

## Discussion of the Relevant Issues

### Cross Border Aspects

#### *The international dimension: cross-border recognition of confidentiality*

Once a client seeks patent protection beyond the national territory, the territoriality principle requires him/her to obtain a patent in each country in which patent protection is sought. Obtaining and maintaining patents in foreign countries often involve advice from patent advisors in each of those countries either directly or via a national patent advisor. This is because a client often seeks advice from each national expert who is an expert on the relevant national patent law, and many national laws require that foreign applicants shall be represented by a national patent advisor authorized to act before the national office concerned. Similarly, if a third party seeks to extend his business beyond the territorial border by, for example, exporting his products to a second country, he/she may find a patent relevant to his/her product in the second country. It is most likely that the third party will first consult an IP specialist in his country and, in addition, will seek advice from a patent advisor in the second country.

In general, if a client (who could be an applicant, a patentee or a third party) obtains advice from patent advisors from more than one country, each patent advisor is bound by the confidentiality obligation pursuant to each national law. This is the case regardless of whether the patent advisor is from a common or civil law country, or whether the patent advisor is a lawyer or a non-lawyer. In essence, although the exact wording of national laws varies, at least any confidential information that patent advisors receive from their clients in the course of their professional activity must be kept secret.

The question, then, arises as to how a confidential communication with a national patent advisor will be treated by foreign courts and how such communication with a foreign patent advisor will be treated during litigation in the client's home country.

As described above, not all courts in all countries recognize the confidentiality of communications between a party and his foreign patent advisor during a court procedure. In particular, where the foreign patent advisor is not a qualified lawyer, the risk of non-recognition of the confidentiality by courts increases. Consequently, even if communication between the party and his foreign patent advisor can be kept secret in the jurisdiction of the foreign patent advisor, the same communication could be subject to disclosure during litigation in another country.

Applying a privilege to foreign patent advisors at the international level may be made more complex by the fact that the so-called "patent advisors" are defined differently from one country to another. Each national law provides the qualification requirements of patent advisors, and the scope of their professional activities depends on the applicable law.

#### *Legal uncertainty*

The lack of explicit laws and rules dealing with cross-border aspects of confidentiality brings uncertainty as to whether the courts are bound to recognize confidentiality arising under the law of other jurisdictions. Even if there are applicable laws and rules, in reality, there is much uncertainty in many countries in this area: firstly, the issue often has not been addressed, and therefore, the laws and rules have never been interpreted; and secondly, where the treatment of communications with foreign patent advisors is decided by local courts on a case-by-case basis, varied decisions have been rendered by courts. Such unpredictable court decisions impose additional costs for parties. In addition, the parties

## Confidentiality of Communication between Clients and their Patent Advisors

have to fight over procedural questions and spend their resources on those matters before addressing the substantive issues. Such uncertainty is obviously a risk factor for clients who have to seek advice from foreign patent advisors or who are increasingly exposed to patent disputes in foreign countries. In this regard, there are no differences among clients and patent advisors from common law and civil law countries.

### *International solution respecting national realities*

Many issues surrounding the protection of confidential communications with patent advisors relate to national judicial procedures and national legal tradition. It is neither practical nor realistic to expect that a single uniform judicial procedural rule governing each country could be established in the near future. At the international level, however, the fundamental issue relating to the preservation of confidentiality of communications with patent advisors is that the confidentiality accepted in one country may not be recognized in another country. Although the similarity between national laws may render an international recognition easier, it might be possible to find a solution through international cooperation while preserving the various national legal traditions. It appears that an appropriate level of flexibility is essential, taking into account different national judicial procedures.

In many countries, the rules regarding the preservation of confidentiality of communications between patent advisors and their clients are not found in the patent law. However, patent advisors are often registered with a competent national patent office, and they work closely with patent offices. Above all, a strict adherence to the professional confidentiality by patent advisors affects the quality of professional advice, and has implications for the patent system at large. While the preservation of confidentiality of communications with patent advisors has an impact on the proper functioning of the patent system, the issue under consideration may be an integral part of civil and criminal procedural rules, and therefore, it cannot be considered in isolation by patent offices only. Similar to any other issues that touch upon the competence of more than one administrative unit, close coordination among relevant administrative units at the national level is indispensable in order to advance discussions at the international level.