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Protection of Confidentiality In Intellectual Property Professional Advice (PCIPA)

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AIPPI/AIPPI/FICPI
Colloquium
26 to 28 June 2013
Paris

Protection of Confidentiality In Intellectual Property Professional Advice (PCIPA)

The Problem

- European Patent Convention
  - "Bundle Patents"
    - Single granting procedure but national enforcement
  - No common appeal court
- Significant variations in procedure
  - Bifurcation in Germany and Austria
  - Effect of EPO Oppositions
  - Extent of document production
    - "Saisie" (infringer's documents only) vs "Disclosure" (bilateral)
  - Use of witnesses and experts

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The Problem

- Significant variations in speed
  - UK and Holland: 6-12 months
  - Germany
    - Infringement: 3-12 months
    - Validity: 18-30 months
  - France: 2-3 years
- Significant variations in outcome
  - eg *Improver, Novartis v Johnson & Johnson*
- Significant variations in cost

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The Solution: Objectives

- Unitary patent, effective throughout the EU
- Enforcement through a single court system
  - Same procedure everywhere
  - Experienced judges everywhere
    - Common appeal court ensures harmonisation
  - One set of proceedings, one set of costs
  - No forum shopping
- Quality, cost-effectiveness, efficiency, legal certainty and reliability
- Contrast United States - one US patent, local Federal District Courts with CAFC as common appeal court
  - But not ideal because
    - Procedural overkill and huge expense
    - Juries lead to uncertainty and large damages awards
    - Local rules and attitudes lead to forum shopping

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The Solution: Unitary Patent

- Two Regulations (passed in December 2012)
- "Unitary Patent" pursuant to Article 142 EPC
  - "Enhanced Cooperation" - 25 countries only – no Italy or Spain
  - EPO prosecution procedures unchanged
  - Shortly before grant applicant can apply for unitary patent instead of "bundle" patent.
- Languages
  - Short term: Unitary patent in English PLUS translation into one other language
    - Language of prosecution (if not English) or any EU language
  - Long term (when technology satisfactory): on-line machine translation
  - Translation into infringer's language if infringement

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The Solution: Unified Patent Court

- Unified Patent Court Agreement – signed 19 February 2013
- Central Division and national/regional divisions
  - Pure validity actions, declarations of non-infringement and some infringement actions go to Central Division
- Exclusive jurisdiction over the Unitary Patent and (eventually) over all existing European Patents
- Standard procedure for all courts
  - Emphasis on written submissions plus one day hearing
  - But discretion in procedural matters
    - Bifurcation, document production, use of witnesses/experts
  - May lead to forum shopping
- Legal judges, plus technical judges where validity in issue
- Flexible language regime

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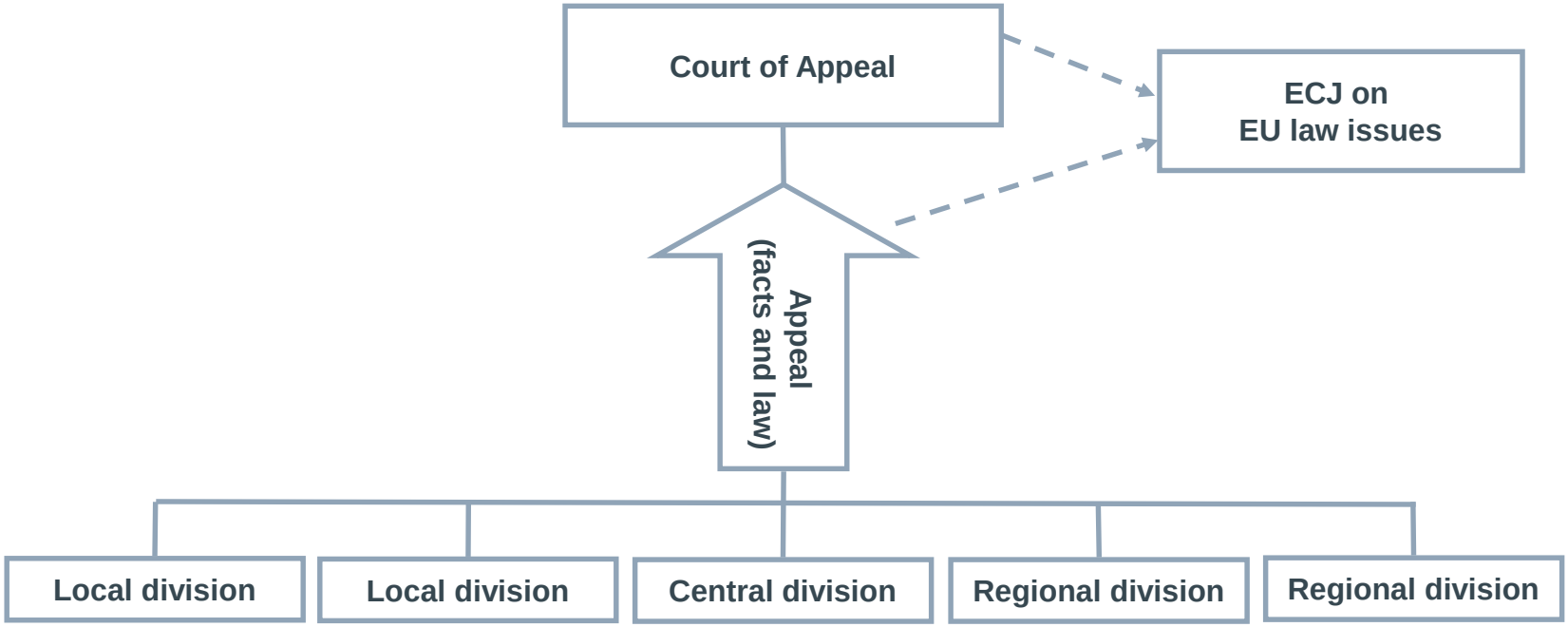
Unified Patent Court: Structure



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Future Timetable

- Rules of Procedure – Public consultation – June – Sept 2013
- Rules of Procedure finalised – December 2013
- Ratification of Agreement by at least 13 Member States – 2015?
- Agreement enters into force – 2015?
- Transitional arrangements – 7 years initially
- Grant of first European Patent with unitary effect – 2015?

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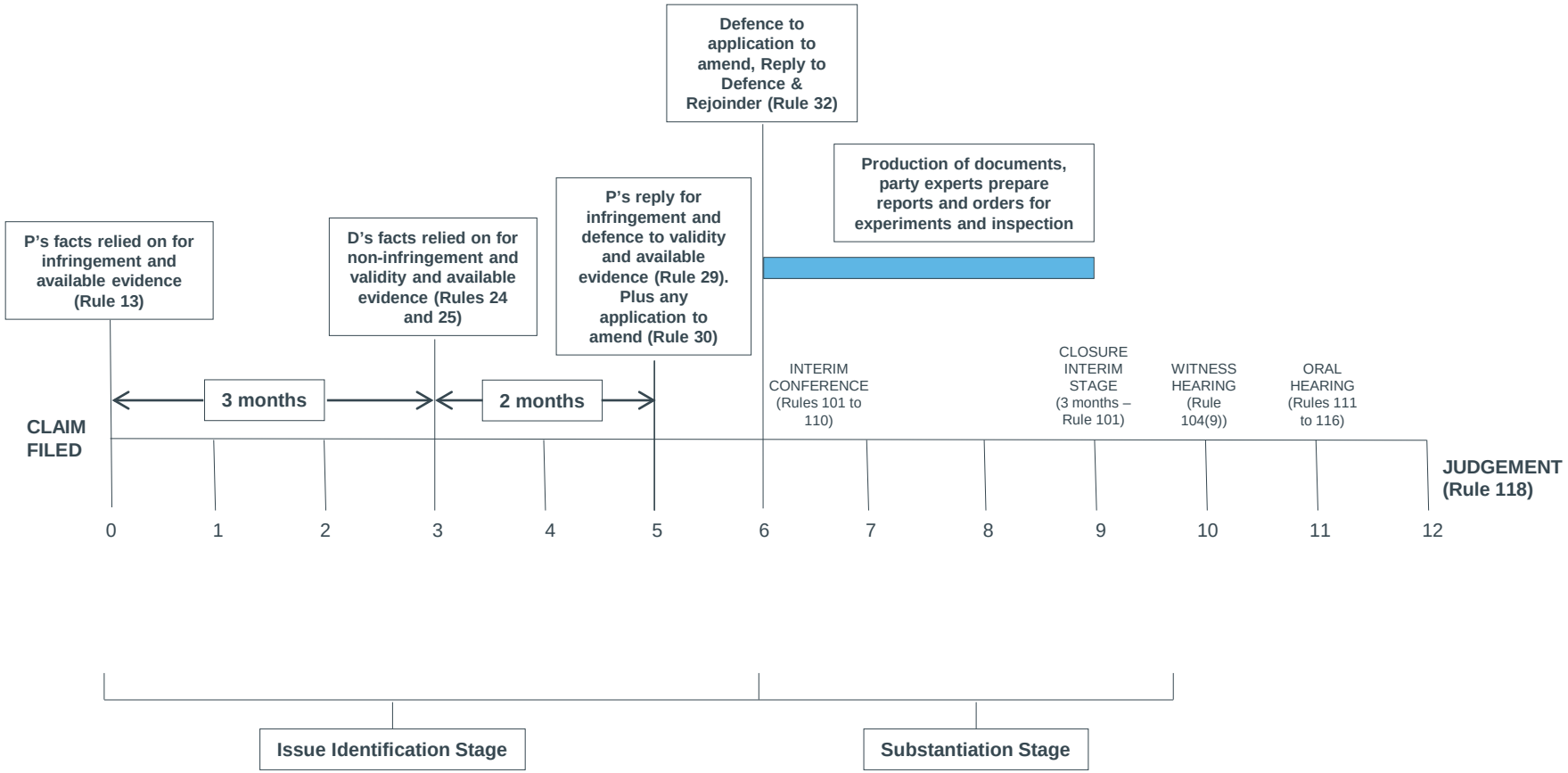
Infringement and Defence of Invalidity



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- Disclosure etc in the UPC Agreement
  - Article 53 UPC

    "… the means of giving evidence shall include …
    - requests for information
    - production of documents
    - inspection
  - Article 60 UPC

    The Court may order a saisie (including documents) or inspection of premises
  - The above is subject generally to the protection of confidentiality (Arts. 59 and 60)

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- Representation – Article 48 UPC

  (1) Lawyers authorised to practice before a court of a CMS

  (2) European Patent Attorneys (Article 134 EPC) with

  – European Patent Litigation Certificate or

  – Other "appropriate qualification"

  (3) Patent attorneys not within (2) the above may assist.

- Privilege – Article 48 UPC

  "Representatives shall enjoy the privilege from disclosure in proceedings before the Court … under the conditions laid down in the Rules of Procedure unless such privilege is expressly varied by the party concerned."

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- Rule 287 – Attorney-client privilege

1. Where a client seeks advice from a lawyer he has instructed in a professional capacity, whether in connection with proceedings before the Court or otherwise, then **any confidential communication** (whether written or oral) between them relating to the seeking or the provision of that advice is privileged from disclosure, **whilst it remains confidential**, in any proceedings before the Court or in arbitration or mediation proceedings before the Centre.

2. This privilege applies also to communications between a client and a lawyer employed by the client and **instructed to act in a professional capacity** and a client and a patent attorney (including a patent attorney employed by the client) who is instructed in **his professional capacity to advise on patent matters**;

3. This privilege extends to the work product of the lawyer or patent attorney (including communications between lawyers and/or patent attorneys employed in the same firm or entity or between lawyers and/or patent attorneys employed by the same client) and to any record of a privileged communication.

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- Rule 287 – Attorney-client privilege

4. This privilege prevents the lawyer or patent attorney and his client from being questioned or examined about the contents or nature of their communications;

5. This privilege may be expressly waived **by the client**.

6. The expressions “lawyer” shall mean a person who is qualified to practice as a lawyer and to give legal advice under the law of the state where he practises and who is professionally instructed to give such advice and the expression “patent attorney” shall mean a person who is recognised as eligible to give advice under the law of the state where he practices in relation to the protection of any invention or to the prosecution or litigation of any patent or patent application and is professionally consulted to give such advice.

7. The expression “patent attorney” shall also include a professional representative before the European Patent Office pursuant to Article 134(1) European Patent Convention

Relation to Agreement: Article 48(4)

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- Rule 288 – Litigation Privilege

Where a client, or a lawyer or patent attorney as specified in Rules 287.1, 287.2 , 287.6 and 287.7 instructed by a client **in a professional capacity**, communicates **confidentially** with a third party for the purposes of obtaining information or evidence of any nature for the purpose of or for use in any proceedings, including proceedings before the European Patent Office, such communications shall be privileged from disclosure in the same way and to the same extent as provided for in Rule 287.

Relation to Agreement: Article 48(5)

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- Points to note:
  - The Rules follow the common law classification of attorney-client privilege and litigation privilege.
  - Confidentiality is key.
  - Both privileges apply to employed lawyers and patent attorneys – subject to the dominant purpose criterion
  - Not limited to nationals of CMS
  - "Patent attorney" is widely defined – not limited to "representatives"
  - There are no express exceptions or limitations

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