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Comments on US Department of Commerce RFC: Domestic and International Issues Related to Privileged Communications between Patent Practitioners and their Clients

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CIPA

The Chartered Institute of Patent Attorneys (“**CIPA**”) is the representative body for Chartered Patent Attorneys in the UK. Most fellows (around 2000 people) of CIPA are Registered Patent Attorneys regulated by the Intellectual Property Regulator (“**IPReg**”) (an independent national Regulatory Authority supervised by the Legal Services Board under the Legal Services Act 2007) and are also qualified European Patent Attorneys (although the three groups do not completely overlap).

As we advise clients about “families of patents” that span European and US jurisdictions, we often come into contact with questions as to whether our advice constitutes a Privileged Communication in the US. We are naturally concerned that communications between ourselves and our clients, whether based in the US or in other jurisdictions, are granted protection from forced global disclosure, including disclosure in US litigation.

Our US clients often wish to obtain our advice concerning the prosecution of patent applications internationally that have counterparts in the US. The uncertainty surrounding whether communications of such advice might attract privilege can lead to sub-optimal practices, such as the reluctance to commit such advice to paper and/or reticence in approaching foreign practitioners for much-needed advice.

We note that patent practitioners in the US are similarly concerned that communications between US patent practitioners and their clients may not be accorded protection from disclosure in jurisdictions outside the US.

Patent attorneys in the UK are now considered to be “lawyers” under the Legal Services Act 2007. Under the UK patents law, the attorney-client privilege accorded to communications with lawyers is expressly extended to patent attorneys in respect of advice concerning the protection of inventions and in respect of communications with third parties for the purposes of patent applications and litigation. [Patents Act 1977 (“**PA 1977**”), ss.103/105 and the Copyright Designs and Patents Act 1988 (“**CDPA 1988**”) s.280.]. National provisions in the UK concerning communications between client and patent practitioner relate to advice given by “patent attorneys” (i.e. Registered Patent Attorneys and qualified European Patent Attorneys). [CDPA 1988, s.280]. When acting as a litigator or an advocate, privilege is also granted by s190 Legal Services Act 2007.

UK national statute provisions are silent on whether communications between a US patent practitioner and his / her client would be accorded privilege in patent litigation under the English (or Scots) law, although case law would suggest that privilege would be reciprocated.

We note with approval the recent efforts to develop a suitable international minimum standard covering the protection afforded to the client in respect of advice sought from patent practitioners – through the Standing Committee on the Law of Patents (SCP) at WIPO and from the grouping of AIPPLA, AIPPI and FICPI.

Much of the inconsistency in the international protection of IP advice stems from differences in legal codes (Common law vs. Civil law), differences in the position of the patent practitioners (lawyers/attorneys, agents etc.; in-house, private practice), and the classes of communication that attract protection (preparation for litigation, advice concerning protection etc.).

CIPA commends the efforts of the USPTO to further the levelling of the treatment of patent advice communications with foreign patent practitioners with the treatment of equivalent communications between client and US patent attorneys.

Privilege for UK practitioners – in litigation and in advice

Unlike the situation in the US, no distinction is made between the term “patent attorney” and “patent agent” in the UK – the terms are interchangeable and the qualification is different. The UK qualification permits patent attorneys to advise on intellectual property matters generally and related legal issues. Most registered patent attorneys in the UK have the right to represent clients in Appeals from decisions of the UK Intellectual Property Office to the High Court and have the right to represent clients in all intellectual property litigation in the specialist section of the High Court, called the Intellectual Property Enterprise Court. Patent attorneys who have taken such cases have been praised by the judges in their judgments for the way in which those cases have been handled.

A number of UK patent attorneys have specific litigator qualifications giving them further rights before the English courts.

The UK patent profession is regulated and all attorneys are required to act within their competence and have appropriate professional indemnity insurance. As with solicitors in England, not everyone who has a right to represent before the court exercises that right. Those that do ensure that they have taken appropriate training and may add others, with different skills, to their teams when undertaking specific tasks.

The application of attorney-client privilege to communications of (UK) patent attorneys in respect of advice concerning the protection of inventions also extends to advice in “proceedings”: such proceedings include the formal and substantive prosecution of patent applications – a task more typically handled by patent attorneys than solicitors, in addition to court and contentious Patent Office proceedings.

European patent attorneys (who may not have the separate UK patent attorney qualification) have a variety of privilege too – under the European Patent Convention (“EPC”) – where their advice

concerns patent applications under the EPC (and in the near future, there will also be privilege in proceedings before the Unified Patents Court (“**UPC**”)).

The protection of communications between non-US practitioner and client from disclosure in US litigation appears in certain US patent court decisions to be contingent upon whether that advice would attract privilege in the practitioner’s “home” jurisdiction(s). In other decisions, this association is not decisive. A more consistent approach would give the client more certainty in requesting and receiving frank advice with the result that certain actions may reach settlement at an earlier stage.

International

One of the problems experienced by CIPA’s members is the lack of consistency in the protection of otherwise privileged communication from disclosure. Even within Europe, it is possible for inconsistent approaches in different jurisdictions to force clients to disclose advice which was or should have been privileged.

Position under UPC and EPC

Certain communications to national patent offices (as opposed to communications between client and patent practitioner) may not attract privilege – particularly where they are published. The EPC provides that advice sought from a professional representative is “permanently privileged from disclosure in proceedings before the European Patent Office, unless such privilege is expressly waived by the client”. [Rule 153 EPC 2000]. Privilege will also be afforded to patent attorneys in the Unified Patents Court, when it comes into being [Rules 287 and 288 UPC Rules of Procedure (17th draft)].

Disclosure in common law

As a professional body in a territory having a common law code, we are concerned how advice from UK patent attorneys to their clients, which would be accorded privilege in the UK, will be treated in the US (and potentially the knock on impact of that treatment outside the US). Where the right to withhold disclosure has been lost in the US, and the document comes into the public domain, the privilege is lost everywhere. The example of forced disclosure in the Canadian patent court system of communications of US patent practitioners starkly reflects the reverse situation in a US context.

Confidentiality

Many civil law jurisdictions do not have discovery as part of their litigation system. Accordingly, without discovery, there has been no need to develop a code of “legal professional privilege” for communications between lawyer and client – they rely instead upon the allied notions of confidentiality in the document and a professional code of conduct on the side of the lawyer. Patent practitioners in many of these jurisdictions are typically also lawyers. We note that many of our members are also European Patent Attorneys and as such abide by the professional code of conduct of the European Patent Institute.

In-house and non-domestic

In addition to the different treatment of confidentiality in the European Union (“EU”) and its member countries, the administrative and judicial bodies of the EU also distinguish between the role of an independent lawyer and that of in-house legal counsel. Communications between client and colleagues in in-house roles are not always considered to be protected from disclosure for example in anti-trust cases brought by the EU Commission. Thus it is doubtful whether communications between in-house patent practitioners advice can at present be considered to attract privilege in those cases, even if the subject-matter exclusively concerns the protection of the client’s inventions and would be protected in other proceedings.

Many of CIPA’s members feel that this situation is unacceptable. The absence of such a distinction in the US is a welcome counterexample.

Summary

Clients whether based in the US or elsewhere would benefit from a standard international protection against disclosure of all advice communications between patent practitioners (at least who have some code of professional standards) and clients and the relevant patent offices (except where the communication is on the public file).

The framework proposed by AIPPI is a welcome contribution. Action from the USPTO that would support this effort in standardisation will be observed with interest in the UK patent attorney profession.

Until such a framework can be implemented, clearer guidelines as to which communications between which classes of party are privileged would be helpful.