UNITED STATES PATENT AND TRADEMARK OFFICE

UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND
DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK OFFICE

MEMORANDUM

DATE: February 6, 2024

TO: The Patent Trial and Appeal Board

The Trademark Trial and Appeal Board

The Office of the General Counsel

FROM: Katherine K. Vidal Katherine Kelly-Vidal
Under Secretary of Commerce for Intellectual Property and
Director of the United States Patent and Trademark Office

SUBJECT: The Applicability of Existing Regulations as to Party and Practitioner Misconduct Related to the Use of Artificial Intelligence

In his recent year-end report, Chief Justice of the United States John Roberts addressed the use of artificial intelligence (AI) in connection with adjudication.[1] Chief Justice Roberts observed that on the one hand, AI "has great potential to dramatically increase access to key information for lawyers and non-lawyers alike."[2] On the other hand, at present AI has well-recognized shortcomings, including being prone to present inaccurate or nonsensical information as fact, a phenomenon referred to as "hallucination." As the Chief Justice recognized, such hallucination can result in court filings with "citations to non-existent cases."[3] One high-profile

[1] 2023 Year-End Report on the Federal Judiciary at 5-6, www.supremecourt.gov/publicinfo/year-end/2023year-endreport.pdf (Dec. 31, 2023).

[2] *Id.* at 5.

[3] *Id.* at 6.

example of hallucination—in the Southern District of New York—has recently been in the news.[4] That case may result in judicial sanctions against the party and the party's attorneys.[5]

The United States Patent and Trademark Office (USPTO) has two boards that conduct administrative adjudication: the Patent Trial and Appeal Board (PTAB) and the Trademark Trial and Appeal Board (TTAB). The use of AI by those appearing before the PTAB and TTAB poses opportunities to expand access and lower costs. However, it also poses significant concerns—similar to those in the federal courts—that AI will be misused or left unchecked. The USPTO already has experience with and rules addressing similar misconduct arising, for example, from human citations to irrelevant sources. It is expected that staff in the PTAB and TTAB will successfully apply their existing skills and relevant existing rules to the challenges the Chief Justice identified.

The requirements in existing USPTO rules serve to protect the integrity of proceedings, or to avoid delay and unnecessary cost, and those rules necessarily apply regardless of how a submission is generated. These existing rules include the USPTO Rules of Professional Conduct.[6] Other USPTO rules also impose duties on parties and practitioners in connection with their submissions to the USPTO. For example, submissions to the USPTO generally require a signature,[7] and by affixing a signature, the signatory—who has to be a person—certifies, among

---

[4] Pranshu Verma, *Michael Cohen Used Fake Cases Created by AI in Bid to End His Probation*, Washington Post, www.washingtonpost.com/technology/2023/12/29/michael-cohen-ai-google-bard-fake-citations (Dec. 29, 2023).

[5] David Thomas, *Michael Cohen's Lawyer Asks Court to Spare Sanctions over Made-Up Cases*, Reuters, www.reuters.com/legal/legalindustry/michael-cohens-lawyer-asks-court-spare-sanctions-over-made-up-cases-2024-01-04 (Jan. 4, 2024).

[6] 37 C.F.R. part 11, subpart D, §§ 11.101-11.901.

[7] *E.g.*, *id.* §§ 1.4(d)(1), 2.193, 11.18(a).

other things, that "[a]ll statements made therein of the party's own knowledge are true,"[8] that "all statements made therein on information and belief are believed to be true,"[9] that "after an inquiry reasonable under the circumstances"[10] any "legal contentions are warranted by existing law" or "by a nonfrivolous argument for the extension . . . or reversal of existing law,"[11] and that "factual contentions have evidentiary support" or likely will have evidentiary support after a reasonable opportunity for discovery.[12] The USPTO's Rule 11.18 is based on Federal Rule of Civil Procedure 11, and the federal courts have applied that rule to submissions made with AI assistance that were not adequately investigated by the submitter prior to filing.[13]

Accordingly, under existing rules and current practice, any paper submitted to the USPTO under signature must be reviewed by the person presenting the paper. The reasonable inquiry required by USPTO Rule 11.18 is necessarily context-specific and can include ascertaining how the paper was prepared, determining whether errors or omissions may have been introduced as a result of how the submission was prepared, and verifying the accuracy of all factual and legal representations. This is true regardless of how the submission was prepared: submitting documents with "citations to non-existent cases" is "[a]lways a bad idea."[14] But the

---

[8] *Id.* § 11.18(b)(1).

[9] *Id.*

[10] *Id.* § 11.18(b)(2).

[11] *Id.* § 11.18(b)(2)(ii).

[12] *Id.* § 11.18(b)(2)(iii).

[13] *See, e.g., Park v. Kim*, --- F.4th ----, No. 22-2057, 2024 WL 332478, at *2-4 (2d Cir. Jan. 30, 2024); *Mata v. Avianca Inc.*, --- F. Supp. 3d ----, No. 22-CV-1461, 2023 WL 4114965, at *1 (S.D.N.Y. June 22, 2023); Order to Show Cause, *United States v. Cohen*, No. 18-CR-602 (S.D.N.Y. December 12, 2023), ECF No. 97, www.bloomberglaw.com/public/desktop/document/USAvCohenDocketNo118cr00602SDNYAug212018CourtDocket/3?doc_id=X7KCVB8VTOJ916899FJD7KT5JDG.

[14] 2023 Year-End Report on the Federal Judiciary, *supra* note 1, at 6.

risks are heightened when new technologies are employed without full appreciation of the shortcomings of those technologies. Simply assuming the accuracy of an AI tool is not a reasonable inquiry.[15]

Practitioners are also prohibited from asserting or controverting an issue in a proceeding unless there is a basis in law or fact for doing so.[16] A submission (including an AI-generated or AI-assisted submission) that misstates facts or law could also be construed as a paper presented for an improper purpose because it could "cause unnecessary delay or needless increase in the cost of any proceeding before the Office."[17] In addition, beyond agency-wide rules, the PTAB and the TTAB have their own rules and guidance.[18] The citation of these rules in this Memorandum is exemplary and not exhaustive.

Some of the sanctions set forth in the USPTO's rules include, but are not limited to, "[s]triking the offending paper"; "[p]recluding a party or practitioner from submitting a paper, or presenting or contesting an issue"; "[a]ffecting the weight given to the offending paper"; and "[t]erminating the proceedings in the Office"; and, in cases of knowing and willful violations, criminal liability under 18 U.S.C. § 1001.[19] Practitioners may also be subject to disciplinary action.[20] These sanctions, like the obligations that give rise to these sanctions, apply regardless of how a submission is prepared.

---

[15] *See, e.g.*, *Mata*, 2023 WL 4114965, at *15-16.

[16] 37 C.F.R. § 11.301.

[17] *Id.* § 11.18(b)(2)(i).

[18] *See, e.g.*, 37 C.F.R. §§ 2.119(e), 2.193, 42.6(a)(4), 42.11, 42.12; Trademark Trial and Appeal Board Manual of Procedure § 527.03 (discussing the Board's inherent authority to enter sanctions against a party).

[19] 37 C.F.R. § 11.18(b)(1), (c); *see also id.* § 42.12(b) (containing similar sanctions).

[20] *Id.* § 11.18(d).

At present, and as indicated above, I believe that the agency's existing rules are adequate to address the challenges that the USPTO is likely to face. Over the coming months, the USPTO will be publishing a notice in the Federal Register that provides more guidance to the public concerning the USPTO's existing rules and their applicability to the use of AI tools by parties and practitioners. In the event of any conflict between this Memorandum and the forthcoming Federal Register guidance, the Federal Register guidance will control.