ETHICS AND PRIVILEGE IN THE DIGITAL AGE*

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I. INTRODUCTION

Never before have lawyers and their clients had more ways to communicate with each other. Faxes, emails, cordless phones, cellular phones, SMS messaging, text messaging, instant messaging, Internet cafés, wireless Internet access for laptops and wireless handhelds are just some of the new technologies that have facilitated communications. New technologies also have facilitated the gathering of information; there are now far more sources of information readily available to lawyers for use in connection with trademark searching, trademark investigations and trademark surveys. As useful as these improvements are, it is important to recognize that they can have dramatic implications for, and raise ethical issues related to, the core privileges on which attorneys regularly rely: the attorney-client privilege and the work product doctrine.

It is, therefore, an appropriate time to reexamine these privileges as they pertain to trademark practice in the United States. This article begins with a brief overview of these doctrines and their underlying policy rationales, and explores how attorneys can (and when they must) protect the confidentiality of their communications with their clients and with other parties who play significant roles in trademark practice, including support staff.

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investigators, trademark search firms, public relations firms, advertising agencies, expert witnesses and other counsel involved in a joint defense. The article ends with a discussion of the implications of new technologies on the application of the privileges and the preservation of confidentiality of communications in the digital age.

II. OVERVIEW OF THE ATTORNEY-CLIENT PRIVILEGE AND WORK PRODUCT DOCTRINE

A. Attorney-Client Privilege

The attorney-client privilege is designed “to encourage full and frank communication between attorneys and their clients,” and “recognizes that sound legal advice or advocacy serves public ends and that such advice or advocacy depends upon the lawyer being fully informed by the client.”\(^1\) The privilege forbids an attorney from disclosing confidential information that a client passes to her in the course of professional employment.\(^2\) Despite its name (and contrary to popular belief), the privilege does not protect all attorney-client communications; it applies only to matters communicated \textit{in confidence} for the purpose of obtaining \textit{legal advice from the lawyer}.\(^3\) The justification for these limitations is that the privilege should extend only to communications that “would not have been made without the existence of the privilege.”\(^4\)

In certain circumstances, the privilege also protects communications from the lawyer to the client, especially where the attorney’s advice back to the client reveals details of the client’s earlier confidential communication. Although some circuits consider almost all of an attorney’s communications to a client to be privileged,\(^5\) other circuits construe the privilege more strictly, and protect an attorney communication only if it contains client confidences that form the basis of the advice.\(^6\) The privilege may be

6. E.g., United States v. Neal, 27 F.3d 1035, 1048 (5th Cir. 1994) (privilege “shields communications from the lawyer to the client only to the extent that these are based on, or may disclose, confidential information provided by the client or contain advice or opinions of the attorney”) (citation omitted); Boca Investerings P’ship v. United States, 31 F. Supp. 2d 9
waived only by the client, including through voluntary disclosure, consent to disclosure, or where the client does not continue to treat the information as confidential.\footnote{Maloney v. Sisters of Charity Hosp. of Buffalo, N.Y., 165 F.R.D. 26, 29 (W.D.N.Y. 1995) ("the privilege belongs to the client, and cannot be waived by the attorney without the client's consent"); In re Sealed Case, 877 F.2d 976, 980 (D.C. Cir. 1989); see also Karen L. Valihura and Robert J. Valihura, Attorney Client Privilege and Work Product Doctrine: Corporate Applications, A-33 (BNA 2000).}

Rule 501 of the Federal Rules of Evidence requires federal courts to apply the "federal common law" of privilege.\footnote{Fed. R. Evid. 501.} In Upjohn Co. v. United States,\footnote{449 U.S. 383, 396-97 (1981).} the Supreme Court interpreted Rule 501 to allow courts to decide privilege issues on a case-by-case basis. Although each state has its own privilege rules and state courts are not required to follow Upjohn or the federal common law, about eighty percent of the states have evidence codes modeled after the Federal Rules of Evidence, and all recognize some form of the attorney-client privilege.\footnote{Edward J. Imwinkelried, The New Wigmore: A Treatise on Evidence, at Appendix D (Aspen Law & Business 2002) (listing state privilege statutes).}

**B. Work Product Doctrine**

The work product doctrine is distinct from, and broader than, the attorney-client privilege. It enables attorneys to prepare their cases without fear that their work product will be used against their clients. However, work product is not absolutely privileged, which is why some courts describe it as an assertion of "qualified immunity" rather than a privilege.\footnote{See, e.g., United States v. Adlman, 134 F.3d 1194, 1202 (2d Cir. 1998); In re Perrigo Co., 128 F.3d 430, 437 (6th Cir. 1997).} For cases pending in federal courts, the work product doctrine is expressly applicable through Rule 26(b)(3) of the Federal Rules of Civil Procedure:

A party may obtain discovery of documents and tangible things prepared in anticipation of litigation or for trial by or for another party's representative only upon a showing that the party seeking discovery has substantial need of the materials in the preparation of the party's case and that the party is unable without undue hardship to obtain the substantial equivalent of the materials by other means. In ordering

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(D.D.C. 1998) ("The attorney-client privilege is construed narrowly to protect from disclosure only those communications from the client to the attorney which were intended to be confidential and made for the purpose of seeking legal advice"); Bank Brussels Lambert v. Credit Lyonnais (Suisse) S.A., 160 F.R.D. 437, 441-42 (S.D.N.Y. 1995) ("It is now well established that the privilege attaches . . . to advice rendered by the attorney to the client, at least to the extent that such advice may reflect confidential information conveyed by the client.").
\end{quote}

\footnote{7. Maloney v. Sisters of Charity Hosp. of Buffalo, N.Y., 165 F.R.D. 26, 29 (W.D.N.Y. 1995) ("the privilege belongs to the client, and cannot be waived by the attorney without the client's consent"); In re Sealed Case, 877 F.2d 976, 980 (D.C. Cir. 1989); see also Karen L. Valihura and Robert J. Valihura, Attorney Client Privilege and Work Product Doctrine: Corporate Applications, A-33 (BNA 2000).}

\footnote{8. 449 U.S. 383, 396-97 (1981).}


\footnote{10. See, e.g., United States v. Adlman, 134 F.3d 1194, 1202 (2d Cir. 1998); In re Perrigo Co., 128 F.3d 430, 437 (6th Cir. 1997).}
discovery of such materials when the required showing has been made, the court shall protect against disclosure of the mental impressions, conclusions, opinions, or legal theories of an attorney or other representative of a party concerning the litigation.12

Most states have adopted Rule 26(b)(3) and made it part of their trial procedures, though some states have created their own formulations of the doctrine.13

As Rule 26(b)(3) suggests, there are two types of work product. Factual work product, also called “ordinary” work product, includes witness statements, factual eyewitness information, investigative reports, photographs and memos. Opinion work product, described in the last sentence of the rule, extends to the mental impressions and legal conclusions of the lawyer. Whereas discovery of factual work product may be ordered upon a showing of substantial need and undue hardship, opinion work product enjoys heightened protection and is discoverable only upon a showing of extraordinary need.14

Materials do not have to be prepared primarily or exclusively because of litigation to be considered work product, nor must the litigation be pending. Documents intended to inform a business decision that may be influenced by the prospect of litigation are eligible for work product protection so long as the documents were prepared because of existing, imminent or expected litigation.15

Also, the material need not be prepared by a lawyer to receive protection. Material prepared by others under the direct control and supervision of an attorney are protected as well, provided they reflect the mental impressions of the attorney or the attorney’s agent.16 If, though, materials are developed without an attorney’s

13. E.g., N.Y. C.P.L.R. § 3101(c), (d) (work product of attorney is not obtainable in discovery; other work product can be discovered only upon a showing of injustice or undue hardship); Cal. Code Civ. Proc. § 2018 (limiting work product privilege to attorneys; ordinary work product can be disclosed to avoid unfair prejudice). See generally John William Gergacz, Attorney-Corporate Client Privilege at 7-7 n.17 (Garland Law Publishing, 2d ed. 1990).
15. United States v. Adlman, 134 F. 3d 1194, 1200-02 (2d Cir. 1998) (citing 3d, 4th, 7th, 8th, and D.C. Circuits); see also S.D. Warren Co. v. E. Elec. Corp., 201 F.R.D. 280, 283 (D. Me. 2001) (“whether the privilege applies depends on a fact specific inquiry into whether a given item of discovery was produced in anticipation of litigation”). But see Benton v. Brookfield Properties Corp., 02 Civ. 6862, 2003 WL 21749602, at *2-3 (S.D.N.Y. July 29, 2003) (no work product protection for email prepared by insurance company prior to its decision to defend its insured).
16. United States v. Nobles, 422 U.S. 225, 239 (1975) (investigation report prepared for attorney in anticipation of litigation held to be protected work product); In re Grand Jury Proceedings, 601 F.2d 162, 171 (5th Cir. 1979) (financial analyses prepared by accountant
direction or supervision, the materials might be viewed as having been prepared in the ordinary course of business, in which case they will not be eligible for protection under Rule 26(b)(3). Although the doctrine typically protects tangible items such as notes, memoranda, transcripts, reports and charts, it also may be used to limit the scope of deposition or interrogatory questions if the questions seek attorney opinion work product and the information concerns trial preparation or mental impressions instead of facts about the lawsuit. In most cases the protections afforded to tangible and intangible materials are the same.

### III. ETHICS, PRIVILEGE AND THE AGENTS OF ATTORNEYS

Attorneys employ many different types of agents to assist them in their work, both inside the firm (e.g., support staff and paralegals) and outside the firm (e.g., translators, investigators, and experts). For the agent to be treated like the attorney for privilege purposes, the agent must “habitually report to and [be] under the personal supervision of the attorney through whom the privilege passes.” To preserve the privilege, it is best for the attorney to hire the agent directly, although some courts have upheld assertions of privilege in cases where the agent was employed by the client if the agent was significantly involved in the matter that is the subject of legal services and if the agent’s services are necessary for effective representation. In addition, other ethical issues can be implicated by the use of agents—especially investigators.

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18. Courts look to Hickman v. Taylor, 329 U.S. 495, 510 (1947) for guidance on the application of the doctrine in these contexts. See, e.g., Shelton v. American Motors Corp., 805 F.2d 1323, 1328-29 (8th Cir. 1986) (counsel’s acknowledgement as to whether client possessed certain documents protected against deposition by work product doctrine because it would reflect counsel’s judgment); Ford v. Phillips Elec. Instruments Co., 82 F.R.D. 359, 360 (E.D. Pa. 1979) (deposition questions attempting to elicit questions plaintiff’s counsel had posed to deponent infringed on plaintiff’s counsel’s evaluation of case); Besley-Welles Corp. v. Balax, Inc., 43 F.R.D. 368, 370-71 (E.D. Wis. 1968) (interrogatory asking for information about efforts to locate witnesses went to attorney’s preparation of case for trial and is qualifiedly immune from discovery).

19. See Shelton, 805 F.2d at 1329.


The extension of the work product doctrine to attorneys’ agents derives from Federal Rule of Civil Procedure 26(b)(3), which makes clear that the doctrine protects materials prepared “by or for another party or by or for that other party’s representative (including the other party’s attorney, consultant, surety, indemnitor, insurer, or agent).” The Supreme Court has confirmed that, because “attorneys often must rely on the assistance of investigators and other agents in the compilation of materials in preparation for trial,” it is appropriate “that the doctrine protect material prepared by agents for the attorney as well as those prepared by the attorney himself.”

The attorney-client privilege similarly attaches to communications with an attorney’s agent if the communications are in furtherance of the purposes underlying the privilege—i.e., that it is made in confidence for the purpose of obtaining legal advice from the lawyer. The privilege can attach to communications with the agent directly, even if the attorney is not a party to the communication, and to communications with the agent and attorney together. However, communications with agents that are unrelated to the seeking of legal advice are not protected by attorney-client privilege.

A. Office Support Staff

It would be difficult for any attorney to address his client’s needs effectively without competent support personnel to handle the innumerable details of legal practice. The proliferation of administrative tasks in trademark practice, ranging from gathering information on other marks, to preparing and filing applications, to monitoring potential infringing uses in the marketplace and on the Internet, to filing documents in court, all require the assistance of non-lawyers to navigate the clerical morass. Courts recognize that the attorney-client privilege extends

23. United States v. Schwimmer, 892 F.2d 237, 244 (2d Cir. 1989); United States v. Kovel, 296 F.2d 918, 920-22 (2d Cir. 1961).
24. H.W. Carter & Sons, Inc. v. William Carter Co., No. 95 Civ. 1274, 1995 WL 301351, at *3 (S.D.N.Y. May 16, 1995) (presence of a public relations consultant did not destroy privilege); see also In re Avantel, No. 03-50474, 2003 WL 21921109, at *6 & n.11 (5th Cir. Aug. 12, 2003) (copying email to attorney does not automatically render email privileged, nor does failure to address email directly to attorney preclude a finding of privilege; court must instead consider whether the subject matter of the email shows that it was a communication seeking legal advice).
25. See John Doe Corp. v. United States, 675 F.2d 482, 488 (2d Cir. 1982) (communications between general counsel and accountant were not privileged where the communications were initiated by accountant to “resolve audit issues” and not to seek legal advice).
to employees who assist attorneys with such ministerial tasks. An attorney's agents, for purposes of the privilege, can include law students, legal assistants, paralegals, librarians, docket clerks, secretaries, stenographers and office clerks, among others, so long as these personnel are acting under the attorney's authorization and authority, even if indirectly, and assisting the attorney in her performance of legal services. The privilege does not, however, extend to all persons providing independent advice or assistance outside of an attorney's supervision.

B. Translators, Interpreters and Technical Experts

In a classic display of the principle of agency, communications are protected when the third party is serving as a translator or interpreter for the client's attorney. The same reasoning applies to agents who “translate” technical language to facilitate communications between attorneys and company representatives. Similarly, when confronted with a client's labyrinthine financial records, the lawyer may need an accountant's explanation of those records just as much as he would a foreign language translation.

26. See United States ex rel. Edney v. Smith, 425 F. Supp. 1038, 1041 (E.D.N.Y. 1976), aff'd, 556 F.2d. 556 (2d Cir. 1977) (“Given the complexities of modern existence few, if any, lawyers could as a practical matter represent the interests of their clients without the assistance of a variety of trained legal associates not yet admitted to the bar, clerks, typists, messengers, and similar aides.”); see also Chamberlin v. 101 Realty, Inc., 626 F. Supp. 865, 871 (D.N.H. 1985) (“[T]he attorney-client privilege is broad enough to include communications between the attorney and his secretary, particularly where the communication concerns a client's business.”).

27. Burlington Indus. v. Exxon Corp., 65 F.R.D. 26, 38-39 (D. Md. 1974) (documents prepared at the direction of control group of a corporation to aid counsel in rendering legal assistance to corporation, at the express or implied request of counsel, which are primarily legal in nature, fall within privilege).

28. HPD Labs. Inc. v. Clorox Co., 202 F.R.D. 410, 416-17 (D.N.J. 2001) (communications between client and paralegal are not privileged where paralegal independently dispensed legal advice without attorney supervision or guidance); Dabney v. Invest. Corp. of Am., 82 F.R.D. 464, 465 (E.D. Pa. 1979) (testimony of law student employed by corporation not protected by attorney-client privilege where corporation failed to assert that student was acting under control or supervision of general counsel).


30. Oxyn Telecommunications, Inc. v. Onse Telecom, No. 01 Civ. 1012, 2003 WL 660848, at *3 (S.D.N.Y. Feb. 27, 2003) (attorney-client privilege is not destroyed by presence of third parties at meeting between company representatives and their attorney where third party's function was to facilitate the understanding of technical language relating to telecommunications industry and foreign legal system). See generally, Section V.B. infra, on consulting experts.

31. United States v. Kovel, 296 F.2d 918, 921-22 (2d Cir. 1961) (“Accounting concepts are a foreign language to some lawyers in almost all cases, and to almost all lawyers in some cases. Hence the presence of an accountant, whether hired by the lawyer or by the client, while the client is relating a complicated tax story to the lawyer, ought not destroy
C. Trademark Search Firms

Attorneys frequently consult with trademark search firms to learn if a particular mark is registered, subject to a pending application or used as a common-law trademark, and to gather information about the owner of potentially conflicting marks and the type and extent of the use. The factual question of whether a search was conducted in advance of the adoption of a mark is generally not privileged because it is a question directed to an act or omission bearing upon intent, rather than to a communication. Also not privileged are the contents of the search reports commissioned in connection with trademark clearance. These reports do not reflect attorney-client communications or work product created in anticipation of litigation, but rather contain information relevant to the business decision of adoption of a mark. Advice of counsel based on the search report, however, is protected by the attorney-client privilege, unless otherwise waived.

Although this issue does not appear to have been addressed in any reported decisions, trademark search reports should, in principle, be protected by work product if counsel commissions them in anticipation of or in connection with litigation (e.g., to determine the extent of third party use of a mark). In this context, the search firm should be treated as an agent acting under the supervision of an attorney and assisting in the provision of legal services, rendering these communications between the attorney and the search firm, and the search report itself, privileged.

D. Investigators

Investigators play a number of important roles in trademark practice, from compiling dossiers on witnesses, to researching the extent to which a trademark is in use, to purchasing trademarks or domain names for an undisclosed principal. In some of these roles the investigator acts as an agent of the attorney; in others, the investigator is collecting information and is therefore a fact witness. The extent to which an investigator's communications with third parties and with the attorney are privileged, and the ethical issues implicated by attorneys' use of investigators, depends upon the role the investigator plays.
A client’s statements to a private investigator hired by the client’s attorney are protected by the attorney-client privilege when the investigator acts as an agent of the attorney. For example, in the trademark context, an investigator’s interview of a client about the client’s use of a trademark can be protected as work product.\(^{34}\) Similarly privileged (as work product) are an investigator’s interviews to gather background information for the attorney.\(^{35}\)

If, however, the investigator is going to be a fact witness concerning the information she has gathered, then all aspects of the investigator’s fact gathering are open to discovery, including statements by third parties to the investigator and the underlying factual data gathered by the investigator. Any work product privilege that might have protected that information is waived by virtue of the decision to testify.\(^{36}\)

1. Ethical Issues Involved in Using Investigators

Trademark clearance and litigation often require an investigation of the manner in which an opposing party uses a particular mark. Because ethical rules prohibit the attorney from contacting an opposing party represented by counsel,\(^{37}\) attorneys are appropriately reluctant to conduct this investigation themselves. Delegation of the investigation to a partner, associate, paralegal, secretary or assistant in the attorney’s office does little to solve the ethical problem, however, since the attorney might then simply be “causing another” within his office to engage in a prohibited communication.\(^{38}\) Moreover, even if that communication is ethically conducted, the witness to the communication will then be a partner or employee of the attorney whose testimony as a material witness in the case may subject the attorney and the

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\(^{34}\) See Clark v. Munster, 115 F.R.D. 609, 613 (N.D. Ind. 1987); see also Bearden v. Boone, 693 S.W.2d 25 (Tex. App. 1985) (communications by private investigator to attorney or to client protected by attorney-client privilege).

\(^{35}\) Clark, 115 F.R.D. at 614.

\(^{36}\) See Brown v. Trigg, 791 F.2d 598, 601 (7th Cir. 1986); United States v. Nobles, 422 U.S. 225 (1975) (by electing to present the investigator as witness, the defendant waived his privilege as to information collected by the investigator and his attorney).

\(^{37}\) See, e.g., ABA Model Code of Professional Responsibility DR 7-104 (“During the course of his representation of a client a lawyer shall not . . . communicate or cause another to communicate with a party he knows to be represented by a lawyer in that matter unless he has the prior consent of the lawyer representing such other party or is authorized by law to do so”) and Rule 4.2 of the ABA Model Rules of Professional Responsibility (“In representing a client, a lawyer shall not communicate about the subject of the representation with a person the lawyer knows to be represented by another lawyer in the matter, unless the lawyer has the consent of the other lawyer or is authorized by law to do so.”).

\(^{38}\) See ABA Model Code DR 4-101 and ABA Model Rule 5.3.
attorney’s firm to disqualification. For these reasons, attorneys frequently use private investigators to assist in gathering the information they need to prosecute their cases.

Of course, delegating fact-gathering tasks to an independent investigator does not insulate the lawyer from ethical responsibilities. The ABA Model Rules of Professional Conduct, adopted in large measure by the states, specify that “a lawyer having direct supervisory authority over [an investigator or other non-lawyer retained by the lawyer] must make reasonable efforts to ensure that the [non-lawyer’s] conduct is compatible with the professional obligations of the lawyer.” The same rule holds the lawyer accountable if she orders, ratifies or fails to avoid or mitigate unethical conduct by an investigator.

2. Cases Applying Ethical Rules to Investigators’ Conduct

Four cases decided in the last five years have examined the ethical issues implicated when a lawyer hires an investigator to pose as a potential customer to learn about how an opposing party is using a particular mark or to purchase rights in a mark. In two of those cases, the courts held the investigator’s conduct was permissible fact-gathering under the ethical rules. In the third case, the court found an ethical violation and excluded from evidence at trial the audiotaped recordings made by the investigator and any testimony based on his investigation. In a fourth, unpublished opinion, a district court held that an investigator who posed as a third party purchaser of a trademark committed fraud in the inducement by concealing his principal and lying about his purpose in acquiring the mark. As a result, the court rescinded the resulting trademark purchase agreement.

39. See ABA Model Code DR 5-102 (requiring an attorney to withdraw as counsel if it becomes apparent that he will be called as a witness).
40. See Midwest Motor Sports, Inc. v. Arctic Cat Sales, Inc., 144 F. Supp. 2d 1147, 1157 (D.S.D. 2001) (“ethical considerations are as applicable to representatives of lawyers as to lawyers themselves”).
41. The ABA Model Rules are model rules of ethics, but these are subject to interpretation by the various state ethics and judicial authorities. To date, more than two-thirds of the states have adopted some variation of the ABA Model Rules. See Model Rules of Professional Responsibility Preface, available at http://www.abanet.org/cpr/mrpc/preface.html.
42. ABA Model Rule 5.3.
43. Id.
court also compelled production of communications between the investigator and defendant’s counsel regarding the purchase scheme, concluding that any attorney-client or work product claims had been waived because the communications fell within the crime-fraud exception. In view of the seriousness of the ethical issues involved, these cases merit brief review.

Apple Corps Ltd. v. Int’l Collectors Society involved Beatles memorabilia. Plaintiffs had exclusive trademark and copyright rights in the names and likenesses of the Beatles and John Lennon. Defendants distributed and sold collectors’ stamps bearing celebrities’ likenesses, including those of the Beatles and Lennon. The parties entered into a consent order enjoining defendants’ further sale of Beatles and Lennon stamps except to members of the Beatles/John Lennon Club. Plaintiffs’ lawyers themselves called and purchased stamps without proof that they were members of the club. Thereafter, they hired investigators to pose as non-members of the club who also sought, successfully, to order stamps. Defendants challenged this evidence as prohibited ex parte contact with a represented party under New Jersey ethical rules. The court held that plaintiffs’ investigation to discover violations of the consent order was permissible, granted plaintiffs’ motion for contempt, and denied defendants’ motion for sanctions.

Defendants asserted that the challenged conduct violated three ethical rules: (1) the rule restricting attorneys from communicating with “represented parties,” (2) the rule regarding an attorney’s dealings with an unrepresented party, and (3) the rule forbidding attorneys from engaging in deceitful conduct. Judge Joseph Greenaway rejected each of these challenges. First, because plaintiffs’ representatives did not contact members of the defendants’ “litigation control group,” as defined under New Jersey law, but rather only low-level telephone sales employees, and

48. New Jersey Rule of Professional Conduct 4.2 (“In representing a client, a lawyer shall not communicate about the subject of the representation with a person the lawyer knows or by the exercise of reasonable diligence should know to be represented by another lawyer in the matter including members of an organization’s litigation control group . . . unless the lawyer has the consent of the other lawyer, or is authorized by law to do so . . . ”).
49. Id. Rule 4.3 (“In dealing on behalf of a client with a person who is not represented by counsel, a lawyer shall not state or imply that the lawyer is disinterested. When the lawyer knows or reasonably should know that the unrepresented person misunderstands the lawyer’s role in the matter, the lawyer shall make reasonable efforts to correct the misunderstanding. . . . ”).
50. Id. Rule 8.4(c) (prohibiting an attorney from engaging in conduct involving “dishonesty, fraud, deceit or misrepresentation”).
because they merely asked about the availability of stamps, no ethical problem regarding “represented parties” was present. Second, the court narrowly read the prohibition on contact with “unrepresented parties” as applying only to lawyers “acting in their capacity as lawyers,” which was not the case here. Finally, as to the seemingly irrefutable claim that plaintiffs’ use of investigators and lawyers to pose as consumers was “deceit and misrepresentation,” the court engaged in a bit of ethical relativism:

Undercover agents in criminal cases and discrimination testers in civil cases, acting under the direction of lawyers, customarily dissemble as to their identities or purposes to gather evidence of wrongdoing. This conduct has not been condemned on ethical grounds by courts, ethics committees or grievance committees. . . . This limited use of deception, to learn about ongoing acts of wrongdoing, is also accepted outside the area of criminal or civil-rights law enforcement. . . . The prevailing understanding in the legal profession is that a public or private lawyer’s use of an undercover investigator to detect ongoing violations of the law is not ethically proscribed, especially where it would be difficult to discover the violations by other means.51

Judge Shira Scheindlin of the Southern District of New York endorsed the approach in Apple Corps the following year in Gidatex v. Campaniello Imports, Ltd.52 Plaintiff owned the SAPORITI ITALIA mark for furniture and accessories. Defendants had been plaintiff’s licensed sales agents for such products in the United States. Plaintiff claimed that defendants continued to use the mark after their agency was terminated, employing “bait and switch” tactics to lure customers using plaintiff’s mark and then sell them competing products. Plaintiff hired two private investigators to visit defendants’ showroom and warehouse, posing as interior designers, and secretly tape record conversations with defendants’ salespeople.

Defendants moved in limine to exclude the investigators’ evidence on the grounds that plaintiff had violated the ABA and New York ethical rules precluding communication with a party known to be represented by counsel53 and prohibiting attorneys from “circumventing a disciplinary rule through actions of another” and “engaging in conduct involving dishonesty, fraud, deceit or misrepresentation.”54 The court denied defendants’

53. ABA Model Rule and New York State Bar Association Disciplinary Rule 7-104(A)(1).
54. Id. Rule 1-102(A)(4).
motion. The ethical rules cited, the court stated, were simply not intended to reach the conduct to which defendants objected, and to so interpret them would hinder the legitimate interests served by such practices:

These ethical rules should not govern situations where a party is legitimately investigating potential unfair business practices by use of an undercover posing as a member of the general public engaging in ordinary business transactions with the target. To prevent this use of investigators might permit targets to freely engage in unfair business practices which are harmful to both trademark owners and consumers in general. Furthermore, excluding evidence obtained by such investigators would not promote the purpose of the rule, namely preservation of the attorney/client privilege.55

The court further held that, even if the cited ethical rules applied, defendants had not demonstrated that plaintiff's counsel had violated them. Although the defendants' sales clerks interviewed were arguably "parties known to be represented" in the case, and plaintiff's counsel "caused" his investigators to communicate with them, the court noted that these were disciplinary rules, not statutes. They were simply not meant to prohibit the conduct about which defendants complained:

Although [plaintiff counsel's] conduct technically satisfies the three-part test generally used to determine whether counsel has violated the disciplinary rules, I conclude that he did not violate the rules because his actions simply do not represent the type of conduct prohibited by the rules. The use of private investigators, posing as consumers and speaking to nominal parties who are not involved in any aspect of the litigation, does not constitute an end-run around the attorney/client privilege. Gidatex's investigators did not interview the sales clerks or trick them into making statements they otherwise would not have made. Rather, the investigators merely recorded the normal business routine in the Campaniello showroom and warehouse.56

Two years after Gidatex, Judge Lawrence Piersol, Chief Judge of the United States District Court for the District of South Dakota, came to the opposite conclusion in Midwest Motor Sports, Inc. v. Arctic Cat Sales, Inc.57 That case involved alleged misrepresentations by plaintiff regarding the sale of snowmobiles. As in Gidatex, defendant in Midwest hired private investigators to

55. Gidatex, 82 F. Supp. 2d at 122.
56. Id. at 125-26.
57. 144 F. Supp. 2d 1147 (D.S.D. 2001)
visit plaintiff’s retail franchisees and pose as customers while making secret audiotapes. Plaintiff successfully moved to exclude this evidence at trial, citing the South Dakota ethical rules against contact with represented parties, prohibiting lawyers from violating ethical rules through the acts of another, and prohibiting “deceit and misrepresentation.”58 The court distinguished Apple Corps as being limited by New Jersey’s ethical rule, which only prohibits contact between counsel and members of the “litigation control group”—a limitation not present under the South Dakota rules. It grounded its decision primarily upon Rule 4.2 of the South Dakota Rules of Professional Conduct, which prohibits any communication by counsel with a party known to be represented, when made without the knowledge or permission of opposing counsel. Citing Justice Stevens’ dissent in Patterson v. Illinois,59 the court stated:

Such an attempt [as described by Judge Stevens in Patterson] to obtain evidence for use at trial by going behind the back of one’s adversary is precisely what occurred here, and the Court concludes this attempt is a breach of professional ethics and an unfair form of trial practice.60

Much more than simply “going behind the back of one’s adversary” was involved in Sunrise Assisted Living, Inc. v. Sunrise Healthcare Corp.61 In unpublished orders, the court concluded that an agreement to transfer rights in the trademark THE SUNRISE CLUB to defendants—which would have given them significant priority in use of the SUNRISE mark for assisted living facilities—was fraudulently induced by a private investigator who lied about his principal and his purposes. The court accordingly rescinded the agreement and granted partial summary judgment of fraud. In the process, the court also compelled production of communications between the defendants’ counsel and their investigators, noting that any claim of protection under the attorney-client privilege or work product doctrine had been waived under the crime-fraud exception.

The investigator hired by the defendants used an alias, created a dummy investment company as a straw man, and told the trademark seller falsely that he wanted to obtain rights in THE SUNRISE CLUB mark for a sandwich to be advertised and sold at restaurants in North Carolina. Following these deceptions,

60. 144 F. Supp. 2d at 1153.
the sale was consummated. The seller intervened as a party plaintiff in the case and moved for summary judgment of fraud. The court granted this motion, noting that defendants could not simultaneously claim to be innocent principals and “accept the benefits of the [trademark purchase agreement] while disclaiming responsibility for the methods employed by their agent.”

The court summarily rejected as frivolous defendants’ claims that the misrepresentations were not material; that the investigator had no duty to disclose the identity of his principals; that he somehow “cured” his misrepresentations about the intended use of the mark by saying that it had not been finally determined; and that the seller unjustifiably and unreasonably relied on the investigator’s statements. The court also granted plaintiff’s motion to compel production of documents by the investigator and defendants’ counsel relating to the parties’ trademark claims, priority positions, the decision to conceal the identity of the trademark purchaser, and a variety of other topics. The court found that defendants had waived the attorney-client privilege and work product doctrine with respect to such matters by submitting detailed declarations—including declarations from the investigator—at the preliminary injunction hearing, and because the crime-fraud exception prevented defendants’ reliance on the attorney-client privilege and work product doctrine with respect to documents relating to such subjects.

3. Conclusion:

Caution in Using Investigators is Advised

The upshot of Apple Corps, Gidatex, Midwest and Sunrise is that attorneys should use investigators cautiously when obtaining evidence requiring contact with opposing parties or acquiring trademark rights from third parties. So long as contact is limited to low level sales employees, and the investigator merely poses as a consumer, records what she is told in a standard sales context, and does not seek extended admissions or engage in elaborate deceptions, Apple Corps and Gidatex suggest that the evidence obtained will be admissible. Midwest, for the moment at least, appears to be an aberration, though counsel practicing in South Dakota must follow its dictates. Similarly, when using an investigator to purchase rights in a mark or domain name, the best practice is for the investigator to admit to being an agent for an undisclosed principal and refrain from making any misrepresentations. Taken together, these cases highlight the need

for vigilance in supervising investigators and an awareness of the ethical standards which govern in this context.

E. Advertising Agencies

Brand owners often consult with advertising agencies for help in selecting brand names, choosing themes for ad campaigns and designing logos and other packaging. Attorneys sometimes are involved in these discussions to ensure that the marks, ads and trade dress do not infringe any third parties' rights. When the ad agency seeks advice on behalf of the client, these communications are protected by the attorney-client privilege. Other times, litigation may be imminent or ongoing, in which case the communications, if in furtherance of the attorney's preparation, may be protected as work product. If, though, an attorney communicates with an advertising agency for other reasons, such as to provide marketing rather than legal advice, communications with the agency would not be protected because these activities would have primarily a business purpose.

F. Public Relations Firms

In recent years, litigants have begun to focus more and more attention on public relations issues. Given that the overwhelming number of cases settle before trial, a victory in the court of public opinion can be just as important, if not more so, than the progress of the case in the judicial system. This development applies to a broad assortment of cases, including trademark disputes.

When attorneys consult with public relations experts to discuss how different litigation strategies may be perceived by the public or how the public relations experts should respond to press inquiries, such communications should, under the basic principles discussed above, be treated as privileged. One prominent trademark decision in 2000, however, shook the foundations of that conventional wisdom. In Calvin Klein Trademark Trust v. Wachner, Judge Jed S. Rakoff of the Southern District of New

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63. See, e.g., Calvin Klein Trademark Trust v. Wachner, 198 F.R.D. 53, 54-55 (S.D.N.Y. 2000) (much of public relations firm’s services to law firm consisted of reviewing press coverage, making calls to media to comment on litigation developments and “finding friendly reporters.”); Occidental Chemical Corp. v. OHM Remediation Servs., 175 F.R.D. 431, 437 (W.D.N.Y. 1997) (consultant was hired to design remediation plan for hazardous waste disposal site; his function “was not to put information gained from [plaintiff] into useable form for its attorneys to render legal advice, but rather, to collect information not obtainable directly from [plaintiff]”) (citation omitted).

64. See, e.g., Occidental Chemical Corp., 175 F.R.D. at 436-37 (no privilege attaches to communications from engineering design consultant who was not hired to assist in the rendition of legal services).

York rejected plaintiffs’ argument that all of its counsel’s communications with a public relations firm were broadly protected under the attorney-client privilege. Instead, Judge Rakoff held that communications between a client’s law firm and the public relations firm hired in anticipation of filing a high profile lawsuit against the licensee of the CALVIN KLEIN trademark were not protected by the attorney-client privilege.

Plaintiffs’ attorneys contended that they hired the public relations firm to assist the lawyers in: (1) understanding how plaintiffs’ constituencies might react to the litigation; (2) rendering legal advice; and (3) regulating media interest. The court held that these communications did not reveal confidential communications from the client made for the purpose of obtaining legal advice; the documents instead contained information that could assist plaintiffs’ counsel in providing legal advice. Even assuming the communications contained confidential information, the court continued, disclosure to the public relations firm waived the privilege because the public relations firm had merely provided “ordinary public relations advice.” The court concluded that, because the public relations firm was not “performing functions materially different from those that any ordinary public relations firm would have performed” had the client hired the firm directly, the mere fact that these functions were performed for counsel was insufficient to confer privileged status.

The Calvin Klein Trademark Trust decision was met with immediate criticism in the legal press.67 Fortunately, its days as powerful precedent were short lived as two subsequent decisions from the same district reached the opposite conclusion. First, in a case arising out of the Sumitomo copper trading scandal, Judge Laura Taylor Swain held that the attorney-client privilege protected communications between a client’s law firm and the client’s public relations firm.68 Sumitomo had hired a public relations firm to deal with media attention in the United States; the public relations firm was the functional equivalent of an in-house public relations department.69 The court held that “there is no reason to distinguish between a person on the corporation’s payroll and a consultant hired by the corporation [if other elements of the privilege are satisfied].”70 The court distinguished

66. Id. at 54-55.
67. See David Alden, Consulting P.R. Firms, Nat’l L.J., Aug. 20, 2001, at A23 (criticizing Calvin Klein court’s approach as “unduly restrictive”); see also Elizabeth Austin, Putting the PR Back in Privilege, Chicago Lawyer, Oct. 2003 at 82 (noting that district court had “looked askance” at public relations firm’s privilege claims).
69. Id. at 216.
70. Id. at 219.
Calvin Klein Trademark Trust, noting that, in the former case, the public relations firm “was hired by the client’s attorneys to assist them in their representation of the plaintiff” and thus was not the functional equivalent of a company employee.71

More recently, another judge from the Southern District of New York, Judge Lewis A. Kaplan, held that conversations between a public relations firm and attorneys representing the target of a grand jury investigation were protected as long as they related to the handling of the client’s legal problems.72 The court quoted the testimony of an employee of the public relations firm who stated that the firm was hired “out of a concern that ‘unbalanced and often inaccurate press reports about Target created a clear risk that the prosecutors and regulators conducting the various investigations would feel public pressure to bring some kind of charge against [Target].’”73 The court recognized that there are many situations where “the ability of lawyers to perform some of their most fundamental client functions,” such as advising the client of the legal risks of speaking publicly and of the likely legal impact of possible alternative expressions, would be undermined were lawyers unable to discuss facts and strategies with public relations consultants under protection of privilege.74

Greater consensus exists with respect to the work product doctrine. Most courts have recognized that the privilege is not waived if an attorney provides work product to the public relations firm, and that materials prepared by the public relations firm in anticipation of litigation that reveal the law firm’s litigation strategy constitute work product.75 For example, in the Calvin Klein Trademark Trust case, the court concluded that disclosure of documents relating to litigation strategy to a counsel-hired public relations firm did not waive work product protection if (1) without such disclosure, the consultant would be unable to advise as to public relations, and (2) the public impact of the litigation bears on the attorney’s litigation strategy.76 The court excluded from

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71. Id. at 220 n.4.
73. Id. at *4.
74. Id. at *25.
76. Calvin Klein, 198 F.R.D. at 55; see also In re Monsanto Co., 998 S.W.2d 917, 932 (Tex. App. 1999) (court refused to order disclosure of documents received by public relations
protection, however, documents that strategize “about the effects of the litigation on the client’s customers, the media, or on the public generally,” on the theory that general public relations advice is not consistent with the purpose of the work product doctrine, which provides a zone of privacy only for counsel’s strategizing about the conduct of the litigation itself.77

IV. PRIVILEGE AND CO-COUNSEL

A. Domestic Co-Counsel—
The Joint Defense Privilege

1. The Scope of the Privilege

The joint defense privilege (also known as common interest rule) protects the confidentiality of communications passing from one party to the attorney for another party if those parties and their attorneys have agreed to pursue a common defense or strategy.78 This privilege constitutes a limited exception to the general rule that the attorney-client privilege is waived when a protected communication is disclosed to a third party outside of the attorney-client relationship.79 The rule applies to communications protected by both the attorney-client privilege and the work product doctrine.80 The rationale for this limited exception is that “[p]ersons who share a common interest in litigation should be able to communicate with their respective attorneys and with each other to more effectively prosecute or defend their claims.”81

All federal courts and some state courts have adopted the common interest rule. One clear articulation of the rule is Supreme Court Standard 503(b), which states:

A client has a privilege to refuse to disclose and to prevent any other person from disclosing confidential communications made for the purpose of facilitating the rendition of professional legal services to the client . . . (3) by him or his lawyer to a lawyer representing another in a matter of common interest. . . .

77. Calvin Klein, 198 F.R.D. at 55.
78. Schwimmer, 892 F.2d at 243; United States v. Bay State Ambulance and Hosp. Rental Serv., 874 F.2d 20, 28 (1st Cir. 1989). Although the joint defense privilege has not been the focus of trademark-related cases, the principles developed in other contexts are equally applicable in trademark matters.
80. In re Grand Jury Subpoenas, 902 F.2d 244, 249 (4th Cir. 1990).
81. Id.
Although that standard has never been adopted into the Federal Rules of Evidence, it provides courts with a guide to the federal common law of attorney-client privilege. The evidence codes of several states have incorporated the language of Standard 503(b).82

As a preliminary matter, the party asserting the common interest rule must show that the communications were made in the course of a joint defense effort: “What is important is not whether the parties theoretically share similar interests but whether they demonstrate actual cooperation toward a common legal goal.”83 Common interest is defined as a common legal strategy, not simply a common business interest.84 The party asserting privilege must also show that the statements were designed to further the effort, and that the privilege has not been waived.85 It is not necessary that there be actual litigation in progress for the common interest rule to apply,86 nor is it necessary for the attorney for the communicating party to be present when a privileged communication is made to the other party’s attorney.87

The common interest rule has been described as “an extension of the attorney client privilege.”88 In the circumstances where the common interest rule applies, the scope of the attorney-client privilege is extended to protect not only the communications among any of the clients and attorneys, regardless of whether the communicating client’s own attorney is present,89 but also the communications among any of the clients’ respective attorneys.90 The privilege also protects communications with experts and consultants. For example, the protection afforded by the privilege extends to communications made in confidence to an accountant

82. E.g., People v. Pennachio, 637 N.Y.S.2d 633, 635 (N.Y. Sup. 1995) (discussing Supreme Court Standard 503(b) and its incorporation into statutory evidence codes of various states).


86. United States v. Zolin, 809 F.2d 1411, 1417 (9th Cir. 1987), vacated in part on other grounds, 842 F.2d 1135 (9th Cir. 1988), aff’d in part and vacated in part on other grounds, 491 U.S. 554 (1989).


88. Id. (citing Waller v. Financial Corp. of Am., 828 F.2d 579, 583 n.7 (9th Cir. 1987)).

89. Id. (citing Matter of Grand Jury Subpoena, 406 F. Supp. 381 (S.D.N.Y. 1975) (noting the attorney representing the communicating party need not be present when communicating with the other party’s attorney for the privilege to arise)); cf. Hunydee v. United States, 355 F.2d 183 (9th Cir. 1965)).

assisting lawyers who are conducting a joint defense on behalf of the communicating clients.\textsuperscript{91} However, only those communications made in the course of an ongoing common enterprise and intended to further the enterprise are protected.\textsuperscript{92}

Although originally limited to cases involving actual co-defendants, the courts have also broadened the scope of the common interest privilege in terms of the number of people that may take advantage of it; the privilege is now routinely applied to potential co-defendants, and others who have a community of interest in the subject matter of the communications.

As for its temporal scope, the common interest privilege is not limited to communications and documents generated during the period of time when persons are cooperating on a common defense. Rather, it also includes pre-existing confidential communications and documents that are shared during the common enterprise. Accordingly, when a party invokes the common interest privilege, the court must focus on the circumstances surrounding the disclosure of the communications or documents rather than on when communications or documents were generated.\textsuperscript{93}

2. Establishing Entitlement to the Privilege

The essential elements of the common interest privilege are (1) good faith by the defendant; (2) an interest or a duty to be upheld; (3) a statement limited in scope to that purpose; (4) a proper occasion; and (5) publication in a proper manner and to proper parties only.\textsuperscript{94} The proponent of the common interest privilege has the burden of establishing these elements.\textsuperscript{95}

To carry its burden, the proponent must demonstrate that (1) the otherwise privileged information was disclosed due to actual or anticipated litigation, (2) the disclosure was made for the purpose of furthering a common interest in the actual or anticipated litigation, (3) the disclosure was made in a manner not inconsistent with maintaining its confidentiality against adverse parties, and (4) the person disclosing the information has not

\textsuperscript{91} Schwimmer, 892 F.2d at 243-44 (citing United States v. Judson, 322 F.2d 460 (9th Cir. 1963)).

\textsuperscript{92} Id. (citing Eisenberg v. Gagnon, 766 F.2d 770, 787 (3d Cir. 1985)).

\textsuperscript{93} Id.


\textsuperscript{95} In re Grand Jury Proceedings, 156 F.3d 1038, 1042-43 (10th Cir. 1998); United States v. Moss, 9 F.3d 543, 550 (6th Cir. 1993); see also Schwimmer, 892 F.2d at 243-44 (citing In re Horowitz, 482 F.2d 72 (2d Cir. 1973) (stating the burden of establishing the attorney-client privilege, in all its elements, always rests upon the person asserting it)).
otherwise waived the attorney-client privilege for the disclosed information.96

In order to best take advantage of the common interest privilege, the proponent should keep several considerations in mind. First, threatened as well as actual litigation is enough to invoke the privilege. As the Second Circuit has stated: “The need to protect the free flow of information from client to attorney logically exists whenever multiple clients share a common interest about a legal matter, and it is therefore unnecessary that there be actual litigation in progress for the common interest rule of the attorney-client privilege to apply.”97 Second, to invoke the privilege, parties must do more than merely cooperate for business purposes or to address a common problem. Rather, their cooperation must be in furtherance of a joint strategy for actual or anticipated litigation.98 Third, as in all claims of privilege arising out of the attorney-client relationship, a claim resting on the common interest rule requires a showing that the communication in question was given in confidence and that the client reasonably understood it to be so given.99 Fourth, in order to protect the exchange of confidential information, courts have held that an attorney who serves his or her client’s co-defendant for a limited purpose becomes the co-defendant’s attorney for that purpose.100 Finally, as a corollary to the common interest or joint defense privilege, courts have recognized the existence of a “fiduciary obligation” or “implied professional relation” between co-defendants and their attorneys.101


97. Schwimmer, 892 F.2d at 243-44 (2d Cir. 1989) (citing United States v. Zolin, 809 F.2d 1411, 1417 (9th Cir. 1987), vacated in part on other grounds, 842 F.2d 1135 (9th Cir. 1988) (en banc), aff’d in part and vacated in part on other grounds, 491 U.S. 554, 109 S. Ct. 2619 (1989)).


99. Schwimmer, 892 F.2d at 243-44 (citing United States v. Keplinger, 776 F.2d 678, 701 (7th Cir. 1985); Kevlik v. Goldstein, 724 F.2d 844, 849 (1st Cir. 1984)).

100. Ageloff, 936 F. Supp. 72, 76 (D.R.I. 1996) (citing Wilson P. Abraham Construction Corp. v. Armco Steel Corp., 559 F.2d 250, 253 (5th Cir. 1977); United States v. McPartlin, 595 F.2d 1321, 1337 (7th Cir. 1979)).

B. Foreign Counsel

One unique attribute of trademark practice is that it is often international in its scope. Whether it is clearance of a mark internationally, disputes over importation of gray market goods, or infringement litigation with cross-border ramifications, U.S. trademark owners and their counsel often need to consult with foreign counsel concerning the application of foreign trademark law.

A lawyer has an obligation under Rules 1.4 and 1.6 of the ABA Model Rules of Professional Conduct to explain to her client the risks of diminished protection for client confidentiality and attorney-client privilege in a foreign jurisdiction. In most civil law countries, the attorney-client privilege applies differently, and may not apply at all, in circumstances where it would be applicable in the United States. For example, in a number of countries, in-house counsel is not treated as a lawyer for privilege purposes, and thus communications between an employee and in-house counsel enjoy no privilege. Moreover, in many foreign countries, non-lawyers, such as trademark agents, are the primary providers of legal services for those pursuing trademark rights in foreign countries, and it is unclear whether communications with such agents are privileged. At least one court has held that foreign trademark agents are analogous to patent agents, but courts are divided on whether to recognize a privilege for foreign patent agents.

Whether a particular communication is privileged depends, in the first instance, on determining the country whose law applies. Most United States district courts use a traditional choice-of-law analysis to decide whether to recognize a privilege for foreign communication.

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102. Some trademark search companies offer a legal opinion from a local lawyer when ordering a search in a foreign country. Not only is this practice highly suspect given the absence of any conflict check process, but also, given the limited nature of the relationship between the ultimate client and the foreign law firm, it is unlikely that the opinion would be protected as attorney-client communication. Rather, it more likely would be seen as part of the search report itself and thus subject to disclosure.


104. See Joseph Pratt, Comment: The Parameters of the Attorney-Client Privilege for In-House Counsel at the International Level: Protecting the Company’s Confidential Information, 20 NW J. Int’l L. & Bus. 145, 165-67 (1999) (discussing certain countries, including Austria, France, and Italy, that do not consider in-house counsel to be “privileged persons” for the doctrine’s purposes).


patent agents. The “touch base” test formulated in Duplan Corp. v. Deering Milliken, Inc.,107 and modified by Golden Trade, S.r.L. v. Lee Apparel Co.,108 looks to the state “with the most direct and compelling interest.”109 In the application of this analysis, communications on issues involving the United States are governed by U.S. law, while communications relating solely to matters involving a foreign country are governed by foreign law.110 If communications between clients and patent agents do not touch base with the United States but are privileged under the foreign law, the U.S. court will also recognize the privilege.111

V. PRIVILEGE AND EXPERT WITNESSES

A. Testifying Experts

Expert witnesses, such as survey experts, design experts, marketing experts, damages experts, valuation experts, and computer experts, are common in trademark litigation.112 Special disclosure rules apply to communications with experts retained or specially employed in anticipation of litigation or in preparation for trial and who are expected to be called as witnesses at trial. The principal disclosure requirements affecting testifying experts derive from Rule 26(a)(2) of the Federal Rules of Civil Procedure, which requires that the testifying expert produce a report that must “contain a complete statement of all opinions to be expressed and the basis and reasons therefore [and] the data or other information considered by the witness in forming the opinions.”113 This rule effectively means that all communications with the expert, including by counsel, are subject to production in discovery. The Advisory Committee Note to the 1993 Amendments to Rule 26 confirms this requirement:

The report is to disclose the data and other information considered by the expert. . . . Given this obligation of

111. Id.
112. Although the issues discussed in this section often arise in trademark practice, there is a dearth of reported cases with developed analysis of privilege issues involving expert witnesses in the trademark context. The principles developed in other types of cases should be equally applicable in trademark cases.
disclosure, litigants should no longer be able to argue that materials furnished to their experts to be used in forming their opinions—whether or not ultimately relied upon by the expert—are privileged or otherwise protected from disclosure when such persons are testifying or being deposed.114

Despite the dictates of this rule, a handful of courts have extended limited protection to some communications between an attorney and a testifying expert if disclosure would reveal the attorney’s opinion work product.115 Counsel should not, however, expect to rely on the work product doctrine as a shield in this context because the vast majority of courts have held that all documents an expert reviews, even those containing opinion work product, must be disclosed.116 That is true even if the expert has not relied on the document or information in forming his opinion because the rule requires disclosure of anything the expert “considered,” even if she ultimately did not rely on it.117

Drafts of testifying experts’ reports that have been shared with the client or counsel are also subject to discovery.118 Authorities are divided, though, on whether an expert is required to preserve drafts prepared solely by the expert while formulating his ultimate opinion.119 Cautious counsel should assume that all

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114. Id. Rule 26 advisory committee’s note.
118. See B.C.F. Oil Ref., Inc. v. Consolidated Edison, 171 F.R.D. 57, 62 (S.D.N.Y. 1997) (“[C]ourts have even extended the scope of [Rule 26(a)(2)] to allow disclosure of drafts or reports or memoranda experts have generated as they develop the opinions they will present at trial.”); see also Trigon Ins. Co. v. United States, 204 F.R.D. 277, 282 (E.D. Va. 2001) (noting government had duty to preserve correspondence between experts and consultants, including drafts of expert reports).
such drafts will have to be produced, unless counsel is able to reach an agreement with opposing counsel protecting all drafts of expert reports from disclosure.

**B. Non-Testifying (Consulting) Experts**

The rules governing privilege are different for consulting experts—that is, experts retained or specially employed in anticipation of litigation or in preparation for trial but who are not expected to be called as witnesses at trial. Consulting experts may include experts engaged to conduct pilot surveys, shadow experts designed to help counsel prepare for cross-examining the opposing expert witnesses, and jury consultants. Facts known by, and opinions of, a consulting expert are not discoverable absent exceptional circumstances;\(^\text{120}\) indeed, even the existence or identity of a consulting expert can generally be withheld as privileged.\(^\text{121}\)

The privilege for communications with consulting experts derives from Rule 26(b)(4)(B) of the Federal Rules of Civil Procedure:

A party may, through interrogatories or by deposition, discover facts known or opinions held by an expert who has been retained or specially employed by another party in anticipation of litigation or preparation for trial and who is not expected to be called as a witness at trial only as provided in Rule 35(b) or upon a showing of exceptional circumstances under which it is impracticable for the party seeking discovery to obtain facts or opinions on the same subject by other means.\(^\text{122}\)

Circumstances exceptional enough to justify discovery against a consulting expert are rare. As the rule makes clear, discovery is permitted only where the opposing party cannot otherwise obtain the information, such as when the consulting expert possesses unique information.\(^\text{123}\) Counsel must be careful, though, not to give any information from the consulting expert to the testifying expert. If the testifying expert considers a non-testifying expert’s report,

\(^\text{120}\). See, e.g., In re: Cendant Corp. Secs. Litig., 343 F.3d 658, 667 (3d Cir. 2003) (jury consultant’s advice communicated during confidential communications held in presence of counsel is protected opinion work product).

\(^\text{121}\). See, e.g., Spearman Indus., Inc. v. St. Paul Fire and Marine Ins. Co., 128 F. Supp. 2d 1148, 1151 (N.D. Ill. 2001) (“Courts have consistently held that a party may not discover the identity of, facts known by, or opinions held by an informally consulted expert.”).

\(^\text{122}\). Fed. R. Civ. P. 26(b)(4)(B) (emphasis added). Note that Rule 35(b) relates to reports of examinations made when the physical or mental condition of a party is in controversy.

\(^\text{123}\). See, e.g., Braun v. Lorillard Inc., 84 F.3d 230, 236 (7th Cir. 1996) (finding defendant entitled to discovery of test results where results could not be replicated by manufacturer because testing process destroyed tissue samples).
the non-testifying expert’s report likely will be subject to
discovery.\textsuperscript{124} Moreover, if the testifying expert knows of the
existence of a non-testifying expert, she may be required to
disclose the existence, and the identity, of that expert.

\section*{VI. PRIVILEGE AND CONFIDENTIALITY
IN THE DIGITAL AGE

\textit{A. The Challenge of Maintaining Client Confidentiality}}

New technologies have greatly facilitated the practice of law.
It is easier than ever before to share data, exchange draft
documents, distribute and track revisions, and for clients to reach
their counsel at all hours and places. This ease of communicating
and of distributing documents and information has also created
new challenges for lawyers who have an ethical duty to protect the
confidentiality of their clients’ information and of communications
with their clients.

The duty to preserve confidences is a broad one. Not only must
a lawyer treat privileged communications and information with
care, but he must also maintain the confidentiality of all non-
public information “relating to representation of a client unless the
client gives informed consent [or] the disclosure is impliedly
authorized in order to carry out the representation.”\textsuperscript{125}
Accordingly, “[w]hen transmitting a communication that includes
information relating to the representation of a client, the lawyer
must take reasonable precautions to prevent the information from
coming into the hands of unintended recipients.”\textsuperscript{126} Lawyers should
thus be cautious to use secure media that cannot be overheard or
intercepted when communicating confidential or privileged
information, and should ensure that they have a reasonable
expectation of privacy in the medium utilized. How this test has
been applied in the context of new technologies is discussed
below.\textsuperscript{127}

\textsuperscript{124} Heitmann v. Concrete Pipe Machinery, 98 F.R.D. 740 (E.D. Mo. 1983) (finding
plaintiff entitled to consulting expert’s report because it had been given to testifying expert).

\textsuperscript{125} ABA Model Rules, Rule 1.6(a).

\textsuperscript{126} Id. cmt 16; see also ABA Model Code; Patent and Trademark Office Code, 37 CFR
sec. 10 et seq.; Restatement of the Law Governing Lawyers, Third, § 60(1)(b) (Official Draft
2000) (“The lawyer must take steps reasonable in the circumstances to protect confidential
client information against impermissible use or disclosure.”).

\textsuperscript{127} Although the cases cited in this section are not trademark-related, the same
principles should apply in trademark practice.
1. Faxes

Fax machines, which have been widely available for almost twenty years, hardly qualify as a new technology, but this popular method of transmitting documents has grown even easier to use with the aid of computer programs that allow attorneys to send and receive faxes from their computers with a single keystroke. Whether paper is run through a machine or an electronic file is sent to a central server, fax transmissions travel over telephone lines, like a phone call made on a land line. Thus, with respect to the transmission itself, there is little likelihood that it will be intercepted, which means that faxes enjoy a reasonable expectation of privacy.\(^{128}\) At least one court has expressly found that a fax transmission is protected by the attorney-client privilege.\(^{129}\) The dearth of decisions analyzing the medium may be attributable to courts' recognition that attorneys may transmit confidential information via fax without breaching the duty of confidentiality or destroying the attorney-client privilege.\(^{130}\)

Attorneys must also be cognizant of the risk of interception at the point of receipt. This risk is especially acute if sensitive information is being sent to a public fax machine (e.g., at a hotel), to one that can be accessed by many employees at the recipient's office, or to a central fax center from where it is passed along to several intermediaries before reaching the recipient. If a fax is sent directly to the recipient's computer rather than in hard copy, the sender should also consider whether other people may have proxy access to the recipient's computer or printer. Accordingly, when faxing highly sensitive information, the ABA suggests that lawyers doing so "should take heightened measures to preserve the communication's confidentiality."\(^{131}\)

Additionally, when using fax machines with multiple fax numbers programmed into the memory, or when typing a fax number onto a computer screen for electronic faxing, attorneys should take care to avoid sending the fax to the wrong party.\(^{132}\)

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130. See Practice Guide, Electronic Communications, in ABA/BNA Lawyers' Manual on Professional Conduct 55:403 (1996) ("No court appears to have suggested . . . that the mere use of a fax machine to transmit confidential information contravenes any ethics rule. On the contrary, courts seem to have taken it for granted that fax machines may be used for this purpose.").
132. In June 1991, a Baltimore Circuit Court judge dismissed prospective jurors after five weeks of voir dire in an action that consolidated 10,000 asbestos personal injury
Use of a confidentiality legend\textsuperscript{133} on the first page is also recommended to alert any erroneous recipient that the wayward fax should not be circulated; if the material is particularly sensitive, the confidentiality legend might be affixed to every page to ensure that the warning is not lost should a page of the document go astray in a glut of papers in a fax inbox.

2. Cordless Telephones and Cellular Telephones

Several ethics opinions from the early 1990s, when cordless phones and cellular phones were still emerging technologies, found that “broadcasts by cordless phones were not subject to a reasonable expectation of privacy in accordance with the Fourth Amendment” and that lawyers “should not transmit confidences over cellular telephones because such broadcasts are easily overheard by third parties.”\textsuperscript{134} With the rapid proliferation (and now near ubiquity) of these devices in the past few years, more recent opinions indicate that use of cordless and cellular telephones does not violate the duty of confidentiality.\textsuperscript{135}

ABA Formal Opinion 99-413 suggests that, in light of the 1994 amendments to the Federal Wiretap Statute of 1968, communications using cell and cordless phones may deserve a higher expectation of privacy than that found by early ethics opinions.\textsuperscript{136} Those amendments extended the protection previously accorded to land-line phone transmissions to cordless phone transmissions.\textsuperscript{137} Moreover, cell phones sold in recent years make greater use of digital rather than analog communication

lawsuits after a confidential defense document containing a jury consultant’s evaluations of prospective jurors was faxed to opposing counsel by accident. See James P. Ulwick, Producing By Mistake, 18 No. 3 Litigation 20 (1992) (defense attorney’s description of incident).

\textsuperscript{133} A common such legend states as follows: “This message is intended only for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure. If the reader of this message is not the intended recipient or an employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone and return the original message to us by mail. Thank you.”


\textsuperscript{135} See, e.g., Arizona Advisory Op. 95-11 (1995); see also Mark W. Pearlstein & Jonathan D. Twombly, Cell Phones, E-mail, and Confidential Communications: Protecting Your Client’s Confidences, 46 Boston Bar Journal, 20, 21 (Jan./Feb. 2002).


\textsuperscript{137} Id.
technologies, which are much more difficult to intercept and decode.\textsuperscript{138} PCS phones, which are completely digital, can use encryption that makes the call virtually impossible to intercept. Indeed, the 1999 ABA committee specifically recognized that “the risks of interception and disclosure may be lessened by the recent introduction of digital telephones.”\textsuperscript{139} The committee declined, however, to “express an opinion regarding the use of cellular or cordless telephones.”\textsuperscript{140} Several courts have nevertheless found that it is possible for a cell phone user to have a reasonable expectation of privacy.\textsuperscript{141}

As with faxes, the transmission is not the only risk with cell phones. A much greater risk is posed by third parties who may overhear one side of the conversation. Thus, when attorneys use cell phones to communicate with clients or pass on confidential information, they must take precautions—whether on a train, or in a public meeting place, or even walking on the street—to ensure that no one can overhear the conversation.\textsuperscript{142}

3. Email

Few technologies have affected lawyers’ daily lives as significantly as email. Among its other benefits, this medium has made communications between attorneys and their clients much easier, has facilitated communications with opposing counsel and even some courts, and has vastly simplified communications with parties in other time zones. At the same time, few technologies are

\textsuperscript{138} Analog phones use radio waves to transmit calls, which may be picked up by radios, baby monitors, police scanners, and cordless phones tuned to the same frequency. In contrast, digital phones convert the analog stream to binary information that is transmitted and then reassembled by the receiving phones.

\textsuperscript{139} ABA Formal Op. 99-413 n.19.

\textsuperscript{140} Id.

\textsuperscript{141} Dunlap v. County of Inyo, Nos. 96-15207, 96-15294, 96-15915, 1997 U.S. App. LEXIS 19249, at *9 (9th Cir. July 23, 1997) (noting that, although the cell phone is a “technology] of questionable privacy,” people “nonetheless reasonably expect privacy in [their] cell phone calls”); United States v. Smith, 978 F.2d 171, 180 (5th Cir. 1992) (finding that there may be a reasonable expectation of privacy in cordless phone conversations in context of Fourth Amendment search analysis); Syposs v. United States, 181 F.R.D. 224, 228 (W.D.N.Y. 1998) (“[T]he fact that the technology is not eavesdrop-proof does not in itself defeat any expectation of privacy. . . . If there was no expectation of privacy in typical cell phone communications, it is doubtful this medium would be as widely used as it is.”); United States v. Kim, 803 F. Supp. 352, 361 (D. Haw. 1992) (noting that, since the passage of the Electronic Communications Privacy Act of 1986, Pub. L. No. 99-508, 100 Stat. 1848 (1986), “cellular telephone communications have enjoyed the same privacy protections as standard telephone conversations”).

\textsuperscript{142}ICI Americas Inc. v. John Wanamaker of Philadelphia, CIV. A. No. 88-1346, 1989 WL 38647, at *2 (E.D. Pa. Apr. 18, 1989) (“Subjective intent to maintain the privilege is irrelevant if the ‘person fails to take affirmative action and institute reasonable precautions’ to ensure confidentiality.”).
as fraught with risk—emails can be forwarded around the world with the click of a mouse and, notwithstanding efforts to erase them, can reside in a computer’s memory for many years, waiting to be uncovered.

The American Bar Association has concluded that “[a] lawyer may transmit information relating to the representation of a client by unencrypted e-mail” without violating the duty of confidentiality “because the mode of transmission affords a reasonable expectation of privacy from a technological and legal standpoint.”143 This position is echoed in the opinions of numerous state and city bar associations144 and by numerous courts.145 Even state legislators have expressly codified the right to engage in such electronic communications without a waiver of any underlying privilege.146 As the ABA thus concluded, “[t]he same privacy

144. E.g., Opinion 709, New York State Bar Association (Sept. 16, 1998) (attorneys may in ordinary circumstances use unencrypted Internet email to transmit confidential information without breaching their duties of confidentiality to their clients); Ass’n of the Bar of the City of New York Opinion 1998-2 (Dec. 21, 1998) (a law firm need not encrypt all email communications containing confidential information, but should advise its client and prospective clients communicating with the firm by email that security of communications over the Internet is not as secure as other forms of communications); see also Ronald A. Rotunda, Legal Ethics: The Lawyer’s Deskbook on Professional Responsibility §7-2.4 (2002) (“most ethics opinions appropriately conclude that it is reasonable for lawyers to use unencrypted e-mail to communicate with clients, and use of e-mail does not waive the attorney-client privilege”); Peter Krakaur, How to Manage the Ethical Issues Raised by the Use of Technology, 711 PLI/Pat 651 (July 2002) (collecting bar opinions); Ronald J. Palenski, Ethical Issues in Technology Licensing, 672 PLI/Pat 673 (November 2001) (collecting bar opinions); Lisa A. Dolak, Clients, Their Confidences, and Internet Communications, 36 Torts & Ins. L.J. 829, 832 (2001); Brett R. Harris, Counseling Clients Over the Internet, 705 PLI/Pat 135 (discussing electronic communications, issues particular to email, and advice for Internet communications).
146. E.g., N.Y. C.P.L.R. § 4548 (McKinney 1998) (“No communication privileged under this article shall lose its privileged character for the sole reason that it is communicated by electronic means or because persons necessary for the delivery or facilitation of such
accorded U.S. and commercial mail, land-line telephonic transmissions, and facsimiles applies to Internet e-mail, . . . despite some risk of interception and disclosure" of unencrypted email sent over the Internet.\textsuperscript{147}

However, at least one state requires an attorney to secure the written permission of her client prior to using email to transmit confidential communications.\textsuperscript{148} Regardless of such requirements, the best practice is to consult with clients before sending confidential emails, both to ensure that the client is comfortable with the level of protection accorded to emails and to ensure that the client’s in-box is, in fact, secure.\textsuperscript{149} Also, lawyers should consider using enhanced security measures, such as encryption, when transmitting particularly sensitive information.\textsuperscript{150} The ABA suggests that the “lawyer should consult with the client and follow her instructions . . . as to the mode of transmitting highly sensitive information relating to the client’s representation.”\textsuperscript{151}

As with faxes, the greatest risk of breach of confidentiality comes not from the risk of interception but rather from the risk of inadvertently sending the email to the wrong party. Indeed, one would be hard pressed to find any regular email user who has not, at some time, hit the send button prematurely, thereby sending an email to the wrong recipient. Given the prevalence of this error, attorneys should take special care to check and double check the addressees of emails, especially before sending privileged or

electronic communication may have access to the content of the communication.


\textsuperscript{148} Iowa S. Ct. Board of Professional Conduct and Ethics Formal Op. 96-0 (Aug. 29, 1996) (conditioning use of email for client communications upon lawyer’s securing client’s written consent).

\textsuperscript{149} See, e.g., Ass’n of the Bar of the City of New York Op. 1998-2 (a law firm . . . should advise its client and prospective clients communicating with the firm by email that security of communications over the Internet is not as secure as other forms of communications); see also State Bar of Arizona’s Committee on Rules of Professional Conduct Op. 97-04 (Apr. 7, 1997) (recommending that attorneys inform their clients of potential risks of inadvertent disclosure).

\textsuperscript{150} Annotated Model Rules of Professional Conduct at 88 (4th ed. 1999) (“Unusual circumstances involving extraordinarily sensitive information might warrant enhanced security measures like encryption. . . .”); see also Op. 709, New York State Bar Association (Sept. 16, 1998) (in certain circumstances, attorneys may have to select a more secure means of communication than unencrypted email).

\textsuperscript{151} ABA Formal Op. 99-413.
confidential information. Errors commonly occur with the use of the “reply-all” feature, and it would be wise to refrain from “replying to all” without first reviewing the list of recipients. A solution to this problem is to make a habit of starting each message anew and addressing each communication to the intended recipients to avoid the pitfalls of typographical errors or replying to unknown persons who were copied on the initial email.

In addition, attorneys should warn their clients to be cautious when forwarding emails to third parties, even to people within their company, because the ease of dissemination increases the possibility of disclosure to a third party which can result in waiver of the privilege. Attorneys or clients who permit others proxy to their email accounts should similarly take care to preserve confidentiality. In addition, use of a confidentiality legend that automatically attaches to the end of every email (or, for particularly sensitive documents, contained in the email header line) will alert recipients to the privileged nature of the communication.

4. Metadata

Lawyers send and receive electronic versions of documents on a daily basis. Frequently, drafts of agreements are emailed back and forth during negotiations as each party makes its round of changes. Legal documents, such as pleadings and interrogatories, are also sent to opposing counsel and even to the court by email or on a disc or CD-ROM. Many attorneys remain blissfully (and dangerously) unaware that the metadata embedded in these electronic documents is a source of potential disclosure problems.

Metadata is information contained within an electronic version of a document that typically is not visible when the document appears on a computer screen or is printed out. It can include information such as the date of the document’s creation, the identity of the author and subsequent editors, and, most significantly, a record of past editorial changes. An electronic copy of an email message may reveal the time of receipt, if the

152. One common email legend reads: “This email message is intended only for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure. If you are not the intended recipient, please do not disseminate, distribute or copy this communication, by email or otherwise. Instead, please notify us immediately by return email (including the original message in your reply) and by telephone (you may call us collect at [insert number]) and then delete and discard all copies of the email. Thank you.”

153. See New York State Bar Ass’n, Does Discovery of Electronic Information Require Amendments to the Federal Rules of Civil Procedure? (Feb. 22, 2001); see also Michael Traynor and Lori Ploeger, Hot Topics in Electronic Discovery, 712 PL/Pat 51 (July 2002).
email was viewed, and if it was forwarded to another recipient.\textsuperscript{154} Many popular word processing programs—including Microsoft Word and WordPerfect—permit users to view recent editorial changes made in a document through the “undo” key. In addition, Microsoft Word permits attorneys to track the editorial changes in a document and to add notes to a document through the “track changes” feature. If the metadata is not removed before a document is sent electronically, it may be possible for the receiving party to read all of this metadata and reconstruct changes made in the document.

Attorneys should ensure that, when communicating with third parties, they send electronic documents with all the metadata removed, either by using a computer program that automatically strips documents of metadata, or if the recipient has no need to edit the document, by sending it in a fixed format (such as Adobe Acrobat PDF files). If these options are not available, attorneys using a “revision track changes” feature should always run the “accept all changes” function before the document is sent, and remember to toggle the “highlight changes on screen” and “highlight changes on printed document” functions to reveal any metadata before the document is sent.\textsuperscript{155} The risk of revealing metadata is also particularly acute when producing documents in electronic discovery, as discussed in Section V.B., infra.

5. Wireless Networks

One of the newest communications technologies is the explosive use of wireless networks. These networks send radio frequency signals between computers and allow them to share information. An access point receives and transmits data to wireless adapters installed in each computer. When they are within the networks’ range, attorneys and their clients can send emails from wireless handheld devices, browse the Internet on cell phone screens, and use their laptops at many public locations (including airports, coffee shops, and public parks) that offer wireless access to the Internet. Moreover, attorneys’ offices and houses can be set up with wireless networks that allow file sharing between computers and printers, all through signals sent by radio waves.

Although these networks are very convenient, they are also easy prey for hackers seeking confidential information. Many wireless networks have no security at all, allowing computer savvy eavesdroppers to intercept the wireless communications and read

\begin{itemize}
\item \textsuperscript{154} Traynor & Ploeger, supra n.153 at 53.
\item \textsuperscript{155} Alan Gahtan, Confidentiality and Word Processing Programs, 17 e-Commerce Law & Strategy (October 2000).
\end{itemize}
whatever has been sent—such as emails, documents being revised, printed or sent, and even passwords—or even peer into the user's
desktop.156 Nor is such electronic snooping limited to highly
sophisticated hackers. Anyone with a computer and a wireless card
can access the information transmitted over wireless networks
using software that is available for free download.157

Because these wireless networks are relatively new, ethics
opinions and case law have not addressed the ethical implications
of using this technology. Attorneys' obligations, though, are clear:
Attorneys must not use wireless networks or transmit any
confidential information over wireless networks unless the
networks are using encryption technology. Encryption uses
mathematical algorithms to transform data so that it cannot be
deciphered without the proper key. Fortunately, the software for
many wireless networks comes with built-in encryption that needs
only be enabled by the user. However, attorneys should be careful
to keep their software up to date and to install every possible
security device to combat increasingly creative and sophisticated
snoopers. Also, although wireless networks make it convenient and
pleasant to work in public areas, attorneys should be careful never
to leave their work unattended, and should be cognizant of other
people who may be close enough to read confidential information
on a computer screen over the attorney's shoulder.

B. Inadvertent Disclosure of Work Product
or Attorney-Client Communications

Notwithstanding efforts to protect confidential information,
inadvertent disclosure is always a risk. When a privileged
document is produced by accident, a confidential conversation is
overheard, an email is sent to the wrong party, or metadata is
inadvertently included in an emailed document, such inadvertent
disclosures can have draconian consequences both because the
confidential information may now be known by others and because
it may have ramifications on efforts to maintain the privileged
nature of the information. Moreover, if counsel was at fault by
failing to take appropriate steps to prevent inadvertent disclosure,
it may constitute a violation of Rule 1.6 of the ABA Model Rules of
Professional Conduct or DR 4-101 of the ABA Model Code of
Professional Responsibility, and may even give rise to malpractice
liability.

156. Erik Sherman, Walk-By Hacking, N.Y. Times (Magazine), July 13, 2003, at 22-24;
Lee Gomes, Silicon Valley's Open Secrets: Wireless Computer Networks, Often Unguarded,
157. Id. at 22.
In some jurisdictions almost any disclosure of a communication or document to a third party waives the attorney-client privilege. These courts reason that, once a disclosure occurs, the document is no longer held in confidence.\textsuperscript{158} As one court noted, “one cannot unring a bell.”\textsuperscript{159} However, in the interest of fairness, these courts have tended to construe the scope of the waiver narrowly, often limiting the loss of the privilege to the particular document disclosed.\textsuperscript{160}

Other jurisdictions recognize an exception to the waiver of privilege for disclosures that are inadvertent, holding that there cannot be waiver without the client’s intentional relinquishment of the privilege.\textsuperscript{161} The growing trend is for courts to consider five elements to determine whether the privilege should be waived: (1) the reasonableness of the precautions taken to prevent the inadvertent disclosure; (2) the time taken to rectify the error; (3) the scope of the discovery; (4) the extent of the disclosures; and (5) overriding issues of fairness.\textsuperscript{162} This analysis is heavily fact-dependent and based on the totality of the circumstances. Thus, for example, courts are more likely to consider a disclosure to be inadvertent in the midst of a massive document production carried out under tight time constraints, where the quality of screening is likely to be lower,\textsuperscript{163} than where a specific document is called to


\textsuperscript{159} F.D.I.C. v. Singh, 140 F.R.D. 252, 253 (D. Me. 1992) (“The courts will grant no greater protection to those who assert the privilege than their own precautions warrant.”).

\textsuperscript{160} See Corporation for Public Broad. v. American Auto. Centennial Comm’n, 1999 U.S. Dist. LEXIS 1072, at *5 (D.D.C. Feb. 2, 1999) (“Plaintiffs are correct that the inadvertently disclosed letter affects a waiver of the privilege. . . . However, this waiver is narrowly limited to the scope of the privileged communication.”).

\textsuperscript{161} See, e.g., Redland Soccer Club, Inc. v. Dept of the Army, 55 F.3d 827, 856 (3d Cir. 1995) (disclosure of documents in subsequent response was inadvertent and does not waive privilege); Helman v. Murry’s Steaks Inc., 728 F. Supp. 1099, 1104 (D. Del. 1990) (no waiver of privilege where attorney permitted opposing counsel to review file that had not been screened for attorney-client communications).

\textsuperscript{162} Alldread v. City of Grenada, 988 F.2d 1425, 1433-35 (5th Cir. 1993), citing Lois Sportswear, U.S.A., Inc. v. Levi Strauss Co., 104 F.R.D. 103, 105 (S.D.N.Y.1995) (“In our view, an analysis which permits the court to consider the circumstances surrounding a disclosure on a case-by-case basis is preferable to a per se rule of waiver. This analysis serves the purpose of the attorney-client privilege, the protection of communications which the client fully intended would remain confidential, yet at the same time will not relieve those claiming the privilege of the consequences of their carelessness if the circumstances surrounding the disclosure do not clearly demonstrate that continued protection is warranted.”).

\textsuperscript{163} Aramony v. United Way of Am., 969 F. Supp. 226, 235-37 (S.D.N.Y. 1997) (finding no waiver of privilege where attorneys reviewed 210 boxes over an eleven-week period and ninety-nine pages were inadvertently produced).
counsel’s attention and a deliberate decision is made to produce it.\footnote{164}{See, e.g., S.E.C. v. Cassano, 189 F.R.D. 83, 85-86 (S.D.N.Y. 1999) (applying factors).}

An attorney receiving inadvertently disclosed information also has ethical obligations, depending on the ethics rules of the states involved. In some states, the recipient must notify the sender and follow the sender’s instructions regarding return or destruction of the inadvertently produced material.\footnote{165}{See, e.g., NYCLA Ethics Op. No. 730 (July 19, 2002) (if lawyer receives information from opposing counsel which lawyer knows or believes was not intended for him and contains secrets, confidences or other privileged matter, lawyer shall, without further review or other use thereof, notify opposing counsel and abide by opposing counsel’s instructions regarding return or destruction of the memorandum); American Express v. Accu-Weather, Inc., No. 91 Civ. 6485, 1996 U.S. Dist. LEXIS 8840, at *8 (S.D.N.Y. 1996) (imposing sanctions on lawyer for refusing to abide by opposing counsel’s instruction to return unopened a package that had been inadvertently sent).}

This approach is derived from ABA Formal Opinion 92-368 (1992). Other states have adopted a more lenient approach, based on the ABA’s subsequent Ethics 2000 Commission report;\footnote{166}{The report recommended amendments to the ABA Model Rule of Professional Conduct 4.4(b) (Respect for Rights of Third Persons) (February 2002).} in these states, a lawyer receiving a document relating to the representation of the lawyer’s client and who knows or reasonably should know that the document was inadvertently sent must notify the sender promptly but need not also return the document or delete the information.\footnote{167}{ABA Model Rule 4.4(b), cmt 2.}

A third approach, followed by a minority of states, provides that, if the receiving party is not aware of the inadvertent production prior to reading the document, there is no obligation to return the document or to notify the producing party.\footnote{168}{See, e.g., Illinois State Bar Opinion No. 98-04 (Jan. 1999); District of Columbia Bar Opinion No. 256 (May 16, 1995).}

Adding to the complication is that, in many cases, the parties may be located in different jurisdictions with different rules. The disclosing party may be in one state, the recipient in another, and the parties’ law firms in yet a third. Moreover, the ease of remote access to networks means that, if individuals are traveling when they make or receive disclosures, they may physically be located in yet another jurisdiction. No reported decision has yet grappled with the complexities of choice-of-law in these circumstances, but the prudent counsel will follow the most stringent rules that may apply.

These rules apply regardless of the form of the inadvertently disclosed documents. The widespread use of email, and the huge quantities of documents involved in discovery of computer-stored information (e.g., electronic discovery), increase the risk of inadvertent disclosure. When documents are delivered to opposing
counsel on CD-ROM or disc, or via email, disclosure of metadata is also a real possibility. Although there is not yet any reported case law discussing the ramifications of disclosure by metadata, the same general principles should apply, notwithstanding that the confidential information may initially be invisible unless the metadata is specially reviewed.

VII. CONCLUSION

Although new technologies have revolutionized the practice of law, the digital age’s impact on the attorney-client privilege and the work product doctrine has been mainly illusory. These privileges and lawyers’ obligations to preserve confidences remain unchanged; only the challenges of maintaining confidentiality have grown more complex as the sheer amount of information that lawyers encounter on a daily basis proliferates and the speed at which information is processed increases. Faxes, email and other technologies allow attorneys to save time when transmitting information; some of these extra minutes should be used to deliberate about the risks of using a particular medium to transmit sensitive material. Public relations firms, advertising agencies, other agents, and experts of every variety who play a role in trademark practice enable attorneys to serve their clients more effectively, but attorneys must be sure to structure communications with these agents in such a way as to avoid jeopardizing client confidences. A lawyer’s traditional precautions, along with common sense and a basic understanding of the technology at issue, should be the best guide to avoiding the possibility of disclosure of confidential information through the use of new technologies.