FÉDÉRATION INTERNATIONALE DES CONSEILS
EN PROPRIÉTÉ INTELLECTUELLE

INTERNATIONAL FEDERATION OF
INTELLECTUAL PROPERTY ATTORNEYS

INTERNATIONALE FEDERATION
VON PATENTANWÄLTEN

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Attention: International Bureau
via email: scp.forum@wipo.int

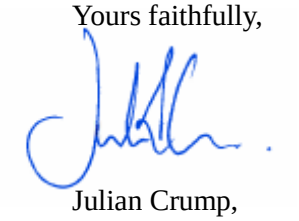
World Intellectual Property Organization
34, chemin des Colombettes
CH-1211 Genève 20
SWITZERLAND

RE \\ SCP C 7999 – Confidentiality of Communications between Clients and their Patent Advisors

Dear Sirs

On behalf of the Bureau of FICPI, Fédération Internationale des Conseils en Propriété Intellectuelle, I am pleased to submit our survey results in relation to the above.

Yours faithfully,



Julian Crump,
Secretary General of FICPI

Enclosure

15 August 2011

Survey on the topic of "Confidentiality of Communications between Clients and their Patent Advisors" (cross-border aspects)

FICPI Submission

FICPI offers well balanced opinions on proposed international, regional and national legislation based on its members' experience with a great diversity of clients having a wide range of different levels of knowledge, experience and business needs of the IP system.

Introduction

As an initial remark, the survey refers to "confidentiality", but FICPI understands that the issue is specifically privilege. That is, the question is not generally whether communications between a patent agent and a client can be disclosed by the patent agent or used for an unintended purpose. The main issue is whether certain confidential information arising in such communications is admissible as evidence in court proceedings (and whether it is compellable or discoverable).

In view of the summer vacation period in many countries and the difficulty in providing responses to the three – complex – questions on the requested short-term basis, the present survey only covers a limited number of countries where FICPI has membership.

However, these countries are both from the civil law and common law worlds and reflect a variety of legal cultures, which hopefully will be useful to the work of the Standing Committee on the Law of Patents.

Another remark is that few countries have effectively addressed the issue of the preservation of client-attorney privilege in a chain of cross-border communications between clients and patent advisors, the most notable exceptions in the present document being Canada, New Zealand, South Africa and the USA.

New Zealand is the only country where legal provisions with explicit cross-border scope have been effectively implemented. Australia currently has a proposed legislation (still in discussion) that includes cross-border aspects.

Argentina

1| National laws and rules

First of all, the terms "attorney" and "patent agent" mean, respectively, "lawyer" and "a person qualified and registered with the Argentine PTO to represent third parties in the prosecution of IP rights". Currently a patent agent must pass an exam with the Argentine PTO to be so qualified.

Survey on the topic of "Confidentiality of Communications between Clients and their Patent Advisors" (cross-border aspects)

It is a general principle under Argentine law that a professional, be it an attorney or a patent agent, must refrain from divulging any information concerning a client to which he may have had access when rendering services, clients being considered in its broad meaning also covering foreign patent advisors.

Attorneys have specific legal obligations to keep professional secrets. This applies to patent agents and the employees of both lawyers and patent agents.

There are no legal provisions, problems or remedies specifically addressing cross-border issues in Argentina.

Australia

1| National laws and rules

Communications between Australian registered patent attorneys (or Australian registered trade mark attorneys) and their clients are generally privileged. In other words, if they remain confidential a court will not compel disclosure of these communications if the dominant purpose of the communication was for securing intellectual property advice or related to an intellectual property matter. However, the current laws do not deal with privilege attaching to communications between clients and patent attorneys registered outside Australia.

Thus, for example, a communication between an English patent attorney and his or her client would not be privileged under Australian law if relevant to an issue in dispute in Australian proceedings, even though the communication would be privileged in the UK. This was determined in the Federal Court decision of *Eli Lily* v *Pfizer Ireland Pharmaceuticals* (No. 2) (2004) 137 FCR 573.

As a result of this decision and after lobbying by FICPI Australia and other interest groups, the Australian government has agreed to amend both the Patents Act and the Trade Marks Act in Australia to extend privilege to communications between overseas patent attorneys and trade mark attorneys and their clients. The new provision is the subject of a Parliamentary Bill which was introduced into the Senate in June 2011.

The relevant provision amending the Patents Act reads as follows:

> "200(2) A communication made for the dominant purpose of a registered patent attorney providing intellectual property advice to a client is privileged in the same way, and to the same extent, as a communication made for the dominant purpose of a legal practitioner providing legal advice to a client.

Survey on the topic of "Confidentiality of Communications between Clients and their Patent Advisors" (cross-border aspects)

(2A) A record or document made for the dominant purpose of a registered patent attorney providing intellectual property advice to a client is privileged in the same way, and to the same extent, as a record or document made for the dominant purpose of a legal practitioner providing legal advice to a client.

(2B) A reference in subsection (2) or (2A) to a registered patent attorney includes a reference to an individual authorised to do patents work under a law of another country or region, to the extent to which the individual is authorised to provide intellectual property advice of the kind provided.

(2C) Intellectual property advice means advice in relation to:

(a) patents; or

(b) trade marks; or

(c) designs; or

(d) plant breeder's rights; or

(e) any related matters."

In particular, proposed sub-section 200(2B) should be noted.

2| Problems

Notwithstanding this progress, reciprocal problems will continue to arise for Australian clients. For example, until corresponding provisions recognising privilege in communications between clients and Australian patent attorneys and/or trade mark attorneys are made in other countries (particularly common law countries such as the UK), it is likely that communications that are privileged in Australia will be compellable in these overseas countries if the communications are relevant to an issue in a dispute overseas. For example, the privilege in communications between Australian registered patent attorneys and their clients are not protected in Canada or the UK.

3| Remedies

The continuing problems could be rectified if Australia adopted the proposed legislation and if other countries enacted similar legislation.

Survey on the topic of "Confidentiality of Communications between Clients and their Patent Advisors" (cross-border aspects)

Canada

1| National laws and rules

In Canada, privilege is a doctrine of the common law (and also has a basis under the Civil Code of Quebec). There are several forms of subject matter that can be protected by privilege: communications between a lawyer and a client; communications between a lawyer and another person such as a consultant or investigator made on behalf of a client in respect of litigation or contemplated litigation; and communications between parties to an action in the furtherance of settlement. There is no privilege attaching to communications between a registered patent agent and a client.

The preparation and prosecution of patent applications on behalf of others is the role of a registered patent agent – not a lawyer. Many registered patent agents are lawyers, but many others are not. One must pass qualifying examinations and fulfil other requirements to become a registered patent agent regardless of whether one is a lawyer.

Acting for a client in respect of a patent infringement or validity action or other legal proceedings is the role of a lawyer. However, some registered patent agents provide advice to clients on issues relating to infringement or validity. Such communications between patent agents and clients are not privileged.

Whether or not communications between a lawyer and a client are privileged where the lawyer is acting as a patent agent is not completely settled.

Also not set in stone is the scope of what aspects of a lawyer and client communication are privileged. Generally, privilege covers only communications pertaining to advice or obtaining it, not the existence of facts or documents in a file (like prior art).

The Canadian law does not specifically address cross-border issues.

2| Problems

In one recent case the Federal Court of Canada expressly declined to recognise privilege in communications between a patent agent and a client that took place in a foreign jurisdiction where there was statutory privilege in communications between a patent agent and a client.

3| Remedies

Canadian patent agents (and trade mark agents) have been active for many years to pass legislation to extend privilege to communications between non-lawyer agents and their clients. To date, there has been little progress. Provincial law societies have historically resisted extending privilege to any professions other than lawyers. The fact that patent and trade mark agents are not regulated by a self-

governing college in Canada is also seen as an obstacle to the recognition of privilege covering communications between non-lawyer agents and clients.

The extension of privilege to communications between qualified patent agents (and trade mark agents) and their clients, both in Canada and in foreign jurisdictions would be an appropriate remedy.

Colombia

1| National laws and rules

There are no rules in Colombia dealing with cross-border aspects of confidentiality of communications between clients and patent advisors.

Nevertheless, the professional secrecy is protected by the Colombian Constitution as inviolable. The client shall then not be obliged to disclose the information received by his or her attorney or patent advisor neither the information received by the attorney from the client shall be subject of judicial disclosure. His or her own knowledge if not derived from the professional relationship, will then be out of confidentiality.

On the other hand, even though the patent attorney/advisor profession is not regulated in Colombia, for the prosecution of patent applications of foreign origin in Colombia, the client would need to appoint a representative who needs to be a lawyer. Therefore for patent prosecution of foreign owned inventions the code of conduct for lawyers would be applicable.

There is a Colombian disciplinary code of conduct for lawyers regulating the profession and establishing obligations to be complied by the lawyer. Within such obligations the lawyer has a duly of honesty with respect to the possibilities of success of the case under his or her care.

On the other hand, according to the code of conduct applicable to lawyers, they shall keep the professional secret even after the termination of the professional engagement.

There are no provisions dedicated to cross-border communications.

2| Problems

A problem would definitely arise when having litigation involving another country where the privilege is not recognized. Such problem was not however addressed in a real case.

3| Remedies

cf. supra.

Survey on the topic of "Confidentiality of Communications between Clients and their Patent Advisors" (cross-border aspects)

Greece

1| National laws and rules

Only lawyers can practice in patent matters in Greece. In this sense a patent advisor can only be a lawyer in Greece.

Lawyers enjoy the privilege of attorney-client communications, which is well established in Greek legislation.

Since the patent advisors are lawyers, all the above apply to communications between clients and patent advisors.

Cross-border aspects are not addressed by law, nor have any related problems and remedies been locally treated.

New-Zealand

1| National laws and rules

The Patent Attorney qualification is gained by passing a series of examinations run through the New Zealand Intellectual Property Office. The series of examinations is controlled by an examination board which is jointly moderated by New Zealand Intellectual Property Office and the New Zealand Institute of Patent Attorneys.

No technical university degree or other qualification is required in order to sit these exams.

Under the Evidence Act 2006, Patent Attorneys have an obligation to maintain the confidentiality and privileged status of confidential client information and confidential communications between them and their clients.

As the result of an Order in Council (7 August 2008), communications with Patent Attorneys from over 85 listed **foreign** jurisdictions are protected by legal privilege in New Zealand, so long as the communications are intended to be confidential and are made in the course, or for the dominant purpose, of obtaining legal services.

The law relating to confidentiality and privilege therefore applies equally to national patent attorneys and overseas patent attorneys from listed jurisdictions.

2| Problems

N/A

Survey on the topic of "Confidentiality of Communications between Clients and their Patent Advisors" (cross-border aspects)

3| Remedies

N/A

Norway

1| National laws and rules

Attorneys-at-law generally have an obligation not to disclose privileged information. There are no specific rules on cross-border aspects, but it the practice is that foreign attorneys-at-law enjoys the same privilege as Norwegian attorneys-at-law.

Anyone can act as a patent attorney before the Norwegian patent office. Patent attorneys have no privilege except when they assist an attorney-at-law. In that case the privilege of the attorney-at-law extends also to the assisting patent attorney.

EPC 2000 gives a privilege for European Patent Attorneys. This privilege is not reflected in Norwegian law.

Neither EPC 2000 nor the Norwegian law address cross-border issues.

2| Problems

Communication between a foreign client or his local attorney and a Norwegian attorney-at-law would generally be considered as privileged. Communication between a foreign attorney-at-law and a Norwegian patent attorney is generally not privileged.

There is no clear rule.

Similarly unclear, the privilege enjoyed by the client of a European Patent Attorney is restricted to EPO proceedings, but does not extend to other cases and general client advice. It is unclear how a Norwegian court would handle the privilege of a European Patent Attorney.

3| Remedies

A privilege for patent attorneys should be introduced in the law. This necessitates establishment of a register of Norwegian patent attorneys. Privilege in communications with foreign clients/attorneys should also be clarified.

Survey on the topic of "Confidentiality of Communications between Clients and their Patent Advisors" (cross-border aspects)

Peru

No specific code of conduct exists for patent attorneys in Peru. However, attorneys in general are bound by the "Ethics Code" of their respective city's "Bar Association". For instance, the ethics code of the Lima Bar of attorneys provides in its article 10 that attorneys have the right and duty to keep their professional secret, and they maintain such duty with their clients even after they have ceased providing them their professional services.

Patent agents are not bound by such ethical obligations.

It is also possible to sign a special confidentiality agreement between the client and the patent advisor.

Cross-border aspects are not addressed by law, nor have any related problems and remedies been locally treated.

Portugal

There is in Portugal no Code of Conduct applicable to patent advisors who are not lawyers. Members of the Portuguese Association (which membership is not mandatory) are bound by the ethical rules of The Association. However IP Lawyers Advisors must, as lawyers, follow the ethical rules of the Portuguese Bar Association that recognize a privilege obligation for confidential communications between clients and lawyers.

Cross-border aspects are not addressed by law, nor have any related problems and remedies been locally treated.

Singapore

1| National laws and rules

Confidentiality of client-patent advisor communications in Singapore is protected by the common law rules governing the conduct of patent agents in Singapore.

Except with the consent of a client or as required by law or any order of any court of competent jurisdiction, a registered patent agent shall not disclose, directly or indirectly (a) any confidential information which he receives as a result of the retainer by the client; or (b) the contents of any papers containing any instructions from the client.

On the matter of whether the communications between clients and patent advisors are privileged from disclosure in legal proceedings, Singapore's laws provide for protection of such communications. This protection extends in the same way as communications between a client and his solicitor is

protected. Such confidentiality is also protected from disclosure in proceedings before the Registrar of Patents.

2| Problems

In case of cross-border communications, the law to be applied would be dependent on the jurisdiction the aggrieved client chooses to sue in, and the identification of where the leak occurred may be difficult.

Cross-border aspects are not addressed by law, nor have any related problems and remedies been locally treated.

South Africa

1| National law and rules

Communications between a local patent advisor and an overseas patent advisor would be considered to be privileged if the communications were made for the purpose of giving or receiving legal advice to a particular client (i.e. the local attorney is acting as an agent for obtaining the advice from the overseas attorney).

If the representative of the client is not so qualified then the position is not entirely clear since no clear principle seems to have emerged from judgments of our Courts as to the basis on which communications between local and foreign parties may enjoy privilege.

Although it is undecided, in the context of intellectual property, in South Africa it has seemingly been accepted by the conduct of parties in SA litigation that the standard that should be applied is to consider whether or not such communications would have enjoyed privilege in the terms of the foreign law of the country concerned.

In the case of *Bioclones (Pty) Ltd* v *Kirin-Amgen Inc.* 1993 BP 556, Eloff JP did not make a finding as to the extent to which it would be permissible to look at foreign legal systems to support the claim of privilege but accepted the submissions made that such communications were made for requesting or giving legal advice relating to patent applications and were privileged in the particular countries in finding that such documents were privileged in South Africa.

Thus, it may be possible to argue that these communications are privileged on the basis that they would enjoy privilege in the jurisdiction in which the overseas IP professional is situated, although this is not entirely clear.

Survey on the topic of "Confidentiality of Communications between Clients and their Patent Advisors" (cross-border aspects)

2| Problems

The potential problems in practice are that a non-qualified client may chose to communicate with a foreign patent agent in relation to the prosecution of a patent application in that country only to find that the communication may not be privileged in South Africa since it did not pass between a legal advisor (as defined in South Africa) and the client and/or it does not enjoy privilege in the particular country concerned. However, the comments that privilege may still be claimed locally by applying the foreign standard set out above should be kept in mind if such foreign privilege exists.

South Korea

1| National laws and rules

The confidentiality of communications between clients and patent advisors is effectively protected in Korea pursuant to the provision of the Patent Attorneys Act. This Act provides that a Patent Attorney or ex-patent attorney who discloses or steals invention secrets or utility model secrets of inventors or patent applicants which has come to his knowledge in the course of the practice of his profession, shall be punished by imprisonment for not more than five years or a fine not exceeding ten million won.

The confidentiality of communications between clients and patent advisors is still more strictly protected under the Criminal Code which provides that a patent attorney or his assistant or any person formerly engaged in such profession who discloses another's secret which has come to his knowledge in the course of the practice of his profession, shall be punished by imprisonment or imprisonment without prison labour for not more than three years, suspension of qualifications for not more than ten years or a fine not exceeding seven million won.

Finally, the confidentiality of communications between clients and patent advisors is well protected in the course of the civil litigation proceedings. When a patent attorney is examined as a witness on matters falling under the secrets of his official functions or when he is examined on matters falling under his technical or professional secrets, he/she may refuse to testify. A Patent Attorney has the right to refuse to submit a document on matters falling under the secrets of his official functions or when he is examined on matters falling under his technical or professional secrets in the course of civil litigation proceedings.

Cross-border aspects are not addressed by law, nor have any related problems and remedies been locally treated.

Survey on the topic of "Confidentiality of Communications between Clients and their Patent Advisors" (cross-border aspects)

Spain

1| National law and rules

According to the regulations governing the profession of Industrial Property Agent, the requirements necessary to obtain registration in the Special Register of Industrial Property Agents of the Spanish Patent and Trademark Office are:

a| to be Spanish or a national of a Member State of the European Union. Be an adult and have a professional office in Spain or in a Member State of the European Union;

b| to never have been prosecuted or convicted for fraud, unless rehabilitation was obtained;

c| to be in possession of official titles of Licensed Architect or Engineer, issued by the rectors of the universities, or other official titles that are legally equivalent to them;

d| to pass an examination accrediting knowledge to the profession of Industrial Property Agent in the manner prescribed legally; and

e| to provide security available to the Director of the Spanish Patent and Trademark Office and have liability insurance to the limits determined by the Regulations.

On the cross-border side, any foreign client (whether "direct" client or foreign patent advisor) of a Patent Attorney in Spain has to be treated as a local client and all the aspects of confidentiality of communication between them have to accomplish the rules shown in the conditions to be Industrial Property Agent. This is to say the privilege is considered as existing for such foreign clients.

2| Problems

The question of privilege for clients of Spanish Patent Advisors in jurisdictions outside Spain has not been given a solution.

Switzerland

1| National laws and rules

The very recent Patent Attorney Law (PAL) deals with the confidentiality of the relationship between clients and patent advisors for the first time. The PAL states that patent advisors are obliged to keep confidential all secrets which have been disclosed to them during the exercise of their work (art. 10 PAL). There is no time limit to this confidentiality obligation. Patent advisors have to make sure that the confidentiality is also maintained by their auxiliary persons. A patent advisor violating the confidentiality obligation is going to be criminally liable (art. 321 Criminal Code). Corresponding

with this possibility of criminal liability is a right to refuse testimony in Swiss courts (art. 163 Civil Procedure Code).

There are no further rules dealing specifically with cross-border aspects of confidentiality.

2| Problems

Problems in relation to cross-border aspects of confidentiality between clients and patent advisors have arisen in relation to the US. In fact, one motivation for introducing the new regulations of the PAL (see above) regarding confidentiality were these problems and the danger of having to disclose all communication between clients and patent advisors to the counterparty in a US process. The lack of rules on confidentiality was regarded as possible disadvantage in competition between Swiss patent advisors and patent advisors of other countries in which such rules exist. Even though the PAL cannot grant that confidential communication need not be disclosed in the future (as it is the competent US Court that will have to decide on this matter), the regulations are regarded as a step towards securing confidential communication.

3| Remedies

Up to now, patent advisors tried to solve the problems related to above by having all communications co-signed by a lawyer whose clients normally enjoy privilege, such as a US lawyer.

USA

1| National laws and rules

A patent attorney must have a law degree, have passed the bar exam in his state of residence, must have a scientific or technical degree in an appropriate field, and must pass the patent bar exam.

A patent agent does not have to have a law degree, but must have the appropriate scientific degree required for a patent attorney, and must have passed the patent bar exam.

Patent attorneys are subject to a strict standard to maintain the confidentiality and thus privileged status of all client confidential information and client confidential communications.

Patent agents are not subject to any obligations of professional confidentiality or privilege. They would, however, be subject to obligations of confidentiality/privilege if they work under the supervision of or in association with patent attorneys.

The law does not include provisions concerning cross-border communications.

Survey on the topic of "Confidentiality of Communications between Clients and their Patent Advisors" (cross-border aspects)

2| Problems

Cross-border aspects are dealt with on a case-by-case basis by courts. The general approach is to appreciate whether a foreign patent advisor involved in a chain of communications is bound to his client by analogous legal provisions as those prevailing in the USA so that the client may fully enjoy privilege.

As the system relies on the appreciation of a foreign situation by the local judge on a de facto basis, predictability of the approach is questionable.

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IMPORTANT NOTE:

The views set forth in this paper have been provisionally approved by the Bureau of FICPI and are subject to final approval by the Executive Committee (ExCo). The content of the paper may therefore change following review by the ExCo.