Comments on the 2012 AIPPI Confidentiality Proposal

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Overview

Complicating factors

- 1. Two types of nations
  - Those with discovery and some sort of privilege
  - Those without discovery—and therefore need no privilege

  → Analysis should not look for a formal privilege, but instead be functional in nature
- 2. Parallel protections for essentially the same invention or mark
- 3. Both full-fledged attorneys and non-attorney patent agents may be involved in seeking protection
  - “Privileges” traditionally apply only to the former

Ways to deal with the problem

- 1. Do nothing
  - Concepts of relevancy may have been overlooked
- 2. A choice-of-law solution
  - Look to the law governing the representative-client relationship
- 3. Minimum substantive standards
  - This is the AIPPI solution
- → Nos. 2 & 3 can be effected best by a treaty

Factors for evaluating proposals

- 1. Certainty/predictability/reliability
- 2. Minimize the possibility of “opening the floodgates” by a single disclosure of information
- 3. Minimum intrusion with current domestic practice

Critiques of “alternate” methods

Doing nothing

- 1. Leads to an unacceptable degree of uncertainty—if proceedings can be brought in a nation with discovery, the communication is potentially discoverable
- 2. Nations have not taken a hard look at whether the communications are really relevant

Choice of law approach

- 1. Probably the most pure approach as a matter of ideology
- 2. Minimum intrusion on nations
  - A nation can treat domestic communications as it sees fit, and need only agree to look to foreign law to deal with foreign communications
- 3. If applied correctly, would greatly enhance certainty
  - Need to ensure a functional rather than a formal approach (ie, do not look for an actual privilege)
- 4. Most serious problem: determining which law governs a particular conversation
  - Representative and client may be in different locations
  - Representative may be in Nation A, but giving advice concerning Nation B

The AIPPI proposal (2012)

Overview of the proposal

- 1. A simple but comprehensive standard—all communications between client and representative relating to IP rights are to be kept confidential
  - A functional approach—whether the nation has an explicit privilege does not matter
- 2. Should apply both to application for rights as well as litigation
- 3. Applies with equal force to attorneys and patent/TM agents
- 4. The final provision allows nations to make limited exceptions, such as the crime/fraud exception
- 5. Client can waive the confidentiality by disclosing the contents of the communication

Advantages to the AIPPI proposal

- 1. Vastly improved (especially in clarity) from earlier proposal
- 2. Simple to apply—few differences in national laws
  - The only notable differences would involve *exceptions*, which should be fairly limited
- 3. Very predictable
- 4. A very broad protection for communications
- 5. The “exceptions” provision allows a nation to obtain content of communication in situations of compelling social need

Critique of the proposal

- 1. Some minor drafting issues
- 2. Probably *too* broad for nations like Canada that allow for discovery of both domestic and foreign conversations involving patent agents.
- 3. As written, requires not only an “attorney-client privilege” but also a form of “litigation privilege”—may also be too broad

Drafting issues

- 1. Coverage
  - “Intellectual property rights” does not include trade secrets
    - On the other hand, attorneys usually involved here
- 2. “Qualified or authorised in the nation where the advice is given”
  - Might make more sense to look to which nation’s IPR is at issue
    - Eg, a Canadian attorney gives advice in the US concerning Canadian patent

Drafting issues (continued)

- 3. Does the protection include a right to sue a representative who discloses, even if it is not forced?
  - The recitals make it sound as if only forced disclosure is covered; the operative language is not as clear
- 4. Disclosures mandated by patent office
  - A. Is a nation free to require broad disclosure of information previously communicated to an attorney as a condition to patentability?
  - B. Is disclosure of information to patent office per se a “public” disclosure waiving the right?

Breadth of the proposal (1)

- Might consider taking an approach like Berne—require confidentiality only for *foreign* communications, not those involving domestic agents and domestic law
  - A nation may well have less of an objection to being required to protect foreign communications
- Such a change would not significantly reduce predictability
- On the other hand, if *any* nation would compel disclosure, the underlying confidentiality might well be lost

Breadth of the proposal (2)

- As written, proposal would also require a limited form of litigation privilege—conversations between (a) legal representatives in different nations, and (b) legal representatives and third parties such as experts
- However, does not acknowledge that most nations recognize more exceptions to the litigation privilege, and limit its term
- The issue could perhaps be handled by the exceptions provision—but is it necessary to go this far this soon?

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Questions and comments welcome