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Patent agents call for client privilege

Claim lack of legislation hurts Canadian inventors and profession's reputation
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W hen clients consult patent agents such as Joan Van Zant about how to protect the rights to their latest inventions, the last thing they want is for her advice to end up in the hands of their competitors.

But that is a real danger because Canadian patent and trademark agents, unlike their colleagues in many other countries, have no law of privilege to protect the confidentiality of their communications with clients, according to Ms. Van Zant, a Toronto-based senior partner at the law firm Ogilvy Renault.

"Canadian business is disadvantaged. Most other countries offer privilege, but we don't have it," she says.

As past president of the Intellectual Property Institute of Canada (IPIC), a national voluntary association of intellectual property professionals, Ms. Van Zant has long been campaigning for new legislation that will provide better protection for her profession and its clients.

Like many other experts in her field, Ms. Van Zant is not a lawyer, although she practices within a law firm. The process involves advising clients on patent law, helping them determine whether they have invented something that can be patented, and filing an application that describes the product in legal and scientific terms. So long as this advice is not protected by privilege, she says, there is a danger that it could be subpoenaed by her clients' competitors in a legal dispute over patent rights.

Ms. Van Zant says Canadian patent holders are at risk because of the international nature of many intellectual property disputes. When inventors apply for patents, she says, they usually try to secure rights in many different countries in order to protect their interests around the world. Then, if a dispute subsequently arises, a competitor will likely search through records in

every jurisdiction looking for information that can be used in court, she adds.

Even if the agent's advice to her clients contains no damaging information, getting subpoenaed to appear for an examination for discovery in a U.S. court case involves a huge waste of time for the agent and cost to the client, Ms. Van Zant says.

A Canadian company represented by a Canadian agent can find itself at an unfair disadvantage in a patent dispute with a U.S. company whose agent is covered by privilege, says Ms. Van Zant, who notes Canadian patent agents are losing business to U.S. agents as a result of this.

In order to avoid these problems, Ms. Van Zant says she often works in a team with a lawyer so that the lawyer's client-attorney privilege will cover her advice, but this is often inconvenient and adds to clients' costs.

John Orange, a Toronto-based senior patent agent with the law firm McCarthy Tétrault LLP, says he often has to use "double speak" when giving advice to clients, couching his comments in an obfuscating manner that could not be used against his clients in court. For example, instead of telling a client that he does not believe a product is a patentable invention, he will tell them that an examiner in the patent office may consider that there is not any difference between their product and other inventions.

"The client is left wondering, 'What do I think? Why do we need to go through these little tricks and obfuscations?' " Mr. Orange says.

Mr. Orange, who is past president of an international association of intellectual property agents known under its French acronym FICPI (Fédération Internationale des Conseils en Propriété Industrielle), says the lack of privilege has damaged Canadian patent agents' international reputation. Patent agents from different countries often exchange information in complex international cases, but Canadian agents are sometimes excluded from these discussions, he says, because they do not have privilege and anything anyone says to them could end up in court. Mr. Orange says agents' advice is protected by privilege in Britain, Australia, New Zealand and to some extent in the United States, while plans are afoot for similar protection under proposed European Union legislation.

Ms. Van Zant says IPIC is hoping that the federal government will introduce legislation to grant privilege to patent and trademark agents. She says the matter is currently being considered by the Federation of Law Societies of Canada, whose position will likely be influential, because some lawyers maintain that privilege should not be extended beyond the legal profession.

Intellectual property law specialist Simon Chester, a partner at McMillan Binch LLP, says extending privilege to patent and trademark agents will be very complicated, because it will not only involve new federal legislation, but will also mean changing the laws of evidence in each provincial jurisdiction. And, he adds, the trend in legislation today is to make as much information available to courts as possible, unless there is a compelling reason for confidentiality.

"I wish them every success, but they've got an uphill fight," Mr. Chester says.

But Ms. Van Zant notes that there is an international movement toward uniform patent and trademark laws that include extending privilege to agent-client communications. "We keep hoping that the government will recognize this and appreciate that it is very important for Canada to move on this. We shouldn't always be out in left field."