

# Prospects for Improvement: What are the options? Part II

Eric LE FORESTIER

Cabinet REGIMBEAU  
Paris, France

[leforestier@regimbeau.fr](mailto:leforestier@regimbeau.fr)



# FICPI and professional privilege (1)

---

- An international organization of IP private practitioners
- Executive Committees and World Congresses: Resolutions and position papers
- Resolution on privilege in 2000 (Vancouver Congress):
  - *To provide legal privilege for registered IP practitioners*
  - *To ensure recognition of privilege existing in other countries*
- Followed an extensive study by Peter Kirby and Malcolm Royal which started in 1987



## FICPI and professional privilege (2)

---

- Second resolution in 2003 (Berlin Congress):
  - *Presence of qualified professionals worldwide*
  - *Qualification exam and protected title*
  - *Privilege in direct or indirect communications with other professionals in same country or another*
- FICPI continues to support international law harmonization for cross-border recognition of privilege



# The nature and meaning of 'privilege' (1)

---

- Confidentiality is a duty of a professional not to disclose information
- 'Privilege' is a right:
  - A right for a person to validly oppose a request from authority or other party to disclose communication between the person and his IP adviser relating to IP advice



## The nature and meaning of 'privilege' (2)

---

- In Common law countries, privilege counterweighs discovery:
  - Allows clients and legal advisers to discuss extensively and frankly on legal issues
- In Civil law countries, courts most often rely upon evidence brought by the parties, without ordering to reveal more (although entitled to do so):
  - Lesser need for privilege



## The nature and meaning of 'privilege' (3)

---

- However, the Common/Civil law dichotomy should erode in the future
- European Directive 2004/48/EC provides in every member state of European Union a 'right of information' e.g. on origin of counterfeits
- Civil law countries will more often face privilege issues in IP matters, e.g. cross-border privilege issues in international counterfeiting



## The nature and meaning of 'privilege' (4)

---

- Definition of 'privilege' should be clearly distinguished from legal duty of professionals to keep information confidential
- But identified as a right to resist requests from authorities or other parties to disclose communications with IP advisers in relation with IP advice
- French example: Professional rules changed in 2004:
  - Confidentiality was 'not opposable to ... jurisdictions'
  - This provision has been removed from the law



# The nature and meaning of 'privilege' (5)

---

- Privilege should however not be a tool for hiding illegal activities (e.g. money laundering – nowadays often linked to mass counterfeiting)
- Harmonization provisions would be expected to leave that open to the countries – criminal law in most cases remains under national sovereignty





# The scope of privilege (1)

---

- What activities, what information, what communications ?
  - Any kind ? Maybe to broad
  - What types of activities: IP 'advice'
    - (a) Preliminary advice: when seeking IP protection
    - (b) IP prosecution before offices, inc. opposition
    - (c) Infringement/right to use opinion; pre-litigation and during litigation/mediation/arbitration



## The scope of privilege (2)

---

- (d) Ownership issues, inc. employer/employee relationship and disputes
- (e) relationship with third parties: IP transfer, licensing, joint R&D, case settlement, etc.
- (f) IP related questions: tax aspects, IP due diligence, IP audits, etc.



## The scope of privilege (3)

---

- (a) and (b) should be covered (European Patent Attorney/client relationship is covered by privilege vis-à-vis EPO)
- (c) is the essence of opinion, pre-litigation and litigation work:
  - IP attorneys having right of representation should have the same privilege as general lawyers
  - IP attorney in team with attorney at law: client should benefit from privilege in communications with this team
- (d) to (f) nowadays belong to everyday life for IP professionals and should be covered



## The scope of privilege (4)

---

- What communications/information?
  - Privilege should not be seen as a ‘tool’ to conceal sensitive documents/information
  - ‘for the dominant purpose of legal advice’ may be difficult to practice: what is ‘dominant purpose’? What would be the other purposes? Business? They are interrelated
  - ‘related to IP advice’ may be a fair, reasonable and practicable standard



## The scope of privilege (5)

---

- A useful distinction between information provided to the IP adviser and information emanating from the IP adviser?
  - Information provided by adviser to client normally is advice by nature; all should be covered?
  - Information provided by client to adviser: difficult borderline (e.g. details of manufacturing process needed for advice, and related thereto, but also material to assessment of infringement)
  - Protective or secrecy order can then be a way to protect secret material



## The scope of privilege (6)

---

- In civil law countries also, a judge might request the information material to assessment of infringement, for the purpose of good administration of justice (typically if reversal of the burden of proof is not available)
- An approach could be to make a distinction between pre-existing information and information specifically ‘prepared’ for seeking the advice



# The 'qualified' IP adviser (1)

---

- Privilege cannot be gained by seeking advice from any outside counsel
- No lesson can be easily drawn from the privilege rules existing for general lawyers, having a variety of professional rules in the different countries
- Realistically, IP is a complex field where continuous education and training are a must, as well as a mixture of technical and legal skills; nobody can improvise himself as qualified professional



## The 'qualified' IP adviser (2)

---

- A professional in one country will seek the most 'qualified' advice in another country, because he will be at least partially responsible for it
- 'Legally qualified' can have different meanings:
  - Admitted or recognized by authorities as competent in IP matters
  - Having gone to a qualification scheme (practice + examination, etc.)
  - Having exclusive representation rights before the IP Office





## The 'qualified' IP adviser (3)

---

- 'legally qualified' is a term compatible with all situations
- About in-house advisers:
  - FICPI is naturally focussed on private practitioners
  - Any international legislation should leave the question open
  - Waiting for international recognition of in-house counsel independence might delay the process
- It seems natural to apply the 'legally qualified' test in the country of residence of the adviser



## The 'qualified' IP adviser (4)

---

- Assistance of other professionals (tech experts, tax specialists, etc.) hired for the occasion
  - This should basically not cause loss of privilege
  - But it might be advisable to put constraints
- Examples of constraints:
  - Professional bound to confidentiality by law or agreement
  - Professional independent from the client
  - professional's assistance proved necessary, etc.



## The 'qualified' IP adviser (5)

---

- Any international legislation should take into account that need for third party professional assistance



# The 'person' benefiting from privilege (1)

---

- A person (physical or corporate) who normally is the 'client'
- Information received from the IP adviser is to be passed to a variety of other persons, inside or outside the company
- These 'other persons' might include subsidiaries, sister companies, subcontractors, suppliers, customers, external experts, licensees or potential licensees, etc.
- Need to share the frank advice obtained under privilege with such other persons without losing privilege



## The 'person' benefiting from privilege (2)

---

- Any international law or treaty should be drafted so as to allow such communications, possibly with special rules/practices:
  - Limit the field of persons to those needing access to the advice?
  - NDAs?
  - Or other indications that the 'person' does not intend to waive privilege?
- Best practices at corporate level for privilege preservation



# The authorities to which privilege is opposed

---

- Most often a judicial court in charge of an IP case
- Does privilege enforceable before other authorities transpose to such courts (e.g. EPAs who have privilege only ‘in proceedings before the EPO’)
- Response should be yes otherwise the system will not work



# Privilege an time

---

- Same example: does the EPA privilege disappear once the proceedings before the EPO are finally closed?
- Again, any legislation should carefully avoid any provision causing time limitation of privilege
- In patent litigation, inventor/attorney exchanges dating back to 20 years or even more should remain covered



# Conclusion

---

- Real life of professionals shows many pitfalls and complex issues
- Lawmaking, whether in a treaty or not, will not be able to address all the issues
- Minimum requirements for cross-border recognition of privilege should represent the straightest possible route past the obstacles

Thank you !

