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Federal Circuit Patent Bulletin: *In re Queen's Univ. at Kingston*

March 7, 2016

"We therefore recognize a patent-agent privilege extending to communications with non-attorney patent agents when those agents are acting within the agent's authorized practice of law before the Patent Office."

On March 7, 2016, in *In re Queen's Univ. at Kingston*, the U.S. Court of Appeals for the Federal Circuit (Lourie, O'Malley,* Reyna) granted Queen's University's petition for a writ of mandamus, reversing and remanding the district court's order compelling the production of documents containing communications between Queen's University and its non-attorney patent agents in a case involving U.S. Patents No. 7,762,665, No. 8,096,660, and No. 8,322,856, which related to attentive user interfaces that allow devices to change their behavior based on the attentiveness of a user, such as pausing or starting a video based on a user's eye-contact with the device. The Federal Circuit stated:

In federal district courts, the scope of discovery is governed by Rule 26(b)(1) of the Federal Rules of Civil Procedure, which provides in relevant part: "Parties may obtain discovery regarding any nonprivileged matter that is relevant to any party's claim or defense and proportional to the needs of the case . . . . Information within this scope of discovery need not be admissible in evidence to be discoverable." Thus, while the scope of permissible discovery is broad, it only encompasses documents relating to "nonprivileged matter[s]." . . .

The most well-known and carefully guarded privilege is the attorney-client privilege. It is well established that an attorney-client privilege exists to "encourage full and frank communication" between counselor and client and "thereby promote broader public interests in the observance of law and administration of justice." It is also without question that the privilege attaches to a communication made "for the purpose of securing primarily legal opinion, or legal services, or assistance in a legal proceeding." It is true, moreover, that courts have consistently refused to recognize as privileged communications with other non-attorney client advocates, such as accountants. . . .

Samsung concedes that, where a patent agent communicates with counsel or receives communications between his client and counsel, the attorney-client privilege may protect those communications from discovery. It contends, however, that, where counsel is not involved in the communications—as Queen's University concedes is the case here—we should neither expand the scope of the attorney-client privilege nor recognize an independent patent-agent privilege to protect such communications from discovery. . . .

[P]atent agents are not simply engaging in law-like activity, they are engaging in the practice of law itself. To the extent, therefore, that the traditional attorney-client privilege is justified based on the need for candor between a client and his or her legal professional in relation to the prosecution of a patent, that justification would seem to apply with equal force to patent agents. . .

Samsung does not challenge the proposition that the prosecution of patents before the Patent Office constitutes the practice of law or that non-lawyer patent agents are allowed to engage in such practice under federal law. . . . To the extent Congress has authorized non-attorney patent agents to engage in the practice of law before the Patent Office, reason and experience compel us to recognize a patent-agent privilege that is coextensive with the rights granted to patent agents by Congress. A client has a reasonable expectation that all communications relating to "obtaining legal advice on patentability and legal services in preparing a patent application" will be kept privileged. Whether those communications are directed to an attorney or his or her legally equivalent patent agent should be of no moment. Indeed, if we hold otherwise, we frustrate the very purpose of Congress's design: namely, to afford clients the freedom to choose between an attorney and a patent agent for representation before the Patent Office. . . .

Notably, application of the rules of privilege to communications between non-attorney patent agents and their clients must be carefully construed. Because patent agents are not attorneys, they are not authorized by the bar of any state to practice law. As such, before asserting the patent-agent privilege, litigants must take care to distinguish communications that are within the scope of activities authorized by Congress from those that are not. The burden of determining which communications are privileged and which communications fall outside the scope of the privilege rests squarely on the party asserting the privilege. Regulations promulgated by the Office regarding the scope of a patent agent's ability to practice before the Office help to define the scope of the communications covered under the patent-agent privilege. In particular, 37 C.F.R. § 11.5(b)(1) provides: Practice before the Office in patent matters includes, but is not limited to, preparing and prosecuting any patent application, consulting with or giving advice to a client in contemplation of filing a patent application or other document with the Office, drafting the specification or claims of a patent application; drafting an amendment or reply to a communication from the Office that may require written argument to establish the patentability of a claimed invention; drafting a reply to a communication from the Office regarding a patent application; and drafting a communication for a public use, interference, reexamination proceeding, petition, appeal to or any other proceeding before the Patent Trial and Appeal Board, or other proceeding. Communications between non-attorney patent agents and their clients that are in furtherance of the performance of these tasks, or "which are reasonably necessary and incident to the preparation and prosecution of patent applications or other proceeding before the Office involving a patent application or patent in which the practitioner is authorized to participate" receive the benefit of the patent-agent privilege.

Communications that are not reasonably necessary and incident to the prosecution of patents before the Patent Office fall outside the scope of the patent-agent privilege. For instance, communications with a patent agent who is offering an opinion on the validity of another party's patent in contemplation of litigation or for the sale or purchase of a patent, or on infringement, are not "reasonably necessary and incident to the preparation and prosecution of patent applications or other proceeding before the Office." . . .

We therefore recognize a patent-agent privilege extending to communications with non-attorney patent agents when those agents are acting within the agent's authorized practice of law before the Patent Office. Thus, we grant Queen's University's petition for mandamus relief and order the district court to withdraw its blanket order compelling the production of documents containing communications between Queen's University and its non-attorney patent agents. On remand, the court shall assess whether any particular claim of privilege is justified in light of the privilege we recognize today.