

AIPPI Special

Protection of trade secrets in patent infringement proceedings before national courts and the Unified Patent Court

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EXTRACT FROM THE REGISTER

OF PROTECTED DESIGNATION OF ORIGIN AND PROTECTED GEOGRAPHICAL INDICATIONS
ESTABLISHED BY ARTICLE 11 OF REGULATION (EU) NO 1151/2012

1. Name: Dresdner Christstollen / Dresdner Stollen /
Dresdner Weihnachtsstollen
2. Class: Class 2.3. Bread, pastry, cakes, confectionery,
biscuits and other baker's wares



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Adopted Resolution
13 September 2022



Resolution

2022 – Study Question – General

Protection of trade secrets during civil proceedings

Resolution
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Protection of trade secrets during civil proceedings

AIPPI Resolves that:

1. There is **interest in improving current law and practice** relating to the protection of trade secrets during civil proceedings and development of best practices in order to enable and promote the fair protection of trade secrets, while seeking to reduce costs and increase efficiency.
2. While most countries have rules for managing access to trade secrets during litigation, the rules are limited and not consistent across all jurisdictions with respect to controlling access to trade secrets and while there should be flexibility for case-by-case determinations, additional specificity is desirable.

Minimum level harmonization of trade secret protection in civil proceedings

3. Trade secrets should be protected at every stage of civil proceedings. Measures that are appropriate to maintain and protect the secret nature should be available prior to, during and after the proceedings.
4. Since the very definition of a trade secret, as well as the principle of open justice, procedural rules in civil proceedings and notably the rules of evidence, differ between jurisdictions, harmonization should concern the principles of available protection and, where practicable, the particular concrete measures suitable to ensure said protection. Specifically, courts should have the authority to apply appropriate protection measures depending on the facts and circumstances of each proceeding.

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Balancing trade secret protection and due process in civil proceedings

5. The protection of the parties' trade secrets in civil proceedings must be balanced with safeguarding the right of all parties to fairly prepare their case, including the right to know the case made against them (**"the Fair Balance"**). The Fair Balance should also, in turn, be balanced with the principle of open justice which seeks to ensure that court proceedings are conducted in a transparent and fair manner.
6. Provided that the Fair Balance is reached, and depending on a number of factors, courts should have the **possibility to restrict access to the trade secret to a limited number of individuals**, especially if the parties agree, for example to:
 - a. a limited number of identified relevant in-house individuals from a given party to the civil proceedings, expert(s) and outside counsels; or
 - b. expert(s) and outside counsels only; or
 - c. outside counsels only.
7. Such factors to be considered by the courts should include without limitation: ...
8. At least during the proceedings, any party should be entitled to challenge whether or not information alleged to be a trade secret is eligible for protection.

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Protection of trade secrets at various stages of civil proceedings, including disclosure actions

9. Trade secrets should be protected at every stage of civil proceedings and in the corresponding materials, including at least:
 - a. pre-action processes;
 - b. complaints/pleadings/writ of summons initiating a proceeding;
 - c. any other pleadings or submissions filed in the context of a proceeding;
 - d. production of documents during a disclosure phase or court-ordered production of evidence;
 - e. evidence seizure;
 - f. prepared-for-litigation technical description/declaration or any other exhibits;
 - g. witness statements made outside the hearings (e.g. deposition);
 - h. oral hearings;
 - i. hearing transcripts;
 - j. court decisions;
 - k. public and/or third party access to court documents.

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10. Measures applied by a court to protect trade secrets during each stage of a proceeding should ensure that trade secrets that are obtained from any party during the proceeding are **protected from future misuse**, whether that may occur during or after the proceeding.

11. The **onus is on the parties to inform the court** what information they believe to be a trade secret and, where there is a dispute as to whether certain information is a trade secret, a mechanism should be agreed by the parties and/or set by the court to resolve that dispute. Such a mechanism should include timing requirements for requesting the resolution and resolving the dispute. Pending the resolution of the dispute, the information should continue to be protected as a trade secret.

12. During disclosure actions and/or other evidence collection procedures, protections should be put in place to limit the unnecessary production of trade secrets in order to reduce the risk of unnecessary disclosure to those involved in the proceeding and to the public. Such protection should include without limitation the following:
- a. where a court bailiff or other court-authorized person is conducting a seizure of evidence, such seizure should be conducted under a confidentiality regime that protects the information seized as a trade secret until the parties can make representations as to the status of the information seized and any dispute resolved under an appropriate mechanism. This may include the presence of a lawyer for the party subject to the seizure order who, at or following the seizure, can identify and designate the information which has been seized as a trade secret;
 - b. the hearing of a person testifying on the substance of a trade secret should be conducted in a private/closed hearing with restrictions on who can attend that hearing, as far as it deals with the substance of a trade secret;
 - c. effective protective measures prohibiting the unauthorized use of a disclosed trade secret.
 - d. the possibility of a party producing a document to redact certain sections, at least with regards to trade secrets that are unrelated to the dispute.

13. A trade secret that is disclosed during a proceeding without being under a confidentiality order **may retain its secret character**, provided that a party makes a respective request to the court, depending on the circumstances of the disclosure including without limitation:
- a. the person who disclosed the trade secret;
 - b. the method/manner of disclosure;
 - c. whether the trade secret was disclosed intentionally;
 - d. the number and role/function of individuals who had access to the trade secret and the nature of the entity to which those individuals belong;
 - e. whether the recipients of the trade secret were subsequently subject to a protective or other court order; and
 - f. the time frame over which the trade secret was available.

Requirement to redact trade secrets in court documents

14. Details of trade secrets should be redacted in hearing transcripts, audio, visual, or av recordings, court decisions or any other materials before disclosure to the public. The public should be excluded from hearings or parts thereof in so far as they are expected to deal with the substance of trade secrets.

Preserving trade secrets after the conclusion of court proceedings by the Court

15. Trade secrets should be preserved as such by the Court after a proceeding has concluded.

Protecting trade secrets obtained in civil proceedings in other jurisdictions

16. Decisions ordering protective measures for a trade secret obtained in civil proceedings before one court should be considered by courts involved in civil proceedings between the same parties involving the same trade secret in other jurisdictions.
17. It should be considered further whether] decisions ordering protective measures for a trade secret obtained in civil proceedings in a jurisdiction are also given temporary effect by courts involved in civil proceedings between the same parties involving the same trade secret in other jurisdictions until those courts have determined the appropriateness of the protective measures.
18. Without prejudice to other courts' evidence gathering powers, a party bound by a court order prohibiting disclosure of information which they obtained in civil proceedings in one jurisdiction should not be able to use or disclose that information in other court proceedings or in other jurisdictions without obtaining the consent of the trade secret holder or obtaining an order from the original court permitting such use or disclosure.

AGREEMENT
ON A UNIFIED PATENT COURT

ARTICLE 45

Public proceedings

The proceedings shall be open to the public unless the Court decides to make them confidential, to the extent necessary, in the interest of one of the parties or other affected persons, or in the general interest of justice or public order.

AGREEMENT
ON A UNIFIED PATENT COURT

ARTICLE 55

Reversal of burden of proof

(1) Without prejudice to Article 24(2) and (3), if the subject-matter of a patent is a process for obtaining a new product, the identical product when produced without the consent of the patent proprietor shall, in the absence of proof to the contrary, be deemed to have been obtained by the patented process.

(2) The principle set out in paragraph 1 shall also apply where there is a substantial likelihood that the identical product was made by the patented process and the patent proprietor has been unable, despite reasonable efforts, to determine the process actually used for such identical product.

(3) In the adduction of proof to the contrary, the legitimate interests of the defendant in protecting its manufacturing and trade secrets shall be taken into account.

AGREEMENT ON A UNIFIED PATENT COURT

ARTICLE 58

Protection of confidential information

To protect the trade secrets, personal data or other confidential information of a party to the proceedings or of a third party, or to prevent an abuse of evidence, the Court may order that the collection and use of evidence in proceedings before it be restricted or prohibited or that access to such evidence be restricted to specific persons.

AGREEMENT
ON A UNIFIED PATENT COURT

ARTICLE 59

Order to produce evidence

(1) At the request of a party which has presented reasonably available evidence sufficient to support its claims and has, in substantiating those claims, specified evidence which lies in the control of the opposing party or a third party, the Court may order the opposing party or a third party to present such evidence, subject to the protection of confidential information. Such order shall not result in an obligation of self-incrimination.

(2) At the request of a party the Court may order, under the same conditions as specified in paragraph 1, the communication of banking, financial or commercial documents under the control of the opposing party, subject to the protection of confidential information.

AGREEMENT
ON A UNIFIED PATENT COURT

ARTICLE 60

Order to preserve evidence and to inspect premises

(1) At the request of the applicant which has presented reasonably available evidence to support the claim that the patent has been infringed or is about to be infringed the Court may, even before the commencement of proceedings on the merits of the case, order prompt and effective provisional measures to preserve relevant evidence in respect of the alleged infringement, subject to the protection of confidential information.

(2) ...

AGREEMENT
ON A UNIFIED PATENT COURT

RULES OF PROCEDURE

Rule 262 – Public access to the register

1. Without prejudice to Articles 58 and 60(1) of the Agreement and subject to Rules 190.1, 194.5, 196.1, 197.4, 199.1, 207.7, 209.4, 315.2 and 365.2, and following, where applicable, redaction of personal data within the meaning of Regulation (EU) 2016/679 and confidential information according to paragraph 2
 - (a) decisions and orders by the Court shall be published
 - (b) written pleadings ... shall be available to the public ...
2. A party may request that certain information of written pleadings or evidence be kept confidential and provide specific reasons for such confidentiality. To this end content of the register is made publicly available according to paragraph 1 (b) ...
3. ...

AGREEMENT
ON A UNIFIED PATENT COURT

RULES OF PROCEDURE

Rule 262A – Protection of Confidential Information

1. Without prejudice to Article 60(1) of the Agreement and Rules 190.1, 194.5, 196.1, 197.4, 199.1, 207.7, 209.4, 315.2 and 365.2, a party may make an Application to the Court for an order that certain information contained in its pleadings or the collection and use of evidence in proceedings may be restricted or prohibited or that access to such information or evidence be restricted to specific persons.
2. ...
5. The Court may allow the Application considering in particular whether the grounds relied upon by the applicant for the order significantly outweigh the interest of the other party to have full access to the information and evidence in question.
6./.

AGREEMENT
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RULES OF PROCEDURE

Rule 262A – Protection of Confidential Information

5. ...
6. The number of persons referred to in paragraph 1 shall be no greater than necessary in order to ensure compliance with the right of the parties to the legal proceedings to an effective remedy and to a fair trial, and shall include, at least, one natural person from each party and the respective lawyers or other representatives of those parties to the legal proceedings.
7. ...