

to represent the client under the circumstances where the company collects the legal fees, it is believed that the practitioner should provide the legal services, and pursue his or her legal recourse against the company for recovery of the fees.

Similarly, invention promoters may interfere with the relationship if they go out of business. Practitioners employed by such promoters may leave the inventor-client's files behind the promoter's closed doors, and abandon the inventors to their own resources. Section 11.108(f)(2) would require a practitioner to avoid interference with his or her independence of professional judgment if third party payment for a practitioner's services is to be permitted.

Sections 11.108(f)(2) and 11.504(c) would proscribe a practitioner from permitting an invention promoter to direct or regulate the practitioner's professional judgment in rendering legal services.

*Family Relationships Between Practitioners.* Paragraph (i) of § 11.108 would apply to related practitioners who are in different firms. Related practitioners in the same firm would be governed by §§ 11.107, 11.109, and 11.110. Pursuant to the provisions of § 11.110, the disqualification stated in paragraph (i) is personal and is not imputed to members of firms with whom the practitioners are associated. Since each of the related practitioners is subject to § 11.110(i), the effect is to require the consent of all materially affected clients.

*Practitioner's Liens.* Paragraph (j) of § 11.108 would be substantially the same as the provisions of current § 10.64(a). The substantive law of each state and territory differs regarding whether practitioners are permitted to assert and enforce liens against the property of clients. In the District of Columbia, an attorney's lien is permitted. *See, e.g., Redevelopment Land Agency v. Dowdey*, 618 A.2d 153, 159–60 (D.C. 1992), and cases cited therein. *See also Beardsley v. Cockerell*, 240 F.Supp 845 (D.D.C. 1965) (attorney retaining lien applied to legal patent work, legal non-patent work, and other property for payment for services). Whether a practitioner may legally have a lien on money or property belonging to a client is generally a matter of substantive law. Exceptions to which the common law might otherwise permit are made with respect to contingent fees and retaining liens. *See, respectively, § 11.105(c) and § 11.108(i).* Exceptions regarding retention of papers relating to a client are addressed in § 11.116(d).

Paragraph (d) of § 11.116 would require a practitioner to surrender papers and property to which the client is entitled when representation of the client terminates. Section 11.108(j) would state a narrow exception to § 11.116(d): a practitioner may retain anything the law permits—including property—except for files. As to files, a practitioner may retain only the practitioner's own work product, and then only if the client has not paid for the work. However, if the client has paid for the work product, the client is entitled to receive it, even if the client has not previously seen or received a copy of the work product. Furthermore, the practitioner may not retain the work product for which the client has not paid, if the client has become unable to pay or if withholding the work product might irreparably harm the client's interest.

Under paragraph (d) of § 11.116, for example, it would require a practitioner to return all papers received from a client, such as birth certificates, invention disclosures, or invention prototypes. Section 11.116(d) would prohibit retention of such papers to secure payment of any fee due. Only the practitioner's own work product—results of factual investigations, legal research and analysis, and similar materials generated by the practitioner's own effort—could be retained (the term “work product” as used herein is limited to materials falling within the “work product doctrine,” but includes any material generated by the practitioner that would be protected under that doctrine whether or not created in connection with pending or anticipated litigation). Office actions would not be considered work product. A practitioner could not, however, withhold all work product merely because a portion of the practitioner's fees had not been paid. *See § 11.116(d).*

There are situations in which withholding work product would not be permissible because of irreparable harm to the client. The possibility of involuntary incarceration or criminal conviction constitutes one category of irreparable harm. *See Formal Opinion 1690*, Legal Ethics Committee of the Virginia State Bar (1997). The realistic possibility that a client might irretrievably lose a significant right, *e.g.*, patent rights, or become subject to a significant liability because of the withholding of the work product constitutes another category of irreparable harm. On the other hand, the mere fact that the client who can afford to might have to pay another practitioner to replicate the work product does not, standing alone,

constitute irreparable harm. These examples are merely indicative of the meaning of the term “irreparable harm,” and are not exhaustive.

*Taking an interest in a client's patent.* Paragraph (j)(3) of § 11.108 would be substantially the same as the provisions of current § 10.64(a)(3), in permitting a practitioner to take an interest in a patent or in the proceeds from a patent as part of his or her fee. However, consistent with § 11.105(a), the fee obtained by the interest may not exceed an amount that is reasonable. The paragraph adds information that a practitioner who is or has been an officer or employee of the Office has an additional legal issue to consider. The latter practitioner is ineligible during the period of the practitioner's appointment and for one year thereafter from acquiring, directly or indirectly, except by inheritance or bequest, any right or interest in any patent, issued or to be issued by the Office. *See 35 U.S.C. 4.* In the year following separation from the Office, a practitioner who has been an officer or employee of the Office may acquire an interest in a client's patent only at such time and insofar as is permitted by § 4.

Paragraph (k) of 11.108 would address situations wherein a practitioner acquires access to inventor-clients through an invention promoter. A promoter's interests may be served merely if the inventor accepts a marketing plan. The plan often includes protection of the inventor-client's invention with a patent. However, the best interests of the inventor may mean that no patent is necessary, or both utility and design patents should be considered an integral part of the plan. The practitioner's duty to the participant includes educating the inventor as to the available options and not simply following the sole patent plan format offered by the promoter which all must use. The practitioner in these situations is attempting to serve two masters, the inventor and the invention promoter.

A lawyer-client or agent-client relationship can exist between the practitioner and the inventor at least when representation before the Office occurs. A business and professional relationship can exist between the practitioner and the invention promoter whereby the practitioner acquires inventor-clients through the promoter. The practitioner and the promoter have a business and financial relationship because the practitioner obtains employment or compensation through the promoter.

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