

Questionnaire Q199

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

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National Group: Japan

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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.

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?

First of all, unlike in common law countries, there is no discovery in Japanese litigation proceeding; namely a party to litigation is never required to produce "all documents related to a certain subject matter." A Japanese court may order document production under the Civil Procedure Code, article 223 (1) and the Patent Law, article 105, which also applies mutatis mutandis to trademark and design patent under the Trademark Law, article 39 and the Design Patent Law, article 41, and the Copyright Law, Article 114-3, only when the court finds necessity to examine the document upon a party's motion, wherein the document to be produced and its holder are identified, and the fact to be proved by the document is described

(article 221 (1)). Therefore, in reality, it is extremely unlikely that Japanese court would order a party to produce documents reflecting confidential communications between him and a Japanese lawyer or patent attorney in patent litigation because it is extremely unlikely, if not impossible, that one could convince Japanese court that the documents are necessary to find a fact relevant to the patent dispute. In Japan, intent of an accused infringer generally would not change the extent of patent infringement or the extent of damages except it may affect finding of indirect infringement (the Patent Law, article 101 (ii) and (v)).

In addition, the Civil Procedure Code of Japan, amended effective January 1, 1998, expressly confirmed the existence of a litigation privilege with respect to confidential communications between a lawyer or a patent attorney and their clients. Under the Japanese Civil Procedural Code, such communications are shielded from disclosure or production in Japanese court proceeding. Paragraph 1 item (2) of Article 197 provides that “[w]here a witness who is or was a ... lawyer, patent attorney ... is questioned with regard to [a] fact which he has obtained knowledge in the exercise of his professional duties and he should keep secret,” that witness has a testimonial privilege. Article 220 (4)(c) of the Japanese Civil Procedure Code specifically exempts from production in court proceedings documents reflecting the communications between a lawyer or a patent attorney and their clients described in paragraph 1 item (2) of Article 197. Also, Article 220 (4)(c) protects “the holder” of documents relating to confidential communications between a lawyer or patent attorney and their clients, and does not state that it is limited to the situation where the holder is the lawyer or patent attorney or the client.

Also, in addition to the privilege mentioned above, if the document at issue is found to be a document only for the client’s own use, the Civil Procedure Code of Japan, Article 220(4)(d) confirms that the existence of a litigation privilege with regard to the document.

- 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?

As our answer to question 1.1, documents reflecting communications between a client and a third party in connection with the third party’s advice would not be a subject of forcible disclosure unless the court finds necessity to examine the document upon a party’s motion (the Japanese Civil Procedural Code, article 221 (1), article 223 (1) and the Patent Law, article 105, which also applies mutatis mutandis to trademark and design patent under the Trademark Law, article 39 and the Design Patent Law, article 41, and the Copyright Law, Article 114-3). Therefore, in reality, it is extremely unlikely that Japanese court would order a party to produce such documents in patent litigation because it is extremely unlikely, if not impossible, that one could convince Japanese court that the documents reflecting communication between a client and a third party relating to the third party’s advice enabling legal advice related to IP are necessary to find a fact relevant to the patent dispute.

In case of forcible disclosure, it might be difficult that the client is shielded from production of such documents reflecting communication between him and the third party only because the communication is required to enable legal advice related to IP obtained from a Japanese lawyer or patent attorney.

If, however, the documents reflecting communications between clients and third parties contain technological or professional secret, such communications are shielded from disclosure or production in Japanese court proceeding under the Japanese Civil Procedural Code as well. Paragraph 1 item (3) of Article 197 provides that “[w]here a witness is questioned with regard to the matters on technological or professional secret,” that witness has a testimonial privilege. Article 220 (4)(c) of the Japanese Civil Procedure Code specifically exempts from production in court proceedings documents reflecting the communications between clients and third parties relate to technological or professional secret described in paragraph 1 item (3) of Article 197. It is the same if the document at issue is found to be a document only for the client’s own use (Civil Procedure Code of Japan, Article 220(4)(d)).

- 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?

As our answer to question 1.1, from the beginning, documents reflecting communications between a Japanese lawyer or patent attorney and a third party in connection with the third party’s advice would not be a subject of forcible disclosure unless the court finds necessity to examine the document upon a party’s motion (the Japanese Civil Procedural Code, article 221 (1), article 223 (1) and the Patent Law, article 105, which also applies mutatis mutandis to trademark and design patent under the Trademark Law, article 39 and the Design Patent Law, article 41, and the Copyright Law, Article 114-3). Therefore, in reality, it is extremely unlikely that Japanese court would order a party to produce such documents in patent litigation because it is extremely unlikely, if not impossible, that one could convince Japanese court that the documents reflecting communication between a Japanese lawyer or patent attorney and a third party in connection with the third party’s advice enabling legal advice related to IP are necessary to find a fact relevant to the patent dispute.

In addition, since communications between a Japanese lawyer or patent attorney and a third party correspond to “[a] fact which he has obtained knowledge in the exercise of his professional duties and he should keep secret” provided in Paragraph 1 item (2) of Article 197, an holder of documents reflecting such communications is shielded from disclosure or production in a Japanese court proceeding under the Japanese Civil Procedure Code, Article 220 (4)(c), as answered to Question 1.1

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 ?

As our answer to question 1.1, from the beginning, documents reflecting either of (a) or (b) communications would not be a subject of forcible disclosure unless the court finds necessity to examine the document upon a party's motion (the Japanese Civil Procedural Code, article 221 (1), article 223 (1) and the Patent Law, article 105, which also applies mutatis mutandis to trademark and design patent under the Trademark Law, article 39 and the Design Patent Law, article 41, and the Copyright Law, Article 114-3 ; and in reality, it is extremely unlikely that Japanese court would order a party to produce such documents in patent litigation because it is extremely unlikely, if not impossible, that one could convince Japanese court that the documents are necessary to find a fact relevant to the patent dispute.

In addition, since communications (a) between a Japanese lawyer or patent attorney and an overseas IP professional correspond to “ [a] fact which he has obtained knowledge in the exercise of his professional duties and he should keep secret” provided in Paragraph 1 item (2) of Article 197, an holder of documents reflecting such communications is shielded from disclosure or production in a Japanese court proceeding under the Japanese Civil Procedure Code, Article 220 (4)(c), as answered to Question 1.1

However, with regard to (b), since overseas IP professionals are not listed in paragraph 1 item (2) of article 197, it is not clear whether or not this provision applies to the communication between clients and overseas IP professionals. If the documents reflecting communications between clients and overseas IP professionals contain technological or professional secret, such communications are shielded from disclosure or production in Japanese court proceeding under the Japanese Civil Procedural Code as well. Paragraph 1 item (3) of Article 197 provides that “[w]here a witness is questioned with regard to the matters on technological or professional secret,” that witness has a testimonial privilege. Article 220 (4)(c) of the Japanese Civil Procedure Code specifically exempts from production in court proceedings documents reflecting the communications between clients and third parties relate to technological or professional secret described in paragraph 1 item (3) of Article 197. It is the same if the document at issue is found to be a document only for the client's own use (Civil Procedure Code of Japan, Article 220(4)(d)).

At any rate, this would not be a problem since it is extremely unlikely that Japanese courts would order production of documents reflecting confidential communications between a client and an overseas IP professional as stated earlier.

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?

Our answers to questions 1.1 through 1.4 apply to registered Japanese lawyers and Japanese patent attorneys. In Japan, lawyers and patent attorneys may handle both patents and trademarks, and there is no such category as trademark attorneys.

- (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?
- (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?
- (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?
- (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?

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?

[Japanese Civil Procedure Code, Paragraph 2 of Article 197 provides “Paragraph 1 does not apply in case the witness is exempted from his obligation to keep secret.” Therefore, an holder of documents reflecting communication between a client and a lawyer or patent attorney is no longer shielded from forcible disclosure under the Article 220 \(4\)\(c\), after the Japanese lawyer or patent attorney is exempted from his obligation to keep the communication between him and his client .](#)
- (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?

[Same as the answer to \(i\).](#)

- (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?

Same as the answer to (i).

- (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?

With regard to (a), the answer is the same as the answer to (i).

With regard to (b), if there is such protection, the answer is the same as the answer to (i).

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?

Our Group considers that the protection described in answer to questions does not have a problem in Japanese court proceeding. As explained, courts' production order is limited to a case wherein examination of the document is necessary; and the documents described in questions would not be a subject of courts' production order in patent litigations.

- (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?
- (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?
- (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?

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?

Our Group considers that the protection described in answer to questions does not have a problem in Japanese court proceeding. As explained, courts' production order is limited to a case wherein examination of the document is necessary; and the documents described in questions would not be a subject of courts' production order in patent litigations.

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?

Yes, we do.

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?

Although the protection in Japanese court proceeding is of appropriate quality, there is always a risk that such appropriately protected documents may be required to be disclosed in another country or countries. It is also a problem that such risk is not predictable.

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?

Regardless of whether it is explicitly provided or not, we do not object such exception.

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?

As far as it is reasonable, we understand that there are occasions where courts have to give preference to something else over such protection.

- 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?

N/A

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'?

We believe that the standard required by the principle agreed should require the IP adviser not only to be qualified to give the IP advice in relation to which the question arises, in the country in which the advice is given and also to have a duty of confidentiality to clients subject to penalty prescribed by a professional moral code.

- 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?

N/A

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

- (i) What category is that?

An employee member of a legal division or an intellectual property division of a client company may give IP advice to other employee of the client company.

- (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?

We do not think that additional protection for such advice is necessary.

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

In Japanese IP litigations, it is very unlikely that a court orders the document reflecting IP professional advice is to be disclosed; and in addition, if the document reflecting such advice is found to be a document only for the client's own use, the Civil Procedure Code of Japan, Article 220(4)(d) confirms the existence of a litigation privilege with regard to the document.

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, we do.

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?

N/A

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?

N/A

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, we do.

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, we do.

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?

Our Group agrees to the “3-point-seception.”

- 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, we have not experienced any.

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?

Our Group prefers AIPPI proposal since it would reduce the uncertainty or unpredictability as to how documents reflecting communications relating to IP advisors are protected in other jurisdictions.

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 we do not.

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.