

Questionnaire Q199

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

January 19, 2010

National Group: Philippine Group

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Date: May 21, 2010

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.

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?

Answer: For IP professional advice given by lawyers in the Philippines, the client has for his protection Canon 21 of the Code of Professional Responsibility and Canon No. 37 of the Canons of Professional Ethics.

For IP professional advice given by IP professionals who are not lawyers (such as patent agents or technical advisers or consultants), there are no specific ethical rules in effect. However, if the disclosure can be considered as maliciously made and/or contrary to the traditional or common perception of what is fair and just, it is possible for the client to obtain some relief by way of damages under Chapter 2, Human Relations, of the Civil Code of the Philippines.

For IP professionals who are not lawyers, it is therefore advisable for the client to require the IP professional to sign a contract containing a provision requiring non-disclosure of confidential information.

- 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?

Answer: The same answer to Question 1.1 (above) applies.

- 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?

Answer: The same answer to Question 1.1 (above) applies.

Overseas communications

- 1.4 What protection of clients applies in your country against forcible disclosure of communications applies to clients 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?

Answer: With respect to letter (a), local IP professionals in our country are bound by the same rules stated in 1.1. For overseas IP professionals, there may be a distinction between IP professionals who are lawyers and IP professionals who are non-lawyers. For IP professionals who are lawyers,

they are likely bound by the respective canons of legal ethics applicable in their countries. For IP professionals in other countries who are non-lawyers, we are not competent to answer. However, we advise that confidentiality clauses should be included in their employment contracts.

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 (eg 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. 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 IP professionals within your country?

Answer: Our answer is the same as our Answer to 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?

Answer: Our answer is the same as our Answer to 1.1 above where IP professionals who are non-lawyers are involved.

- (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?

Answer: Our answer is the same as our Answer to 1.5 (ii) above

- (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?

Answer: With respect to letter (a), local IP professionals in our country are bound by the same rules stated in 1.1. For overseas IP professionals, there may be a distinction between IP professionals who are lawyers and IP professionals who are non-lawyers. For IP professionals who are lawyers, they are likely bound by the respective canons of legal ethics applicable in their countries. For IP professionals in other countries who are non-lawyers, we are not competent to answer. However, we advise that confidentiality clauses should be included in their employment contracts.

As to (iv) (b.), our answer is the same as our answer to (iv) a. (above)

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 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 IP professionals within your country?

Answer: Generally, there are no limitations applicable to IP professional advice given by IP professionals who are lawyers. With respect to IP professionals who are not lawyers, since there is no professional code of ethics in effect in the Philippines with respect to them, the limitations stated may apply.

- (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?

Answer: Our answer is the same as our answer in 1.1 (above) where IP professionals who are non-lawyers are involved.

- (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?

Answer: Our answer is the same as our answer to 1.6 (i) (above).

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- (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?

Answer: With respect to (a), local IP professionals in our country are governed by the rules stated in our answer in 1.1 above. With respect to overseas IP professional, our answer is the same as in 1.5 (iv). For letter (b), our answer is the same as our answer to 1.6 (iv) a.

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?

Answer: With respect to IP professionals who are lawyers, we believe that the protection stated in 1.1 is adequate. With respect to IP professionals who are non-lawyers, it may be better if they have their own code of professional ethics.

- (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?

Answer: Our answer is the same as our answer to 1.7 (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?

Answer: Our answer is the same as our answer to 1.7 (i).

- (iv) as to 1.4 ie the protection applies in your country against forcible disclosure of communications applies to clients 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?

Answer: Since our local code of professional ethics and local standards are different from those applicable to overseas IP professionals, it will be better if there are uniform provisions governing both local and overseas IP professionals.

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?

Answer: The differences in rules applicable to local IP professionals vis a vis overseas IP professionals may give rise to conflicting interpretations and applications of the respective rules. It would appear that uniform rules should be put in place.

One problem that may arise is the traceability of improper disclosures of confidential information, that is, who made the improper disclosure. Another problem is with respect to jurisdictional issues, namely, venue as well as service of writs and other court processes.

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?

Answer: We agree that uniformity in standards is desirable.

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?

Answer: To avoid conflicts. The practical difficulties mentioned in our answer to Q. 2.8 may apply in this case.

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?

Answer: We agree.

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?

Answer: To avoid conflicts in the application of different standards. Furthermore, the purpose to attain the ends of justice is a worthy goal.

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?

Answer: The limitation as expressed in 2.3, is acceptable to us.

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'?

Answer: Yes

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?

Answer: N.A.

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

(i) What category is that?

Answer: This may apply to some persons who are not degree holders but who may have some knowledge or expertise in the specific field where the IP advice is given.

- (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?

Answer: Yes

- (iii) As to your answer to sub-para (ii), why?

Answer: Because the advice given is generally confidential in nature if given by an IP professional.

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?

Answer: 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?

Answer: 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?

Answer: 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?

Answer: Considering the speed of globalization, when cases involving clients and professionals in 2 or more countries increase rapidly, each country concerned should consider a change in its existing rules to achieve uniformity in rulings.

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.

Answer: 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?

Answer: 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?

Answer: The same as the limitation stated in our answer to 2.12.

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

- 2.16 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?

Answer: We prefer the AIPPI proposal. The terms are clear and well defined.

Proposals from your Group

- 2.17 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.

Answer: N.A.

- 2.18 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.

Note:

It will be helpful and appreciated if Groups follow the order of the questions in their Reports and use the questions and numbers for each answer.