

16 March 2018

By email to: enforcement@ipo.gov.uk

Response to the Technical Consultation on Draft Regulations Concerning Trade Secrets

This is a response by the Chartered Institute of Patent Attorneys (CIPA) to the Consultation on draft regulations concerning trade secrets. CIPA is the representative body for Chartered Patent Attorneys in the UK. Most CIPA Fellows (around 2240 members of CIPA) are Registered Patent Attorneys regulated by the Intellectual Property Regulation Board (IPReg), a national Regulatory Authority established under the Legal Services Act 2007. The majority of Chartered Patent Attorneys are also European Patent Attorneys, representing clients before the European Patent Office (EPO).

General Comments

CIPA is pleased that a technical consultation has been issued on the implementation of Directive (EU) 2016/943, specifically on the Regulations which will transpose the Directive into UK law. We fully support the intention of the Directive, which is to provide minimum standards for measures and procedures that trade secret holders should be able to rely on in the event of unlawful acquisition, use or disclosure of their trade secrets. We welcome the fact the Directive will significantly improve the protection for trade secrets in some EU jurisdictions. However, it is important to bear in mind that the Directive is not intended to reduce the protection for trade secrets in those member states, such as the UK, that already provide protection above the minimum standards.

CIPA believes that the UK needs to do very little to implement the Directive and that doing more carries a significant risk of inadvertently reducing the protection for trade secrets in the UK.

CIPA notes that there are questions regarding the clarity of the laws of the different jurisdictions within the UK. The approach taken appears to be to import the wording of the Directive unless there is clarity that the current law meets all the requirements. We submit that this approach carries a significant risk of writing in clear restrictions, as opposed to giving judges discretion to provide protection above the minimum standard. We prefer that no change should be made unless there is clear non-compliance, and that judicial discretion to provide protection and remedies above the minimum standard should be preserved.

In fact, we believe that the only area where action arguably ought to be taken is in relation to procedures for preserving the confidentiality of trade secrets during court proceedings. The directive requires that where access to documents or hearings is restricted to a number of persons, at least one individual from each party should be granted access in addition to their lawyers and other representatives. This is actually a less restricted list than currently provided in the UK, so CIPA would like to see it as an option for the Court to consider as an alternative to the traditional "lawyers eyes only" arrangements. Moreover, we believe that this matter would be best handled in the rules of procedure for the relevant courts.

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Responses to consultation questions

Our answers to the specific questions raised in the consultation are:-

- Q1. No. The Directive sets minimum standards. For example, the Directive refers to TRIPS for the definition of a Trade Secret. The UK already complies with TRIPS, so there is no need to provide specific definitions in UK law in order to implement the Directive.
- Q2. We do not see why Section 36 of the Limitation Act 1980 and Section 6 of the Prescription and Limitation (Scotland) Act 1973 should not continue to apply. The proposal Regulations are overly complex and thus possibly restrictive.
- Q3. As stated above, we would like retain the ability of the court to restrict access to lawyers and other representatives only, which provides a higher level of protection than the Directive. In general we believe these matters would be better handled by the Rules of Procedure for the courts.
- Q4. No, see our general comments above.
- Q5. No, see our general comments above.
- Q6. No, see our general comments above.
- Q7. No, see our general comments above.
- Q8. No, see our general comments above.
- Q9. No, see our general comments above.
- Q10. No, see our general comments above.
- Q11. As stated in our general comments, we would prefer a tighter built approach. CIPA believes it is important to preserve judicial discretion to provide protection for trade secrets above the minimum standards specified in the Directive.
- Q12. CIPA welcomes the comprehensive analysis provided in the Consultation.

Thank you for providing CIPA with the opportunity to comment on the draft regulations concerning trade secrets. Should you have any questions or if you require amplification of any aspect of this response, please do not hesitate to contact me.


Chief Executive