Fed. Circ. Recognizes Non-Lawyer Patent Agent Privilege
By **Matthew Bultman**

Law360, New York (March 7, 2016, 6:17 PM ET) -- Communications between U.S. patent applicants and their non-attorney patent agents should be afforded some degree of privilege, a split Federal Circuit ruled Monday, in a case over smartphones that was closely watched by members of the patent bar.

In a 2-1 decision, the appeals court recognized for the first time a patent agent privilege, affording the same type of protections in attorney-client privilege to communications between registered patent agents and their clients.

Patent agents are not licensed attorneys, but they are certified to prepare and prosecute patent applications before the U.S. Patent and Trademark Office.

"We find that the unique roles of patent agents, the congressional recognition of their authority to act, the Supreme Court's characterization of their activities as the practice of law, and the current realities of patent litigation counsel in favor of recognizing an independent patent-agent privilege," Circuit Judge Kathleen McDonald O'Malley wrote on behalf of the majority panel.

The appeals court limited the scope of this privilege to exclude communications that are not "reasonably necessary and incident to the prosecution of patents before the Patent Office." It gave the example of a patent agent offering an opinion about the validity of someone else's patent as something that would not be protected.

The question of a patent agent privilege was one of first impression for the Federal Circuit. District courts have been split on the issue, though they have agreed that privilege comes into play when a patent agent is working under an attorney's supervision.

Monday's closely watched ruling comes in a case between Queen's University at Kingston, a research university in Ontario, Canada, and Samsung Electronics Co. Ltd.

Queen's University **sued Samsung** in the Eastern District of Texas in 2014, claiming Samsung's Galaxy S4 and Galaxy Note 3 smartphones infringe its patents for technology that allows humans to communicate with computers with their eyes. Samsung the year before had unveiled its SmartPause feature, which enabled users to pause a video simply by looking away from the screen.

During the course of discovery, Queen's University refused to hand over certain documents, including communications between university employees and registered patent agents talking about the prosecution of the disputed patents.

After Samsung protested, the district court ordered Queen's University to produce the communications, finding they were not protected by attorney-client privilege and that a separate patent agent privilege did not exist. The ruling was stayed until the Federal Circuit could hear the

university's mandamus petition.

The appellate court on Monday granted the petition and instructed the district court in Texas to withdraw its order. On remand, it told the lower court to "assess whether any particular claim of privilege is justified in light of the privilege we recognize today."

In its ruling, the majority referred to the U.S. Supreme Court's 1963 decision in Sperry v. Florida, where justices recognized that USPTO-registered patent agents were authorized by federal law to represent individuals regarding patent prosecution.

Years before that decision, Congress had endorsed a system in which patent applicants could choose between patent agents and patent attorneys when prosecuting patents at the USPTO, according to the opinion.

Judge O'Malley said an applicant has a reasonable expectation that all communications relating to "obtaining legal advice on patentability and legal services in preparing a patent application" will be privileged.

"Whether those communications are directed to an attorney or his or her legally equivalent patent agent should be of no moment," the judge wrote. "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."

In a dissenting opinion, Circuit Judge Jimmie V. Reyna expressed doubts about the need for a patent agent privilege. And even if there were a need, he said the Federal Circuit should defer to Congress to create it.

"None of the factors which courts consider in creating new privileges favor finding a new privilege here," the judge wrote. "I dissent, because in the absence of a showing that there is a real need for a new privilege to be created, the need to ascertain the truth should prevail."

Representatives for Queen's University and Samsung could not immediately be reached for comment.

Circuit Judge Alan D. Lourie joined Judges O'Malley and Reyna on the Federal Circuit panel.

Queen's University is represented by Ian B. Crosby, Rachel S. Black and Shawn Daniel Blackburn of Susman Godfrey LLP.

Samsung is represented by Matthew Wolf, John Nilsson and Jin-Suk Park of Arnold & Porter LLP.

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The case is In re: Queen's University at Kingston, et al., case number 2015-145, in the U.S. Court of Appeals for the Federal Circuit.