

PATENT ATTORNEY PRIVILEGE IN NEW ZEALAND

Amongst the various reforms brought about by the New Zealand Evidence Act 2006, which came into force on 1 August 2007, is a strengthening of the statutory privilege which protects communications between registered patent attorneys and their clients (also known as “patent attorney privilege”).

Section 34 of the former Evidence Amendment Act (No. 2) 1980 governed patent attorney privilege until the Evidence Act 2006 came into force. Under the former Act, registered patent attorneys and their clients could claim privilege only in relation to information or advice relating to any patent, design, or trade mark, or to any application in respect of a patent, design, or trade mark, whether or not the information or advice related to a question of law. The critical omission was an absence of privilege attaching to copyright related advice.

Registered New Zealand patent attorneys would have readily accepted an amendment that simply allowed privilege to attach to copyright related advice, but the reforms went well beyond that.

There are however some critical issues with the new Evidence Act. The main issue relating to extension of privilege to overseas practitioners.

PATENT ATTORNEY PRIVILEGE UNDER THE EVIDENCE ACT 2006

Privilege for Communication with Legal Advisers

Under section 54 of the Evidence Act 2006, privilege may be claimed for communications between "legal advisers" and their client.

The definition of “legal adviser” refers to lawyers, registered patent attorneys and overseas practitioners whose functions wholly or partly correspond to those of a New Zealand registered patent attorney.

For registered patent attorneys and overseas practitioners, privilege may be claimed in respect of communications relating to the obtaining or giving of information or advice concerning "intellectual property".

"Intellectual property" is defined under s 54(3) as one or more of the following matters:

- (a) Literary, artistic, and scientific works, and copyright;
- (b) Performances of performing artists, phonograms, and broadcasts;
- (c) Inventions in all fields of human endeavour;
- (d) Scientific discoveries;
- (e) Geographical indications;
- (f) Patents, plant varieties, registered designs, registered and unregistered trade marks, service marks, commercial names and designations, and industrial designs;
- (g) Protection against unfair competition;
- (h) Circuit layouts and semi-conductor chip products;
- (i) Confidential information;
- (j) All other rights resulting from intellectual activity in the industrial, scientific, literary, or artistic fields.

Therefore, communications between patent attorneys and their clients concerning patents, trade marks, copyright, performing artists' rights, unfair competition, and commercial rights now all attract privilege. Such communications are protected from discovery during legal proceedings.

The statutory intent is to provide an all-encompassing protection against discovery during legal proceedings of communications between patent attorneys and their clients concerning protecting, enforcing or exploiting intellectual property and related proprietary rights. The scope of the privilege is not limited simply to the types of communications listed but may protect any other communication concerning rights resulting from intellectual activity in the industry, scientific, literary or artistic fields. It appears that s 54(3)(j) is intended to protect communications which are not otherwise specifically listed under s 54 such as regulatory compliance matters.

A further significant development brought about by the Evidence Act 2006 is the extent to which New Zealand patent attorney privilege now protects communications generated offshore by overseas patent attorneys and their clients.

Communications which may attract privilege now include communications generated by a client seeking to obtain advice from an overseas practitioner as well as communications created by the overseas practitioner for the purpose of providing advice to the client. Privilege may attach to such communications if the overseas practitioner's function wholly or partly corresponds to those of a New Zealand registered patent attorney.

Overseas practitioners include admitted Australian barristers and solicitors, Australian registered patent attorneys, Australian registered trade mark attorneys, and any practitioners who are entitled to undertake work that, in New Zealand, is normally undertaken by a lawyer or patent attorney, and are in a country specified by an Order in Council. New Zealand has unilaterally extended privilege to such other countries without reference to reciprocal rights. Whether reciprocity will be a factor in selecting countries for inclusion in Orders in Council is unknown.

Privilege for Preparatory Materials for Proceedings

Section 56 of the Evidence Act 2006 allows privilege to be claimed for communication or information made, received, compiled, or prepared for the dominant purpose of preparing for a proceeding or an apprehended proceeding.

Section 56 (2) allows a party to the "proceeding" to claim privilege in respect of:

- (a) a communication between the party and any other person;
- (b) a communication between the party's legal adviser and any other person;
- (c) information compiled by the party or the party's legal adviser;
- (d) information compiled at the request of the party, or the party's legal adviser, by any other person.

Again, the "legal adviser" includes a lawyer, registered patent attorney or an overseas practitioner.

The definition of "proceeding" covers New Zealand courts and therefore patent attorney privilege extends to communications and information in relation to court proceedings.

Registered patent attorneys in New Zealand regularly advise and directly brief barristers in relation to infringement and revocation proceedings before the New Zealand courts. Confirmation of the right to claim privilege in relation to communications and information in relation to such proceedings is welcome.

ISSUES

Overseas Practitioners

Privilege extends to overseas practitioners in a country specified in an Order in Council. To date no Orders in Council have issued. Until they do, no privilege can attach to the communications of overseas practitioners under the Act (aside from Australian practitioners). This matter is currently being addressed by officials in the Ministry of Justice and it is expected that a suitable Order in Council will issue shortly. It will be interesting to see if the Order in Council has retrospective effect to the date the Evidence Act 2006 came into force. This issue is broader than just patent attorney privilege, as it also extends to lawyers.

Once an Order in Council issues, the question of whether privilege may be claimed in New Zealand in respect of a communication generated offshore will be a matter of evidence as to the functions performed by the qualifying "overseas practitioner". It will be a question of fact as to whether an overseas practitioner's functions wholly or partly correspond with those of a registered patent attorney in New Zealand.

Until an Order in Council issues any communications between overseas practitioners and their clients may be discoverable in legal proceedings.

Whether common law privilege will still extend to lawyers in countries other than New Zealand and Australia is also an interesting issue. The Evidence Act 2006 is specific about the extension of privilege to other countries and it may be that this will override any possible effect of common law privilege. The matter remains to be addressed.

Pre and Post Grant Oppositions before the Intellectual Property Office of New Zealand (IPONZ)

The definition of "proceeding" may be restricted to New Zealand courts, as it does not specifically refer to tribunals such as the Intellectual Property Office of New Zealand (IPONZ) Hearings.

New Zealand allows both pre-and post-grant oppositions before IPONZ. It is therefore arguable that, while patent attorney privilege extends to communications and information relating to proceedings before the New Zealand courts, such privilege may not extend to oppositions before IPONZ. The same issue will relate to lawyers as well as registered patent attorneys.

CONCLUSION

The majority of registered patent attorneys resident in New Zealand are also legally qualified as barristers and solicitors. The changes to patent attorney privilege will likely have little or no effect on many of the members of the New Zealand profession simply because legally qualified patent attorneys have been able to rely on legal professional privilege to protect communications which were not previously covered by patent attorney privilege.

It is not an essential prerequisite to becoming a registered patent attorney in New Zealand that the candidate also be legally qualified. For those patent attorneys, the extended privilege provisions will be welcomed.

In addition, Australian registered patent attorneys can become registered as New Zealand patent attorneys under the Trans-Tasman Mutual Recognition Act. The majority of Australian registered patent attorneys are not legally qualified and thus the extension

of privilege for those registered in New Zealand under the Trans-Tasman Mutual Recognition Act is also more meaningful.

Clearly, the issue of privilege extending to overseas practitioners needs to be addressed as a matter of urgency. Further, while introducing legislation having retrospective effect is usually considered unacceptable, this may be a situation where it is necessary.

A Treaty relating to privilege may assist in determining which countries New Zealand should extend privilege to and may also assist in obtaining that privilege with retrospective effect.

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