

Questionnaire Q199

Remedies to protect the right of clients against forcible disclosure of their IP professional advice

National Group: Denmark

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1. Q.199 - Questionnaire

The Groups are asked to reply to the following questions in the context of what applies or what they may consider ought to apply in their own country or by agreement between their country and others, as may be appropriate to the particular question. The responses of each Group need to be endorsed by that Group. It will be helpful and appreciated if the Groups follow the order of the questions in their reports and use the questions and numbers for their responses.

Introductory note

In this questionnaire, "lawyer" denotes a Danish "advokat", i.e. a member of the Danish Bar and Law Society. To become a member of the Danish Bar and Law Society, one generally needs to hold a Danish LL.M. (master of laws), to have passed the Danish Bar and Law Society's theoretical as well as practical bar examinations and to have been authorised as lawyer trainee for 3 years.

Present position

Local position

- 1.1 What protection of clients against forcible disclosure of communications relating to IP professional advice applies in your country as to such communications between clients and IP professionals within your country? When was this protection introduced into your law?

Within the context of IP related court proceedings, forcible disclosure may follow from (i) witness testimony, (ii) civil search orders, (iii) civil discovery orders and (iv) criminal search orders.

The rules pertaining to (i) witness testimony and (iv) criminal search orders are old. The rules pertaining to (ii) civil search orders and (iii) civil discovery orders have been implemented recently as a consequence of the TRIPS agreement and the EU enforcement directive.

As regards (i) witness testimony, the general principle under Danish law, for anyone who is not a party to the proceedings at hand, is that unless explicitly exempted by law there exists an obligation to give testimony in court. (None of the parties involved in legal proceedings are required to give testimony in court.)

In criminal proceedings, a lawyer, including his assistants, may not against the wish of his client give testimony about what has come to his knowledge in the course of his work.

In civil proceedings, a lawyer, including his assistants, may as the general rule not against the wish of his client give testimony about what has come to his knowledge in the course of his work. However, to the extent the testimony does not directly relate to the lawyer's advice in court proceedings, the court may exempt from the general rule if the lawyer's or his assistants' testimony (a) is likely to be of decisive importance and that the importance of the case (b1) for the relevant party or (b2) for the society at large so justify.

The above privilege rules only apply to lawyers and their assistants.

Other IP professionals, such as patent attorneys, are generally not covered by the same privilege as lawyers, but have documentary privilege provided by the Danish Marketing Practices Act and also by the EPC. (Art. 134a and Rule 153 EPC) The general obligation to provide witness statements may be exempted by the court for any witness, including non-lawyer IP professionals, if the witness statement concerns information (i) which according to law is subject to secrecy, and (ii) where the maintenance of secrecy is of substantive importance. The Danish Marketing Practices act implies that IP professionals have an obligation to keep confidential their knowledge of their clients' business secrets. Also the Codes of Conduct of several professional member organisations for patent attorneys (e.g

EPI , (European Patent Institute) , FICPI (Fédération Internationale pour la Protection de la Propriété Industrielle) and the Association of Danish Patent Attorneys) contain Rules of obligation for its members to keep confidential their knowledge of their clients' business secrets . All IP professionals may therefore in principle be exempted from providing particular witness statements comprising their clients' business secrets to the extent the maintenance of secrecy is of substantive importance.

It is uncertain whether the lawyer's privilege extends beyond the lawyer's internal assistants, such as secretaries and legal trainees, so that the privilege also comprises external assistants, such as professional advisors, including IP professionals and in particular patent agents, e.g. European Patent Attorneys. The purpose of the privilege weights in favour of an interpretation under which external assistants are covered as far as their particular advice to a lawyer is concerned. However, the nature of the privilege being an exemption to a firm general rule weights in the opposite direction. In one particular case, an external accountant that had assisted a lawyer was held not to be covered by the lawyer's privilege. The résumé of the particular judgment is very short and may only reflect a special situation that does not that as a general rule external assistants are not covered.

As regards (ii) civil search orders, the search may generally cover all documents available at the searched address. However, a search order may generally not be directed against client related documents placed at the lawyer's or the lawyer's assistants' premises.

As regards (iii) civil discovery orders, the discovery order may cover all information in respect of which the person, against whom the order is directed, is obliged to give witness testimony in court. A civil discovery order directed against a lawyer can therefore generally not cover the client's correspondence with his lawyer or his lawyer's assistants.

As regards (iv) criminal search orders, the search may not comprise documents from the defendant's lawyer or the lawyer's assistants.

- 1.2 What protection of clients against forcible disclosure of communications relating to IP professional advice applies in your country as to such communications between clients and third parties (such as technical experts) where their advice is required to enable legal advice related to IP to be obtained and given?

When the external third party is a lawyer or can be considered as a lawyer's assistant the lawyer's privilege apply. Reference is made to paragraph 1.1 above for further details.

- 1.3 What protection of clients against forcible disclosure of communications relating to IP professional advice applies as to such communications between IP professionals and third

parties (such as technical experts) where their advice is required to enable IP legal advice to be obtained and given?

When the external IP professional is a lawyer or can be considered as a lawyer's assistant the lawyer's privilege apply. Reference is made to paragraph 1.1 above for further details.

Overseas communications

- 1.4 What protection of clients applies in your country against forcible disclosure of communications relating to IP professional advice where those communications are (a) between their local IP professionals in your country and overseas IP professionals, and (b) between clients and overseas IP professionals?

According to the wording of the Danish Administration of Justice Act, only Danish lawyers and their assistants are conferred with legal privilege. Reported Danish case law does not shed light on whether the legal privilege extends to foreign lawyers.

The possible limitation to Danish lawyers can be seen as balanced by the fact that only persons within Danish jurisdiction can be forced to appear as witnesses or can be subject to forcible discovery or civil or criminal search orders.

Scope of protection – qualifications of IP professional advisers

- 1.5 As to each of the following sub-paragraphs (i) to (iv) inclusive, to what category or categories (e.g.. lawyer, lawyer/patent attorney, non lawyer patent attorney, lawyer/trade marks attorney, non lawyer trade marks attorney etc) of IP professional adviser does the client protection described in your answer to previous questions denoted below, apply or not apply, including whether your answers apply only to external advisers, or also to in-house advisers?

- (i) as to 1.1. i.e the protection (if any) of clients against forcible disclosure of communications relating to IP professional advice which applies in your country as to such communications between clients and IP professionals within your country?

General privilege probably applies only to external lawyers and external lawyers' assistants, cf. paragraph 1.1 above. It is uncertain whether privilege apply to internal lawyers, cf. below.

Non-lawyer IP professionals can be conferred with legal privilege that covers clients' business secrets to the extent the maintenance of secrecy is of substantive importance.

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- (ii) as to 1.2 ie the protection (if any) of clients against forcible disclosure of communications relating to IP professional advice which applies in your country as to such communications between clients and third parties (such as technical experts) where their advice is required to enable legal advice related to IP to be obtained and given?

Non-lawyers, including technical experts, can be conferred with legal privilege that covers clients' business secrets to the extent the maintenance of secrecy is of substantive importance.

- (iii) as to 1.3 ie the protection (if any) of clients against forcible disclosure of communications relating to IP professional advice which applies as to such communications between IP professionals and third parties (such as technical experts) where their advice is required to enable IP legal advice to be obtained and given?

In respect of external lawyers, privilege may extend to such lawyers' external assistants, cf. paragraph 1.1 above. It is uncertain whether privilege apply to internal lawyers, cf. below.

Non-lawyers, including non-lawyer IP professionals and technical experts, can be conferred with legal privilege that covers clients' business secrets to the extent the maintenance of secrecy is of substantive importance.

- (iv) as to 1.4 ie the protection (if any) of clients which applies in your country against forcible disclosure of communications relating to IP professional advice as to those communications which are (a) between their local IP professionals in your country and overseas IP professionals, and (b) between the clients and overseas IP professionals?

(a) In respect of external lawyers, privilege may extend to lawyers' external assistants, including foreign assistants such as foreign IP professionals, cf. paragraph 1.1 above. It is uncertain whether privilege apply to internal lawyers, cf. below.

(b) As set out in paragraph 1.4 above, according to the wording of the Danish Administration of Justice Act, only Danish lawyers and their assistants are conferred with general legal privilege. No general privilege therefore exists in respect of overseas IP professionals.

Answer to all questions: The general privilege only applies to lawyers (i.e. "advokater", cf. above) and lawyers' assistants. It is unsettled whether privilege applies to all lawyers, or only to external lawyer. Lawyer's privilege does not extend to persons that are not members of the Danish Bar and Law Society, such as Danish trademark attorneys, Danish patent attorneys, European Patent Attorneys or foreign attorneys-at-law, but they can be conferred with legal privilege that covers clients' business secrets to the extent the maintenance of secrecy is of substantive importance.

Limitations and exceptions

- 1.6 What limitations (eg dominant purpose test, judges' discretion to do justice etc) and/or exceptions (eg crime/fraud etc) and/or waivers apply to the protection described in your answers to previous questions denoted below?
- (i) as to 1.1 i.e the protection (if any) of clients against forcible disclosure of communications relating to IP professional advice which applies in your country as to such communications between clients and IP professionals within your country?

As set out in paragraph 1.1 above, absolute protection exists in the following situations: (a) In criminal proceedings, the lawyer and his assistants may not against the wish of his client give testimony or provide documentary evidence about what has come to his knowledge in the course of his work. (b) In civil proceedings, the lawyer and his assistants may not against the wish of his client give testimony or provide documentary evidence about what has come to his knowledge regarding particular court proceedings in which he has advised. (c) In respect of criminal search orders against a client, the search may not comprise documents between the client and his lawyer or lawyer's assistants.

In civil proceedings, the lawyer and the lawyer's assistants may generally not against the wish of his client give testimony or provide documentary evidence about what has come to his knowledge in the course of his work. To the extent that the testimony or the documentary evidence does not directly relate to the lawyer's advice in court proceedings, the court may exempt from the general rule if the lawyer's or his assistants' testimony or documentary evidence (a) is likely to be of decisive importance and that the importance of the case (b1) for the relevant party or (b2) for the society at large so justify.

IP professionals that are not lawyers, such as Danish trademark attorneys, Danish patent attorneys and European Patent Attorneys, can be conferred with legal privilege that covers clients' business secrets to the extent the maintenance of secrecy is of substantive importance.

In respect of civil search orders and civil discovery orders, reference is made to the comments in paragraph 1.1 above.

- (ii) as to 1.2 ie the protection (if any) of clients against forcible disclosure of communications relating to IP professional advice which applies in your country as to such communications between clients and third parties (such as technical experts) where their advice is required to enable legal advice related to IP to be obtained and given?

Third parties, including technical experts, can be conferred with legal privilege that covers clients' business secrets to the extent the maintenance of secrecy is of substantive importance.

- (iii) as to 1.3 ie the protection (if any) of clients against forcible disclosure of communications relating to IP professional advice which applies as to such communications between IP professionals and third parties (such as technical experts) where their advice is required to enable IP legal advice to be obtained and given?

In respect of external lawyers, the rules may extend to lawyer's external assistants, cf. paragraph 1.1 above. If so, the principles set out above in (i) applies.

Non-lawyer IP professionals and third parties, including technical experts, can be conferred with legal privilege that covers clients' business secrets to the extent the maintenance of secrecy is of substantive importance.

- (iv) as to 1.4 ie the protection (if any) of clients which applies in your country against forcible disclosure of communications relating to IP professional advice where those communications are (a) between their local IP professionals in your country and overseas IP professionals, and (b) between the clients and overseas IP professionals?

(a) If external assistants are considered as "lawyer's assistants", cf. paragraph 1.1 above, the principles set out in (i) applies also to overseas IP professionals that are assisting the lawyer.

(b) It is undecided by reported Danish case-law whether legal privilege extends to foreign IP professionals. In the affirmative, the privilege will probably only extend to foreign attorneys-at-law, see also paragraph 1.4 above.

(a)+(b) Overseas IP professionals can be conferred with legal privilege that covers clients' business secrets to the extent the maintenance of secrecy is of substantive importance.

Quality of protection

Local communications

1.7 Does your Group consider that the protection described in answer to questions denoted below is of appropriate quality, or not, and if not, why not – including what are the problems in practice?

- (i) as to 1.1 ie the protection of clients against forcible disclosure of communications relating to IP professional advice which applies in your country as to such communications between clients and IP professionals within your country?

Any client would arguably prefer that privilege would extend to any person that could give unfavourable testimony against him or her. The Danish Administration of Justice Act generally aims at enabling the courts to establish the true facts and therefore, such extreme privilege is obviously not feasible. In fact, the limited but absolute privilege regarding lawyer's advice in court proceedings probably enhances the courts' ability to establish the true facts as defendants, in particular in criminal proceedings, need a trustful and open dialogue with a lawyer to make themselves heard during the proceedings. Indeed, the privilege is "client's privilege", not "lawyer's privilege".

In Denmark, "client's privilege" is in particular balanced by the ethical rules that any lawyer needs to abide to. The Danish Bar and Law Society actively monitors the lawyers' compliance and an independent Disciplinary Board, which is headed by a Supreme Court judge, handles complaints and is ultimately able to expel lawyers from the Danish Bar and Law Society.

As explained in paragraph 1.1 above, in Denmark, a relative privilege extends beyond the absolute privilege regarding lawyer's advice pertaining to court proceedings. This relative privilege covers everything that pertains to lawyer's professional work.

In order for lawyers to competently advise his client, lawyers in practice often need to liaise with external advisors. In respect of patent related matters it is to be noted that as Danish lawyers have no higher technical training, it is necessary for most clients to be co-assisted by a patent attorney in order to make themselves heard in legal proceedings. Similarly, clients' obtainment of advice in non-contentious patent related matters also often necessitates thorough co-operation between one or more lawyers and patent attorneys. For "client's privilege" to work, "client's privilege" should therefore extend to at least such external advisors that assist a lawyer in particular matters. Against this background, it is in the view of the Danish Group obvious that legal privilege, as discussed above, should extend to as least IP professionals, including in particular patent attorneys, that have been assisting a lawyer in the lawyer's work.

The Danish Group recognises that legal privilege should remain an exemption to the general rule that courts, in order to establish the true facts, should have access to all relevant information, and that the legal privilege pertaining to lawyers is balanced i.a. by strict ethical rules that are proactively enforced by the Danish Bar and Law Society. If privilege is to be extended to IP professionals that are not lawyers, such ethical rules and proactive enforcement need to follow. The Danish Group recognises in particular that clients in both contentious and non-contentious patent matters need access to obtain legal advice from patent attorneys. As such, the justification for providing lawyers with privilege also exists for patent attorneys, but probably not for other IP professionals who most often hold a full LL.M. and has therefore relatively free access to become lawyer. Against this background, the Danish Group would support that European Patent Attorneys are given access to join a body similar to The Danish Bar and Law Society and that EPAs and their assistants in turn are conferred with the same relative, but not absolute, privilege as Danish lawyers. In this respect it is noted that EPA's are subject to the Codes of conduct and Rules of discipline of the EPI and that breach of any of these are sanctionable ultimately by the Disciplinary Board of Appeals of the EPO

The Danish Group further supports that the scope of legal privilege is broadened in the context of Danish civil search orders and Danish civil discovery orders so that it is explicitly stressed that correspondence between the client and the client's lawyers is exempted from forcible disclosure.

- (ii) as to 1.2 ie the protection of clients against forcible disclosure of communications relating to IP professional advice which applies in your country as to such communications between clients and third parties (such as technical experts) where their advice is required to enable legal advice related to IP to be obtained and given?

In the view of the Danish Group, legal privilege should not be generally provided to all third parties that are assisting the clients, cf. (i) above.

- (iii) as to 1.3 ie the protection of clients against forcible disclosure of communications relating to IP professional advice which applies as to such communications between IP professionals and third parties (such as technical experts) where their advice is required to enable IP legal advice to be obtained and given?

In the view of the Danish Group, legal privilege should extend to the both internal and external assistants of professionals that are themselves covered by legal privilege.

Communications with overseas IP advisers

- 1.8 Does your Group consider that the protection described in answer to question 1.4 above is of appropriate quality or not, and if not, why not – what are the problems in practice?

In the view of the Danish Group, Danish law on privilege should entail that the legal principles could by analogy be applied to foreign individuals.

2. Remedies

The 'device' to be agreed and applied within and between countries

The Working Guidelines indicate that such a 'device' could be on a scale between unilateral changes and treaties. However, unilateral changes will not solve the problem that no country is immune from the potential that IP legal advice which is protected from disclosure within its own borders, will be required to be disclosed in another country or countries (see para 2.4 (viii)). The Groups are requested to focus on the standard or principle required to remedy problems nationally and internationally (see para 4.6).

Limitations

Tests such as the 'dominant purpose' test.

- 2.1 Does your Group agree that provision should be made in the agreed principle or standard that countries may limit the documents to which protection applies in their country to such standard or by such test as defines what relationship is required between the documents and the IP legal advice for which protection from disclosure is claimed?

No.

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- 2.2 As to your answer to 2.1 (bearing in mind that it would not be mandatory for any country to have such a limitation), why?

The general rules should be easy to apply. Absolute privilege should apply to any advice given in the context of court proceedings. The court should in other contexts but only in exceptional circumstances be competent to exempt from privilege.

Judicial discretion to deny protection

- 2.3 Does your Group agree (as para 2.7 of the Working Guidelines suggests) that provision should be made in the agreed principle or standard, that countries may allow judicial discretion to deny protection from disclosure where that is found on reasonable grounds to be required in order to enable the court to do justice between the parties?

Yes, see above paragraphs 1 and 2.2.

- 2.4 As to your answer to 2.3 (bearing in mind that it would not be mandatory for any country to have such a limitation), why?

See above paragraphs 1 and 2.2.

- 2.5 If your Group considers that the limitation in relation to judicial discretion would be acceptable if expressed differently from 2.3, how would you express it?

The Danish Group suggests that exemption should be possible if the privileged information is likely to be of decisive importance and that the importance of the case (b1) for the relevant party or (b2) for the society at large so justify.

Qualifications required of IP advisers

- 2.6 Does your Group agree (as para 4.14 of the Working Guidelines suggests) that the standard required by the principle agreed should be no more than requiring the IP adviser 'to be qualified to give the IP advice in relation to which the question arises, in the country in which the advice is given'?

The Danish Group does not agree. Only highly trained and educated IP advisors that are subject to strict and proactively enforced ethical rules should be covered, such as European Patent Attorneys.

- 2.7 If your answer to 2.6 is no, if your Group considers that the limitation would be acceptable if differently expressed, how would you express it?

See paragraph 2.6.

2.8 If for some category of IP adviser in your country, no qualification is required –

- (i) What category is that?
- (ii) Do you think that protection from forcible disclosure of IP professional advice should apply to communications relating to the advice between clients and persons in that category?
- (iii) As to your answer to sub-para (ii), why?

N/A

Scope of protection against forcible disclosure – the differences between lawyer-client privilege and litigation privilege

2.9 Does your Group agree in principle (para 4.25 of the Working Guidelines raises this question) that the standard or principle agreed should allow countries to limit the protection they provide according to categories of privilege which are currently part of their law?

Yes.

2.10 If no to 2.9 (bearing in mind that such a limitation would not import any effect on a country that does not already have such a limitation unless it voluntarily adopted such a limitation), why?

N/A

2.11 As to any country which applies a limitation referred to in para 2.9, do you agree that the agreed standard or principle should not deny such a country the right to vary or abolish such a limitation should it wish to do so in the future – in other words, there should be liberty to vary or abolish a presently applied limitation?

Yes.

2.12 If yes to 2.11, what limitation (if any) should apply to the liberty to vary or abolish a previously applied limitation and how would you express it?

None.

Exceptions and waivers

2.13 Does your Group agree in principle (para 4.30 of the Working Guidelines suggests this) that the standard or principle agreed should in any particular country be subject to any exception (such as the crime-fraud exception) and waivers which are already part of the law of that country.

Yes.

- 2.14 Assuming that the maintenance of exceptions and waivers already part of the law of any country is accepted in AIPPI, does your Group agree that the allowance of existing exceptions and waivers should not deny any country the right to vary or to abolish any such an exception or waiver should it wish to do so in the future, in other words, that there should be liberty to vary or abolish a presently applied exception or waiver?

Yes.

- 2.15 If yes to 2.14, what limitation (if any) should apply to the liberty to vary or abolish a previously applied exception or waiver and how would you express it, in particular should e.g. the limitation for the "3-point-exception" as discussed in para 4.28 above also set limits in this case?

None.

- 2.16 Since the introduction of protection against forcible disclosure of IP professional advice in your country, have you experienced any adverse effects including as reported in case law or known empirically, from that introduction - if so, what are the details?

No.

The AIPPI proposal compared with the alternative described in Section 5 above

- 2.17 Leaving aside the potential need to provide for limitations and exceptions in relation to the AIPPI proposal, and assuming there are no other proposals, from the Groups as an alternative to the AIPPI proposal, which of these two proposals (the AIPPI and the alternative in Section 5 above), does your Group prefer and if so why?

The Danish Group believes that the AIPPI proposal should to modified so as in particular (i) to distinguish between absolute "litigation privilege" and only relative "lawyer-client privilege", (ii) to encompass quasi IPR, such as trade secrets, under the defined term "intellectual property rights", and (iii) to limit privilege to particular highly trained and educated IP advisors that are subject to strict and proactively enforced ethical rules.

Proposals from your Group

- 2.18 Assuming that your Group would prefer a proposal different from those proposed by AIPPI or in Section 5, please describe the preferred proposal of your Group.

N/A

2.19 The Groups are invited to submit any further comments they might have with regard to the principles of remedies in the context of this Questionnaire, which have not been dealt with or mentioned specifically in the Questionnaire.

N/A

2.20 With the introduction of protection against forcible disclosure of IP professional advice or any other remedy as discussed above into your national law, do you expect any adverse effects on your national law, the patent system as such or any other? If so, what are the details?

No.
