



**Pratt & Whitney Canada**

A United Technologies Company

27 June 2013

# Protection of Confidentiality in IP Advice (Canada)

Jeffrey Astle, IP Counsel, Pratt & Whitney Canada  
Vice-President, Intellectual Property Institute of Canada

ENGINES

SUPPORT

INNOVATION

PEOPLE

# Disclaimer

- The views expressed in this presentation are those of the presenter and are not those of Pratt & Whitney Canada Corp. or its related companies
- This presentation contains the personal views of the presenter and should not be relied upon as legal advice

# Status of Protection Provided in Canada

## No Recent Developments

- "lawyer/solicitor-client" privilege may protect confidentiality in IP advice
  - does not extend to non-lawyer agents
  - non-lawyer agent privilege abroad not recognised
  - for lawyer-agents, availability of protection depends upon the "hat" worn
  - where "agent hat" worn, court has permitted discovery of a lawyer's file
  - no privilege for IP advice which a lawyer is not qualified to provide
- "litigation" privilege will protect confidentiality, if applicable
  - narrow scope - only applies to communications made in respect of pending litigation or contemplation of litigation
  - unlikely to apply to confidential IP advice re: securing/respecting IP rights
  - can apply to non-lawyer-client communications
- summary, in Canada:
  - no reliable protection of confidentiality in IP advice - non-lawyer IP advice not protected
  - non-lawyer IP advice, even if privileged abroad, not protected
  - protection can extend only to legal advice which a lawyer is qualified to provide

# Why the Protection Matters to Business

## IP Rights Promote Investment

- IP rights are valuable - patents protect the ability to exploit innovations
- investment decisions depend upon knowing what one can or cannot protect, and how to avoid what is protected by others
- at minimum, this requires a predictable system of patent laws (globally)
- this also requires the best possible advice in establishing and/or avoiding the rights created by these complex legal instruments
  - requires full and frank discussions with IP advisors
  - this encourages compliance with the law and respect for the legal rights of third parties and promotes the administration of justice
  - same fundamental basis for the existence of lawyer/solicitor-client privilege
- lack of protection of confidentiality in IP advice increases both uncertainty and inefficiency in securing/respecting IP rights
- for the same public policy reasons supporting lawyer/solicitor-client privilege, a global protection of confidentiality in IP advice should exist

# Shortfalls in the Canadian Approach

## Here, There, Everywhere

- communications with IP advisors anywhere may be subject to discovery in Canadian litigation
  - lack of protection not limited to communications with Canadian IP advisors
    - Lilly Icos LLC v. Pfizer Ireland Pharmaceuticals 2006 FC 1465 (U.K. agent's privilege not recognised in Canada)
  - no privilege for legal advice re: jurisdiction in which lawyer is not qualified to practice
- communications with Canadian advisors may be subject to discovery in litigation outside of Canada
  - lack of protection in Canada may result in lack of protection in other jurisdictions which provide protection by way of judicial comity
- lack of protection in Canada may have global consequences
  - e.g. enforcing Canadian patent can expose IP advice received in Canada or abroad
  - e.g. IP advice received in Canada can be exposed in enforcement of foreign patent

# On What Basis Can PCIPA Proceed?

## How Would This be Implemented?

- in Canada, legislation is required - this legislation would need to protect communications between clients and their IP advisors in Canada and abroad
- solutions are readily available
- IPIC recommends amendments to Canada's Patent Act and Trade-marks Act similar to the Australian or New Zealand enactments
- Australia and New Zealand approaches are simple, and provide reciprocal protections
- even though uncontroversial, political assistance is needed to introduce and push amendments through the legislative process
- proposed statutory amendments have been presented by IPIC to the Canadian government, and discussions are ongoing



# PRATT & WHITNEY



# DEPENDABLE

[WWW.PWC.CA](http://WWW.PWC.CA)



**Pratt & Whitney Canada**

A United Technologies Company