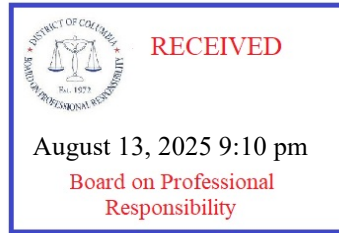


**DISTRICT OF COLUMBIA COURT OF APPEALS
BOARD ON PROFESSIONAL RESPONSIBILITY**



In the Matter of

CHE-YANG CHEN, ESQUIRE,

Respondent

**A Member of the Bar of the District of
Columbia Court of Appeals**

Bar Number: 984796

Date of Admission: 12/08/2008

DDN 2024-D094

**THIRD AMENDED
PETITION FOR NEGOTIATED DISPOSITION**

Pursuant to the District of Columbia Court of Appeals Rules Governing the Bar as prescribed by Rule X and Rule XI, § 12.1 (D.C. Bar R.) and Board Rule 17.3, Disciplinary Counsel and Respondent Che-Yang Chen respectfully submit this Third Amended Petition for negotiated disposition in the above-captioned matter. Pursuant to D.C. Bar R. XI, §1(a), jurisdiction is found because Respondent is a member of the District of Columbia Bar.

**I. STATEMENT OF THE NATURE OF MATTERS
BROUGHT TO DISCIPLINARY COUNSEL'S ATTENTION**

Disciplinary Counsel received a final order imposing discipline from the United States Patent and Trademark Office, concluding, among other things, that

Respondent engaged in dishonesty and misconduct prejudicial to the administration of justice.

II. STIPULATION OF FACTS AND RULE VIOLATIONS

Disciplinary Counsel and Respondent stipulate to the following:

The Facts

1. Respondent is the sole principal of the Law Office of Michael Chen, based in California. He has more than 15 years' experience as an intellectual property attorney and a small staff of non-lawyer assistants.

2. At all relevant times, Respondent was registered to practice before the United States Patent and Trademark Office in trademark and patent matters.

3. On March 20, 2024, the USPTO issued a final order imposing discipline for multiple ethics breaches Respondent committed in practice before the agency.

4. Respondent agreed that he violated his practice obligations before the USPTO as set forth below.

Respondent's Ethics Breaches Before the USPTO

Trademark Violations

5. Between January 2021 and December 2022, Respondent served as attorney of record for thousands of trademark applications. Most of the applicants

were foreign-domiciled and therefore required a U.S. licensed attorney to serve as attorney of record for their applications. 37 C.F.R. § 2.11(a). Respondent was aware of this requirement when it went into effect.

6. Respondent handled mostly applications for foreign-domiciled clients referred to him from several intellectual property companies with which he associated.

7. A lawyer representing a trademark applicant does not need to sign the application and declaration. It can be signed by the applicant or an officer in the case of a corporation. However, if the lawyer chooses to be the named signatory, he needs to personally sign it himself. *See* 37 C.F.R. §§ 2.193(a), (c), (e); 11.18(a).

8. Prior to July 2022, Respondent allowed his non-lawyer assistants to electronically sign his name on thousands of trademark applications – including the sworn declarations – rather than Respondent’s signing them personally as the named signatory, as required by USPTO rules.

9. There are potentially negative consequences for the applicant and the agency if a trademark application is improperly executed:

A. If the signature on an application or other submission fails to comply with regulatory requirements because it was signed by someone other than the named signatory or not signed by the proper person, then the submission is improperly executed and normally renders the application

void. *See* 37 C.F.R. § 2.193(f), 11.18; *In re Zhang*, 2021 TTAB LEXIS 465 (Dir. USPTO Dec. 10, 2021) at 13, 34

B. When filings are impermissibly signed and filed with the USPTO, the integrity of the process is adversely affected. *See* 37 C.F.R. 2.193. *See also Zhang*, at 33.

C. Applications filed with the USPTO contain declarations signed under penalty of perjury and the USPTO relies on the signed declarations when examining applications and issuing registrations. 37 C.F.R. §§ 2.2(n), 2.20, 2.193(e)(1), 11.18; 28 U.S.C. § 1746. *See also* 37 C.F.R. §§ 2.33(a); 2.161(a)(2); 2.197(b)(3); 2.198(c)(3), (d)(3) & (e)(3); *see Zhang*, at 33-34.

D. False statements in USPTO submissions are subject to punishment prescribed by statute. *See* 37 C.F.R. §§ 2.193(f), 11.18(c), 11.804; 18 USC 1001.

10. In July 2022, Respondent had a telephone conversation with an Office of Enrollment and Discipline employee, the Senior Counsel for Disciplinary Investigations looking into Respondent's activities before the USPTO. Respondent told the agency it was then that he first learned that USPTO rules require trademark applications to be personally signed by the named signatory. During the call, Respondent did not tell the USPTO that he had filed many applications with impermissible signatures. He would not disclose this information for another year.

11. After his July 2022 conversation with USPTO disciplinary authorities, Respondent took no action to notify his clients about the impermissible signatures he had submitted on their behalf or advise them of the potential consequences to their intellectual property rights.

12. Despite his July 2022 conversation with USPTO disciplinary authorities, Respondent continued to allow his non-lawyer assistants to sign Respondent's name on multiple trademark applications filed with the USPTO in an attempt to have the agency accept the signatures as authentic— including the sworn declarations.

13. For applications not signed by the attorney, the applicant must sign the application and declaration. 37 C.F.R. §§ 2.193(a) & (e) (includes person capable of legally binding owner in case of corporate entity, partnership, etc.). Between August and September 2022, Respondent served as attorney of record for approximately 190 trademark applications filed with a handwritten signature scanned into PDFs and uploaded through the agency's electronic filing system. Respondent allowed a third party (the representatives of foreign trademark companies) to collect applications purportedly signed by the applicants, rather than dealing with his applicants directly to ensure each actually signed their application in compliance with the USPTO's signature rules. *See id.*, 37 C.F.R. § 11.18.

14. On multiple occasions before and after his communication with USPTO disciplinary authorities, Respondent allowed his non-lawyer assistant to review, sign, and file responses to USPTO Office Actions prepared by foreign intellectual property companies, in violation of agency rules. 37 C.F.R. §§ 2.193(a) & (e) (includes person capable of legally binding owner in case of corporate entity, partnership, etc.), 11.18. Despite agency requirements, Respondent did not conduct a reasonable inquiry under the circumstances to ensure the accuracy of, and factual support for, the contentions in the Office Action responses or even review them before his assistants signed Respondent's name and filed them with the USPTO.

Patent Violations

15. Under USPTO Rules, only the inventor can sign the inventor's oath, not the lawyer. *See* 37 C.F.R. §§ 1.63, 1.64, 11.18. Between January 2021 and August 2023, Respondent served as attorney of record for multiple design patent applications filed with the USPTO. In at least 136 design patent applications he submitted, Respondent – not the inventor – signed the inventor's name under the inventor oath.

16. Certain applicants and patent owners can benefit from a significant reduction on USPTO fees if they qualify and file appropriate papers in their application or patent. 37 C.F.R. § 1.29. To benefit from this fee reduction, applicants and patentees must establish “micro entity” status pursuant to federal

regulation. *Id.* A certification is required as a condition for an applicant to be considered a micro entity. *Id.*

17. Respondent signed certifications of micro entity status that he filed along with many design patent applications for which he served as attorney of record. He relied on representatives of foreign intellectual property companies to explain the criteria for micro entity status to the inventors or design patent applicants and verify their eligibility, rather than communicating with the inventors or design patent applicants himself. *See* 37 C.F.R. § § 1.29, 11.18(b)(2). Respondent did not adequately supervise the representatives of foreign intellectual property companies to ensure that they verified the eligibility of each inventor or design patent applicant claiming micro entity status.

18. Respondent did not perform an inquiry reasonable under the circumstances to ensure that the factual contentions made in the certifications of micro entity status had evidentiary support. *Id.* Consequently, he signed several certifications of micro entity status that were not eligible for the reduced fee.

19. Numerous certifications of micro entity status that Respondent submitted were defective in a variety of other ways, including that some certifications failed to properly identify the applications to which they pertained, were unsigned, or not signed by an authorized party. 37 C.F.R. § 11.18.

Respondent's USPTO Disciplinary Proceedings and Suspension

20. Respondent was the subject of investigation and prosecution by USPTO disciplinary authorities and cooperated in that process. The parties entered into a Settlement Agreement approved on March 20, 2024.

21. For his violation of numerous federal regulations relating to trademark and patent practice before the USPTO, Respondent was suspended from practice before the agency for a minimum of 14 months. He will remain suspended until the Office of Enrollment and Discipline's Director grants any reinstatement petition Respondent may file. During his suspension, Respondent will be on probation that ends 24 months after USPTO disciplinary authorities grant any petition for reinstatement Respondent may file.

22. In order to become eligible for reinstatement, Respondent must adhere to a number of requirements set forth in the USPTO Final Order in Proceeding No. D2024-01.

23. Respondent represents clients almost exclusively before the USPTO and his suspension effectively closes his law practice until he is reinstated.

The Rule Violations

24. Respondent violated the following ethics rules:

A. District of Columbia Rules of Professional Conduct Rules (D.C. Rules) 1.1(a) and (b) and/or USPTO Rules of Professional Conduct

(USPTO Rule) 11.101, because Respondent failed to provide competent representation to his clients;

B. D.C. Rule 1.3(a) and/or USPTO Rule 11.103, because Respondent failed to represent his clients diligently;

C. D.C. Rule 1.4(a) and/or USPTO Rule 11.104(a)(3), because Respondent failed to keep his clients reasonably informed about the status of their matters;

D. D.C. Rule 1.4(b) and/or USPTO Rule 11.104(b), because Respondent failed to explain the matter to the extent reasonably necessary to permit his clients to make informed decisions regarding the representation;

E. D.C. Rule 5.3(c)(1) and/or USPTO Rule 11.503(a) and (b), because Respondent was aware of and ratified the conduct of his staff who impermissibly signed his name to documents filed with the USPTO;

F. D.C. Rule 8.4(c) and/or USPTO Rule 11.804(c), because Respondent engaged in dishonesty; and,

G. D.C. Rule 8.4(d) and/or USPTO Rule 11.804(d), because Respondent seriously interfered with and/or prejudiced the administration of justice.

III. STATEMENT OF PROMISES MADE BY DISCIPLINARY COUNSEL

Disciplinary Counsel agrees not to pursue any charges arising out of the conduct described in Section II other than those set forth above, or any sanction other than that set forth below.

IV. AGREED UPON SANCTION AND RELEVANT PRECEDENT

The agreed-upon sanction in a negotiated discipline case must be (a) justified; and (b) not unduly lenient, taking into consideration the record as a whole, including the nature of the misconduct, any charges or investigations that Disciplinary Counsel has agreed not to pursue, the strengths or weaknesses of Disciplinary Counsel's evidence, any circumstances in aggravation and mitigation (including respondent's cooperation with Disciplinary Counsel and acceptance of responsibility), and relevant precedent. Board Rule 17.5; D.C. Bar R. XI, § 12.1(b)(1)(iv). A justified sanction does not have to comply with the comparability standard set forth in D.C. Bar R. XI, §9(h). Board Rule 17.5(a)(iii).

A. Agreed-Upon Sanction

Disciplinary Counsel and Respondent agree that, beginning immediately after the Court issues its Order (or on a date otherwise specified by the Court), the sanction to be imposed is:

1. Respondent will serve a six-month suspension to begin immediately upon issuance of the Court's order.

2. Respondent will serve one year's unsupervised probation on the condition that he not be the subject of a disciplinary complaint that results in a finding that he violated the disciplinary rules of any jurisdiction or tribunal in which he is licensed to practice during the probationary period.

3. Respondent will take (a) continuing legal education course(s) on trust account management as administered by D.C. Bar's Practice Management Advisory Service (PMAS), (b) the new admittee course, in connection with a corrective plan, and (c) <https://www.uspto.gov/learning-and-resources/uspto-videos/representation-signatures-and-ethical-issues-trademark-cases>.

4. Respondent will provide proof of completion of each probation condition within 10 days of completion.

5. Respondent waives confidentiality as to the D.C. Bar regarding his CLE attendance and all corrective measures taken, including all reports prepared, and materials PMAS and/or Respondent use to implement his correction plan.

6. Respondent will notify all clients of his suspension and probation, and provide written proof to Disciplinary Counsel within 30 days of the Court's order.

7. Respondent will notify Disciplinary Counsel promptly of any ethics complaint(s) filed against him and the disposition(s).

8. Within 30 days of the Court's order suspending Respondent, he will notify Disciplinary Counsel in writing of all jurisdictions in which he is or has been licensed to practice, and all tribunals before which he has appeared as legal counsel.

9. Respondent will not resume the practice of law under his District of Columbia law license before he provides proof to Disciplinary Counsel of his reinstatement before the USPTO.

10. Respondent need not show fitness, provided he successfully completes probation and provides proof to Disciplinary Counsel that he is readmitted to practice before the USPTO.

If Respondent fails to meet any of the conditions set forth above, he agrees that Disciplinary Counsel will initiate proceedings before the Court requiring that he demonstrate his fitness to practice law before he is reinstated in the District of Columbia.

B. Relevant Precedent

Disciplinary Counsel and Respondent agree that the foregoing sanction is justified under our jurisprudence for his dishonesty, conduct seriously interfering

with the administration of justice, ratification of dishonest conduct by his subordinate, incompetence, and failure to communicate important information to his clients. Respondent's misconduct sounds principally in dishonesty (Rule 8.4(c)) and interference with the administration of justice (Rule 8.4(d)). The range of sanctions for such misconduct ranges from an informal admonition to disbarment.

Informal admonitions have been issued for misconduct violating D.C. Rules 8.4(c) and (d), among others. *See e.g., In re Leslie Lickstein, Esquire*, Bar Docket No. 317-99 (August 30, 2000) (informal admonition for attorney who was dishonest to a tribunal in violation of D.C. Rules 8.4(c), 8.4(d), and 3.3(a) (lack of candor to tribunal), where attorney filed involuntary bankruptcy petition on several clients' behalf as company creditors and, after he failed to perfect service, re-filed months later without checking to see petition was no longer accurate and without obtaining client signatures anew, choosing instead to emulate original client-signatures without their knowledge on petition to be executed under penalty of perjury); *In re Marlene Y. Bishop, Esquire*, Bar Docket No. 425-97 (May 10, 1999) (informal admonition for U.S. Attorney who filed dishonest pleading with court and when confronted, lied to supervisor to cover up in violation of D.C.

Rules 3.3(a), 8.4(c) and 8.4(d)).¹

As well, attorneys violating Rules 8.4(c) and (d), among others, have been disbarred. *See e.g., In re Howes*, 52 A.3d 1 (D.C. 2012) (disbarment for former Assistant US Attorney's dishonest and pervasive use of public funds to pay witnesses in violation of D.C. Rules 8.4(c), 8.4(d), 3.3(a), 3.4(c) (disobeying obligation of tribunal rules), 3.8(e) (failing to timely disclose evidence tending to negate guilt of accused), 8.4(a)(violating or assisting in violating ethics rules), and 8.4(b) (committing criminal act reflecting adversely on lawyer's honesty, trustworthiness, or fitness in other respects)); *In re Shariati*, 31 A.3d 81, (D.C. 2011) (disbarment for violations of D.C. Rules 8.4(c) and 8.4(d), 1.1(a) and (b) (incompetence), 1.3(a) (lack of diligence and zeal), 1.3(b)(1) (intentional failure to seek client's lawful objectives), 1.3(b)(2) (intentional prejudice to client), 1.3(c) (lack of reasonable promptness in client representation), 1.4(a) (failure to communicate), 1.16(d) (failure to return unearned fees and surrender client papers on termination), 5.5(a) (unauthorized practice of law), and 8.4(e) (falsely implying ability to improperly influence government agency or official)); *In re White*, 11 A.3d 1226 (D.C. 2011) (disbarment in two unrelated cases of misconduct where attorney wrongfully engaged in conflicting successive government and private

1 The informal admonitions are included at the labeled tabs.

employment and filed fraudulent whistleblower complaint, demonstrating lack of moral fitness to remain member of legal profession in violation of D.C. Rules 8.4(c) and (d), 1.11 (conflict in successive government and private employment), 3.4(a) (alteration of evidence), 3.4(b) (falsification of evidence and false testimony); 8.1(a) (knowing false representation in connection with disciplinary matter); and 8.4(b) (criminal act reflecting adversely on lawyer's honesty, trustworthiness, or fitness).

Given the broad range of sanctions, a six-month suspension falls within it for false statements and serious interference with the administration of justice. *See e.g., In re Owens*, 806 A.2d 1230 (D.C. 2002) (30-day suspension for false statements to administrative law judge, one under oath, in violation of D.C. Rules 3.3(a), 8.4(c), and 8.4(d)); *In re Uchendu*, 812 A.2d 933 (D.C. 2002) (30-day suspension for improperly signing and notarizing substantively accurate documents that benefitted clients); *In re Phillips*, 705 A.2d 690 (D.C. 1998) (60-day suspension for filing false petition in court); *In re Zeiger*, 692 A.2d 1351 (D.C. 1997) (60-day suspension for falsifying medical records to benefit client in settlement with insurance company); *In re Drew*, 693 A.2d 1127 (D.C. 1997) (14-month suspension in unrelated matters for combined prosecution and reciprocal matters where attorney (1) seriously interfered with administration of justice, engaged in incompetence and overcharging, lacked diligence and zeal,

intentionally prejudiced clients, and failed to protect clients' interests on termination of representation in two unrelated criminal cases, and (2) violated Maryland ethics rules requiring diligence, appropriate client communication, and proper supervision of non-lawyer staff, where attorney also had three informal admonitions); *In re Brown*, 672 A.2d 577 (D.C. 1996) (60-day suspension for misrepresentation intended to benefit client's case); *In re Waller*, 573 A.2d 780 (D.C. 1990) (60-day suspension for multiple misrepresentations to court and other uncharged misconduct).

Because a six -month suspension without a fitness requirement followed by one year's unsupervised probation with significant conditions falls within the range of sanctions for Respondent's misconduct, it is justified and not unduly lenient given that the purpose of attorney discipline is not punishment. "The purpose of imposing discipline is to serve the public and professional interests identified and to deter future and similar conduct rather than to punish the attorney." *In re Rodriguez-Quesada*, 122 A.3d 913, 921 (D.C. 2015) (quoting *In re Kanu*, 5 A.3d 1, 16 (D.C. 2010)).

Here, Respondent made many filings with the USPTO that contained false statements and averments in violation of the agency's rules of practice and ethics. However, he cooperated with the USPTO's disciplinary process and that of the District of Columbia in an effort to correct his troubling procedures and rebuild his

intellectual property practice on a strong ethical foundation. A six-month suspension will roughly coincide with the remainder of Respondent's suspension before the USPTO, affording him an opportunity to resume the ability to practice under his District of Columbia law license shortly after any reinstatement before the agency – but not before then.

Respondent agrees to serve the full suspension and demonstrate fitness to resume the practice of law if he fails to comply with his probation or other conditions, including reinstatement before the USPTO. On this record, a six-month suspension is appropriate. *See e.g., In re Soto*, 298 A.3d 762 (D.C. 2023) (six-month suspension for false representation regarding where attorney was licensed and false representations in real estate contracts in violation of D.C. Rules 8.4(c) and (d), and 8.1(a), where attorney had prior discipline for false representations regarding law license and unauthorized practice of law in Maryland).

V. OTHER CONSIDERATIONS

A. Evidence in Aggravation to Be Considered


An aggravating factor is that Respondent's misconduct sounds principally in dishonesty and conduct seriously interfering with the administration of justice.

B. Evidence in Mitigation to Be Considered

In mitigation, Respondent: (1) has taken responsibility for his misconduct in that he acknowledges that he engaged in the misconduct and violated the Rules, as set forth above; (2) has cooperated fully with Disciplinary Counsel's investigation; (3) suffered from depression after the USPTO disciplinary proceedings and obtained professional help in order to address the current disciplinary proceedings, and (4) has been the subject of no other disciplinary inquiries, here or elsewhere.

V. RESPONDENT'S AFFIDAVIT

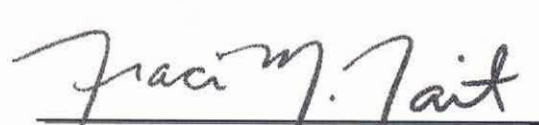
Accompanying this Third Amended Petition for Negotiated Disposition in further support of this Petition is Respondent's Third Amended Affidavit pursuant to D.C. Bar R. XI, § 12.1(b)(2).



Che-Yang Chen, Esquire
Respondent



Hamilton P. Fox, III
Disciplinary Counsel



Traci M. Tait
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