

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

In the Matter of)	
)	
Devasena Reddy,)	Proceeding No. D2021-13
)	
Respondent)	
_____)	

FINAL ORDER

The Director of the Office of Enrollment and Discipline (“OED Director”) for the United States Patent and Trademark Office (“USPTO” or “Office”) and Devasena Reddy (“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 conclusion, and sanctions.

Jurisdiction

1. At all times relevant hereto, Respondent, of San Jose, California, has been an attorney in good standing in the State of California who has engaged in practice before the Office in trademark matters. Therefore, Respondent 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

3. At all times relevant hereto, Respondent has been a U.S. attorney in good standing in the State of California.

4. Since at least 2005, Respondent has been providing trademark legal services to clients.

5. In February of 2020, Respondent was contacted by an individual affiliated with foreign companies known as KA Partners, KAnalysis, and KA Filing, LLC ("KA"). The individual is an intellectual property attorney licensed in India. Respondent represented to OED that she knew the individual professionally and had worked with him in the past.

6. The individual associated with KA proposed that Respondent act as the attorney of record on trademark applications filed with the USPTO on behalf of KA's clients.

7. Respondent agreed to a business relationship wherein KA would prepare trademark documents for filing and Respondent would review and file them as attorney of record. In exchange, KA agreed to pay Respondent \$100 per hour.

8. Over the course of Respondent's business relationship with KA:

- a. Respondent was listed as the attorney of record in approximately 2,300 trademark applications associated with KA and filed with the USPTO over an approximate five-month period.
- b. Respondent represents that she reviewed each trademark filing where she was the attorney of record and personally inserted her signature prior to its filing with the USPTO. However, she acknowledges her reviews were sometimes inadequate.
- c. Respondent did not take reasonable steps at all times to ensure that KA provided the applicants with information that Respondent provided to KA regarding important legal issues regarding the trademark applications, such as what

constitutes a proper specimen and the difference between Section 1(a) and Section 1(b) trademark applications.

9. Respondent represents to OED that she did not adequately understand the ethics and trademark rules during her business relationship with KA. Respondent represents that she now fully understands the applicable ethics and trademark rules and expresses contrition for her prior lack of understanding and how her acts and omissions implicated several provisions of the USPTO Rules of Professional Conduct.

10. Respondent acknowledges that she has responsibility to take corrective action for potential harm caused by her agreeing to serve as U.S. Counsel for foreign-domiciled trademark applications filed on behalf of clients obtained via her association with KA.

11. Respondent represents to OED that she has taken corrective actions by (a) mutually terminating their business relationship; and (b) upon receiving USPTO communications regarding clients obtained via her association with KA and on whose behalf she has been attorney of record, contacting KA to request that the matter be transferred to someone else and, if no response is received, handling the matter on behalf of the client.

Additional Considerations

12. Respondent has expressed contrition for her prior lack of understanding of the ethics and trademark rules and how her acts and omissions implicated many provisions of the USPTO Rules of Professional Conduct.

13. Respondent has expressed her understanding of the seriousness of the violations of the USPTO Rules of Professional Conduct stipulated to herein, and she acknowledges the potential adverse impact on her clients' intellectual property rights from the trademark filings that were made in violation of the USPTO's trademark regulations.

14. Respondent has never been the subject of professional discipline by the USPTO, any court, or any state bar.

15. Respondent has been fully cooperative with OED's investigation, including providing candid responses to requests for information and engaging in two interviews with OED.

Joint Legal Conclusions

16. Respondent acknowledges that, based on the information contained in the joint stipulated facts, above, her conduct violated the following provisions of the USPTO Rules of Professional Conduct:

- a. 37 C.F.R. § 11.101 (practitioner shall provide competent representation) by not ensuring that she knew and understood the USPTO trademark rules, which resulted in violations of those rules in the course of representing trademark clients;
- b. 37 C.F.R. § 11.103 (practitioner shall act with reasonable diligence and promptness in representing a client) by failing to take reasonable steps to ensure that her clients' trademark filings were filed in accordance with the USPTO trademark rules;
- c. 37 C.F.R. § 11.104(a) and (b) (communications with client) by not informing her clients as to the actual or potential adverse consequences of not complying with the USPTO trademark rules, so that the clients could make informed decisions about their trademark applications and/or issued registrations; and
- d. 37 C.F.R. § 11.804(d) (conduct prejudicial to the integrity of the U.S. trademark registration system) by failing to take reasonable steps to ensure that specimens were reviewed diligently and were not mock-ups but bona fide examples of the mark as used in commerce.

Agreed-Upon Sanction

17. Respondent freely and voluntarily agrees, and it is hereby ORDERED that:

- a. Respondent shall be reprimanded;
- b. Respondent shall serve a 12-month probationary period beginning on the date of this Final Order;

- c. Before the conclusion of the probationary period, Respondent shall provide to the OED Director a sworn affidavit or verified declaration attesting, and evidence demonstrating, that Respondent has successfully completed six (6) hours of continuing legal education: two (hours) on ethics/professional responsibility and four (hours) on trademark law;
- d. Before the conclusion of the probationary period, Respondent shall provide to the OED Director a sworn affidavit or verified declaration attesting that Respondent has reviewed thoroughly (1) all provisions of the Trademark Manual of Examining Procedure (“TMEP”), including, but not limited to, the provisions of the USPTO’s signature requirements, (2) 37 C.F.R. § 2.11, and (3) the commentary on the *Requirement of U.S. Licensed Attorney for Foreign Trademark Applicants and Registrants*, found at 84 FR 31498-01;
- e. On at least a weekly basis throughout the term of the 12-month probationary period, Respondent shall (i) search the USPTO Trademark Electronic Search System (“TESS”) for applications identifying her as the attorney of record and (ii) promptly inform the appropriate persons at the USPTO of any filings identifying her as the attorney of record that were not made by her or with her knowledge and consent;
- f. On a quarterly basis throughout the term of the 12-month probationary period, Respondent shall submit a written report to the OED Director stating that she has completed the searches of the USPTO TESS database required by section e., above, and, if applicable, stating that she identified no applications in which she was named as the attorney of record that were not made by her or without her knowledge and consent;

g. (1) if the OED Director is of the opinion that Respondent, during her probationary period, failed to comply with any provision of the USPTO Rules of Professional Conduct, the provisions of the Agreement, or any of the above conditions of probation identified in items b. through f., the OED Director shall:

(A) issue to Respondent an Order to Show Cause why the USPTO Director should not enter an order immediately suspending the Respondent for up to 12 months for the violations set forth in the Joint Legal Conclusions, above;

(B) send the Order to Show Cause to Respondent at the last address of record Respondent furnished to the OED Director;

(C) 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 consideration of the response, if any, received from Respondent, the OED Director continues to be of the opinion that Respondent, during Respondent's probationary period, failed to comply with the USPTO Rules of Professional Conduct, the Agreement, or any of the above conditions of probation identified in items b. through f., 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, if any; and

(iii) argument and evidence supporting the OED Director's position;

and

- (B) request that the USPTO Director enter an order immediately suspending Respondent for the violations set forth in the Joint Legal Conclusions above;
- h. Nothing herein shall prevent the OED Director from seeking discrete discipline for any misconduct that formed the basis for an Order to Show Cause issued pursuant to the preceding subparagraph;
- i. In the event the Respondent seeks a review of any action taken pursuant to subparagraph g., above, such review shall not operate to postpone or otherwise hold in abeyance the suspension;
- j. The OED Director shall electronically publish the Final Order at the OED's electronic FOIA Reading Room, which is publicly accessible through the Office's website at: <https://foiadocuments.uspto.gov/oed/>;
- k. The OED Director shall publish a notice in the *Official Gazette* that is materially consistent with the following:

Notice of Reprimand and Probation

This notice concerns Ms. Devasena Reddy, a trademark attorney licensed in the state of California, who resides in San Jose, California. Ms. Reddy is hereby reprimanded and placed on probation for twelve (12) months for violating 37 C.F.R. §§ 11.101, 11.103, 11.104(a) and (b), and 11.804(d).

These violations are predicated on Ms. Reddy's acts and omissions during the course of her business relationship with KA Partners, KAnalysis, and KA Filing, LLC ("KA"). As explained below, Ms. Reddy agreed to act as the attorney of record on trademark applications filed with the USPTO on behalf of clients obtained via her association with KA.

In February of 2020, Ms. Reddy entered into an agreement with KA which, *inter alia*, provided for Ms. Reddy to receive payment from KA in exchange for being listed as the attorney of record on trademark applications filed with the USPTO on behalf of clients obtained via her association with KA. Ms. Reddy did not

adequately review some of the applications prior to submitting them to the USPTO.

Ms. Reddy recognizes her ethical lapses, demonstrated genuine contrition, and accepted responsibility for her conduct. Acknowledging that she personally has a duty to take remedial steps, Ms. Reddy represents that she has taken corrective actions by (a) mutually terminating her business relationship with KA; and (b) upon receiving USPTO communications regarding clients on whose behalf she has been attorney of record, contacting KA to request that the matter be transferred to someone else and, if no response is received, handling the matter on behalf of the client.

Trademark practitioners engaged in practice before the USPTO are to be reasonably well informed as to the U.S. Counsel Rule. The rule became effective on August 3, 2019, and requires applicants, registrants, or parties to a trademark proceeding whose domicile is not located within the U.S. or its territories to be represented by an attorney who is an active member in good standing of the bar of the highest court of a state in the U.S. *See* 84 FR 31498; 37 C.F.R. § 2.11(a).

In the few years preceding the U.S. Counsel Rule's effective date, the USPTO had seen many instances of unauthorized practice of law where foreign parties who are not authorized to represent trademark applicants were improperly representing foreign applicants before the USPTO. As a result, increasing numbers of foreign applicants were likely receiving inaccurate or no information about the legal requirements for trademark registration in the U.S., such as the standards for use of a mark in commerce, who can properly aver to matters and sign for the mark owner, or even who the true owner of a mark is under U.S. law. This practice raised legitimate concerns that affected applications and any resulting registrations are potentially invalid, and thus negatively impacting the integrity of the trademark register. Hence, the USPTO implemented the requirement for representation by a qualified U.S. attorney in response to the increasing problem of foreign trademark applicants who purportedly are *pro se* (*i.e.*, one who does not retain a lawyer and appears for himself or herself) and who are filing inaccurate and possibly fraudulent submissions that violate the Trademark Act and/or the USPTO's rules. For example, such foreign applicants filed applications claiming use of a mark in commerce, but frequently support the use claim with mocked-up or digitally altered specimens that indicate the mark may not actually be in use. Many appear to be doing so on the advice, or with the assistance, of foreign individuals and entities who are not authorized to represent trademark applicants before the USPTO. This practice undermines the accuracy and integrity of the U.S. trademark register and its utility as a means for the public to reliably determine whether a chosen mark is available for use or registration, and places a significant burden on the trademark examining operation. *See* 84 FR at 31498-31499.

The U.S. Counsel Rule is intended to increase USPTO customer compliance with U.S. trademark law and USPTO regulations, improve the accuracy of trademark submissions to the USPTO, and safeguard the integrity of the U.S. trademark register. For example, practitioners who represent trademark applicants before the USPTO are expected to, among other things, undertake a bona fide review of specimens submitted to the USPTO in support of a trademark application. A practitioner's failure to comply with his or her ethical obligations under the U.S. Counsel rule potentially adversely affect the integrity of the USPTO trademark registration process.

A USPTO practitioner has an ethical obligation under the USPTO Rules of Professional Conduct to know who the client is. *See* 37 C.F.R. § 11.101 (concerning competency) and 11.804(i) (concerning other conduct that adversely reflects on a practitioner's fitness to practice before the Office). "The PTO expects practitioners to know the identities of their clients and to take reasonable steps to avoid foreseeable prejudice to the rights of their clients." *See Responsibilities of Practitioners Representing Clients in Proceedings Before The Patent and Trademark Office*, 1421 CNOG 2690 (December 29, 2015) (citing 50 Federal Register 5164 (Feb. 6, 1985) and 1086 Trademark Official Gazette 357 (Jan. 5, 1988)).

Where a trademark practitioner works with a foreign intermediary, the client is the trademark applicant. *See Responsibilities of Practitioners Representing Clients in Proceedings Before The Patent and Trademark Office*, 1091 OG 26 (May 25, 1988). *See also Strojirenstvi v. Toyoda*, 2 USPQ 2nd 1222 (Comm'r Pat. 1986) (explaining, in part, that a U.S. practitioner who receives instructions from a trademark owner through a foreign agent does not change the fact that the client is still the trademark owner rather than the foreign or agent).

Ms. Reddy has been fully cooperative with OED's investigation, including providing candid responses to requests for information and engaging in two interviews with OED.

This action is the result of a settlement agreement between Ms. Reddy 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 Office of Enrollment and Discipline Reading Room accessible at: <https://foiadocuments.uspto.gov/oed>;

1. Nothing in this Final Order shall prevent the Office from considering the record of this disciplinary proceeding, including the 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; (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;

- m. Respondent waives all rights to seek reconsideration of the Final Order under 37 C.F.R. § 11.56, waives the right to have the Final Order reviewed under 37 C.F.R. § 11.57, and waives the right otherwise to appeal or challenge the Final Order in any manner; and
- n. The parties shall bear their own costs incurred to date and in carrying out the terms of the Agreement and this Final Order.

Users,
Long, Stacy

Digitally signed by
Users, Long, Stacy
Date: 2021.09.09
12:23:50 -04'00'

Date

Stacy Long
Acting Deputy General Counsel for General Law
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