



**The Canadian Perspective on Cross-border Aspects of  
Confidentiality of Communications between Clients  
and Patent Advisors**

**Submission to the**

**Standing Committee on the Law of Patents**

**By**

**The Intellectual Property Institute of Canada**

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## **Introduction**

The Intellectual Property Institute of Canada (IPIC) is the professional association of patent agents, trade-mark agents, and lawyers practising in all areas of intellectual property law. Our membership totals more than 1,700 individuals, consisting of practitioners in law firms and agencies of all sizes, sole practitioners, in-house corporate intellectual property professionals, government personnel, and academics. Our members represent small and large businesses throughout Canada, Canadian universities and other institutions with intellectual property rights in Canada or elsewhere, and foreign organisations who do business in Canada, using their intellectual property rights. IPIC has the status of national non-governmental organization observer before WIPO.

IPIC is pleased to respond to the invitation by the Director General of WIPO to provide information on the topic of confidentiality of communications between clients and their patent advisors, following the decision of the Standing Committee on the Law of Patents (SCP) asking the Secretariat to gather such information. As indicated in the invitation for comments, this submission focuses on the cross-border aspects of this topic.

IPIC commends WIPO and the SCP for pursuing the work on the very significant topic of confidentiality of communications between clients and their patent advisors.

## **The Canadian Perspective on Cross-border Aspects of Confidentiality of Communications between Clients and Patent Advisors**

As we explained in a 2008 submission to the SCP on this topic, numerous Canadian court decisions have held that communications between patent or trade-mark agents and their clients are not privileged because Canadian agents are not necessarily lawyers. In Canada, communications between clients and lawyers are protected from disclosure through common law doctrine of solicitor and client privilege. It should be mentioned that there have been decisions regarding patents where the communications between a client and a lawyer-agent were not privileged because the lawyer was deemed to be acting as an agent and not in his capacity as a lawyer.

IPIC has asked the Government of Canada to adopt legislation that would rectify the above situation through the creation of a privilege for communications between clients and patent and trade-mark agents because of the importance of this protection for clients. As the importance of this confidentiality has already been explained to the SCP by a number of organizations, including the Secretariat, we will not expand further in this point.

However, the lack of protection in Canada and the lack of international harmonization cause a number of cross-border issues that create significant uncertainty for Canadian and foreign IP applicants and owners to the detriment of the IP system and innovation. We explain these issues below.

### **1. Lack of recognition of foreign statutes regarding confidentiality**

Whereas in the United Kingdom there is a statutory provision of privilege to agent-client communications pursuant to section 280 of the U.K. *Copyright, Designs, and Patents Act*, in Canada, as mentioned above, there is no such statutory provision. In fact, the Canadian judicial approach to privilege for agents has been shown to enable parties to reach through the Canadian patent system to pierce the privilege that has been afforded to a client by the U.K. patent system. For example, in *Lilly Icos LLC v. Pfizer Ireland Pharmaceuticals* (2006), 55 C.P.R. (4th) 457, the Federal Court concluded that communications between the inventors and their U.K. patent attorneys were not privileged and were required to be produced in the Canadian litigation, despite the fact that they were considered privileged in the U.K. under Section 280 of the U.K. *Copyright, Designs and Patents Act 1988*, where the communications took place. The Canadian Court stated that judicial comity between countries does not require Canada to recognize a privilege not established in Canada.

### **2. Discouraging the use of the Canadian (and other) IP system**

IPIC is aware of examples where some attorneys in the United States have advised clients that if they think they may be involved in litigation in the United States, they should consider not filing patent applications in jurisdictions where there is no protection of communications because it may place them at a disadvantage in their US litigation.

### **3. Uncertainty from positive but “odd” situations**

While courts in the United States will not usually afford privilege to communications with a foreign agent if those communications are not protected in the country of origin, there is at least one example where privilege was granted to the communications between a client and a Canadian agent for a US patent application because that agent was registered as an agent with the USPTO. However, for the same invention and the same agent, the communications regarding the Canadian application would not be protected under Canadian law.

The recent changes to the law in New Zealand and the proposed changes to the law in Australia will further compound this odd situation. Those countries will afford protection to communications with Canadian agents while it is not the case in Canada. While those statutory changes in those countries are a welcome progress, they may create more confusion for clients, both Canadian and foreign.

## **Conclusion**

IPIC believes that confidentiality of communications between clients and patent and trade-mark agents is an important part of a well functioning patent and trade-mark system. Unfortunately, as we have explained in this submission, IPIC is in a position to make this observation because of the absence of privilege in Canada. We are hopeful that the situation will eventually be corrected given the level of support for a solution to this problem. Meanwhile, because of the importance of privilege and of the international nature of patent protection, we strongly encourage the Standing Committee on the Law of Patents to continue examining this issue and to seek harmonization among member states in support of the protection of confidential client-agent communications. IPIC would be pleased to assist in this work.

IPIC has done a significant amount of work on the topic of confidentiality of communications and would be pleased to provide information on other aspects of the topic if it can be helpful to the SCP Secretariat. For more information, please contact our executive director, Michel Gérin, at [mgerin@ipic.ca](mailto:mgerin@ipic.ca) or +1-613-234-0516.