

## **Standing Committee on the Law of Patents**

**Seventeenth Session**  
**Geneva, December 5 to 9, 2011**

### **INFORMATION ON CROSS-BORDER ASPECTS OF CONFIDENTIALITY OF COMMUNICATIONS BETWEEN CLIENTS AND PATENT ADVISORS**

*Document prepared by the Secretariat*

#### **INTRODUCTION**

1. At its sixteenth session held from May 16 to 20, 2011, in Geneva, the Standing Committee on the Law of Patents (SCP) requested the Secretariat to gather information about national and regional practices regarding cross-border aspects of confidentiality of communications between clients and patent advisors, and present it to the seventeenth session of the SCP for exchange of views among Member States. The Committee agreed that the information should include, *inter alia*, the following (see paragraph 17 of document SCP/16/8):

- (i) national laws and rules dealing with cross-border aspects of confidentiality of communications between clients and patent advisors;
- (ii) problems in relation to cross-border aspects of confidentiality of communications between clients and patent advisors; and
- (iii) remedies that are available in countries and regions to solve the problems that remain at the national, bilateral, plurilateral and regional levels.

2. Accordingly, this document is submitted by the Secretariat to the seventeenth session of the SCP, to be held from December 5 to 9, 2011.

3. Following the decision of the SCP at its sixteenth session, the Secretariat invited the members and observers of the SCP, through Note C.7999, to submit information about national and regional practices regarding cross-border aspects of confidentiality of communications between clients and patent advisors, in particular, with respect to the issues referred to in

paragraph 1(i) to (iii) above. Twenty Member States<sup>1</sup> and five non-governmental organizations<sup>2</sup> submitted information and comments, which are available on the website of the SCP electronic forum. Relevant information was extracted from those submissions and included in this document.

4. Further, the documents prepared by the Secretariat for the previous sessions of the SCP on the client-patent advisor privilege and professional secrecy obligation (documents SCP/13/4, SCP/14/2, and SCP/16/4 Rev.) also contain certain information regarding the national laws and rules dealing with cross-border aspects, problems in relation to cross-border aspects and remedies that are available under the applicable laws to solve the problems. Therefore, this document also includes the relevant information reproduced from the above SCP documents.

## **OVERVIEW OF THE NATIONAL LAWS REGARDING CONFIDENTIALITY OF COMMUNICATIONS BETWEEN CLIENTS AND PATENT ADVISORS**

5. Most countries impose confidentiality obligations on patent advisors either under national legislations or under codes of conduct set by professional associations or pursuant to governmental regulations. The duty of confidentiality requires patent advisors not to disclose any information which was obtained in the course of exercising their professional duties. However, there are a few countries where such obligation does not exist.

6. In common law countries, some recognize the privilege of communications between patent advisors and their clients, which is similar to the client-attorney privilege. However, in some other common law countries, communications between patent advisors and their clients are not privileged. In many civil law countries, the right to refuse to testify in court on a matter covered by the professional secrecy obligation and/or to produce documents that contain information covered by the professional secrecy obligation is not applicable to non-lawyer patent advisors. However, in some civil law countries, in principle, communications with non-lawyer patent advisors are also protected from disclosure during the court procedures.

7. Most of the countries do not provide laws and rules dealing with cross-border aspects of confidentiality of communications between clients and patent advisors. Among countries where the confidentiality of communications with national patent advisors is recognized at the national level, there are countries where the confidentiality of communications with foreign patent advisors is not preserved due to the fact that, for example, they are not registered under the respective national law or are not admitted to the bar. However, in a few countries, communications with foreign patent advisors are also excluded from forcible disclosure.

## **NATIONAL LAWS AND RULES DEALING WITH CROSS-BORDER ASPECTS**

### **COMMON LAW COUNTRIES**

#### Australia

8. Patent attorney privilege is not applicable to communications between clients and foreign patent attorneys who are not registered under the Australian Patents Act 1990.

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<sup>1</sup> Information have been received from the following Member States: Australia, Bulgaria, Costa Rica, Cyprus, Denmark, Finland, Georgia, Germany, Indonesia, Kyrgyz Republic, Lithuania, Mexico, Portugal, Republic of Korea, Republic of Moldova, Romania, South Africa, Switzerland, Sweden and Tanzania.

<sup>2</sup> Those non-governmental organizations are: Intellectual Property Institute of Canada (IPIC), International Association for the Protection of Intellectual Property (AIPPI), International Chamber of Commerce (ICC), International Federation of Industrial Property Attorneys (FICPI) and Latin American Association of Pharmaceutical Industries (ALIFAR).

### Cyprus<sup>3</sup>

9. The national law of Cyprus does not provide any rules dealing with cross-border aspects of confidentiality of communications between clients and patent advisors.

### Malaysia

10. According to Section 129 of the Evidence Act, no one shall be compelled to disclose to the court any confidential communication which has taken place between him and his legal professional advisor. Due to the lack of case law regarding the interpretation of the term “legal professional advisor” in the above provision, it is not clear whether privilege extends to communications with foreign lawyers or to foreign patent advisors.

### New Zealand

11. Due to the Order in Council of August 2008 issued under the Evidence Act 2006, New Zealand extends the legal professional privilege to communications between a client and his or her foreign legal advisor including foreign patent advisors from 87 countries.

### South Africa

12. The communications between a local patent advisor and a foreign patent advisor are considered to be privileged in South Africa if the communications were made for the purpose of giving or receiving legal advice to a particular client. The communications between clients and a foreign patent advisor are considered to be privileged if the representative of the client acting on the client’s behalf is a legal advisor and the communications were made for the purpose of obtaining legal advice from the foreign patent advisor. If the representative of the client is not a legal advisor, the position is not entirely clear, since courts have not expressed a clear principle on that issue.

### Tanzania

13. The national law of Tanzania does not provide any rules dealing with cross-border aspects of confidentiality of communications between clients and patent advisors.

### United Kingdom

14. Based on the wording of Section 280 of the Copyright, Designs and Patents Act 1988, it appears that patent agent privilege is confined to communications with patent agents registered in the United Kingdom or persons on the European List (i.e. European patent attorneys) only. There is no recent case law regarding the possible application of privilege to foreign patent attorneys.

### United States of America

15. United States case law provides several legal rules in allowing the privilege to be extended to foreign patent attorneys under different doctrines. It appears that most courts use the “touching base” approach (communications with foreign patent agents regarding assistance in prosecuting foreign patent applications may be privileged if the privilege would apply under the law of the foreign country in which the patent application is filed and that law is not contrary

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<sup>3</sup> Cyprus belongs to a mixed legal system combining common law aspects and civil law aspects.

to the public policy of the United States) and the “comity plus function approach” (the court will abide by the outcome dictated by comity when the foreign patent agent renders independent legal services).

## CIVIL LAW COUNTRIES

### Brazil

16. In Brazil, patent agents are bound by the secrecy obligation flowing from his or her profession. The Brazilian Criminal Procedure Code (Section 297) and the Brazilian Civil Procedure Code (Section 406) exempts anyone who is bound by the professional secrecy obligation from the duty of giving testimony. There is no evidence to show that a different treatment applies to foreign patent advisors.

### Bulgaria

17. Bulgarian national law contains no specific provision on the cross-border aspects of confidentiality of communications between clients and patent advisors.

### Denmark

18. No national laws and rules dealing with cross-border aspects of confidentiality of communications between clients and patent advisors, who are non-lawyers, exist in Denmark.

### Georgia

19. The Georgian law does not provide rules dealing with cross-border aspects of confidentiality of communications between clients and patent advisors.

### Germany

20. Under German law, patent attorneys admitted to the bar are obliged to keep confidentiality regarding any information provided to them in their professional capacity (Section 39a of the Act on Patent Attorneys), and accordingly, German patent attorneys are entitled to refuse to testify before the courts (Section 383 of the German Civil Procedures Act). A European patent attorney, who is not registered as a German patent attorney, is not entitled to represent clients before the German courts and is not admitted to the German bar. Therefore, in general, he cannot refuse testifying on confidential matters under professional secrecy before the German courts.

21. However, the right to refuse testimony under the German law depends on the existence of a legal obligation to keep confidentiality. Due to this connection between patent attorney’s legal obligation to keep confidentiality and his corresponding right to refuse testimony, any foreign patent attorney or advisor who is obliged to keep confidentiality under the applicable jurisdiction of his place of business has the right to refuse testimony in the same manner as recognized for German patent attorneys.

### Japan

22. According to Article 197(1)(ii) of the Civil Procedure Law, the list of professionals who have a right to refuse to testify on any matter covered by professional secrecy obligations, unless such duty to keep a secret has been lifted, includes patent attorneys. In addition, in accordance with Article 220(iv) of the Civil Procedure Law, the owner of a document that contains information covered by the professional secrecy obligation or a document containing

technical or professional secrets may refuse to produce such a document. The application of the above provisions to patent attorneys who are registered in other countries is not clear due to a lack of case law and established legal opinions.

#### Romania

23. While obligations concerning the professional confidentiality and its cross-border aspects in relation to lawyers are provided by the Statute of the Lawyer Profession of Romania, such provisions do not exist in relation to patent attorneys who are not admitted to the bar.

#### Russian Federation

24. The Federal Law on Advocatory Activity and Advocacy and the Code of Criminal Procedure of the Russian Federation provides that an attorney in law cannot be called or questioned as a witness in relation to circumstances made known to him as a result of a request for legal assistance made to him or in connection with its provision. However, foreign patent attorneys do not have protection in relation to the legal requirements of a Russian court to disclose confidential information entrusted to them by their clients.

#### Switzerland

25. The new Patent Attorney Act which entered into force on July 1, 2011, provides professional secrecy obligation for patent attorneys, and the professional secrecy guaranteed by the Swiss Criminal Code was extended to patent attorneys. Further, according to the new law on the Federal Patent Court, which will fully enter into force on January 1, 2012, a registered patent attorney can represent a party before the Federal Patent Court. As a procedural counterpart, the new Code of Civil Procedure provides that patent attorneys may refuse the production of evidence that is subject to professional secrecy. However, the question as to whether the relevant provisions could be invoked for preserving the confidentiality of communications with foreign patent attorneys is not resolved.

#### Thailand

26. Thailand's Criminal Code imposes secrecy obligations on various professionals which apply *inter alia* to patent attorneys and to patent agents. At the same time, it is not clear whether professionals who are not registered in Thailand can also prevent disclosure of secret information obtained through their professional duties in court proceedings.

### **PROBLEMS IN RELATION TO CROSS-BORDER ASPECTS**

27. The following problems have been identified in relation to cross-border aspects of confidentiality of communications between clients and patent advisors:

- (i) The communications with national patent advisors can become subject to forcible disclosure in litigations in other countries, which, *inter alia*, places national patent advisors in a competitive disadvantage compared to certain foreign patent advisors.
- (ii) The lack of recognition of foreign law regarding confidentiality might discourage the use of the national IP system.
- (iii) The lack of explicit laws and rules dealing with cross-border aspects of confidentiality brings uncertainty as to whether the courts are bound to accept at the national level the preservation of confidentiality arising under other jurisdictions. In

addition, where the treatment of communications with foreign patent advisors is decided by local courts on a case-by-case basis, the outcome may be unpredictable.

(iv) Where the confidentiality of communications with national patent advisors is not recognized at the national level, the national courts are not required to recognize confidentiality of communications with foreign patent advisors on the basis of the judicial comity.

(v) Even if the national law recognizes the confidentiality of communications with foreign patent advisors, that law does not guarantee that the national patent advisors will be protected against forcible disclosure of their communications with clients in litigations in those foreign countries.

## **REMEDIES AVAILABLE IN COUNTRIES AND REGIONAL SYSTEMS TO SOLVE THE PROBLEMS**

### **THE UNILATERAL EXTENSION OF PRIVILEGE TO FOREIGN PATENT ADVISORS**

28. One country extends the legal professional privilege provided in relation to communications between national patent advisors and their clients to communications with foreign patent advisors from the specified list of countries, which includes both civil law and common law countries.

### **AMENDMENTS TO NATIONAL LAWS**

29. In one country, a bill proposed amendments to the Patents Act, which would extend client-attorney privilege to communications with foreign patent attorneys. This would be achieved by expanding the definition of the term “patent attorney” to include an individual authorized to do patents work under the law of another country or region. The privilege would only apply to the extent that the attorney is authorized to provide intellectual property advice. Another country is about to set up a national committee to examine ways to change national regulations in order to respond to cross-border challenges.

### **COMITY**

30. The standard applied by the courts of some countries in deciding whether the privilege should apply in relation to communications with foreign patent advisors is to consider whether or not such communications would have enjoyed privilege in the foreign law of the country concerned.

### **ENGAGEMENT OF LAWYERS**

31. In some countries, non-lawyer patent advisors use the services of lawyers in provision of their services to clients. In particular, non-lawyer patent advisors provide their written communication/counseling to clients co-signed by lawyers.

### **PREFERENCE OF ORAL COMMUNICATIONS**

32. Oral communication/counseling is provided by patent advisors instead of communication/counseling in writing to avoid the disclosure of confidential information in litigations in other countries.

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