

complaint and prior to entry of an initial decision would be filed with the hearing officer. The hearing officer would designate the address to which he or she would want papers mailed. The hearing officer, however, could require that papers be hand-delivered to his or her office. All papers filed after the initial decision would be filed with the OED Director, who would transmit to the USPTO Director any paper requiring action by the USPTO Director.

*Section 11.42*, like current § 10.142, would provide for the method of serving papers in disciplinary proceedings.

*Section 11.43*, like current § 10.143, would provide for filing of motions. No motion could be filed unless supported by a written statement that the moving party conferred with the opposing party for the purpose of resolving the issues raised by the motion and that agreement has not been reached. If the parties resolve the issue raised in the motion prior to a decision on the motion by the hearing officer, the parties would be required to notify the hearing officer.

*Section 11.44*, like current § 10.144, would provide for hearings before the hearing officer. Hearings would be transcribed and a copy of the transcript would be provided to the OED Director and the respondent at the expense of the Office. If the respondent fails to appear at the hearing, the hearing officer may proceed with the hearing in the absence of the respondent. Under paragraph (c), a hearing normally would not be open to the public. The need for closed hearings in matters involving patent applications is occasioned in part by 35 U.S.C. 122. Apart from the Office obligation to keep information concerning patent applications confidential, until a practitioner is disciplined, it is believed that opening hearings to the public would constitute a clearly unwarranted invasion of privacy. The closure of the hearing, however, would not preclude the OED Director and respondent from approaching witnesses and providing those witnesses with sufficient information to determine whether they can give relevant information.

*Section 11.45*, like current § 10.145, would provide a procedure for handling cases where there is variance between the allegations and in pleading and evidence. Any party would be given reasonable opportunity to meet any allegations in an amended complaint or answer. *See In re Ruffalo*, 390 U.S. 544 (1968). The section is modified to provide that the matter need not be referred back to the Committee on Discipline to amend the complaint.

*Section 11.49*, like current § 10.149, would provide that the OED Director

would have the burden of proving a violation of the imperative USPTO Rules of Professional Conduct by clear and convincing evidence. The Respondent would have the burden of proving any affirmative defense by clear and convincing evidence.

It is reported that the USPTO is among a minority of agencies that apply the clear and convincing standard in their disciplinary proceedings. Agencies are not required to apply that standard to their disciplinary proceedings under the Administrative Procedure Act. *See Steadman v. SEC*, 450 U.S. 91 (1981); and *Cheekosky v. SEC*, 23 F.3d 452, 475 (D.C. Cir. 1994). *See also* Rules Governing Misconduct by Attorneys or Party Representative, Final Rule, 61 Fed. Register 65323, 65328–29 (Dec 12, 1996). Comments are invited whether the USPTO should continue to use the “clear and convincing” standard, or adopt the preponderance of evidence standard established by the Administrative Procedure Act.

*Section 11.50*, like current § 10.150, would provide rules governing evidence. Under paragraph (a) of § 11.50, the rules of evidence prevailing in courts of law and equity would not be controlling. This provision is based on 5 U.S.C. 556(d), which provides, in part, that “[a]ny oral or documentary evidence may be received, but the agency as a matter of policy shall provide for the exclusion of irrelevant, immaterial, or unduly repetitious evidence.” Thus, evidence in a disciplinary proceeding is not controlled by the Federal Rules of Evidence. *See Klinefelter v. Drug Enforcement Administration*, 606 F.2d 1128, 1130 (D.C. Cir. 1979). While most evidence admissible under the Federal Rules of Evidence would be admissible in a disciplinary proceeding, there is evidence that is not admissible under the Federal Rules of Evidence, but which may be admissible in a disciplinary proceeding. Paragraph (b) of § 11.50 would provide for admission into evidence of depositions taken under § 11.51. Any deposition under § 11.51(a) would have prior approval of the hearing officer. A deposition under § 11.51(b) would not have prior approval, but may or may not be admissible. Admissibility of the latter deposition is within the discretion of the hearing officer. Under paragraph (c) of § 11.50, Office documents, records, and papers would not have to be certified to be admissible. Under paragraph (e) of § 11.50, objections to evidence would be in short form, all objections and rulings would be part of the record, and no exception to the

ruling would be necessary to preserve the rights of the parties.

*Section 11.51*, like current § 10.151, would provide for depositions. Under paragraph (a) of § 11.51, either the OED Director or the respondent may move for leave to take a deposition of a witness in lieu of personal appearance of the witness before the hearing officer. The hearing officer is authorized to grant leave to take the deposition upon a showing of good cause. The taking of depositions under paragraph (a) would not be for the purpose of discovery. A deposition would be taken only when it is not possible or desirable for the hearing officer to hear the witness in person. Under paragraph (b) of § 11.51, the OED Director and the respondent could agree to take a deposition. Often depositions are desirable during settlement. The testimony of a witness may be “locked-in” through a deposition. The Office has settled several disciplinary matters in the past. However, under paragraph (b) of § 11.51, the parties could not take depositions for use at a hearing without prior approval of the hearing officer. This provision is necessary for the hearing officer to maintain control over the proceeding.

*Section 11.52*, like current § 10.152, would provide for limited discovery. There are cases holding that discovery is not necessary in disciplinary proceedings. *See In re Murray*, 362 N.E.2d 128 (Ind. 1977); and *In re Wireman*, 367 N.E.2d 1368 (Ind. 1977). However, the USPTO proposes to limit some discovery while seeking to avoid delays frequently experienced in the discovery permitted by the Federal Rules of Civil Procedure. Under § 11.52, the hearing officer could require parties to file and serve, prior to any hearing, a pre-hearing statement listing all proposed exhibits to be used in connection with the party’s case-in-chief, a list of proposed witnesses, the identity of any Government employee who investigated the case, and copies of memoranda reflecting respondent’s own statements. This provision is patterned after *Silverman v. Commodities Futures Trading Commission*, 549 F.2d 28 (7th Cir. 1977). The hearing officer could determine when discovery authorized by paragraph (a) of § 11.52 should be made.

*Paragraphs (a) and (b) of § 11.52* would limit discovery to exhibits that a party intends to use as part of his or her case-in-chief. Exhibits not used in a party’s case-in-chief, but which might be used to impeach or cross-examine the other party’s witnesses, would not have to be produced. If a document were to