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THE EFFECT OF INTERNATIONAL COMITY ON THE APPLICATION OF THE ATTORNEY-CLIENT PRIVILEGE AND FOREIGN PRIVILEGE LAWS IN U.S. PATENT LITIGATION

Robert A. McFarlane†

Abstract

The attorney-client privilege is a testimonial privilege that allows clients to refuse to disclose, and to prevent others from disclosing, confidential communications with their attorneys that are made for the purpose of obtaining or providing legal advice. Both the Supreme Court and the Federal Circuit have ruled that the privilege applies in the context of patent prosecution. However, U.S. attorneys face considerable uncertainty when asserting the attorney-client privilege to protect confidential communications between clients and their foreign patent agents and attorneys. This uncertainty arises because U.S. courts largely decide privilege disputes pertaining to foreign patent prosecution by applying the law of the nation in which the foreign patent application was filed.

Following a brief introduction in Section I, Section II reviews the trend of applying the attorney-client privilege more broadly to attorney-client communications with U.S. patent attorneys and patent agents. Section III addresses the principles governing the assertion of the privilege to protect communications made in the course of foreign patent prosecution. Section IV concludes by explaining how the practitioner may benefit from recognizing the uncertainty that applying foreign privilege in this area of law may cause.

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I. INTRODUCTION

The attorney-client privilege is a testimonial privilege that allows clients to refuse to disclose, and to prevent others from disclosing, confidential communications with their attorneys that are made for the purpose of obtaining or providing legal advice. The privilege has long been a pillar of the United States legal system and is widely viewed as necessary to promote full and frank discussions between attorneys and their clients. In order to fulfill the purpose of furthering such candid communications, courts seek to apply the privilege with predictability, so that the attorney and client know which of their communications are protected and, conversely, which may be subject to compelled disclosure.

In contrast with other areas of law, courts were slow to apply the attorney-client privilege to confidential communications between patent attorneys and their clients. Historically, the attorney-client privilege simply did not apply to patent prosecution because courts

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1. See, e.g., Gomez v. Vernon, 255 F.3d 1118, 1131 (9th Cir. 2001), cert. denied 534 U.S. 1066 (2001) ("Federal common law recognizes a privilege for communications between client and attorney for the purpose of obtaining legal advice, provided such communications were intended to be confidential."). See generally 3 Jack B. Weinstein & Margaret A. Berger, Weinstein's Federal Evidence, §503.10 (Joseph M. McLaughlin ed., Matthew Bender 2d ed. 2006).

2. See Upjohn Co. v. United States, 449 U.S. 383, 389 (1981) (describing the attorney-client privilege as "the oldest of the privileges for confidential communications known to the common law").


The lawyer must have the whole of his client's case, or he cannot pretend to give any useful advice. . . . That the whole will not be told to counsel unless the privilege is confidential, is perfectly clear. [Clients] who seek[ ] advice, seek[ ] it because [they] believe[ ] that [they] may do so safely; [they] will rarely make disclosure[s] which may be used against [them by making] . . . adverse witness[es] [out of their lawyers]. . . .

Id. (quoting 8 J. WIGMORE, EVIDENCE IN TRIALS AT COMMON LAW, § 2291 (McNaughton rev. 1961) (first omission in original)). See also Upjohn, 449 U.S. at 389 (noting that the purpose of the attorney-client privilege is to encourage "full and frank communications between attorneys and their clients," and further that the privilege "recognizes that sound legal advice or advocacy serves public ends and that such advice or advocacy depends upon the lawyer's being fully informed by the client.").

4. See, e.g., Rhone-Poulenc Rorer, Inc. v. Home Indemn. Co., 32 F.3d 851, 863 (3d Cir. 1994) ("An uncertain privilege - or one which purported to be certain, but rests in widely varying applications by the courts - is little better than no privilege.").
did not generally consider such work to be legal in nature.\(^5\) The Supreme Court finally recognized in 1963 that preparing and prosecuting patent applications constitutes the practice of law,\(^6\) thereby opening the door to the protection of confidential communications with patent attorneys under the attorney-client privilege. The Supreme Court’s decision did not, however, immediately lead to the broad application of the privilege to patent prosecution, and years of debate ensued as to whether the privilege should protect communications with patent attorneys.\(^7\) \textit{Knogo Corp. v. United States},\(^8\) an influential decision issued in 1980, and \textit{In re Spalding Sports Worldwide, Inc.},\(^9\) a Federal Circuit decision that adopted much of \textit{Knogo}’s reasoning, largely settled this issue in favor of applying the privilege in the context of patent prosecution. Patent attorneys and their clients may now be reasonably confident that their confidential communications exchanged in furtherance of obtaining patent rights in the United States Patent and Trademark Office (‘‘USPTO’’) may be protected by the attorney-client privilege.

U.S. practitioners, however, face considerable uncertainty when asserting the attorney-client privilege to protect confidential communications between clients and their foreign patent agents and attorneys.\(^10\) This uncertainty arises because, as a matter of international comity, U.S. courts largely decide privilege disputes pertaining to foreign patent prosecution by applying the law of the nation in which the foreign patent application was filed.\(^11\) Naturally, applying a patchwork of foreign privilege law leads to varying results in cases involving U.S. patents with foreign counterparts. Courts may be required to concurrently apply the privilege laws of multiple nations. Further, the parties face considerable expense when disputes

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5. See, e.g., Zenith Radio Corp. v. Radio Corp of Am., 121 F. Supp. 792, 794 (D. Del. 1954). [Attorneys] do not ‘act as lawyers’ when... making initial office preparatory determinations of patentability based on the inventor’s information, prior art, or legal tests for invention and novelty; when drafting or comparing patent specifications and claims; when preparing the application for letters patent or amendments thereto and prosecuting same in the Patent Office; when handling interference proceedings in the Patent Office concerning patent applications. \textit{Id.}


7. See \textit{infra} Section II.


10. See \textit{infra} Section III.

arise that encompass privilege issues pertaining to foreign patent agents and attorneys in several jurisdictions.\footnote{12}

Section II of this article reviews the trend to apply the privilege more broadly to attorney-client communications with U.S. patent attorneys and patent agents. Section III addresses the principles governing the assertion of the privilege to protect communications made in the course of foreign patent prosecution. Section IV concludes by explaining how the practitioner may benefit from recognizing the uncertainty that applying foreign privilege in this area of law may cause.

II. COURTS BROADLY APPLY ATTORNEY-CLIENT PRIVILEGE TO PROTECT CONFIDENTIAL COMMUNICATIONS WITH U.S. PATENT ATTORNEYS

Even though the Supreme Court clearly held in \textit{Sperry} that patent prosecution constitutes the practice of law,\footnote{13} lower courts were slow to afford communications between patent applicants and their attorneys protection under the attorney-client privilege. Courts’ hesitance to extend the privilege is evident in \textit{Jack Winter, Inc. v. Koratron Co.}, the leading case refusing to meaningfully apply the privilege to patent prosecution.\footnote{14} According to \textit{Jack Winter}, much of the information provided by the client to the patent attorney during prosecution consists of nothing more than technical material that the attorney is under a statutory duty to disclose to the USPTO.\footnote{15} \textit{Jack Winter} reasoned that, since the patent attorney is required to disclose all such information to the patent examiner, he or she “exercises no discretion as to what portion of this information must be relayed to the Patent Office[,] . . . and [merely] acts as a conduit between his

\footnotesize{\textit{See, e.g., In re Rivastigmine Patent Litig. (Rivastigmine I), 237 F.R.D. 69 (S.D.N.Y. 2006)} (considering the privilege laws of some 37 different countries).}
\footnotesize{\textit{Sperry v. Florida, 373 U.S. 379, 383 (1963).}}
client and the Patent Office." Consequently, the court concluded that a basic element of the attorney-client privilege is absent, namely that the communication is not simply to be relayed to others outside of the confidential relationship, but is intended "for the attorney's ears alone." This determination that the patent attorney was little more than a conduit of information between the client and the patent examiner significantly limited the scope of the privilege in patent prosecution, and courts following Jack Winter generally declined to protect technical communications provided by the client to the patent attorney. Indeed, one case following Jack Winter went so far as to hold that "any question relating to the original patent application and the [related] thoughts, discussions, advice, etc., would be discoverable as to that limited subject unless it was for a legal opinion aside from the application."

The Jack Winter court's circumscribed view of the role of the patent attorney and the correspondingly narrow view of the attorney-client privilege in patent prosecution "provoked a strong resistance" from those who believed the decision misunderstood the "intricate nature of the patent attorney-client relationship." Knogo Corp. v. United States strongly criticized the Jack Winter view of patent prosecution and articulated a much broader and more accurate view of the patent attorney's role:

The reality of the cooperative effort put forth by the inventor and the attorney is far different from the Jack Winter portrayal. The technical discussions between attorney and client enable the attorney to extract from this information one or more patentable inventions. The attorney then drafts one or more patent applications in accordance with the requirements of the federal

16. Id.
17. Id.
22. Id. at 940.

The conclusion reached by the authorities in the Jack Winter camp rests upon an oversimplification of the role performed by the patent attorney during the patent application process. The attorney is not a mere conduit for either the client's communications containing the technical information or the technical information itself. He does not file his client's communications with the Patent Office. He does not file transcripts of his conversations with the client regarding technical matters and then await the issuance of a patent, yet this is the impression one derives from a reading of the Jack Winter view.

Id.
statutes and regulations. The attorney has no duty to transmit information which is not material to the examination of the application. The application for patent is reviewed by the client, and once approved, it is signed by the client and then filed in the Patent Office by the attorney on behalf of the client. The signed, sworn, and filed application might be considered a communication for relay and not for the attorney’s ears alone, but the same cannot be said about the technical communications which preceded the signed, sworn, and filed patent application.\textsuperscript{23}

The \textit{Knogo} court concluded that preparing a patent application is analogous to preparing a civil complaint.\textsuperscript{24} In both situations, the client provides information to his or her lawyer so the lawyer may prepare a publicly filed document. However, the fact that the client intends some or even most of the information to be publicly disclosed through the complaint or patent application does not waive the privilege.\textsuperscript{25} Thus, \textit{Knogo} reasoned, whether an attorney-client communication during patent prosecution is privileged should be determined by the well-established test applied in other contexts, e.g., whether the client intended the communication to be confidential.\textsuperscript{26} \textit{Knogo}'s analytical framework, and its broader view of the attorney-client privilege, soon overtook the narrow view of \textit{Jack Winter} and became the majority view on this issue.\textsuperscript{27}

\begin{itemize}
\item \textsuperscript{23} Id. at 940-41 (internal citations and quotations omitted).
\item \textsuperscript{24} Id. at 941.
\item \textsuperscript{25} Id. (citing Natta v. Hogan, 392 F.2d 686, 692 (10th Cir. 1968)).
\item \textsuperscript{26} See id. (citing United States v. United Shoe Mach. Corp., 89 F. Supp. 357, 358 (D. Mass. 1950)).
\end{itemize}

This Court is persuaded that \textit{Knogo}'s approach is the more appropriate one. Technical information communicated to a patent attorney does not seem to warrant different treatment than any information communicated to an attorney in the process of obtaining legal services. Accordingly, the attorney-client privilege may apply [in patent prosecution] just as it may apply to any communication between a client and his or her attorney.

\textit{Id.} (internal citation omitted).
The Federal Circuit’s decision in *In re Spalding Sports Worldwide, Inc.* cemented *Knogo*’s dominance.\(^{28}\) The narrow issue raised by *Spalding* was whether the attorney-client privilege may protect “invention records,” i.e. standard forms generally used by corporations as a means for inventors to provide basic information regarding their inventions to corporate patent attorneys.\(^{29}\) The Federal Circuit applied its own law\(^{30}\) to unambiguously hold that the invention record at issue was privileged because it was provided to an attorney “for the purpose of securing primarily legal opinion, or legal services, or assistance in a legal proceeding.”\(^{31}\) The Federal Circuit further adopted *Knogo*’s reasoning that the technical nature of the invention record did not render the document subject to disclosure because the document at least implicitly requested legal advice on patentability and legal services in connection with preparation of the patent application.\(^{32}\) Finally, the Federal Circuit referenced the “conduit theory” of the *Jack Winter* line of cases, stating that such decisions were not binding on the Federal Circuit, and concluded that “the better rule is the one articulated in the [Federal Circuit’s decision]” i.e. the rule stated in *Knogo*.\(^{33}\)

District courts have not limited application of *Spalding* to the narrow category of invention records specifically considered by the Federal Circuit. Instead, lower courts have consistently relied on *Spalding*’s favorable view of *Knogo* and its criticism of *Jack Winter* to hold that confidential communications made between the patent attorney and his or her client during prosecution, including those in

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\(^{28}\) *In re Spalding Sports Worldwide, Inc.*, 203 F.3d 800 (Fed. Cir. 2000) (also holding that the application of the attorney-client privilege to patent prosecution was an issue of substantive patent law that is governed by Federal Circuit law).

\(^{29}\) Id. at 802 n.2.

\(^{30}\) The Federal Circuit applies the law of the regional circuit in which the district court’s decision was issued on all non-patent issues, and its own precedent on issues of substantive patent law. *Id.* at 803. The Federal Circuit concluded that application of the attorney-client privilege to the invention record was unique to patent law, and, therefore, applied Federal Circuit law. *Id.* at 803-04.


\(^{32}\) *Id.* at 806. The Court further held that the *entire* document was privileged because its “overall tenor” was a request for legal advice and services and, further, that it was sufficient to establish the privilege that such request could be fairly implied from the document without an express request for legal assistance. *Id.*

\(^{33}\) *Id.* at 806 n.3.
which the client shares technical information, may be protected if they meet the privilege requirements imposed in other legal fields.\textsuperscript{34}

Significantly, the privilege as enunciated in \textit{Knogo} protects communications with patent agents who are not admitted as attorneys, so long as their activities are conducted under the supervision or at the direction of a licensed attorney.\textsuperscript{35} Courts, however, have not yet reached agreement regarding application of the privilege to patent agents who work independently without the supervision or direction

\textsuperscript{34} See Avago Techs. Gen. IP PTE Ltd. v. Elan Microelectronics Corp., No. C04-05383 SW, 2006 U.S. Dist. LEXIS 86292, at *3-4 (N.D. Cal. Nov. 13, 2006) (applying the attorney-client privilege to protect draft patent applications); MPT, Inc. v. Marathon Labels, Inc., No. 1:04 CV 2357, 2006 U.S. Dist. LEXIS 4998, at *15 (N.D. Ohio, Feb. 9, 2006) (applying the attorney-client privilege to protect documents exchanged between the patent prosecution attorney and client, including a search report generated during prosecution); SmithKline Beecham Corp. v. Apotex Corp., 232 F.R.D. 467, 480 (E.D. Pa. 2005) (after noting that the "application of the attorney-client privilege to patent practice has developed dramatically in the last half-century," the court concluded that "[w]here client and counsel share technical information, that communication is privileged as long as it was made for the purpose of securing legal advice or legal services, or conveying legal advice"); Universal City Dev. Ptnrs., Ltd. v. Ride & Show Eng'g, Inc., 230 F.R.D. 688, 696 (M.D. Fla. 2005) ("The analysis of the attorney-client privilege is no different in patent representation matters than in other types of representations"); In re Gabapentin Patent Litig., 214 F.R.D. 178, 182 (D. N.J. 2003) (holding that documents confidentially provided to the patent attorney by the client that "relate to the preparation and prosecution of the patent application . . . fall within the purview of the attorney client privilege as it is defined in \textit{Spalding}"); SmithKline Beecham Corp. v. Apotex Corp., No. 98 C 3952, 2000 U.S. Dist LEXIS 13607, *14-16 (N.D. Ill. Sept. 12, 2000) aff'd in part, rev'd in part 2006 U.S. Dist. LEXIS 13606 (N.D. Ill. 2000) (rejecting argument that \textit{Spalding} applied only to narrow category of documents known as "invention records"); Softview Computer Prods., Inc v. Haworth, Inc., U.S.P.Q.2d 1422 (S.D. N.Y. March 31, 2000) (concluding that "the fact that a communication between a lawyer and his or her client relates to patent prosecution and contains technical information does not make it ineligible for protection by the attorney-client privilege."). A small minority of courts read \textit{Spalding} narrowly and have declined to extend its holding beyond the specific category of documents known as invention records that were at issue before the Federal Circuit. See Fordham v. Onesoft Corp., No. Civ.A. 00-1078-A, 2000 WL 33341416, *2 (E.D. Va. Nov. 6, 2000).

\textsuperscript{35} See, e.g., \textit{Rivastigmine I}, 237 F.R.D. 69, 82 (S.D.N.Y. 2006); Gorman v. Polar Electro., Inc., 137 F. Supp.2d 223, 227 (E.D.N.Y. 2001); Occidental Chem. Corp. v. OHM Remediation Servs. Corp., 175 F.R.D. 431, 436 (W.D.N.Y. 1997) (noting that the attorney-client privilege has been extended to representatives of the attorney, including administrative practitioners such as patent agents employed by patent attorneys); Golden Trade v. Lee Apparel Co., 143 F.R.D. 514, 518-19 (S.D.N.Y. 1992) (concluding that if a patent agent is acting to assist an attorney in providing legal services, the client's communications with him should come within the privilege, and if the patent agent is not assisting an attorney, the privilege should not be invoked). \textit{See generally} United States v. United Shoe Mach. Corp., 89 F. Supp. 357, 358 (D. Mass. 1950) ("The privilege applies only if . . . the person to whom the communication was made [ ] is a member of a bar of a court, or his subordinate . . . ."); 3 JACK B. WEINSTEIN & MARGARET A. BERGER, WEINSTEIN'S FEDERAL EVIDENCE, §503.12[3][b] (Joseph M. McLaughlin ed., Matthew Bender 2d ed. 2006) (noting that the attorney-client privilege generally protects the communications to staff, consultants and agents of the attorney).
of a licensed attorney. Some district courts hold that, since registered patent agents are not attorneys, the attorney-client privilege should not be expanded to protect communications between them and their clients. Others apply the privilege equally to patent agents and patent attorneys in prosecution matters before the USPTO, whether or not the patent agent is working as a subordinate to an attorney.

These more liberal cases reason that:

Congress, in creating the Patent Office, has expressly permitted both patent attorneys and patent agents to practice before that office. The registered patent agent is required to have a full and working knowledge of the law of patents and is even regulated by the same standards, including the Code of Professional Responsibility, as are applied to attorneys in all courts. Thus, in appearance and fact, the registered patent agent stands on the same footing as an attorney in proceedings before the Patent Office. . . . As a result, in order not to frustrate this congressional scheme, the attorney-client privilege must be available to communications of registered patent agents.

This line of cases, however, strictly limits application of the privilege to proceedings before the USPTO, and stops short of creating any general privilege for agent-client communications on other matters.

Thus, it is now clear that clients may have candid communications with their U.S. patent attorneys, U.S. patent agents working under the direction of patent attorneys and, perhaps, U.S.

36. See, e.g., Gorman, 137 F. Supp.2d at 227 ("Whether [the attorney-client privilege] applies to a patent agent is not a straightforward issue and has been the subject of disagreement among various federal court[s].").


40. See, e.g., Mold Masters Ltd., 2001 U.S. Dist. LEXIS 17168, at *12-13 (applying the privilege to patent agents "within the narrow realm of patent proceedings before the [USPTO]").
patent agents working independently to prosecute patent applications in the USPTO and that such communications will be afforded the same privileges as communications with attorneys acting in other fields of representation.

III. APPLICATION OF THE ATTORNEY-CLIENT PRIVILEGE TO THE PROSECUTION OF FOREIGN PATENTS REMAINS HIGHLY CASE SPECIFIC

District Courts are often asked to weigh assertions of the attorney-client privilege as to confidential communications between clients and their foreign patent attorneys or agents that were made in the course of patent prosecution outside the United States. These issues arise, for example, in domestic patent litigation where the U.S. patent at issue has foreign counterparts. Typically, the party accused of patent infringement will seek discovery of (1) USPTO file history; (2) the file history of continuation, continuation-in-part, and divisional patents or patent applications; (3) related foreign patents and patent applications; and (4) documents and communications with the prosecuting attorneys and patent agents. Consequently, when the patent-in-suit has related foreign patents or patent applications, the court will likely need to analyze privilege issues related to both U.S. and foreign prosecution files.

A. Principles of Comity Generally Require Courts to Apply Foreign Law to Determine Whether Communications With Foreign Patent Agents and Attorneys Are Privileged

Despite the recent trend toward broader and more predictable application of the attorney-client privilege to domestic patent prosecution, difficulties remain in applying the privilege to the work of foreign patent attorneys and agents. This area of the law is particularly complex because principles of comity generally mandate the application of foreign privilege laws to patent prosecution taking place outside the United States. International comity is a centuries-old doctrine under which domestic tribunals decide cases "touching the


42. The Supreme Court referred to the doctrine of international comity as early as the Eighteenth Century. See Emory v. Grenough, 3 U.S. 369, 370, n. (b) (1797) (citing 2 V. HUBER, PRAELECTIONES JURIS ROMANI ET HODIEMI, bk. 1, tit. 3, pp. 26-31 (C. Thomas, L. Menke, & G. Gebauer eds. 1725)).
laws and interests of other sovereign states" with a "spirit of cooperation."43

"Comity," in the legal sense, is neither a matter of absolute obligation on the one hand, nor of mere courtesy and good will, upon the other. But it is the recognition which one nation allows within its territory to the legislative, executive, or judicial acts of another nation, having due regard both to international duty and convenience, and to the rights of its own citizens, or of other persons who are under the protection of its laws.44

Principles of comity direct courts to balance competing interests of the United States against those of foreign sovereigns in cases involving activities in a foreign nation or the interests of a foreign nation in having its laws apply.45

In determining whether U.S. or foreign law should govern the privilege status of a communication with a foreign patent attorney or patent agent, courts typically undertake a “traditional choice-of-law ‘contacts’ analysis."46 Generally, federal courts defer to the law of the country that has the “predominant” or “most direct and compelling interest” in whether the communications should remain confidential, unless the applicable foreign law is contrary to U.S. public policy.47 Thus, courts have concluded that “any communications touching base with the United States will be governed by the federal discovery rules [including the U.S. formulation of the attorney-client privilege,] while any communications related to matters solely involving [a foreign country] will be governed by the applicable foreign statute."48

47. Astra Aktiebolag v. Andrx Pharms., Inc., 208 F.R.D. 92, 98 (S.D.N.Y. 2002). See also Golden Trade, 143 F.R.D. at 521 (foreign law will be applied “unless that law is clearly inconsistent with important policies embodied in federal law.”).
Under these basic principles, the first step in analyzing claims of privilege relating to foreign patent prosecution has become straightforward in recent decisions. Communications between a foreign client and a foreign patent attorney or patent agent relating to the prosecution of a U.S. patent application are deemed to "touch base" with this country and are, therefore, governed by American privilege law.\(^4\) Conversely, the privilege laws of the nation in which the patent application was filed govern communications with foreign attorneys and patent agents relating to the prosecution of a foreign client's patent in foreign a country.\(^5\) Additional examples of communications between foreign clients and their foreign patent agents and attorneys that do not "touch base" with the U.S., and that are therefore governed by foreign privilege laws, include those regarding the formulation of licensing and enforcement policies for foreign patents, providing advice on the possible infringement of foreign patents, addressing matters of foreign patent law, rendering legal advice on the patent laws of a foreign jurisdiction and those communications that are produced by or on behalf of a foreign patent attorney or agent that relate solely to matters outside the United States.\(^5\)

Thus, there is little dispute among the district courts that privilege assertions relating to the prosecution of foreign patents must be reviewed under the laws of the appropriate foreign jurisdiction so long as the communications at issue do not "touch base" with the

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If a communication with a foreign patent agent involves a U.S. patent application, then U.S. privilege law applies.\ldots If a communication with a foreign patent agent involves a foreign patent application, then as a matter of comity, the law of that foreign country is considered regarding whether the law provides a privilege comparable to the attorney client privilege.

\(^5\) Odone v. Croda Int'l PLC, 950 F. Supp. 10, 13 (D.D.C. 1997) ("The common denominator of the cases in which federal courts afford comity to foreign statutes governing the privileges of patent agents is that the communications related solely to activities outside the United States."); Willemijn Houdstermaatschappij BV v. Apollo Computer Inc., 707 F. Supp. 1429, 1445-46 (D. Del. 1989). Similarly, courts may apply foreign privilege laws to communications that have no more than an incidental connection to the U.S. See VLT Corp., 194 F.R.D. at 16.
United States. Indeed, the decision to apply the privilege law of the foreign country has become so predictable that parties often simply agree that the law of the country in which the application was filed will govern.  

Although the Federal Circuit has not specifically ruled on this privilege issue, it would likely follow the majority rule established in the numerous district court cases cited above. First, the Federal Circuit generally defers to regional circuit law on issues of comity. Second, even if the Federal Circuit determined that the application of the attorney-client privilege was within its unique statutory authority and, therefore, that its own law governed the issue, it would likely apply the foreign privilege law as a matter of comity. Finally, the district court decisions on the application of comity to determine privilege issues related to foreign patent prosecution have reached such a level of uniformity that there would appear to be little basis or motivation for the Federal Circuit to chart a new course in this area.

B. Applying Foreign Privilege Laws Leads to Complex Analysis, Varying Results, and Expensive Discovery Disputes

A finding that an allegedly privileged communication does not "touch base" with the United States only begins the privilege inquiry because it requires the court to analyze the privilege as it exists under the law of the applicable country. Indeed, application of disparate foreign privilege laws in this second step of the analysis is what causes the analytical difficulties and unpredictability in this area.

The complexities of reviewing privilege issues under foreign laws are typified by those cases seeking production of documents relating to Japanese patent prosecution. In Japanese practice, legal professionals called benrishi act as patent agents or patent prosecution


attorneys do in the United States. Specifically, *benrishi* represent clients in prosecuting patents before the Japanese Patent Office, advise clients on contracts relating to intellectual property rights, and assist Japanese attorneys, who are called *bengoshi*, in representing clients in intellectual property litigation. Since 1998, American courts generally recognize that Japanese law accords protection similar to the attorney-client privilege that prevents the compelled disclosure of confidential *benrishi*-client communications and documents created by *benrishi*. Since allowing litigants to withhold discovery reflecting confidential *benrishi*-client communications does not offend, and is in fact consistent with, policy goals of American law to foster candid attorney-client communications, U.S. courts consistently respect this Japanese privilege and refuse to compel the production of such documents. Courts have similarly found that the laws of many countries including the Netherlands, Great Britain, and Germany recognize a privilege between patent agents and their clients and, consequently, have not permitted discovery that would invade the privilege. Significantly, these courts recognize the patent agent-client privilege under foreign law whether or not they would be willing to recognize a similar privilege under American law.

58. *Id.*
60. *See id.*
61. *Id.* at 18. *See also Eisai Ltd.*, 406 F. Supp. 2d at 342-43.
65. *See, e.g., SmithKline Beecham Corp.*, 2000 U.S. Dist. LEXIS 13607 at *9-10. Although communications with domestic patent agents are generally denied the protection of the attorney-client privilege, it would vitiate the principles of comity and predictability of the privilege to extend that denial blindly to foreign "patent agents" without reference to either the function they serve in their native system or the expectations created under their local law.

*Id.* (citation omitted).
The Southern District of New York undertook a detailed analysis of the privilege as it exists under Swiss law in *In re Rivastigmine Patent Litigation*, and concluded that communications between patent agents and their clients are not privileged under the applicable laws of Switzerland. The district court recognized that Swiss patent agents owe their clients an ethical duty of confidentiality and that the Swiss Federal Act provides that a judge "may exempt witnesses from the disclosure of [such] professional secrets... if 'their interest in confidentiality outweighs the interest in disclosure,'" and "insofar as another [Swiss] law does not require him to testify." The district court concluded, however, that the Swiss practitioner's professional secrecy obligation to the client, which could be abridged by a Swiss court when expedient, fell short of an absolute and inviolate privilege as recognized under American law. Moreover, the Basel-City Code of Civil Procedure, which did provide for a privilege against testifying (although not against document production) for attorneys within the jurisdiction, did not extend the privilege to patent agents. Consequently, the court refused to imply a privilege where none existed, and held that the communications with the Swiss patent agent at issue were not covered by an attorney-client privilege. Courts have similarly found there is no privilege protecting communications between patent agents and their clients in Canada and France.

IV. PATENTEES MAY TAKE STEPS TO BENEFIT FROM BROADER FOREIGN INTERPRETATIONS OF THE PRIVILEGE IN SOME CASES

Application of the attorney-client privilege to patent prosecution has significantly evolved as courts have recognized that patent attorneys do, in fact, practice law and that their client communications are worthy of the privilege protections afforded in most other legal endeavors. Recent decisions following *Knogo* and *Spalding* clearly

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67. *Id.* at *24.
68. *Id.* at *21-22.
69. *Id.* at *27.
70. *Id.* at *29-30.
establish that the privilege may be applied to protect the confidential attorney-client communications made in the furtherance of patent prosecution before the USPTO, thereby strengthening application of the privilege to domestic patent prosecution.\textsuperscript{73}

The relative predictability in applying the privilege to domestic patent prosecution has eluded courts analyzing application of the privilege to foreign prosecution files sought during U.S. patent litigation. Recent decisions discussed above establish that the privileges attaching to foreign prosecution matters relevant to U.S. litigation are to be governed in large part by the laws of the country where the prosecution took place. This approach forces courts to undertake complex analysis of unfamiliar statutes, create varying results depending on the laws of the applicable foreign country, and may result in the laws of several nations controlling privilege issues in a single domestic patent litigation.

Moreover, the party asserting the privilege bears the burden to establish the existence of the confidential relationship between the patentee and the foreign attorney or agent and that the privilege as construed in the country at issue protects the relevant communications.\textsuperscript{74} Thus, in cases involving communications with foreign attorneys or patent agents in multiple jurisdictions, litigants often have little choice but to submit extensive analysis of the privilege laws of each relevant jurisdiction as well as declarations from attorneys who practice in those countries.\textsuperscript{75} Needless to say, privilege disputes involving multiple foreign jurisdictions can be expensive and time-consuming exercises for the litigants as well as the court.

Despite the expense and complexity of applying foreign laws to these disputes, there is little basis for courts to extend the reach of U.S. privilege laws to extraterritorial patent prosecution in all instances. First, seeking to broadly apply U.S. law in order to make applying the privilege to foreign prosecution would, paradoxically, undermine the U.S. policy goal of creating predictability and certainty in the application of the attorney-client privilege. When attorneys or

\textsuperscript{73} Knogo Corp. v. United States, 213 U.S.P.Q. 936 (Ct. Cl. 1980); In re Spalding Sports Worldwide, Inc., 203 F.3d 800, 805 (Fed. Cir. 2000).

\textsuperscript{74} See Rivastigmine I, 237 F.R.D. 69, 74 (S.D.N.Y. 2006).

\textsuperscript{75} Id. (In addition to citing numerous court authorities, the party asserting the attorney-client privilege submitted declarations of attorneys from numerous countries, including Brazil, The Czech Republic, Greece, Hong Kong, Luxembourg, New Zealand, Pakistan, The Philippines, Romania, Slovakia, The Republic of Trinidad and Tobago, and the United Kingdom, to support its claims of privilege in those jurisdictions.)
patent agents represent clients in patent prosecution matters in their home countries, they naturally expect that communications with their clients will be protected, or not protected as the case may be, pursuant to the privilege laws of the countries in which they practice.\textsuperscript{76} They have no reasonable expectation that the privilege status of their communications will be subsequently reevaluated under the laws of the United States, or under the laws of any other country in which a related patent may ultimately be litigated. Therefore, any retroactive application of U.S. privilege law to foreign prosecution matters would undermine the original expectations of the client and the patent attorney or agent, as well as any certainty that existed under the national laws governing the original patent prosecution. Second, increasing the predictability of foreign privilege analysis in U.S. patent litigation by applying U.S. privilege law to communications between foreign patent agents and their foreign clients would violate the long-established principles of international comity. Clearly, in most cases, the sovereign state in which a patent office is located has the most "direct and compelling interest" in the privilege status of communications related to its local patent prosecution, and comity requires the application of the laws of that nation.\textsuperscript{77} Finally, the numerous, well-reasoned district court decisions that consistently apply the principles of comity to foreign patent prosecution along with the dearth of contrary authorities leave parties little basis to argue in favor of applying U.S. privilege laws to entirely foreign patent prosecutions.

Patentees may, however, find that the application of foreign privilege laws work to their benefit in some cases. As discussed above, many countries have attorney-client privileges that provide broader protection than the U.S. privilege. For example, jurisdictions including Japan, Great Britain and Germany maintain a privilege that generally protects confidential communications between a client and his or her patent agents, whether or not the agent is working under the control of a licensed attorney.\textsuperscript{78} Patentees seeking to cloak within the attorney-client privilege communications with patent agents in such countries may find that the resources spent to establish the scope of the privilege in these countries are a good investment that will allow them to protect communications with patent agents that would be

\textsuperscript{76} See, e.g., Astra Aktiebolag v. Andrx Pharms., Inc. 208 F.R.D. 92, 99 (S.D.N.Y. 2002).

\textsuperscript{77} Id. at 98.

\textsuperscript{78} See supra Section III.B.
subject to compelled disclosure under U.S. law. Ironically, the policy goal underlying the attorney-client privilege in the United States, namely to facilitate candid communications between clients and their legal advisors, may be better served in some instances by applying the laws of foreign jurisdictions instead of the laws of many U.S. courts that do not recognize a privilege between clients and patent agents in all instances.

V. CONCLUSION

The expansion of the attorney-client privilege in patent prosecution matters before the USPTO has been defined by three seminal cases. First, the Supreme Court recognized in Sperry that patent prosecution constitutes the practice of law. Second, the Court of Claims’ influential Knogo decision set forth a rigorous legal framework for applying the privilege to communications made in the course of U.S. patent prosecution. Third, the Federal Circuit approved of Knogo’s reasoning in Spalding. These cases and their progeny have led to a fair degree of predictability and certainty in the resolution of privilege disputes relating to the prosecution of U.S. patents.

As discussed above, the results are far less predictable when patentees assert the privilege to protect materials relating to foreign patent prosecution. Federal courts have been unable to articulate principles to govern application of the privilege in all such cases because international comity requires courts to apply the laws of the country in which a foreign patent application was filed to determine if the related communications are privileged. Consequently, resolution of privilege issues pertaining to foreign files will necessarily remain case-specific and dependent upon the varying privilege laws of foreign nations. U.S. litigators should recognize the likelihood that foreign privilege laws will arise in U.S. patent litigations whenever the patent-in-suit has related foreign patents or patent applications, identify any difficulties presented by the applicable foreign laws, and direct their litigation strategies accordingly.