

Protection of Confidential Communications

International Update

May 2006

Jurisdictions with statutory protection of confidential communications with patent and trade-mark agents

Australia

European Patent Organization (31 member states)

France

Germany

Japan

Netherlands

New Zealand

United Kingdom

Protection through common law:

United States

Additional information

IPIC can provide a tremendous amount of information on this topic including legislative texts from many jurisdictions, Canadian and American case law, reports, rationale expressed by clients and law firms in their letters of support and resolutions by international organizations.

Below are some brief points of information pertaining to the above listed jurisdictions.

The importance of the United States

- US courts have recognized privilege for communications with an agent from another country if those communications are protected from disclosure in that

country. This has been made clear in several decisions, including *Murata Manufacturing Co., Ltd. v. Bel Fuse Inc. et al.* (2005) which recognized protection of communications with a Japanese agent and *Bristol-Myers Squibb v. Rhône Poulenc Rorer*, Southern District of New York, in 1999, where it was denied to a French agent thus prompting the French Government to amend its legislation.

The importance of the other jurisdictions

- They serve as important references for Canada in intellectual property law. For example:
 - More than 85% of patents filed worldwide are processed by the European Patent Office (EPO), the Japan Patent Office or the US Patent and Trademark office.
 - The EPO grants patents for the contracting states of the European Patent Convention. There are now 31 contracting states.
 - Australia, the United Kingdom and New Zealand are of common law tradition. In fact the concept of solicitor-client privilege originated in the UK.
 - France is a recent addition to the list of countries having legislated this protection (February 11, 2004).

Justification

- A revised European Patent Convention (EPC) will enter into force at the latest on December 13, 2007. As stated in the Basic Proposal for the revision of the EPC, "... with a view to protecting – in the course of US proceedings – the confidence of communications between European professional representatives and their clients...", the revised EPC will provide for privilege for communications between a professional representative and his/her client.
- In France, the Senate committee reviewing the bill, stated that the provision was proposed to ensure the competitiveness of French agents following the *Rhône-Poulenc* decision in the US.
- From the Netherlands, a Dutch patent agent provide this translation of a ministerial memorandum:

(...) it is provided that patent attorneys have an obligation to observe secrecy in respect of what they come to know in the performance of their work. Lawyers and civil law notaries also have such professional secrecy.

Moreover, such professional secrecy is an international convention: both European patent attorneys¹ and patent attorneys in the United States have such an obligation. If the obligation were not to apply to Dutch patent attorneys, they might be forced under certain circumstances to disclose business sensitive information, for instance in a lawsuit, while patent attorneys from other countries remain exempt from that obligation.

Legislative texts

- Some jurisdictions employ the term “privilege” in their legislative texts while others do not.
- In cases involving Japanese agents, the protection was recognized by US Courts as privilege even though the word privilege (or its Japanese equivalent) is not used in the legislation (see for example *Murata*).

United Kingdom Studies

- Communications are protected by statute as privilege since 1988 (clients of patent agents had some form of privilege since 1969).
- In 2002, the Office of Fair Trading and the Lord Chancellor’s Department conducted a major consultation on competition in professions. One of the questions was whether or not privilege should be extended to other professions. The Government concluded that there were not enough compelling reasons to extend it to other professions.
- It is worth noting in this consultation the submission by the Law Society of England and Wales which stated that “The limited parliamentary extensions of privilege to other professions, such as registered patent and trademark agents, and licensed conveyancers do not undermine the balance that the courts have struck.”

International Harmonization

- The International Association for the Protection of Intellectual Property (AIPPI) passed a resolution in 2003 supporting the introduction of laws in all countries to protect confidential communications.
- Prompted by an Australian court decision in 2004 (*Eli Lilly & Co. v. Pfizer Ireland Pharmaceuticals*) AIPPI will be approaching the World Intellectual Property Organization (WIPO) to discuss a treaty to harmonize the protection of

¹ In many countries, patent and trade-mark agents are called « attorneys » even though they are not lawyers.

confidential communications between agents and their clients around the world. In the *Eli Lilly* decision, the judge interpreted the legislation to mean that it applied only to communications with agents registered in Australia which meant, in this particular case, that it didn't apply to communications with a UK agent.

- The Fédération internationale des conseils en propriété intellectuelle (FICPI), self-described as “a non-political world-wide organization of intellectual property attorneys in private practice” passed a resolution in 2000 urging governments to amend their laws to provide legal professional privilege.