

Confidentiality of communication with patent advisors – Background

Client-Patent Advisor Relationship and Confidentiality

Patent law is a unique field where legal understanding and technical/scientific understanding go hand in hand. In many countries, a separate profession called, for example, “patent attorney” or “patent agent”, is well recognized for the development and maintenance of a functioning patent system. The role of patent advisor is, in general, to give advice and assist inventors and applicants in obtaining and maintaining patents. Patent advisors may also represent third parties during opposition or invalidation proceedings. Moreover, patent advisors may be asked to provide advice with a view to seek the full range of possible IP protection or enforcement options available to the client. Consequently, the advice given by patent advisors may cover a wide range of legal issues.

Similar to the client-lawyer relationship, clients should be able to freely communicate with their patent advisors. If a client does not feel free to discuss issues, both positive and negative aspects, relating to his IP or patent rights with his patent advisors due to a fear that the patent advisor might reveal those issues to third parties and in court, the advisor will not be able to give full and comprehensive legal advice. Further, if the client does not feel confident to provide all information to the patent advisor, it is not fully possible for the patent advisor to ensure that the applicable legal rules on IP and patents are fully complied with. Clients may need certainty that any communication to and from such advisor will remain confidential and will not be revealed to a third party, in court or otherwise made public.

In general, patent advisors are required to keep the information received from their clients undisclosed. This is often regulated under a code of conduct set by a professional association and/or under governmental regulations or law. Any breach of a client’s confidential information may result in disbarment, suspension or other disciplinary measures against improper conduct. In civil law countries, it can often result in criminal sanctions such as fine or imprisonment as well as civil sanctions for damages.

Discovery in patent-related cases in common law countries with regard to patent advisors

Where a legal action for patent infringement is filed in common law countries, in the course of discovery proceedings, it is common for one side or the other to oblige another party to disclose any documents relating to communications between the patent advisor and the party in the hope that damaging statements may be found on the record which would destroy an alleged infringer’s defense or show that there had been abuse of rights by the patentee. Communications between patent advisors and clients often contain technical matters which are closely inter-related with legal questions under consideration by a court. Therefore, some common law countries provide a privilege with respect to advice from patent advisors, even if they are not qualified lawyers. What is called “client-patent advisor privilege” is the right to resist requests from authorities or other parties to disclose communications between a person and that person’s patent advisors on patent advice. Privilege is thus regarded as a form of guarantee for the confidentiality of communication between clients and their patent advisors. However, when a client seeks the opinion of a patent advisor who is not a qualified lawyer, not all countries provide privilege to the advice the patent advisor gave to his client. Consequently, keeping the communication between the patent advisor and the client confidential in court proceedings becomes challenging.

Although it might not be called “professional secrecy obligation” in common law countries, the general notion that patent advisors shall maintain confidentiality of communication with their clients exists in common law countries as well. Failure to maintain the confidentiality may result in severe sanctions.

Preservation of patent advisor professional secrecy in legal proceedings in civil law countries

In civil law countries, in general, patent advisors are subject to professional secrecy obligation. Such obligation is often stipulated in laws governing the statute of patent advisors. With a view to fulfilling the obligation, in some countries, patent advisors are entitled to refuse to testify in court on any matter falling under the professional secrecy obligation. Where a limited scope of production of evidential documents or seizure of documents is a general rule, some countries allow the possessor of the documents to refuse submission, or seizure, of documents that contain any matter falling under the professional secrecy obligation of patent advisors. In other words, some civil law countries also provide a mechanism that where confidential information under the professional secrecy obligation can be withheld in the court proceedings, in principle.

Therefore, although the term “privilege” may be not used, the notion of preserving the confidentiality of communication between patent advisors and their clients during court proceedings is not absent in some civil law countries.

Diversity of national laws

The national rules in respect of maintaining confidentiality of communications with patent advisors, particularly in court proceedings, vary significantly from one country to another. To begin with, in some countries, the rules apply only to attorneys at law, but not to IP advisors. In some others, it applies to both categories, although IP advisors are covered only where they are also law attorneys and give legal advice. In some other countries, the rules are also applicable to non-lawyer patent advisors who are officially registered with the IP office of the country concerned. Yet in some other countries, preventing forcible disclosure of communications with qualified patent advisors in the respective country is possible, but not for communications with patent advisors qualified overseas. The situation is no better in some other countries where there is uncertainty about whether privilege is recognized with respect to communications with either local patent advisors or foreign patent advisors.

With respect to submission or seizure of documentary evidence in court proceedings, in some civil law countries, it is not fully clear whether any party (such as a client) who possesses a document containing the confidential communication with a patent advisor could refuse to produce such a document.

Even if the confidentiality of communications with patent advisors is preserved, the scope of such communications and the extent of the coverage of overseas patent advisors vary. There are significant differences in both the substantive law, i.e., the scope of the confidentiality of communications between clients and patent advisors, and the choice of law/international private law rules, which determine whether the substantive law of a foreign country is recognized by the courts. While the substantive law deals with the scope of confidentiality, the choice of law rules address the international recognition of a foreign law. Therefore, two related, but distinct issues are involved in this area of law. The first aspect relates to how confidentiality of communications with patent advisors is treated under the applicable national law. The second aspect concerns how confidential communications with patent advisors in one country would be treated in another country.

The issues relating to discovery and compelled disclosure of confidential communications between a client and his patent advisor were initially raised by some international

associations of IP or patent practitioners who had been involved in providing IP advice to their clients (see Annex II). Their primary concern was the risk of losing confidentiality of such advice through the discovery procedure before common law courts. According to the IP practitioners, such an inadvertent loss of confidentiality could have a negative impact on the quality of IP advice obtained from patent advisors, since a frank and open dialogue between the patent advisors and their clients could be discouraged due to the fear that the advice could be made public in the future. In order to contribute to a fair, transparent and effective legal system, their opinion has generally been that there needs to be some similarity of rules that would minimize, at the international level, the risk of forcible disclosure of confidential advice from patent advisors.

Issues observed at the national level

There have been some discussions on various aspects of maintaining confidentiality of communications with patent advisors at the national level. The primary issue is whose communications may be covered. Should it apply to local patent advisors, in particular, those who are not lawyers? Should it be extended to in-house patent advisors? Should it be extended to overseas patent advisors who are not registered in the country concerned? If so, under which criteria should overseas patent advisors be protected? Further, in view of the complexity of patent advice involving both legal and technical aspects, not only a qualified patent advisor but also other parties may be involved in advising a client. In those cases, should it be extended to all those involved in giving instructions for advice and in giving the advice? As to those giving advice, should it be extended to anyone giving IP advice who is qualified in that country to do so and third parties (like experts) who contribute to the advice which is given?

Another essential question is what type of communications should be prevented from forcible disclosure. It may only apply to communications made for the predominant purposes of giving legal advice, or it may cover all communications given in relation to IP matters. Naturally, the type of communications corresponds to the scope of professional activities of patent advisors, prescribed in the applicable law.

Cross-border (or international) aspects

Where business activities remain within a national territory, the question of IP advice has also to be answered only in respect of that territory. Consequently, the main issue for a client is whether the applicable national law ensures the maintenance of confidentiality of communications with patent advisors. Once the business extends beyond the territorial border, the situation changes. Since patent law is territorial in nature, the services of different patent advisors in each country or region may be required with respect to the same invention. Where a client faces litigation in a foreign country, advice obtained from a patent advisor in another jurisdiction (for example, a patent advisor of the client's home country) may be relevant to that lawsuit in the foreign country. In that case, depending on the rules of the foreign court, the client might be required to disclose the confidential IP advice from the patent advisor of the client's home country in the legal proceedings.

For example, if the confidentiality of advice given by a patent advisor in one country is not recognized in one of the several countries in which a patent owner is involved in litigation relating to his patent, there is a risk that he receives an order by a court of the latter country to disclose the contents of the confidential advice obtained in the former country. Consequently, the confidentiality of advice given by the patent advisor will be lost across borders, including in the country in which the rule to preserve the confidentiality of such advice exists. In other cases, if only clients of patent advisors who are qualified and registered in the country can enjoy a professional privilege before the court of that country, a client is not protected from a court's order that requires the disclosure of communication

between the client and an overseas patent advisor with respect to the patent and other applications and patents in the same family.

Not knowing all practices in different countries, a client may find himself unexpectedly in a position where he has to unwillingly disclose his communications with his patent advisors in a foreign court. Clients and patent advisors in both common law and civil law countries can be affected, since the central issue is the preservation of confidentiality of communications with patent advisors beyond the national borders.