

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

In the Matter of)
)
Matthew J. Cohen)
)
Respondent)
_____)

Proceeding No.: 02-15

FINAL ORDER

The Director of Enrollment and Discipline (OED Director) of the United States Patent and Trademark Office (USPTO) and Matthew J. Cohen, Respondent, USPTO registration number 42,426, have submitted a settlement agreement in the above proceeding that meets the requirements of 37 C.F.R. § 10.133(g).

In order to resolve the case without the necessity of a hearing, Respondent and the OED Director agreed to certain stipulated facts, legal conclusions and a stipulated term of suspension. It was further agreed between the OED Director and the Respondent that this agreement resolves any and all disciplinary action by the USPTO arising from Respondent's representation of clients initiated through his association with Intellectual Property Management (IPM).

Pursuant to that agreement this final order sets forth the following stipulated facts, agreed upon legal conclusions and suspension order.

STIPULATED FACTS

1. In 1998, the Respondent graduated from law school.
2. From about April 1998 to about October 2000, Respondent was associated with Intellectual Property Management ("IPM"), a company that advertised itself as providing "comprehensive domestic patenting services."
3. On or about August 8, 2001, the USPTO's electronic records system listed at least five abandoned patent applications that had been filed by Respondent between April 1998 and October 2000. Each file had been abandoned. The reasons for abandonment included failure to respond to office action, failure to pay issue fees, and failure to respond to non-fee publication requirements.
4. From about April 1998 until at least about October 2000, IPM was owned by "the owner."
5. In or around February 1999, an individual contacted IPM by telephone and was transferred to Respondent. The individual discussed an invention related to pharmaceuticals with Respondent.
6. The individual became a customer of IPM ["the client"] and delivered \$5,000 to IPM for Respondent's legal services in drafting and filing a patent application.

7. On or about March 29, 1999, Respondent filed a patent application entitled [redacted] with the USPTO.
8. The named inventor on the patent application was the client.
9. Respondent was, from filing until in or about May of 2001, the attorney of record for the client's application, designated [redacted] by the USPTO.
10. USPTO records of the patent application reflect that on November 19, 1999, Respondent had a telephone conversation with the patent examiner assigned to examine the client's patent application.
11. USPTO records reflect that during that conversation Respondent made a provisional election. He elected to prosecute certain claims related to a single species of the invention disclosed in the client's application and to restrict other claims out of the application.
12. On or about November 24, 1999, the USPTO issued an Office Action regarding the patentability of the claimed invention.
13. The Office Action was addressed and sent to Matthew J. Cohen, Third Floor, 21550 Oxnard Street, Woodland Hills, CA 91367. This is the correspondence address that Respondent provided the USPTO.
14. In or about November-December 1999, Respondent's correct mailing address at IPM was Matthew J. Cohen, Third Floor, 21550 Oxnard Street, Woodland Hills, CA 91367.
15. In the Office Action, the examiner set a three month deadline for responding to the Office Action.
16. Respondent never filed a response to the Office Action.
17. On or about June 6, 2000 the USPTO mailed a Notice of Abandonment to Respondent at IPM for the client's application. The Notice of Abandonment was addressed to Matthew J. Cohen, Third Floor, 21550 Oxnard Street, Woodland Hills, CA 91367.
18. The Notice of Abandonment reads, in part, "This application is abandoned in view of applicant's failure to timely file a proper response to the Office letter mailed on Nov. 24, 1999."
19. On or about June 5, 2000, prior to mailing the Notice of Abandonment, Mr. Mark Clardy at the USPTO attempted to contact Respondent by telephone and left two voice mail messages for him at IPM.
20. Respondent never responded to the voice mail messages.
21. Respondent never attempted to revive the abandoned application.

22. The client never instructed Respondent to allow the application to go abandoned. Nor did the client ever intend or imply that the application should go abandoned.
23. In October 2000, more than ten months after the Office Action issued and four months after the Notice of Abandonment was mailed, Respondent left IPM.
24. In or about the week of November 21-27, 1999, the client contacted Respondent and inquired about the status of his pending application.
25. At that time, Respondent told the client that “everything was okay” with his application.
26. Respondent did not inform the client that he had discussed the application with the examiner.
27. In or about early March, 2000, the client again contacted Respondent and inquired about the status of his pending application.
28. At that time, Respondent told the client “I haven’t heard anything else.”
29. Respondent, again, did not inform the client that he had discussed the pending application with the examiner.
30. Respondent did not inform the client of the pending Office Action.
31. Respondent never informed the client that he had discussed the pending application with the examiner.
32. Respondent never informed the client that a Notice of Abandonment had been issued.
33. Based on his discussion with Respondent, the client believed that the Respondent had no contact with the USPTO regarding the client’s application except for receiving the Filing Receipt.
34. On March 29, 2001, the client contacted Respondent by email and inquired about the status of his pending application. The client’s email stated, in part, “This is the two year anniversary for the patent application (#[]) and I wondered if anything has come of it.”
35. On April 2, 2001, Respondent replied to the client by email. Respondent’s email stated, in part, “My former office has screwed me completely...Because of them I have lost all information relating to all files, now that I have your application number I will inquire to its status.”
36. In January 2002, Respondent, in response to a request for documents from the USPTO Office of Enrollment and Discipline (“OED”), produced the Filing Receipt for the client’s application. The application number is printed on the Filing Receipt.
37. On April 2, 2001, the client emailed Respondent, stating in part, “What exactly does it mean to lose a file... If something has happened to the filing, what recourse do I have?”

38. On April 3, 2001, Respondent replied to the client's email, stating in part, "We can refile the application, that is probably the quickest recourse available."
39. On April 3, 2001, the client responded, stating in part, "...we need to try to reactivate the original application....Surely something can be done."
40. On April 9, 2001, Respondent responded, "I'll see what I can do, the patent office usually has strict procedural issues. But nevertheless, I will look into it."
41. The client expected that Respondent would, in fact, "look into" reviving the abandoned application and get back to him.
42. Respondent never attempted to revive the client's abandoned application.
43. Respondent did not contact the client regarding his application ever again.
44. Respondent discussed the client with the owner of IPM in or about February of 1999.
45. The fee for prosecuting the client's application, \$5,000, was set during that discussion and based on the nature of the invention.
46. The owner was not an attorney at that time, nor was he registered to practice before the USPTO.
47. Respondent allowed IPM to hold, maintain and enter correspondence into the client's application file.
48. Respondent did not maintain complete records of the client's application file.
49. When Respondent left IPM he failed to notify the USPTO that the correspondence address for the client's application should be changed.
50. The fees that the client paid IPM for Respondent's legal services were deposited in IPM's bank account.
51. IPM was neither a law firm nor a firm of practitioners registered to practice before the USPTO.
52. Respondent's salary was set by the owner.
53. Respondent did not maintain records of the client's fees.
54. The client was never billed in writing for Respondent's legal services.
55. The client never received a receipt for Respondent's legal services.
56. Respondent held himself out as being affiliated with IPM.

57. Respondent provided legal services on multiple patent matters, including the client's, while associated with IPM.
58. Respondent at no time disclosed the nature of his relationship with the owner and IPM to the client.

LEGAL CONCLUSIONS

59. Based upon the foregoing stipulated facts, Respondent acknowledged that his conduct violated the following Disciplinary Rules of the Code of Professional Responsibility:
 - a. Rule 10.77(b) and (c) in that Respondent neglected at least one legal matter entrusted to him;
 - b. Rule 10.112(c)(2) and (c)(3) in that Respondent failed to maintain at least one client's property in a safe manner and failed to maintain complete records of at least one client's property;
 - c. Rule 10.48 in that Respondent shared legal fees with a non-practitioner;
 - d. Rule 10.68(a) in that Respondent at least once accepted compensation, without consent of the client after full disclosure, from someone other than the client for legal services to or for that client;
 - e. Rule 37 C.F.R. 10.23(b)(4), in that respondent engaged in conduct that involved misrepresentation; and
 - f. Rule 37 C.F.R. 10.23(b)(6), in that respondent engaged in conduct that adversely reflects on his fitness to practice before the USPTO.

SUSPENSION ORDER

60. Based upon the foregoing, it is:
 - a. ORDERED that the OED Director publish the foregoing stipulated facts and legal conclusion.
 - b. ORDERED that Respondent be suspended for eighteen months from the practice of patent, trademark and other non-patent law before the USPTO, the suspension to begin 60 days following the date this Final Order is entered (signed);
 - c. ORDERED that the OED Director publish the following Notice in the Official Gazette:

Notice of Suspension

Matthew J. Cohen, of Menlo Park, California a patent attorney, registration number 42426. In settlement of a complaint the General Counsel, on behalf of the Director of the United States Patent and Trademark Office has ordered the suspension of Cohen for violating USPTO Disciplinary Rules (DR): DR 10.23(b)(6) (engaging in conduct that adversely reflects on his fitness to practice), DR 10.48 (sharing legal fees with a non-practitioner), DR 10.68(a) (accepting compensation, without consent of client after full disclosure, from someone other than the client for legal services to or for that client), DR10.77(b) and (c) (neglect of an entrusted legal matter), DR 10.23(b)(4) (engaging in conduct that involved misrepresentation), and DR 10.112(c)(2) and (c)(3) (failing to identify and safeguard the client's property (files)). Cohen is suspended for eighteen months from practice before the United States Patent and Trademark Office in patent, trademark and other non-patent cases. The suspension runs from (*enter date 60 days following date of Final Order*). This action is taken pursuant to the provisions of 35 U.S.C. § 32, and 37 C.F.R. §§ 10.133(g) and 10.159.

- d. ORDERED that the OED Director give notice to appropriate employees of the Office, courts and authorities of any State in which Respondent is known to be a member of the bar, and any appropriate bar association. 37 C.F.R. § 10.159(a)
- e. ORDERED that during the suspension, Respondent shall not engage in the unauthorized practice of patent, trademark and other non-patent law before the USPTO. 37 C.F.R. § 10.158(a)
- f. ORDERED that within 60 days of the Final Order being signed, Respondent shall notify all bars of which he is a member and all clients for whom he is handling matters before the USPTO, in separate written communications, of the suspension and shall file a copy of each written communication with the OED Director within the same 60 day period. 37 C.F.R. § 10.158(b)(1)
- g. ORDERED that within 60 days of the Final Order being signed, Respondent shall surrender each client's active USPTO case files to (1) that client or (2) another practitioner designated by that client, and shall file proof thereof with the OED Director within the same 60 day period. 37 C.F.R. § 10.158(b)(2).
- h. ORDERED that during the period Respondent is suspended, any communication relating to a client matter that is addressed to Respondent and/or received by him shall be immediately forwarded to the client or the practitioner designated by the client, and that Respondent will take no other legal action in the matter, enter any appearance, or provide any legal advice concerning the matter that is the subject of the communication. 37 C.F.R. §§ 10.158(a), (b)(2), (b)(6)

- i. ORDERED that within 60 days of the Final Order being signed, Respondent shall return to any client for whom he is handling matters before the Office, any unearned legal funds, including any unearned retainer fee, and any securities and property of the client, and shall file a proof thereof with the OED Director no later than filing his petition for reinstatement. 37 C.F.R. §§ 10.158(b)(8), 10.160(d)

- j. ORDERED that upon the Final Order being signed, Respondent shall promptly take steps to comply with the provisions of 37 C.F.R. §§ 10.158(b)(3), (b)(4), (b)(5), (b)(6), and (b)(7), and further directing that within 60 days of taking steps to comply with § 10.158(b)(4) Respondent shall file with the OED Director an affidavit describing the precise nature of the steps taken, and still further directing that Respondent shall submit proof of compliance with §§ 10.158(b)(3), (b)(5), (b)(6), and (b)(7) with the OED Director upon filing a petition for reinstatement under 37 C.F.R. § 10.160.

- k. ORDERED that before Respondent aids another practitioner in any way in the other practitioner's practice before the Office, Respondent shall promptly take steps to comply with the provisions of 37 C.F.R. §§ 10.158 (c) and (d). Respondent shall submit proof thereof with the OED Director upon filing a petition for reinstatement under 37 C.F.R. § 10.160.

- l. ORDERED that, while Respondent is suspended he will not render legal advice or services on any pending or prospective patent, trademark or other non-patent business or matter before the Office.

- m. ORDERED that Respondent shall notify the OED Director if Respondent is suspended or disbarred from practicing law in another jurisdiction while he is suspended from practice before the USPTO, and Respondent shall submit said notification to the OED Director within 10 business days of being suspended or disbarred. 37 C.F.R. §§ 10.23(c)(5), 10.133(g).

- n. ORDERED that the Respondent inform the OED Director within 10 days of any change in address or telephone number.

- o. ORDERED that on or after the last day of suspension, Respondent may petition for reinstatement in accordance with the terms of 37 C.F.R. § 10.160.

December 4, 2002
Date

/S/
James A. Toupin
General Counsel
United States Patent and Trademark Office
on behalf of
James E. Rogan
Under Secretary of Commerce For
Intellectual Property and Director of the
United States Patent and Trademark Office