

AIPLA

American Intellectual Property Law Association

December 19, 2016

The Honorable Michelle K. Lee
Under Secretary of Commerce for Intellectual Property and
Director of the U.S. Patent and Trademark Office
U.S. Patent and Trademark Office
600 Dulany Street
Alexandria, VA 22314

Attn: Soma Saha, Patent Attorney

Patent Trial Proposed Rule on Privilege

Via email: acprivilege@uspto.gov

Re: Comments on Proposed Rule Recognizing Privileged Communications between Clients and Patent Practitioners at the Patent Trial and Appeal Board, 81 Fed. Reg. 71653, 10/18/2016.

Dear Under Secretary Lee:

The American Intellectual Property Law Association (“AIPLA”) is pleased to have the opportunity to present its views on the United States Patent and Trademark Office (“Office”) proposed “Rule Recognizing Privileged Communications Between Clients and Patent Practitioners at the Patent Trial and Appeal Board,” 81 Fed. Reg. 71653 (Oct. 18, 2016) (“October 2016 Notice”).

AIPLA is a national bar association of approximately 14,000 members including not only lawyers, but also patent agents, engaged in private or corporate practice, in government service, and in the academic community. AIPLA members represent a wide and diverse spectrum of individuals, companies, and institutions involved directly or indirectly in the practice of patent, trademark, copyright, trade secret, and unfair competition law, as well as other fields of law affecting intellectual property. Moreover, our members represent both owners and users of intellectual property. Our mission includes helping establish and maintain fair and effective laws and policies that stimulate and reward invention while balancing the public’s interest in healthy competition, reasonable costs, and basic fairness.

Last year, AIPLA was pleased to participate in the USPTO’s Roundtable on “Domestic and International Issues Related to Privileged Communications between Patent Practitioners and Their Clients” on February 18, 2015, after which we provided written comments on March 6, 2015. AIPLA also supplemented those written comments in an October 21, 2015 letter that addressed, among a variety of other proposed changes to PTAB Trial Proceedings, “Recognizing Privilege for Communications with Domestic Patent Agents and Foreign Patent Practitioners.”¹ AIPLA provides these remarks primarily to echo its prior comments on the issue of privileged communications between clients and patent practitioners at the PTAB.

¹ See [http://www.aipla.org/advocacy/executive/Documents/AIPLA Comments on Proposed PTAB Rules.pdf](http://www.aipla.org/advocacy/executive/Documents/AIPLA%20Comments%20on%20Proposed%20PTAB%20Rules.pdf).

Protecting, and thereby fostering, communications between clients and legally-authorized patent practitioners² is very important to AIPLA members. Clients, regardless whether they are individuals or non-corporeal entities such as corporations, trusts, etc., must be able to obtain advice in confidence from either domestic or foreign advisors on matters related to patent rights. This includes matters involving discovery in procedures such as *inter partes* review (“IPR”), covered business method (“CBM”) review, and post grant review (“PGR”). In short, communications between clients and patent practitioners need to be confidential from forcible disclosure to third parties, unless and until clients voluntarily disclose such communications, documents, or other records.

With respect to U.S. patent agents specifically, allowing practitioners from various scientific disciplines to practice patent law as a patent agent before the USPTO (upon demonstrating an understanding of the patent code, regulations, and practice) is an effective alternative to requiring a law degree for all legal advice. Patent applications can be complex to draft and prosecute, since they require both an understanding of the law and science. To that end, patent agents provide experience and expertise with respect to both science and the law. Moreover, specific requirements and qualifications for admission to the United States patent bar, as well as ethical rules governing the conduct of patent practitioners, are the *same* for patent agents as for lawyers who practice before the U.S. Patent Office. *See* 37 C.F.R. §§ 11.6, 11.7, and 11.101-118; and 35 U.S.C. §§32-33. And, in some circumstances, patent agents may be a more cost-effective resource than attorneys at law, either because of higher efficiency or lower rates or both.

The same is generally true of foreign patent attorneys who are admitted to practice before their local patent office but who may not be attorneys-at-law. As with U.S. patent agents, such patent practitioners can provide expertise both in their particular jurisdiction and technical field. Accordingly, foreign non-attorney patent practitioners can sometimes provide legal services that generalist attorneys-at-law in those jurisdictions could not. And, as in the United States, they may provide such services more cost effectively than attorneys-at-law.

If, however, confidential communications between patent practitioners and their clients are not privileged, then the clients are severely disadvantaged. That is, clients would not be able to engage in full and frank communication with their patent practitioner, including U.S. patent agents, which would be contrary to the goal of promoting the “broader public interests in the observance of law and administration of justice” *See Upjohn Co. v. United States*, 449 U.S. 383 (1981). Clients should feel comfortable candidly sharing information with the patent practitioner they have engaged, enabling the practitioner to better advise the client on legal options, and in turn, enabling the client to make an informed and thoughtful decision on how to comply with the patent laws.

AIPLA therefore believes that it is important for the USPTO to adopt privilege rules for communications with patent practitioners—including domestic and foreign patent agents—that are similar to the rules applied to attorneys-at-law in district courts. Furthermore, because

² The term “patent practitioners” is used to be inclusive of those registered to practice before the USPTO (i.e., a patent agents), attorneys-at-law who are patent agents (i.e., patent attorneys), U.S. practitioners with limited recognition (“L” number holders), and foreign patent attorneys who are admitted to practice before their local patent office but may not be attorneys-at-law.

the USPTO is responsible for administering patent-related matters, AIPLA believes that the USPTO's rules instituting and clarifying such a privilege for patent practitioners would be entitled to some degree of deference when courts consider the issue. *See Chevron U.S.A., Inc. v. Natural Resources Defense Council, Inc.*, 467 U.S. 837 (1994).

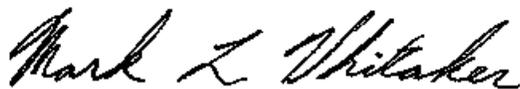
AIPLA supports the proposed language of the new rule, which addresses the scope of the privilege in two ways. First, proposed rule §42.57(a) specifies that the privilege shall apply to communications that are "reasonably necessary or incident to the scope of the patent practitioner's authority." AIPLA favors a liberal reading of this language to effectuate the rule's purpose and promote open communications between patent practitioners and their clients. Second, the new rule would require that such communications "shall receive the same protections of privilege as if that communication were between a client and an attorney authorized to practice in the United States," and addresses the fact that the same exceptions would apply. *Id.*

Furthermore, the definitions in sub-section (b) of the proposed rule clearly encompass not just attorneys-at-law authorized to practice before the USPTO, but also U.S. patent agents (registered to practice before the agency under section 11.6) and foreign patent practitioners. A "foreign patent practitioner" is defined as one "who is authorized to provide legal advice on patent matters in a foreign jurisdiction, provided that the jurisdiction establishes professional qualifications and the practitioner satisfies them, and regardless of whether that jurisdiction provides privilege or an equivalent under its laws."

For the reasons set forth above, AIPLA favors adopting such a rule recognizing that confidential communications with patent agents as defined in sub-section (b) of the proposed rule, regardless whether domestic or foreign, are privileged. In addition, AIPLA agrees with the Office suggestion, at page 71655 of the October 2016 Notice, that the proposed rule is consistent with the Federal Circuit's recent decision recognizing patent agent privilege for at least domestic patent practitioners. *See In re Queen's Univ. at Kingston*, 820 F.3d 1287 (Fed. Cir. 2016).

AIPLA appreciates the opportunity to provide comments on the proposed rule, and we look forward to further dialog with the USPTO with regard to the issues raised above.

Sincerely,



Mark L. Whitaker
President
American Intellectual Property Law Association