

CONSULTATION – DRAFT CODE OF CONDUCT – PATENT AGENTS AND TRADE-MARK AGENTS

COMMENT #1:

The present definition of client, as described in the draft Code of Conduct, is as follows. A “client”:

means any natural person or legal entity that takes advice or asks services of the agent or who seeks such services directly or indirectly on behalf of others;

This definition of “*client*” is overly broad.

Issues:

The definition of a “client” is critical because it establishes with whom the agent will develop additional duties (relating, namely, to conflicts of interest). In order to properly protect the public, such a definition needs to be broad enough to encompass clients who reasonably believe they are getting agent-related advice or services from the patent or trade-mark agent. On the other hand, the definition should not be overly broad, opening the door to abuse on behalf of the consulting person, such as a person who meets an agent purely for the goal of creating a conflict of interest situation with a third party. Therefore, a balance is to be sought.

The current definition of client, as defined in the draft Code, is problematic in the following ways:

- The phrase “*takes advice or asks services of the agent*” is too broad and should be limited to advice and services relating to the agent’s practice as a trade-mark or patent agent;
- The phrase “*who seeks such services directly or indirectly on behalf of others*” does not meet the above-described goals and requires rewording for the following reasons. First, it is overbroad to create a client-agent relationship purely based on the potential client’s act of *seeking* services, as seeking is a unilateral act carried out by the potential client. Instead, the creation of such a client-agent relationship should require an act from both parties: the client seeking the advice, but also the agent taking steps to let the client reasonably believe that such services will be provided. Second, it is unclear from the

definition why a person seeking services “*indirectly on behalf of others*” becomes the client (say an agent in an agent-principal relationship), but not the person for whom that person is seeking services for.

Recommendations:

The following guidelines are offered to adapt the current definition of “client” in the draft Code, these guidelines inspired from the definition of client found in the Federation of Law Societies of Canada’s *Model Code of Professional Conduct*:

- A client is to include a person who consults an agent and where the agent provides or agrees to provide intellectual property services; and
- A client should also include a person who has consulted an agent, where this person *reasonably* concludes that the agent has agreed to provide him or her with intellectual property services.

COMMENT #2:

Issue:

The draft Code of Conduct should further provide for limited circumstances where confidential information may be disclosed, but the amount of information disclosed in such a way ought to be strictly limited to what is necessary to meet the purposes of the disclosure.

Recommendations:

The following non-exhaustive list of circumstances should permit the disclosure of confidential information. These circumstances are inspired from the provisions of the Federation of Law Societies’ Model Code of Professional Conduct:

- Allowing the agent to disclose the necessary amount of confidential information required to defend against allegations of a criminal offence tied to a client’s affairs, professional negligence or acts of professional misconduct;
- Disclosure of only the strict amount of confidential information necessary to collect or assess an agent’s fees;

- Disclosure of the strict amount of confidential information necessary to resolve issues of conflicts of interest when an agent moves between firms, while not prejudicing the client-agent privilege (inspired from the solicitor-client privilege, as defined in the *Patent Act* and *Trade-Marks Act*).

COMMENT #3:

The following relates to paragraphs 8.2(3) and (5) regarding agents' communications.

Paragraphs 8.2(3) and (5) read as follows:

(3) Subject to Rule 8.2(4), if a person is represented by an agent in respect of a matter, another agent must not, except through or with the consent of the person's agent:

a) approach, communicate or deal with the person on the matter; or

b) attempt to negotiate or compromise the matter directly with the person.

(...)

(5) An agent retained to act on a matter involving a corporate or other organization represented by an agent must not approach an officer or employee of the organization:

a) who has the authority to bind the corporation;

b) who supervises, directs or regularly consults with the organization's agent; or

c) whose own interests are directly at stake in the representation, in respect of that matter, unless the agent representing the organization consents or the contact is otherwise authorized or required by law. For purposes of this rule, "other organizations" include partnerships, associations, unions, unincorporated groups, government departments and agencies, tribunals, regulatory bodies and sole proprietorships.

Issue:

This suggestion addresses the following concern:

As this provision is currently drafted, in the case where a first party is in a litigious intellectual property matter and represented by a lawyer but not an agent, the agent of the opposing party would not be prohibited from contacting the first party directly, as this party is not at this time represented by an agent (but by a lawyer). However, the purpose of this provision remains the same, regardless of if the first party is represented by an agent or by a lawyer at the time of the dispute. This purpose is to prevent a professional, with a particular knowledge in the field, from

contacting directly and influencing the opposing party without the party benefitting from the presence and guidance of his own counsel or agent. Therefore, amendments to this article are necessary to reach these goals.

Recommendations:

Accordingly, paragraphs 8.2 (3) and (5) may be amended as follows:

*(3) Subject to Rule 8.2(4), if a person is represented by an agent **or a lawyer** in respect of an **intellectual property** matter, another agent must not, except through or with the consent of the person's agent **or lawyer**: (...)*

*(5) An agent retained to act on an **intellectual property** matter involving a corporate or other organization represented by an agent **or a lawyer** must not approach an officer or employee of the organization: (...)*

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