspto.gov>;
- n. The OED Director shall publish a notice in the Official Gazette that is materially consistent with the following:

Notice of Suspension and Probation

This notice concerns Zachary R. Hiller of Houston, Texas, a registered practitioner (Registration No. 69,155) and an attorney licensed in the state of Texas. The Director of the United States Patent and Trademark Office ("USPTO") has

suspended Mr. Hiller for nine (9) months from practice before the USPTO in patent, trademark, and other non-patent matters. Mr. Hiller is also serving a probationary period that started on the date of the Final Order suspending him and will continue for a period of eighteen (18) months from the date on which a petition requesting his reinstatement to practice before the USPTO is granted.

In two separate client matters, Mr. Hiller failed to file patent applications in a timely fashion and failed to communicate with his clients about the status of those applications. He also made misrepresentations to his clients, informing them that he had filed applications on their behalf when he had not. In one matter, Mr. Hiller provided his clients with an altered USPTO filing receipt in order to conceal the date in which he filed their application.

As a result of the above misconduct, Mr. Hiller violated the following provisions of the USPTO Rules of Professional Conduct: 37 C.F.R. §§ 11.103 (practitioner shall act with reasonable diligence and promptness in representing a client), 11.104(a)(3) (practitioner shall keep clients reasonably informed about the status of a matter), 11.104(a)(4) (practitioner shall promptly comply with reasonable requests for information from the client), and 11.804(c) (practitioner shall not engage in conduct involving dishonesty).

In reaching a proposed settlement, the OED Director considered that Mr. Hiller (i) has never previously been the subject of professional discipline by the USPTO; and (ii) has acknowledged the wrongfulness of his misconduct and expressed remorse.

This action is the result of a settlement agreement between Mr. Hiller and the OED Director pursuant to the provisions of 35 U.S.C. §§ 2(b)(2)(D) and 32 and 37 C.F.R. §§ 11.19, 11.20, and 11.26. Disciplinary decisions involving practitioners are posted for public reading at the OED Reading Room, available at: <http://foiadocuments.uspto.gov>;

- o. Respondent, by his agreement, has waived all rights to: (1) seek reconsideration of this Final Order under 37 C.F.R. § 11.56, (2) have this Final Order reviewed under 37 C.F.R. § 11.57, and (3) otherwise to appeal or challenge this Final Order in any manner;

- p. Within a reasonable period after the entry of this Final Order approving the Agreement, the OED Director shall file a motion dismissing the pending disciplinary action without prejudice; and
- q. The OED Director and Respondent shall each bear their own costs incurred to date in carrying out the terms of the Agreement and this Final Order.

Users, Digitally signed by
Users, Shewchuk, David
Shewchuk, David Date: 2023.02.24
13:18:02 -05'00'

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

Date

on delegated authority by

Katherine K. Vidal
Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office