

Possible Remedies Identified on the Cross-Border Aspects

Rules Concerning the Recognition of Foreign Patent Advisor Privilege

Extension of national patent advisor privilege to foreign patent advisors

One type of possible remedy would consist in extending, through national laws, the legal professional privilege provided in relation to communications between national patent advisors and their clients to communications with certain foreign patent advisors from both civil law and common law countries. In more general terms, the applicable national rules that govern the preservation of confidentiality of communications with national patent advisors would be also extended to such communications with certain foreign patent advisors.

The tests found in the laws of Australia and New Zealand in defining certain foreign patent advisors whose privilege is recognized are inclusive rather than limiting. The law of New Zealand recognizes the privilege of foreign patent advisors whose functions correspond to those of registered patent attorneys in New Zealand. According to the Raising the Bar Act of Australia, the privilege of foreign patent advisors who are authorized to do patents work under the law of their country or region is recognized. In determining the conditions for recognition, national courts have to look into the respective foreign law in order to identify whether a foreign patent advisor has the “corresponding functions” or the “authorization to carry out patents work”. To provide administrative guidance to courts and interested parties, a list defining the recognized countries may be established by the government, which is the case in New Zealand.¹

The extension of the privilege could, but would not necessarily have to be, based on reciprocity. As the merit of this type of remedy lies in its simplicity, adding additional layers of reciprocity might complicate the determination of the recognition of the privilege granted to foreign patent advisors. Another merit of introducing inclusive conditions for the recognition of the privilege for foreign patent advisors is that parties in litigation are able to focus on the substantive issues under dispute, rather than spending money and time on procedural issues. Further, since the substantive law on privilege is defined by each national law, countries are free to define, in their law, the scope, exceptions and limitations, types of communications covered and the categories of foreign patent advisors to whom such substantive law of privilege applies. In other words, countries can maintain their flexibilities in terms of substantive law on privilege or professional secrecy obligation.

The asymmetry of the cross-border protection of confidential IP advice, however, does not entirely disappear through this type of approach. For example, even if the confidentiality of communications with a non-lawyer patent advisor is recognized in another country, if those communications are not privileged under the national law of his/her country, the confidential IP advice given by that patent advisor may be subject to discovery in his/her home country. Privileged communications with patent advisors in one country may not be privileged in another country, and communications with patent advisors from countries without privilege will continue to be subject to potential disclosure.

As regards the types of instruments to achieve the extension of national patent advisor privilege to foreign patent advisors, various types of instruments can be envisaged, for example, a binding instrument, a soft law approach or a unilateral adoption of similar rules

¹ Evidence (Recognition of Overseas Practitioners) Order 2008:
<http://www.legislation.govt.nz/regulation/public/2008/0202/latest/whole.html>.

by each country. So far, the unilateral extension of the recognition is achieved by including a provision in domestic laws on evidence or patent laws. Depending on the national legal tradition, it could also be possible to apply the principle as part of conflict of law rules through case law. No international action is required for such a unilateral action. While countries may have some incentives to introduce privilege in their national law (in particular, if the extension is subject to reciprocity), such a unilateral process may take a long time to be generally applicable among countries, and the diversity of different national practices will remain. The soft law approach can take different forms. For example, WIPO Member States or a WIPO body may adopt non-binding principles that could be applied at the national level, or model provisions that could be utilized and adjusted to the legal systems at the national level may be prepared.

Recognition of confidentiality established in foreign countries

A similar mechanism would be to recognize the privilege existing in other countries, or/and grant the same privilege for the purpose of the court procedures in one's own country. For example, even if country X does not provide full privilege with respect to communications with patent advisors under its national law, the court of country X would recognize the privilege with respect to communications with a patent advisor in country Y, if the latter communications are privileged in country Y.

Under this mechanism, at least the client will not lose confidentiality of the privileged communication with his patent advisor in another country. However, the national differences with respect to the entitlement to privilege will remain. Further, communications with patent advisors in countries without privilege will continue to be subject to potential disclosure. A comparable approach can be found with respect to the right of priority under Article 4 of the Paris Convention, where priority can be claimed on the basis of a "regular national filing" under the applicable law. Although the substantive requirement for according a filing date is not necessarily harmonized among the Member States of the Paris Convention (for example, some require the payment of a filing fee and others do not), they accept any filing that is adequate to establish a filing date in the country of first filing as the basis for subsequent priority claims.

Similar to the extension of national patent advisor privilege to foreign patent advisors, possible instruments for the recognition of confidentiality in foreign countries may include a binding instrument, a soft law or a unilateral action by each country.

An international framework for mutual recognition of privilege (ICC proposal)

The International Chamber of Commerce (ICC) has suggested a framework that extends the recognition of privilege to foreign patent advisors who are designated by the respective foreign authorities.² In essence, the suggested framework consists of the following elements:

- (i) Each country should specify categories of advisors whose clients benefit from privilege before the State's Courts, intellectual property offices, tribunals, and investigators. These should be all such local general lawyers and local specialist IP advisors as the State considers to be adequately regulated, plus (in the case of EPC members) locally-resident European patent attorneys (both private practice and in-house);

² The detailed description of the ICC suggestion is found in paragraphs 41 to 46 of document SCP/16/4 Rev.

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- (ii) Within each country, certain communications³ from or to the specified categories of advisors should be privileged (together with documents, material, and information preparatory to or otherwise related to such communications); and
- (iii) Each country shall respect the privilege of the communications under (ii) from or to advisors specified by other countries under (i).

The above framework would allow, at least within the countries participating in the framework, seamless cross-border recognition of the privilege of certain foreign patent advisors designated by each country. Each country maintains its autonomy to decide on which group(s) of professions is(are) “considered to be adequately regulated”. Further, the substantive law of privilege can be largely defined by each national law, such that each country may decide, for example, on the scope of, and exceptions and limitations to, the privilege.

As regards the mechanisms for establishing a possible framework, since it envisages an international mutual recognition of privilege, the most straightforward way to ensure such a legal effect is an international instrument. Another option would be a system under which national laws give effect to an international list of patent advisors administered by an international body listing specific categories of professionals designated by each country and whose clients would benefit from the recognition of privilege in all countries which accept the effect of that international list.

International minimum standards or convergence of the substantive rules on privilege

Another way to ensure the recognition of foreign privilege beyond national borders is to seek minimum convergence of substantive national rules on privilege among countries. One may envisage a common set of substantive rules that effectively prevent confidential IP advice from being disclosed to third parties, regardless of the nationality or the place of registration of patent advisors and of the place where the IP advice was given. If a uniform standard for privilege were applied to both national and foreign patent advisors on intellectual property matters in all countries, the confidentiality of IP advice by patent advisors would be recognized beyond their national borders, whatever choice of law rules these countries may adopt.

To this end, a Joint Proposal for the establishment of a minimum standard of protection from forcible disclosure of confidential IP advice has been developed by the American Intellectual Property Law Association (AIPLA), the International Association for the Protection of Intellectual Property (AIPPI) and the International Federation of Intellectual Property Attorneys (FICPI).⁴

While cross-border legal aspects are not completely absent under the above Joint Proposal, since courts, for example, would have to look into foreign law to determine if a person is officially recognized as eligible to give professional advice, the core question of the scope of the privilege would remain the same in every case.⁵

³ The ICC defines the term “communications” as follows: “communications as to any matter relating to any invention, design, technical information, trade secret, trade mark, geographical indication, domain name, literary or artistic work, performance, software, plant variety, database, or semiconductor topography, or relating to passing off or unfair competition”.

⁴ <https://www.aippi.org/?sel=publications&sub=onlinePub&cf=colloquium>. The Joint Proposal consists of a preamble part and an agreement part. See footnote 25 for the full text of the Joint Proposal. See also Annex II of this document.

⁵ See also John T. Cross, Evidentiary Privileges in International Intellectual Property Practice, INTA Annual Meeting 2009.

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On the one hand, the more uniform the substantive rules on privilege become at the international level, the more predictability potential parties to litigation (clients and their patent advisors on the plaintiff side as well as on the defendant side) may enjoy. On the other hand, considering the current differences with respect to national laws in this area, Member States may need some flexibility, should they implement an international standard.

As regards possible mechanisms for international minimum convergence of substantive rules on privilege, in addition to the adoption of a binding instrument, a soft law approach, such as recommendations or model provisions, could be envisaged. Further, international minimum convergence of certain principles through unilateral adoption of similar rules by each country at the national level may be an option, if a sufficient number of countries found benefits in implementing such principles in their national laws.