

Ethics Potpourri

David Hricik

Professor and Dean of Faculty Research & Development,
Mercer Law School

1

Overview: Paper Covers More Than This Talk Will

- Implied Attorney-Client Relationships: Three recurring fact patterns.
- ² Competently Patenting in an Age of Accelerated Innovation, Increased Hostility to Patents, Lower Damages, and Less Equitable Relief.
- A Potpourri of Concluding Observations and Concerns.

2

Choice of Law for Ethics

- Rules vary in text and/or interpretation, and PTO construes its reach broadly.
- On today's issues, approaches are generally consistent but some rules require informed consent to a conflict be *in writing*, not merely confirmed in writing as PTO rules do.
- In some circuits, even if district court local rules adopt state rules they do not control, and a lawyer can be disqualified even if conduct is ethical under state rules. (5th, 10th)
- Some courts take very strict view of conflicts, others deny disqualification unless the conflict "taints" a proceeding.

Big Picture: Each Client Limits a Firm's Ability to Represent Other Clients

- Generally, absent informed consent confirmed in writing, a lawyer in a firm:
 - Cannot represent a client in a matter adverse to a current client of the firm, even if unrelated;
 - Cannot represent another client adverse to former client of the firm in a substantially related matter;
 - Cannot represent another client if lawyer's obligations to anyone materially limit the lawyer's representation of that client.

The Impact on New Business of.... Having Business

- Firm can't clear conflicts (is the opponent a former client or not?) so either turns down matter or client, uncertain of whether firm will be disqualified, goes elsewhere.
- Client is angered when it sees your firm do something it believes is disloyal and goes somewhere else for existing or future work.
- Firm wants to sue a former client for fees:
 - Sends demand letter;
 - Former client points out conflict (or other alleged malpractice); and so
 - Firm foregoes collection because in many states even an *undamaged client* can sue for a serious conflict of interest: remedy is fee disgorgement!

What to do

- Identify ending event in engagement letter ("this engagement will end upon issuance of our representation of you on any application claiming priority to this application.")
- Close files.
- Send "that was great and we'd be happy to represent you again someday" emails.
- Stay current on AR (so you don't have to demand fees).
- Just say no:
 - Red flag: you're going to be their 2d, 3d, etc... lawyer.
 - Red flag: big client promises lots of work and gives you one small job.

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](https://utcle.org/elibrary)

Title search: Ethics Potpourri

Also available as part of the eCourse

[2022 Advanced Patent Law \(USPTO\) eConference](#)

First appeared as part of the conference materials for the
17th Annual Advanced Patent Law Institute session

"Ethics Potpourri"