



**United States Patent and Trademark Office**

Summary of roundtable and written comments:

# Domestic and International Issues Related to Privileged Communications Between Patent Practitioners and Their Clients

UNITED STATES  
PATENT AND TRADEMARK OFFICE



## Summary of Roundtable and Written Comments

### Domestic and International Issues Related to Privileged Communications Between Patent Practitioners and Their Clients

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#### I. Executive Summary

In the United States, a person prosecuting a patent application before the United States Patent and Trademark Office (USPTO) on behalf of the applicant must be registered to practice before the USPTO. While in many cases, the applicant’s registered representative is also an attorney at law, separately admitted to practice before the highest court of one or more States, non-attorneys (known as patent agents) may also be registered to practice before the USPTO, provided they meet certain technical requirements and have passed a USPTO-administered registration examination. In foreign jurisdictions, patent prosecution is handled by professionals with a variety of credentials, who in many cases are not attorneys at law.

The distinction between attorneys and non-attorneys has implications with respect to the confidentiality of communications between the applicant’s representative and the applicant. Under United States law, such communications may be shielded from disclosure in litigation under an “attorney-client privilege,” provided the representative is a licensed attorney. The privilege may or may not apply, however, depending on the particular jurisdiction in the United States, if the applicant’s representative is a U.S. patent agent or if a practitioner is licensed in a foreign jurisdiction.

There appear to be three distinct situations where such privilege issues arise for stakeholders in the United States: (i) treatment of U.S. patent agents in U.S. courts; (ii) treatment of foreign practitioners by U.S. courts; and (iii) treatment of U.S. practitioners (mainly agents) by foreign courts. The unavailability of privilege for client-practitioner communications can expose sensitive client information to discovery

during litigation, simply because the registered practitioner is not an attorney at law, or in some cases, is recognized as an attorney in their home country but not by foreign courts. This situation, in turn, can increase the cost of obtaining patents, increase the cost of litigation, and artificially limit the client opportunities for patent practitioners.

The USPTO conducted a public roundtable and received written comments to gather information on the nature and scope of this issue, as well as possible remedies to address it. This report summarizes the input received from stakeholders and identifies the next steps the USPTO intends to pursue.

Stakeholders expressed a range of concerns about the issue, including that it: 1) creates uncertainty over what is privileged and how to protect it; 2) hinders full and frank discussion between clients and their representatives; 3) may conflict with client expectation; 4) increases business costs; 5) increases judicial costs; 6) encourages international and domestic forum shopping; 7) creates a disadvantage for international filers; and 8) degrades the effectiveness of patent agents.

Stakeholders suggested several potential solutions to address these concerns, focusing primarily on a U.S. federal legislative fix, and possibly an international agreement or consensus. Stakeholders indicated a strong preference for a domestic solution through federal legislation, since this problem occurs much more frequently in the United States than in other jurisdictions due to its broad discovery rules and higher frequency of litigation. Stakeholders also commented, however, that it would be desirable to achieve international consistency on this issue if possible, such as through some type of agreement or understanding between like-minded countries.

Based on this input, the USPTO intends to undertake the following next steps:

1. Advise Congressional staff on legislative proposals for dealing with the concerns raised by stakeholders.
2. In parallel, participate in expert-level discussions in international fora to ensure that domestic efforts are suitably informed of international perspectives and vice-versa.
3. Once the domestic situation is appropriately addressed, explore possible international harmonization approaches.

## **II. Background**

In today's business world, innovators frequently seek patent protection in multiple jurisdictions, each of which sets its own technical and legal requirements for the practice of law generally, and for prosecuting patent applications before competent national or regional patent authorities in particular. As a result, patent applicants or owners typically must be represented by patent practitioners (attorneys or agents) who are registered or authorized to practice in each location where they seek protection. These engagements often include sensitive communications that the applicant/owner (the client) may wish to maintain in confidence.

Confidential client-attorney communications are generally protected against disclosure in most legal traditions, though sometimes by different mechanisms, to encourage full and frank communication in providing legal advice. In the United States, such communications are protectable by means of an "attorney-client privilege," which prevents those communications from being divulged during litigation,

subject to certain limited exceptions. In civil law jurisdictions, which do not have a discovery process as in the United States, client-attorney communications are maintained in strict confidence as a matter of professional representation.

Confidentiality issues may arise when clients communicate with patent practitioners in different jurisdictions as a result of differing legal representation requirements, legal traditions, and evidentiary procedures in litigation applicable in each jurisdiction. The main issue is that a communication between the client and a practitioner in one jurisdiction may not be protected against disclosure during litigation in another jurisdiction. The issue is even more complicated in the United States due to federal courts in different jurisdictions applying different tests for determining whether the communication with a patent agent or foreign representative should be privileged.<sup>1</sup> This situation creates significant uncertainty for patent stakeholders and their representatives, particularly in the United States, and may impact the ability of patent attorneys and agents to provide robust advice to their clients.

Recognizing this problem, stakeholders, practitioners, and policymakers in many jurisdictions have been considering possible approaches to address the issue in several international fora. The topic has been on the agenda of the World Intellectual Property Organization (WIPO) Standing Committee on the Law of Patents the last several years, and has recently been taken up by the Group B+.<sup>2</sup> In addition, three major intellectual property organizations groups – the Association Internationale pour la Protection de la Propriété Intellectuelle (AIPPI), Fédération Internationale des Conseils en Propriété Industrielle (FICPI), and the American Intellectual Property Law Association (AIPLA) – have proposed an international framework<sup>3</sup> that would provide a common approach to recognizing the confidentiality of cross-border client-practitioner communications.

### III. Outreach Process

Against this background, in late 2014, the USPTO launched an outreach initiative to obtain views from the patent stakeholder and practitioner communities to determine the nature and extent of these issues and to identify possible solutions. In January 2015, the USPTO issued a Federal Register notice convening a roundtable entitled “Domestic and International Issues Related to Privileged Communications Between Patent Practitioners and Their Clients” and invited public comments.<sup>4</sup>

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<sup>1</sup> Federal courts apply at least three different approaches to extending privilege to cross-border client-practitioner communications: 1) a “touching base” test that focuses on whether the communication concerned a U.S. patent or application; 2) a *Mendenhall* analysis that looks at the function of the foreign patent practitioner; and 3) a blanket refusal to extend privilege to any client communications with a foreign patent practitioner. See *Duplan Corp. v. Deering Milliken, Inc.*, 397 F. Supp. 1146 (D. S.C. 1974); *2M Asset Mgmt., LLC v. Netmass, Inc.*, 2007 U.S. Dist. LEXIS 14098 (E.D. Tex. Feb. 28, 2007); *Mendenhall v. Barber-Greene Co.*, 531 F. Supp. 951 (N.D. Ill. 1982); *Baxter Travenol Labs., Inc. v. Abbott Labs.*, 1987 U.S. Dist. LEXIS 10300 (N.D. Ill. June 17, 1987); *VLT Corp. v. Unitrode Corp.*, 194 F.R.D. 8, 16 (D. Mass. 2000); *Status Time Corp. v. Sharp Electronics Corp.*, 95 F.R.D. 27 (S.D.N.Y. 1982); *Burlington Industries v. Exxon Corp.*, 65 F.R.D. 26 (D. Md. 1974).

<sup>2</sup> Group B+ consists of representatives of the United States, Australia, Canada, Japan, New Zealand, Korea, Singapore, the European Patent Office and the European Commission.

<sup>3</sup> This framework can be found at [https://www.aippi.org/download/onlinePublications/Attachment1SubmissiontoWIPODecember182013\\_SCP.pdf](https://www.aippi.org/download/onlinePublications/Attachment1SubmissiontoWIPODecember182013_SCP.pdf)

<sup>4</sup> 80 Fed. Reg. 3953 (Jan. 26, 2015)

Nineteen parties submitted written comments in response to the Federal Register notice. Nine of these submissions came from groups representing intellectual property practitioners in the United States and abroad. A full list of parties that provided comments is provided in the Appendix.

The roundtable was held on February 18, 2015. Twenty individuals attended in person, while another 52 attended virtually via webcast. Organizations in attendance included United States government agencies (Department of Justice, Office of the United States Trade Representative, Department of State), foreign intellectual property organizations (Japan Patent Attorneys Association, Intellectual Property Institute of Canada), domestic intellectual property groups (AIPLA and the Intellectual Property Owners Association (IPO)), and WIPO. Several companies were also represented, including Pfizer, Depuy Synthes, Teva Pharmaceuticals, GlaxoSmithKline, WMS Industries, General Mills, BASF, HGST, Murex, Clariant, and GlobeImmune. Various law firms were also represented.

The roundtable was conducted in the form of panel discussions on various topics related to the issue. The panelists represented a broad cross-section of intellectual property interests: Manisha Desai of Eli Lilly, Professor John Cross of the University of Louisville Louis D. Brandeis School of Law, Steven Garland of AIPPI, Jeffrey Lewis of AIPLA, and Alysa Youngson of the American Bar Association Intellectual Property Section. Soma Saha of the USPTO Office of Policy and International Affairs moderated the roundtable.

#### **IV. Policy Issues**

During the roundtable discussion and through written comments, stakeholders identified a number of concerns caused by the inconsistent approaches to treatment of confidential communications between clients and patent practitioners.

##### **1. Creates uncertainty for stakeholders**

Several commenters expressed frustration with their inability to determine whether and which communications may be protected against disclosure. Many of the commenters represented businesses that often need to share sensitive information with U.S. patent agents or foreign patent practitioners to allow them to develop sound patenting strategies or provide comprehensive legal advice. They noted that as a general matter, businesses have an expectation that communications with their representatives, whether foreign or domestic, will be maintained in confidence (this issue is addressed in more detail in section 3 below). This expectation is frustrated in many instances, according to the comments received, due to the complexity of: 1) determining which U.S. privilege standard applies to communications with either U.S. patent agents or foreign patent practitioners; and 2) determining which types of foreign confidentiality protections may be extended to communications with U.S. patent agents or attorneys. For instance, any proactive measures to protect certain forms of communications in one jurisdiction may be rendered moot if an adverse party initiates litigation in a different jurisdiction (in the United States or abroad) with a completely different legal standard for protecting the same communication.

## 2. Hinders full and frank discussion with counsel

Commenters also indicated that the inconsistent protection of confidential communications discourages patent applicants and inventors from having full and frank discussions with certain patent practitioners. For example, IPO remarked that U.S. companies seeking patent rights overseas may hesitate to engage in communications with foreign patent practitioners.<sup>5</sup> U.S. companies with global patent portfolios are especially sensitive to the possibility of forfeiting confidentiality protections in U.S. courts due to a communication with foreign counsel. This situation may even create a significant disincentive to some businesses from commercializing products in overseas markets.<sup>6</sup>

Foreign applicants/inventors attempting to obtain U.S. patents face a similar dilemma. According to BASF, for example, foreign owners of U.S. patent rights may refrain from seeking advice of U.S. attorneys when dealing with “predominantly foreign matters” in order to maintain U.S. privilege.<sup>7</sup> This issue in turn may affect the ability of companies to receive the best possible legal advice when seeking patent rights in multiple countries.<sup>8</sup>

## 3. Violates client expectations

Some commenters expressed the view that given the legal nature of a U.S. patent agent’s representation in matters before the USPTO, clients expect that their communications with U.S. patent agents should be kept confidential during discovery. As one commenter indicated, “[w]hen an agent is doing the same type of work on matters before a patent office as his or her attorney counterpart, the agent’s communications with the client deserve, and should receive, the same protections from disclosure in judicial proceedings as the attorney’s communications.”<sup>9</sup> Many U.S. stakeholders, in particular, share this view. For example, AIPLA indicated that most of its members believe that U.S. patent agents should be able to maintain the confidentiality of client communications.<sup>10</sup> This issue especially impacts small businesses and independent inventors, who are less likely to realize that privilege might not apply to communications with agents and foreign practitioners.<sup>11</sup>

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<sup>5</sup> Comments from Philip S. Johnson, President for Intellectual Property Owners Association (IPO), to the USPTO Office of Policy and International Affairs, *Comments on Domestic and International Issues Relating to Privileged Communications Between Patent Practitioners and Their Clients*, at 2 (Feb. 25, 2015) [hereinafter “IPO Comments”].

<sup>6</sup> *BASF Comments*, at 1-2.

<sup>7</sup> Comments from Patricia McDaniels, Senior Counsel for BASF (BASF, Corp. [US] and BASF SE [DEU] collectively), to the USPTO Office of Policy and International Affairs, *Comments on Domestic and International Issues Relating to Privileged Communications Between Patent Practitioners and Their Clients*, at 1-2 (Feb. 25, 2015) [hereinafter “BASF Comments”].

<sup>8</sup> *IPO Comments*, at 2.

<sup>9</sup> Comments from Nike, Inc., to the USPTO Office of Policy and International Affairs, *Comments on Domestic and International Issues Relating to Privileged Communications Between Patent Practitioners and Their Clients*, at 2-3 (Feb. 25, 2015) [hereinafter “NIKE Comments”].

<sup>10</sup> Comments from the Sharon A. Israel, President of American Intellectual Property Law Asso. (AIPLA), to the USPTO Office of Policy and International Affairs, *Comments on Domestic and International Issues Relating to Privileged Communications Between Patent Practitioners and Their Clients*, at 4 (March 6, 2015) [hereinafter “AIPLA Comments”].

<sup>11</sup> *NIKE Comments*, at 4.

#### **4. Increases business costs**

Another issue raised by commenters is that inconsistent protection of confidential communications increases the costs to businesses in obtaining and enforcing patent rights. Commenters indicated that businesses may be compelled to undertake additional burdensome review of every correspondence with U.S. patent agents and foreign patent practitioners in order to ensure that confidentiality protections are not compromised. This process would have to be undertaken on a communication-by-communication, jurisdiction-by-jurisdiction approach, the cumulative effect of which is costly and time consuming.

As other comments noted, this uncertainty may also lead to litigation gamesmanship. More specifically, some comments suggest that uncertainty raises the cost of litigation by shifting the focus away from the merits of the dispute and onto collateral issues. For instance, in United States courts, “[s]ome of the most difficult discovery questions presented in patent litigation related to *the assertion of attorney-client privilege with respect to communications containing primarily or exclusively technical information.*”<sup>12</sup> As one commenter explained:

“When the dispute cannot be resolved, for example, because of the uncertain state of the law on privilege as applied to agent-client communications, extensive motion practice often ensues. This undesirably shifts the focus of the litigation away from the merits and results in time-consuming and expensive collateral litigation on the issue of privilege that rarely proves to be productive. Yet, it can be a potent weapon wielded by an accused infringer seeking to distract from the merits and increase its adversary’s litigation expenses.”<sup>13</sup>

The financial burden on businesses may also be increased by the resources needed to comply with multiple sets of privilege or confidentiality protection rules to maximize their protection. For instance, some companies use patent attorneys to supervise all patent prosecution work to protect themselves in jurisdictions that require attorney supervision for privilege to apply to communications. This increases the cost over having patent agents handle all the prosecution work.

#### **5. Increases judicial costs**

Some commenters indicated that in addition to increasing costs on stakeholders, the inconsistent treatment of confidential communications may also strain judicial resources, thereby raising judicial costs. The increased motion practice referred to in the preceding section may likewise cause additional unnecessary work for judges in sorting out collateral issues to the main dispute. This in turn may delay proceedings.

#### **6. Encourages international and domestic forum shopping**

Commenters identified forum shopping as a common problem stemming from inconsistent protection of confidential communications with patent practitioners. This holds true both within United States federal courts and courts across the world.

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<sup>12</sup> *AIPLA Comments*, at Appendix 1 (citing *Knogo Corp. v. United States*, 213 U.S.P.Q. 935, 940 (Ct. Cl. 1980).) (emphasis added).

<sup>13</sup> *NIKE Comments*, at 4-5.

For instance, Nike indicated that patent owners initiating litigation will choose jurisdictions that extend privilege liberally, while defendants may look to jurisdictions that are not as generous with protection.<sup>14</sup> Such forum shopping could be used by a litigant to obtain confidential information about a patent with a worldwide patent family by selecting as the dispute forum the nation providing the least protection for client-representative communications.<sup>15</sup> Professor Cross of the University of Louisville Law School laid out the following scenario:

“Once the content of a particular communication is disclosed to others, the privilege is lost. Therefore, a litigant who manages to obtain discovery of a client-agent communication in one of the jurisdictions that does not recognize the privilege may cause the communication to lose its privacy. This loss of privacy effectively destroys the attorney-client privilege for that communication—for all time, and in all courts (including those courts that would have treated the communication as privileged prior to disclosure). Moreover, the same act of disclosure, and resulting loss of privilege, means that any other party may discover the content of the same communication. In effect, *the minority of jurisdictions that do not allow a privilege for client-agent communications have a significantly disproportionate impact, as a single decision allowing discovery undermines the privilege across the entire nation.*”<sup>16</sup>

## **7. Creates a disadvantage for international filers**

Some commenters noted that patentees that have an international patent portfolio and consult foreign patent practitioners may be at a disadvantage in United States courts. According to FICPI, U.S. patent applicants/owners that are uninterested in entering foreign markets, and are represented exclusively by U.S. patent attorneys, will have less of a burden than international filers that have to navigate various legal systems. These international filers, according to FICPI, must operate in jurisdictions where some patent practitioners are not registered attorneys or where attorney-client privilege is not sufficiently codified because civil law systems protect attorney communications in other ways.

## **8. Degrades the effectiveness of patent agents**

Under the USPTO Rules of Professional Conduct, patent attorneys and agents are required to keep confidential any information relating to representation before the USPTO.<sup>17</sup> However, patent agents may not actually be able to keep sensitive information confidential to the same degree as a patent attorney because the privilege that applies to client-attorney communications in court proceedings to shield those communications from disclosure might not be available in some courts with respect to communications between the client and a patent agent. Commenters suggested that this discrepancy degrades the patent agent profession by making it second tier to patent attorneys and that it creates potential inefficiencies. Commenters noted that patent agents may be a more cost-effective choice for prosecuting patent applications before patent offices than licensed attorneys, but that this benefit is frustrated if confidential

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<sup>14</sup> *NIKE Comments* at 2-3.

<sup>15</sup> Comments from John Cross, Prof. of Law at University of Louisville, to the USPTO Office of Policy and International Affairs, *Comments on Domestic and International Issues Relating to Privileged Communications Between Patent Practitioners and Their Clients*, at 7 (Feb. 27, 2015) [hereinafter “Prof. Cross Comments”].

<sup>16</sup> *Prof. Cross Comments*, at 2-3 (emphasis added).

<sup>17</sup> 37 C.F.R. § 11.106.



communications between a client and an agent may not be protected to the same degree as communications between a client and an attorney. Faced with this problem, clients may choose to engage an attorney instead of, or in addition to, the agent (and have the attorney supervise agent work), to ensure that confidentiality is maintained. This tactic increases inefficiency, complexity, and costs, favoring legal expertise over technical expertise (in some cases) and limiting the available representation.

## **9. Creates confusion over what documents may be privileged**

Another source of confusion highlighted by the comments is deciphering which type of legal documents incorporating confidential information may be protected. Such uncertainty may prevent businesses from developing adequate communication strategies for confidential material.

For instance, in the United States, privilege only prevents certain communications from being obtained by opposing parties during litigation. Privilege does not affect a U.S. patent practitioner's duty of disclosure to the USPTO, nor does it allow withholding of factual information that bears on patentability, such as prior art references, public disclosures of the invention, or prior sales dates. Commenters noted that there is substantial confusion among some stakeholders about what types of documents could be protected against forced disclosure.

## **V. Potential Solutions**

While generally favoring clear, consistent rules and a harmonized approach to dealing with the issues noted above,<sup>18</sup> commenters offered three different potential solutions, each of which is addressed below.

### **1. United States Federal legislation**

One possible solution offered to resolve many of the identified issues, and the one overwhelmingly favored by commenters, is Federal legislation setting privilege rules for patent practitioners in United States courts.

Commenters supporting this approach argued that Congress is best positioned to balance competing interests and craft an appropriately nuanced solution.<sup>19</sup> As one commenter quoted a federal appellate court, "[t]he legislature, not the judiciary, is institutionally better equipped to perform the balancing of the competing policy issues required in deciding whether the recognition of a [...] privilege is in the best interests of society."<sup>20</sup> Some commenters, however, noted potential Constitutional issues that may be implicated by Congressional action, including the applicability of the Commerce Clause,<sup>21</sup> the Patent and Copyright Clause,<sup>22</sup> and the power to

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<sup>18</sup> Comments from Philip S. Johnson, President for Intellectual Property Owners Asso. (IPO), to the USPTO Office of Policy and International Affairs, *Comments on Domestic and International Issues Relating to Privileged Communications Between Patent Practitioners and Their Clients*, at 2 (Feb. 25, 2015) [hereinafter "IPO Comments"] ("Clear rules that recognize the privilege of communications with licensed U.S. and foreign patent practitioners would benefit all.")

<sup>19</sup> *AIPLA Comments*, at 4 (citing *Branzburg v. Hayes*, 408 U.S. 665, 706 (1972)).

<sup>20</sup> *AIPLA Comments*, at 4 (citing *In re Grand Jury Proceedings*, 103 F.3d 1140, 1154-55 (3d Cir. 1997)).

<sup>21</sup> *AIPLA Comments*, at 8-9.

<sup>22</sup> *Prof. Cross Comments*, at 18-19; *BASF Comments*, at 2-3; *AIPLA Comments*, at 8-9.

create federal courts,<sup>23</sup> though those comments suggested that these issues may be overstated or can otherwise be overcome.<sup>24</sup>

Apart from any Constitutional impediments, one potential shortcoming of this approach is that it may apply only to Federal courts and not to state courts, depending on which Congressional authority the legislation relies upon. Because original jurisdiction for patent infringement cases lies with Federal courts,<sup>25</sup> legislation limited to Federal courts would address most situations where confidentiality of communications related to patents is at issue. There may be some matters touching on patents that are handled by state courts involving communications with patent practitioners, such as product liability or contractual claims, but commenters noted that these cases are rare.<sup>26</sup>

## 2. Rule changes

Another option for resolving domestic issues suggested by a few commenters is for the Federal judiciary to adopt new rules on privilege for patent practitioners. There are, however, difficulties with this approach. One commenter noted that the Supreme Court has historically expressed reservation about using its rulemaking authority to regulate privilege.<sup>27</sup> While the Rules Enabling Act allows the Court to approve rules dealing with “practice and procedure,” it also explicitly prohibits the Court from adopting rules that “abridge, enlarge or modify” substantive rights. There is no consensus whether the Supreme Court could create a privilege rule for patent practitioners as part of the Federal Rules because some parties view privilege as a substantive right.<sup>28</sup>

Another possibility under this approach could be to focus on a more limited form of judicial rule change. Some roundtable panelists suggested that the USPTO could adopt privilege rules for patent practitioners in proceedings before the Patent Trial and Appeal Board, which could then provide a springboard for adoption of consistent rules at the Federal court level. However, without backing from the Supreme Court, this approach is unlikely to create consistency as each circuit or district could decide piecemeal whether to adopt changes and in what form.

## 3. International agreement

The third potential solution offered by commenters is the adoption of some type of international agreement or other instrument for harmonizing multi-jurisdictional treatment of confidential communications.

Many commenters endorsed the Joint Proposal of AIPPI, AIPLA, and FICPI.<sup>29</sup> Some aspects of the Joint Proposal that were highlighted include: (i) the goal of increasing uniformity across signatory

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<sup>23</sup> *Prof. Cross Comments*, at 16-17; *AIPLA Comments*, at 8-9.

<sup>24</sup> *Prof. Cross Comments*, at 16-19.

<sup>25</sup> See 35 U.S.C. 271, 281.

<sup>26</sup> *Prof. Cross Comments*, at 6.

<sup>27</sup> *Prof. Cross Comments*, at 14.

<sup>28</sup> *Id.*

<sup>29</sup> *BASF Comments*, at 2; Comments from Eiji Katayama, The Japanese Group of AIPPI (AIPPI-Japan), to the USPTO Office of Policy and International Affairs, *Comments on Domestic and International Issues Relating to Privileged Communications Between Patent Practitioners and Their Clients*, at 2 (Feb. 25, 2015) [hereinafter “AIPPI-JP Comments”].

states with regards to privileged communications; (ii) language allowing “limitations, exceptions, and variations” to take into account the public and private interests involved in the patent process; and (iii) language a “crime/fraud exception” similar to that currently in force in the United States.<sup>30</sup> Commenters also indicated that an international framework establishing minimum protections for confidential communications with patent practitioners will further promote harmonization of patent laws.<sup>31</sup>

However, commenters also expressed concerns with the Joint Proposal. Some commenters indicated that any agreement on privilege standards should account for differences in patent practitioner requirements in different jurisdictions.<sup>32</sup> Others suggested that an agreement should not cover countries which do not impose practitioner requirements comparable to the United States.<sup>33</sup> Switzerland, for example, does not impose any minimum qualifications for becoming a licensed patent practitioner.<sup>34</sup>

Some commenters further argued that the Joint Proposal language is overly broad by not explicitly limiting protected legal advice to the nation in which the patent practitioner is licensed. They noted that the Joint Proposal covers not just patent rights, but also “any matters relating to such rights.”<sup>35</sup> Taken literally, this broad wording could extend to matters beyond patent prosecution and litigation, such as business advice.<sup>36</sup>

There is also some concern that civil law countries may not want to adopt a U.S.-style privilege approach, which is viewed as particular to common law jurisdictions. Commenters indicated that civil law nations have expressed a fear that a privilege would enable parties to withhold vital information during the patent application process,<sup>37</sup> a worry which may stem from unfamiliarity with common law privilege.<sup>38</sup> In any case, commenters noted that an international framework could still be effective even without civil law nations, as they typically do not allow compelled discovery in any event.<sup>39</sup>

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<sup>30</sup> *Prof. Cross Comments*, at 12.

<sup>31</sup> Comments from Charles Dadswell, Senior VP & General Counsel for Illumina, Inc., to the USPTO Office of Policy and International Affairs, *Comments on Domestic and International Issues Relating to Privileged Communications Between Patent Practitioners and Their Clients*, at 1 (Feb. 25, 2015) (emphasis added)[hereinafter “Illumina Comments”].

<sup>32</sup> *FICPI-US Comments*, at 4-5; *Prof. Cross Comments*, at 12.

<sup>33</sup> *IPO Comments*, at 3.

<sup>34</sup> *Id.*

<sup>35</sup> *Prof. Cross Comments*, at 12.

<sup>36</sup> *Id.*

<sup>37</sup> *Prof. Cross Comments*, at 10.

<sup>38</sup> *Prof. Cross Comments*, at 10.

<sup>39</sup> *Prof. Cross Comments*, at 11.

## **VI. Scope of Solutions**

Stakeholders were asked whether a U.S.-only solution to the problem in United States courts would be sufficient to address the problem or if an international standard is needed. While the majority of commenters preferred a harmonized international standard, given the increasingly global nature of businesses and innovation, several commenters favored addressing the domestic situation in the United States first, through legislative or other means, before pursuing any international agreement. They believe that the U.S. could act more quickly on its own,<sup>40</sup> that a U.S. solution would address the majority of the problems, which are particular to the United States (large market, high volume of litigation, liberal discovery rules),<sup>41</sup> and that having an appropriate U.S. solution in place would better inform international discussions.

## **VII. Conclusion**

Based on the views expressed in the comments and at the roundtable, including the potential solutions offered, the USPTO intends to undertake the following next steps:

1. Advise Congressional staff on legislative proposals for dealing with the concerns raised by stakeholders.
2. In parallel, participate in expert-level discussions in international fora, such as Group B+, to ensure that domestic efforts are suitably informed of international perspectives and vice-versa.
3. Once the domestic situation is appropriately addressed, explore possible international harmonization approaches.

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<sup>40</sup> *Prof. Cross Comments*, at 13.

<sup>41</sup> *Id.*

## **Appendix: Parties Who Submitted Comments**

### **Companies (3):**

BASF  
Illumina  
Nike

### **Trade Groups (9):**

American Intellectual Property Law Association (AIPLA)  
Business Law Section (BLS) of the Law Council of Australia  
Chartered Institute of Patent Attorneys (CIPA, UK)  
European Patent Litigators Association  
Intellectual Property Owners Association (IPO)  
International Association for the Protection of Intellectual Property of Japan (AIPPI – Japan)  
International Federation of Intellectual Property Attorneys (FICPI)  
Intellectual Property Institute of Canada  
Japan Patent Attorneys Association (JPAA)

### **Governments:**

IP Australia

### **Individuals (6):**

Charlie Bustamante  
Prof. John Cross  
Susie Dym  
Daniel Feigelson  
Mark Terry  
Yoichiro Yamaguchi



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Fig. 3

Fig. 2