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SUPREME COURT OF TEXAS
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NO. 16-0682

In the Supreme Court of Texas

In re Andrew Silver,
Relator.

ORIGINAL PROCEEDING FROM CAUSE NO. DC-15-02268
IN THE 134TH JUDICIAL DISTRICT COURT OF DALLAS COUNTY, TEXAS
HONORABLE DALE TILLERY, PRESIDING JUDGE

REAL-PARTY-IN-INTEREST TABLETOP MEDIA, LLC'S RESPONSE TO PETITION FOR WRIT OF MANDAMUS

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IDENTITY OF PARTIES AND COUNSEL

Real-Party-in-Interest Tabletop Media, LLC supplements the Identity of Parties and Counsel in Relator Andrew Silver's Petition for Writ of Mandamus with the following additional counsel:

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STATEMENT OF THE CASE

Nature of the Case: This case involves a contract dispute relating to Real-Party-in-Interest/Plaintiff/Counter-Defendant Tabletop Media, LLC's ("Tabletop") purported obligation to purchase a patent from Relator/Defendant/Counter-Plaintiff Andrew Silver ("Silver") under certain conditions and terms set forth in an alleged agreement between the parties.

On March 2, 2015, Tabletop filed suit against Silver in state district court in Dallas County, Texas. MR054.[1] Tabletop sought a declaratory judgment under Texas law that: (1) no binding agreement existed between the parties; (2) conditions precedent to the alleged agreement between the parties were not met; (3) Tabletop had no outstanding obligations of any type or kind to Silver under the alleged agreement; and (4) in the alternative, Tabletop was excused from any obligations to Silver under the alleged agreement because Silver anticipatorily repudiated and materially breached the alleged agreement. MR063-066. Tabletop subsequently pled a fraudulent inducement claim against Silver, alleging that Silver fraudulently induced Tabletop to enter into the alleged agreement. MR046-47.

Later on March 2, 2015, Silver filed suit against Tabletop in state district court in Dallas County, Texas. MR026. Silver pled a single breach of contract claim against Tabletop under Texas law, alleging that Tabletop failed to make payments purportedly owed to Silver under the agreement described above. MR032-33. The two lawsuits were consolidated in Cause No. DC-15-02268 in the 134th

[1] "MR ___" refers to Silver's Mandamus Record filed concurrently with his Petition for Writ of Mandamus. "Pet. ___" refers to Silver's Petition for Writ of Mandamus. "App. Tab ___" refers to the Appendix attached to this response.

Judicial District Court of Dallas County, Texas. MR068.

Name of Respondent: Honorable Dale Tillery, Presiding Judge of the 134th Judicial District Court of Dallas County, Texas.

Respondent's Action: The subject of this original proceeding is a discovery dispute based on Silver's withholding of hundreds of responsive communications between himself and his non-attorney patent agent and business partner, Raffi Gostanian ("Gostanian"). MR069-81. Silver withheld these communications on the ground that Gostanian acted as Silver's patent agent and, thus, the communications with Gostanian are protected from disclosure by the attorney-client privilege. MR072. At the time the communications were made, Gostanian was neither a licensed attorney nor a representative of a licensed attorney. MR096-99.

On February 9, 2016, the trial court granted Tabletop's amended motion to compel and ruled that "no privilege exists for communications between a patent agent and his or her client where the patent agent is not acting under the direction of an attorney." MR004-06.

Silver then filed a petition for permission to appeal the order in the Dallas Court of Appeals pursuant to Texas Civil Practice and Remedies Code § 51.014(d) and Texas Rule of Civil Procedure 168. MR100. On March 8, 2016, while his petition was pending in that court, Silver informed the Court of Appeals of the Federal Circuit's decision in *In re Queen's University at Kingston*, 820 F.3d 1287 (Fed. Cir. 2016) ("*Queen's University*"). MR127. On May 25, 2016, the Court of Appeals summarily denied Silver's petition and "dismiss[ed] the appeal for want of jurisdiction." MR024.

After the Court of Appeals denied his petition, Silver filed a motion for reconsideration in the trial court, asking the trial court to reconsider its February 9, 2016 order compelling production of the documents in question on the ground that the Federal Circuit's decision in *Queen's University* established a federal patent agent privilege protecting certain communications between a patent agent and his client from disclosure. MR129. On June 13, 2016, the trial court denied Silver's motion and ordered Silver to produce the documents in question. MR007.

Disposition By COA:

Silver filed a petition for writ of mandamus in the Dallas Court of Appeals on July 1, 2016. Pet. 8.

The panel who participated in the decision consisted of Justices Craig Stoddart, Molly Francis, and David Evans. MR009.

On August 17, 2016, the Court of Appeals denied Silver's Petition for Writ of Mandamus in a 2-1 decision. MR013. Justice Stoddart (joined by Justice Francis) authored the majority opinion. Justice Evans authored the dissenting opinion.

The citation for the Court of Appeals' decision is *In re Silver*, No. 05-16-774-CV, 2016 Tex. App. LEXIS 8985 (Tex. App.–Dallas Aug. 17, 2016, orig. proceeding).

ISSUE PRESENTED

Silver contends that the trial court abused its discretion in granting Tabletop's motion to compel Silver to produce communications between Silver and a patent agent whom Silver knew was neither a licensed attorney nor a licensed attorney's representative. According to Silver, the attorney-client privilege under Texas Rule of Evidence 503 allegedly protects those communications from disclosure. The issue presented to the Court is: Did the trial court abuse its discretion in compelling the production of those communications where (1) no Texas court – indeed, no state court in the country – has ever held that the attorney-client privilege protects such communications from disclosure, (2) the attorney-client privilege under Rule 503 applies to communications with a licensed attorney or licensed attorney's representative only, (3) no empirical evidence exists that affirming the trial court's ruling (*i.e.*, affirming longstanding Texas law) would adversely impact patent agents and their clients, and (4) reversing the trial court's ruling would result in an unprecedented expansion of the attorney-client privilege to encompass communications with all non-attorney professionals who perform services of a legal nature?

STATEMENT OF FACTS

Tabletop created and developed the Ziosk® device – a pay-at-the-table, standalone electronic tablet that provides guests at casual dining restaurants like

Chili's with an interactive and convenient ordering, check-out, and entertainment experience. MR036. The pay-at-the table concept was the brainchild of Tabletop's Chairman and Co-Founder, Jack Baum, who has spent his entire career as an entrepreneur in the restaurant and technology industries. *Id*.

On August 18, 2003, Silver filed U.S. Patent Application No. 10/642,841 ("the '841 Application"). MR038. On April 14, 2008, Tabletop and Silver entered into an agreement ("the Agreement") under which Tabletop agreed to purchase a later-issued patent if it contained the claims in the '841 Application as they were written in April 2008. MR039-40.[2] After the parties entered into the Agreement, the U.S. Patent and Trademark Office ("PTO") rejected the '841 Application, and Silver, in response, materially changed the claims in the application as written in April 2008. MR041-42. Based on those material changes, the claims in the application no longer covered or assisted Tabletop's Ziosk® device. MR041-43. The materially different claims were among the claims that ultimately issued as U.S. Patent No. 8,224,700 ("the '700 Patent") in October 2012. MR042.

Given the materially different claims issued in the '700 Patent, both parties understood at that time that: (1) the Agreement was no longer in effect; (2) the parties had no further rights and obligations under the Agreement; and (3) Silver

[2] Claims are the numbered paragraphs found at the end of a patent that define the scope of the invention that has been patented. In the above context, the '841 Application contained proposed claims for the alleged invention for which Silver sought a patent.

would retain ownership of the patent family arising from the materially-altered '841 Application. MR043. Silver's actions from 2012 onward are consistent with that understanding and conflict with Silver's current claim in this lawsuit that the Agreement continues to bind the parties. MR043-45.

For example, Silver and Gostanian (the non-attorney patent agent whose communications are the subject of this proceeding) started a business called Dyntastic, LLC to monetize the patent that issued from the '841 Application. MR043-45, 071-72. On several occasions, Silver and Gostanian, on Dyntastic's behalf, offered to sell Tabletop, on different terms, the same patents and applications that Silver now contends are covered by the Agreement. MR043-45. Silver and Gostanian also represented that they were attempting to sell or license the same patents and applications to other companies. *Id*. Silver and Gostanian, in essence, sought to have their cake and eat it, too, by attempting to extract money from Tabletop and others for a patent they later claimed Tabletop already owned.

SUMMARY OF ARGUMENT

This Court should summarily deny Silver's Petition for Writ of Mandamus because it does not involve an issue of any importance to Texas jurisprudence. First, Tabletop respectfully submits that the creation of a new privilege for communications with a patent agent who is neither a licensed attorney nor a licensed attorney's representative should be left to the Legislature or the rules-

making process in accordance with Texas Rule of Evidence 501. TEX. R. EVID. 501 ("Unless a Constitution, a statute, or these or other rules prescribed under statutory authority provide otherwise, no person has a privilege to … refuse to disclose any matter ... [or] refuse to produce any object or writing …").

Second, no Texas case has ever recognized a privilege for patent agent communications during the more than 100 years that patent agents have existed. Indeed, the absence of ***any*** Texas cases – and the dearth of cases in any other state court in the country – addressing a privilege for patent agent communications highlights that the issue is extraordinarily rare in state court cases based on state law claims. Accordingly, it is extremely unlikely that the issue will recur in Texas state courts so as to merit this Court's weighing in on the issue.

Third, Texas courts have repeatedly interpreted the attorney-client privilege under Texas Rule of Evidence 503 to apply to communications between a party and a licensed attorney or licensed attorney's representative only, and Silver fails to cite any Texas authority to the contrary. Thus, this Court's review is unwarranted because: (1) there is no conflict among Texas courts on the issue; and (2) the trial court's ruling that the attorney-client privilege does not apply to the communications in question is consistent with longstanding Texas law.

Furthermore, Silver's Petition should be denied on the merits. The Court of Appeals correctly ruled that "[n]o Texas statute or rule recognizes or adopts a

patent-agent privilege." MR011. Indeed, no Texas court (or any other state court) has ever held that the attorney-client privilege applies to such communications. And the Court of Appeals correctly ruled that well-established Texas law prohibits Texas courts from creating a patent agent privilege as a new, independent privilege or as an unprecedented modification of the attorney-client privilege.

In an apparent attempt to make an end-run around such precedent, Silver asks this Court to bootstrap a patent agent privilege onto the existing attorney-client privilege. Texas courts, however, have narrowly construed Rule 503 to limit the attorney-client privilege to communications between a ***licensed attorney*** (or a licensed attorney's representative) and a client unless the client reasonably believed the non-attorney was actually an attorney. There is no dispute that: (1) the patent agent in this case, Gostanian, was not a licensed attorney or a licensed attorney's representative at the time the communications in question were made; and (2) Silver knew that Gostanian was not a licensed attorney. Thus, the attorney-client privilege does not protect the communications in question from disclosure.

Unable to cite a single Texas decision holding that the attorney-client privilege applies to the communications in question, Silver is forced to rely exclusively on the Federal Circuit's split decision in *Queen's University* in which that court created a new, independent patent agent privilege under ***federal common law***. But Silver does not dispute that Texas law, not federal common law, governs

the discoverability of the communications in question. The Federal Circuit also did not hold that the attorney-client privilege applies to those communications. If the Federal Circuit believed that a legitimate basis existed for applying the attorney-client privilege to those communications, it would have done so rather than create a new privilege from thin air. It chose not to do so. Therefore, *Queen's University* is neither binding nor persuasive precedent in this case.

Finally, Silver's Petition should be denied on the merits because the Federal Circuit's bases for recognizing a patent agent privilege are deeply flawed as the dissent in *Queen's University* methodically and comprehensively demonstrated. Additionally, affirming the trial court's refusal to recognize such a privilege would not adversely impact patent agents and their clients. Texas law has never recognized a privilege for the communications in question, yet Silver has failed to present a shred of evidence that patent agents and their clients have suffered any alleged harm from the absence of such a privilege during the more than 100 years that patent agents have existed. By contrast, reversing the trial court's ruling would result in an unprecedented expansion of the attorney-client privilege that will have legal consequences far beyond the narrow and rare issue presented here.

For the reasons stated herein, Silver's Petition should be denied.

ARGUMENT

I. Texas Courts Lack Authority to Create a New Patent Agent Privilege Under Texas Law

The Court of Appeals in this case correctly held that well-established Texas law prohibits Texas courts from creating new discovery privileges, such as a patent agent privilege, that are not recognized by the Constitution, a statute, the Texas Rules of Evidence, or other rules established pursuant to statute. *See, e.g.*, MR010-11; TEX. R. EVID. 501; *In re Fisher & Paykel Appliances, Inc.*, 420 S.W.3d 842, 848 (Tex. App.–Dallas 2014, orig. proceeding) (noting that the Texas Legislature can and will create a privilege when it deems the situation appropriate and declining to create common law self-critical analysis privilege that "both the Congress … and the Texas Legislature have declined to create."); *Abbott v. GameTech Int'l*, 2009 Tex. App. LEXIS 4554, at *18 (Tex. App.–Austin June 17, 2009, pet. denied) ("[F]ederal courts are authorized to determine new discovery privileges. … Texas courts have no such authority.").

In this case, the Court of Appeals correctly held that no Texas statute or rule, including Rule 503, recognizes a privilege for communications between a client and a non-attorney patent agent. MR010-11. Furthermore, as shown below, Silver's attempt to shoehorn communications with a non-attorney patent agent into the attorney-client privilege under Texas Rule of Evidence 503 would constitute an unprecedented expansion of that privilege that is more appropriately left to the

Legislature or the rules-making process in accordance with Rule 501. *See Abbott*, 2009 Tex. App. LEXIS 4554, at *19 ("If the scope of the confidentiality protection is to be broadened, it is for the Legislature, not this Court to do so."). Therefore, Tabletop respectfully submits that well-established Texas law precludes this Court from creating a new patent agent privilege.

II. The Attorney-Client Privilege Under Texas Rule of Evidence 503 Applies to Licensed Attorneys (or Their Representatives) Only

In his petition, Silver attempts to make an end-run around the above authorities prohibiting Texas courts from creating new privileges by trying to bootstrap the patent agent privilege onto the attorney-client privilege in Texas Rule of Evidence 503. Pet. 9. The Court of Appeals flatly rejected Silver's argument: "No Texas statute or rule recognizes or adopts a patent-agent privilege." MR011. Silver's argument fails because, at the time the communications in question were made, there is no dispute that: (1) Gostanian, Silver's patent agent, was not a ***licensed attorney*** (or a licensed attorney's representative) (MR098, ¶ 2); and (2) Silver knew that Gostanian was not a licensed attorney. Thus, the attorney-client privilege in Rule 503 does not apply to the communications in question.

Rule 503 defines the attorney-client privilege in pertinent part as follows:

> A client has a privilege to refuse to disclose and to prevent any other person from disclosing confidential communications made to facilitate the rendition of professional legal services to the client:

> (A) between the client or the client's representative and the client's lawyer or the lawyer's representative …

TEX. R. EVID. 503(b)(1)(A). Rule 503(a)(3), in turn, defines "lawyer" as "a person authorized, or who the client reasonably believes is authorized, to practice law in any state or nation." TEX. R. EVID. 503(a)(3).

In contravention of this Court's admonition that the attorney-client privilege must be narrowly construed and without citing a single Texas case in support, Silver asks this Court to hold that a non-attorney patent agent (who is not acting as an attorney's representative) is a "lawyer" for purpose of Rule 503. Pet. 19; *In re XL Specialty Ins. Co.*, 373 S.W.3d 46, 56 (Tex. 2012) (the attorney-client privilege is construed narrowly). Neither Rule 503 nor the case law interpreting Rule 503, however, support such an unprecedented expansion of the attorney-client privilege. Instead, Texas courts have consistently interpreted "lawyer" under Rule 503(a)(3) to refer to a "licensed attorney." *See Sanchez v. State*, 2009 Tex. App. LEXIS 2432, at *14-*15 (Tex. App.–Houston [14th Dist.] Mar. 31, 2009, no pet.) (citing the definition of "lawyer" and holding that to invoke the attorney-client privilege, "appellant had to establish that Miles was a ***licensed attorney***, or that appellant reasonably believed as much. Although Miles admitted acting as an advocate for appellant, the record contains no evidence regarding whether she was an ***attorney***, or whether appellant held the belief, reasonable or otherwise, that she was an ***attorney***.) (emphasis added) (internal citations omitted); *McDonald v. State*, 2010

Tex. App. LEXIS 7977, at *27-*32 (Tex. App.–El Paso Sept. 30, 2010, pet. ref'd) (holding that a person possessing a power of attorney was not a lawyer under Rule 503 because "[a] power of attorney does not authorize one to act as ***a licensed attorney at law***, representing individuals in proceedings in court." / "Because Judy was not ***a licensed attorney*** and could not act on Appellant's behalf in his criminal prosecution simply because she was appointed as his agent under a durable power of attorney, Appellant may not invoke the attorney-client privilege to exclude the phone-call proceeding.") (emphasis added); *Strong v. State*, 773 S.W.2d 543, 549 (Tex. Crim. App. 1989) ("The subjective standard in Rule 503(a)(3) relates to whether the client reasonably believes that the individual he or she is consulting is a ***licensed attorney***. By its terms, Rule 503(a)(3) requires more than a mere belief that the individual consulted is a ***licensed attorney***, that belief must be reasonable.") (emphasis added).

In this case, Gostanian admitted in sworn testimony that he ***is not*** a licensed attorney. MR098, ¶ 2 ("I am not an attorney."). Silver also presented no evidence that, at the time the communications in question were made, he reasonably believed that Gostanian was authorized to practice law in any state or nation or was acting as a licensed attorney's representative. Consequently, Gostanian is not a "lawyer" as that term is defined in Rule 503(a)(3), and the attorney-client privilege does not apply to communications between Gostanian and Silver.

Silver and the dissent in the Court of Appeals, however, erroneously contend that non-attorney patent agents are "lawyers" for purpose of Rule 503 based on the United States Supreme Court's alleged holding in *Sperry v. State of Florida*, 373 U.S. 379 (1963) that a non-attorney patent agent's ability to perform certain quasi-legal services in the PTO constitutes an authorization to practice law. *Sperry* is legally and factually distinguishable. First, *Sperry* is not a privilege case and did not hold that the attorney-client privilege applies to communications with non-attorney patent agents. In fact, the Supreme Court noted that "[w]hen asked '[w]hat is going to be the difference in the legal prerogatives of the [non-attorney patent] agents and the others that come in,'" the Commissioner of Patents testified before Congress that "[t]heir rights in the Patent Office will be exactly the same. ***Their rights in the courts will be different***.'" *Id*. at 394-95 (emphasis added). According to the Commissioner, one such difference between patent attorneys and non-attorney patent agents is that the latter ***would not be able to claim privilege for their clients in court proceedings like this one***. *Queen's Univ.*, 820 F.3d at 1309 n.8 (Reyna, J., dissenting) (quoting Commissioner's testimony that "if their clients get mixed up in civil proceedings in the courts, the one who has a lawyer for his attorney will have a lawyer who is able to claim privilege for his client; but the man who has an agent for his attorney will not be able to claim that privilege.").

Second, the Supreme Court did not hold that non-attorney patent agents are

licensed attorneys or are generally authorized to practice law as Rule 503 requires. *Sperry*, 373 U.S. at 386 (citing regulations providing that "registration in the Patent Office does not authorize the general practice of patent law."). Instead, the Court merely held that Florida could not bar a non-attorney patent agent's performance of "tasks which are incident to the preparation and prosecution of applications before the Patent Office" as the unauthorized practice of law. *Id*. at 404.

Furthermore, current federal regulations governing non-attorney patent agents: (1) make clear that such agents ***are not*** "attorneys" or "lawyers"; and (2) prohibit such agents from engaging in the unauthorized practice of law. *See, e.g.*, 37 C.F.R. § 11.1 (App. Tab 1) (defining "[p]ractitioner" as "[a]n attorney or agent registered to practice before the [PTO] in patent matters" / "Attorney or lawyer means an individual who is an active member in good standing of the bar of the highest court of any State."); 37 C.F.R. § 11.505 (App. Tab 2) ("A practitioner shall not practice law in a jurisdiction in violation of the regulation of the legal profession in that jurisdiction …."). These regulations establish that while non-attorney patent agents may be permitted to perform certain quasi-legal services in the PTO, that is far different from being "authorized … to practice law in any state or nation" as Rule 503's definition of "lawyer" expressly requires.

Finally, limiting the term "lawyer" to licensed attorneys makes sense. If the term "lawyer" were intended to apply to any non-attorneys permitted to practice

law for limited purposes, then Rule 503's plain meaning falls apart. Once a person is defined as a "lawyer" under Rule 503, one could argue that ***any*** communications with that person containing legal advice would be privileged – even communications extending beyond the person's permission to practice law under limited circumstances. For example, under Silver's strained construction of Rule 503, the attorney-client privilege would apply to Gostanian's provision of legal services to Silver regarding this litigation because Rule 503(b)(1)(A) broadly applies to any communications made by a lawyer "to facilitate the rendition of professional legal services to the client." Not even Justice Evans in his dissent (MR018) or the Federal Circuit in *Queen's University* (820 F.3d at 1301-02) believes that a patent agent privilege should apply to any and all legal services that could potentially be provided by a non-attorney patent agent.

III. Silver's and the Dissent's Reliance on the Federal Circuit's Decision in *Queen's University* Is Misplaced

Unable to find a single Texas court decision (or any other state court decision) holding that the attorney-client privilege applies to communications by and to a non-attorney patent agent, Silver is forced to rely exclusively on the Federal Circuit's decision in *Queen's University* as support for the existence of a patent agent privilege. The Court of Appeals squarely rejected Silver's reliance on *Queen's University* (MR011), and such reliance is misplaced here.

First, the Federal Circuit in *Queen's University* merely recognized a

privilege under federal common law. The Federal Circuit did not address, much less decide, whether a patent agent privilege exists under Texas law. As Silver acknowledges, Texas – not federal – law governs whether a patent agent privilege exists in this case because this case was filed in a Texas state court and is based on Texas state law claims. Pet. 19; FED. R. EVID. 501 ("[I]n a civil case, state law governs privilege regarding a claim or defense for which state law supplies the rule of decision."); *In re Monsanto Co.*, 998 S.W.2d 917, 930-31 (Tex. App.–Waco 1999, orig. proceeding); *Forscan Corp. v. Touchy*, 743 S.W.2d 722, 727-28 (Tex. App.–Houston [14th Dist.] 1987, orig. proceeding); *In re Weeks Marine, Inc.*, 31 S.W.3d 389, 390-91 (Tex. App.–San Antonio 2000, orig. proceeding) (per curiam).

Second, the Federal Circuit did not hold that a patent agent privilege exists under Federal Rule of Evidence 502 – the federal rule of evidence governing the attorney-client privilege. Instead, the Federal Circuit expressly held that it was creating a new and independent privilege under ***federal common law*** only. 820 F.3d at 1295. As shown above, Tabletop respectfully submits that this Court lacks the same authority to create new, common law privileges. *See supra* at 10-11.

Silver cites other reasons why this Court should adhere or defer to the Federal Circuit's decision in *Queen's University*. According to Silver, "[t]he Federal Circuit's precedence extends to discovery matters related to patents …." Pet. 22-23 (citing *In re Spalding Sports Worldwide, Inc.*, 203 F.3d 800 (Fed. Cir.

2000) (orig. proceeding); *Truswal Sys. Corp. v. Hydro-Air Eng'g, Inc.*, 813 F.2d 1207 (Fed. Cir. 1987)). Both of the cases cited by Silver are inapposite because they are patent infringement actions filed in federal court based on federal question jurisdiction. Those cases did not hold that Federal Circuit precedent controls the existence of a privilege in a state court lawsuit based on state law claims that are governed by state law (like this case). *Id*.

Silver next erroneously argues that state courts should "hew closely to the pertinent federal precedents" in deciding whether a patent agent privilege exists. Pet. 26 (citing *Gunn v. Minton*, 133 S. Ct. 1059, 1067-68 (2013)). *Gunn*, however, was a legal malpractice case, not a privilege case. In *Gunn*, the plaintiff claimed that legal malpractice occurred in an underlying patent infringement action. The state court was charged with determining what would have happened in that action if the alleged malpractice had not occurred. *Id*. at 1067. It is in that specific context that the Supreme Court stated that "[i]n answering ***that question***, state courts can be expected to hew closely to the pertinent federal precedents." *Id*. (emphasis added). "That question" – which involved the proper interpretation of the on sale bar doctrine for determining a patent's validity under the federal Patent Act (*id.* at 1065) – is not at issue here. In this case, whether a patent agent privilege should be grafted onto the longstanding attorney-client privilege under Texas Rule of Evidence 503 is purely a question of state law to which this Court

does not owe the Federal Circuit any deference. *See supra* at 17.

All of the above reasons support the Court of Appeals' conclusion that *Queen's University* is neither controlling nor persuasive and refute Justice Evans' dissent. In his dissent, Justice Evans erroneously asserts that Silver is simply asking to protect the same communications from disclosure that the Federal Circuit recognized "were privileged within the scope of rule 503 of the Federal Rules of Evidence." MR015. Not only is there no Rule 503 in the Federal Rules of Evidence, but the Federal Circuit, as shown above, ***did not*** recognize a patent agent privilege under Federal Rule of Evidence 502. Instead, the Federal Circuit conspicuously chose to create a new, independent patent agent privilege under federal common law. Silver makes no such request in this case.

IV. This Court Should Decline to Recognize a Patent Agent Privilege Under the Circumstances in This Case

Finally, even though Texas law has not recognized a patent agent privilege and Rule 503 and case law interpreting that rule do not support such a privilege, this Court should decline to recognize a patent agent privilege under Texas law because: (1) the legal reasoning underlying the privilege is flawed; and (2) no compelling public policy considerations support such a privilege. In light of the word limit for this brief, Tabletop refers this Court to Judge Reyna's methodical and comprehensive dissent in *Queen's University* showing why a patent agent privilege should not be recognized and reserves the right to further brief the issue,

if necessary. 820 F.3d at 1302-16 (Reyna, J., dissenting) (MR249-58). Silver's policy arguments in support of a patent agent privilege are similarly unavailing.

Silver's policy arguments are based on the erroneous assumption that this Court's affirmance of the trial court's refusal to recognize a patent agent privilege would somehow adversely impact a client's alleged expectation of confidentiality in communications with a patent agent and alleged freedom to choose between a patent attorney and a non-attorney patent agent for representation in the PTO. Pet. 18, 26-27. But Silver overlooks the obvious fact that before the Federal Circuit's decision in *Queen's University* on March 7, 2016, neither the United States Supreme Court nor any federal or state appellate court had ever recognized a patent agent privilege. In short, there effectively was ***no*** federal patent agent privilege in cases like this one (involving non-attorney patent agents working independently of licensed attorneys) for over a century from the time patent agents first started practicing before the PTO until March 7, 2016. *Queen's Univ.*, 820 F.3d at 1305 n.2 (Reyna, J., dissenting) ("[P]atent agents have been practicing before the USPTO for over a century."). Thus, any claimed adverse impact on client confidentiality and choice or the ability of non-attorney patent agents to compete with patent attorneys in the marketplace should have occurred prior to March 7, 2016. But Silver failed to present any evidence that it did.

Furthermore, affirming the trial court's ruling would have a *de minimis*

impact, if any, on the alleged confidentiality or competitive benefits of recognizing a patent agent privilege. Any decision by this Court will not overturn or limit the precedential value of *Queen's University* in federal court. Non-attorney patent agents and their clients may continue to assert the patent agent privilege in any case involving claims under federal law, including any patent infringement action. Any alleged confidentiality benefits also would be limited to cases like this one involving the minority of non-attorney patent agents that are working independently rather than under attorney supervision as part of a law firm or corporate legal department. *See Queen's Univ.*, 820 F.3d at 1305 (Reyna, J., dissenting) ("[P]atent agents are more commonly found in law firms or as part of an in-house patent team for a large company.'").

Silver further contends that "[a] conflict between federal courts and Texas courts on this issue will encourage forum-shopping in state-law claims involving patents, when parties wish to vitiate the legitimate expectations of privilege held by the clients of patent agents." Pet. 28. Silver's purported concern is overblown. The overwhelming percentage of cases in which a patent agent privilege might be relevant are federal patent infringement actions, and every forum in which such actions are brought will be governed by *Queen's University*. Furthermore, the utter dearth of cases in which parties in a state court case based on state law claims have litigated whether a patent agent privilege exists reveals that forum shopping

based on the existence of such a privilege would be rare.

If anything, public policy considerations counsel against recognizing a patent agent privilege in this case. This Court should decline to hold that the attorney-client privilege applies to the communications between a party and non-attorney patent agents because it would result in an unprecedented expansion of the privilege beyond any reasonable or logical bounds. Adopting Silver's expansive interpretation of the attorney-client privilege would force Texas courts to apply such a privilege to communications with any variety of non-attorney professionals permitted by a state or nation to provide legal advice for limited purposes (*e.g.*, certified public accountants advising clients on the substance and impact of federal and state tax laws). *See, e.g.*, *Sims v. Kaneb Servs.*, 1988 Tex. App. LEXIS 2243, at *14 (Tex. App.–Houston [14th Dist.] June 16, 1988, no writ) ("There is no accountant-client privilege in the State of Texas."). Silver's request to fundamentally rewrite Texas privilege jurisprudence should be addressed through the legislative process or rules-making process in accordance with Rule 501 rather than decided under the unique circumstances of this case.

CONCLUSION

For the reasons above, Tabletop respectfully requests that this Court deny Relator Andrew Silver's Petition for Writ of Mandamus and grant Real-Party-in-Interest Tabletop Media, LLC any and all other relief to which it is entitled.

Respectfully submitted,

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CERTIFICATE OF COMPLIANCE

Pursuant to Texas Rule of Appellate Procedure 9.4(i)(2)(D), the undersigned counsel – in reliance upon the word count of the computer program used to prepare this document – certifies that this brief contains 4,420 words, excluding the words that need not be counted under Texas Rule of Appellate Procedure 9.4(i)(1).

/s/ Warren S. Huang
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CERTIFICATE OF SERVICE

The undersigned counsel certifies that a copy of Real-Party in Interest Tabletop Media, LLC's Response to Petition for Writ of Mandamus was served by electronic service and/or electronic mail on October 14, 2016, upon the following:

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37 CFR 11.1

§ 11.1 Definitions.

This part governs solely the practice of patent, trademark, and other law before the United States Patent and Trademark Office. Nothing in this part shall be construed to preempt the authority of each State to regulate the practice of law, except to the extent necessary for the United States Patent and Trademark Office to accomplish its Federal objectives. Unless otherwise clear from the context, the following definitions apply to this part:

Attorney or lawyer means an individual who is an active member in good standing of the bar of the highest court of any State. A non-lawyer means a person who is not an attorney or lawyer.

Belief or believes means that the person involved actually supposed the fact in question to be true. A person's belief may be inferred from circumstances.

Confirmed in writing, when used in reference to the informed consent of a person, means informed consent that is given in writing by the person or a writing that a practitioner promptly transmits to the person confirming an oral informed consent. If it is not feasible to obtain or transmit the writing at the time the person gives informed consent, then the practitioner must obtain or transmit it within a reasonable time thereafter.

Conviction or convicted means any confession to a crime; a verdict or judgment finding a person guilty of a crime; any entered plea, including nolo contendre or Alford plea, to a crime; or receipt of deferred adjudication (whether judgment or sentence has been entered or not) for an accused or pled crime.

Crime means any offense declared to be a felony or misdemeanor by Federal or State law in the jurisdiction where the act occurs.

Data sheet means a form used to collect the name, address, and telephone information from individuals recognized to practice before the Office in patent matters.

Disqualified means any action that prohibits a practitioner from participating in or appearing before the program or agency, regardless of how long the prohibition lasts or the specific terminology used.

Federal agency means any authority of the executive branch of the Government of the United States.

Federal program means any program established by an Act of Congress or administered by a Federal agency.

Firm or law firm means a practitioner or practitioners in a law partnership, professional corporation, sole proprietorship or other association authorized to practice law; or practitioners employed in a legal services organization or the legal department of a corporation or other organization.

Fiscal year means the time period from October 1st through the ensuing September 30th.

Fraud or fraudulent means conduct that involves a misrepresentation of material fact made with intent to deceive or a state of mind so reckless respecting consequences as to be the equivalent of intent, where there is justifiable reliance on the misrepresentation by the party deceived, inducing the party to act thereon, and where there is injury to the party deceived resulting from reliance on the misrepresentation. Fraud also may be established by a purposeful omission or failure to state a material fact, which omission or failure to state makes other statements misleading, and where the other elements of justifiable reliance and injury are established.

Good moral character and reputation means the possession of honesty and truthfulness, trustworthiness and reliability, and a professional commitment to the legal process and the administration of justice, as well as the condition of being regarded as possessing such qualities.

Grievance means a written submission from any source received by the OED Director that presents possible grounds for discipline of a specified practitioner.

Informed consent means the agreement by a person to a proposed course of conduct after the practitioner has communicated adequate information and explanation about the material risks of and reasonably available alternatives to the proposed course of conduct.

Knowingly, known, or knows means actual knowledge of the fact in question. A person's knowledge may be inferred from circumstances.

Law-related services means services that might reasonably be performed in conjunction with and in substance are related to the provision of legal services, and that are not prohibited as unauthorized practice of law when provided by a non-lawyer.

OED means the Office of Enrollment and Discipline.

OED Director means the Director of the Office of Enrollment and Discipline.

OED Director's representatives means attorneys within the USPTO Office of General Counsel who act as representatives of the OED Director.

Office means the United States Patent and Trademark Office.

Partner means a member of a partnership, a shareholder in a law firm organized as a professional corporation, or a member of an association authorized to practice law.

Person means an individual, a corporation, an association, a trust, a partnership, and any other organization or legal entity.

Practitioner means:

(1) An attorney or agent registered to practice before the Office in patent matters;

(2) An individual authorized under *5 U.S.C. 500*(b), or otherwise as provided by § 11.14(a), (b), and (c), to practice before the Office in trademark matters or other non-patent matters;

(3) An individual authorized to practice before the Office in a patent case or matters under § 11.9(a) or (b); or

(4) An individual authorized to practice before the Office under § 11.16(d).

Proceeding before the Office means an application for patent, an application for reissue, a reexamination, a protest, a public use matter, an inter partes patent matter, correction of a patent, correction of inventorship, an application to register a trademark, an inter partes trademark matter, an appeal, a petition, and any other matter that is pending before the Office.

Reasonable or reasonably when used in relation to conduct by a practitioner means the conduct of a reasonably prudent and competent practitioner.

Reasonable belief or reasonably believes when used in reference to a practitioner means that the practitioner believes the matter in question and that the circumstances are such that the belief is reasonable.

Reasonably should know when used in reference to a practitioner means that a practitioner of reasonable prudence and competence would ascertain the matter in question.

Registration means registration to practice before the Office in patent proceedings.

Roster means a list of individuals who have been registered as either a patent attorney or patent agent.

Screened means the isolation of a practitioner from any participation in a matter through the timely imposition of procedures within a firm that are reasonably adequate under the circumstances to protect information that the isolated practitioner is obligated to protect under these USPTO Rules of Professional Conduct or other law.

Serious crime means:

(1) Any criminal offense classified as a felony under the laws of the United States, any state or any foreign country where the crime occurred; or

(2) Any crime a necessary element of which, as determined by the statutory or common law definition of such crime in the jurisdiction where the crime occurred, includes interference with the administration of justice, false swearing, misrepresentation, fraud, willful failure to file income tax returns, deceit, bribery, extortion, misappropriation, theft, or an attempt or a conspiracy or solicitation of another to commit a "serious crime."

Significant evidence of rehabilitation means satisfactory evidence that is significantly more probable than not that there will be no recurrence in the foreseeable future of the practitioner's prior disability or addiction.

State means any of the 50 states of the United States of America, the District of Columbia, and any

Commonwealth or territory of the United States of America.

Substantial when used in reference to degree or extent means a material matter of clear and weighty importance.

Suspend or suspension means a temporary debarring from practice before the Office or other jurisdiction.

Tribunal means the Office, a court, an arbitrator in a binding arbitration proceeding or a legislative body, administrative agency or other body acting in an adjudicative capacity. A legislative body, administrative agency or other body acts in an adjudicative capacity when a neutral official, after the presentation of evidence or legal argument by a party or parties, will render a binding legal judgment directly affecting a party's interests in a particular matter.

United States means the United States of America, and the territories and possessions the United States of America.

USPTO Director means the Director of the United States Patent and Trademark Office, or an employee of the Office delegated authority to act for the Director of the United States Patent and Trademark Office in matters arising under this part.

Writing or written means a tangible or electronic record of a communication or representation, including handwriting, typewriting, printing, photostating, photography, audio or video recording and electronic communications. A "signed" writing includes an electronic sound, symbol or process attached to or logically associated with a writing and executed or adopted by a person with the intent to sign the writing.

HISTORY: *[69 FR 35428, 35452,* June 24, 2004; *73 FR 47650, 47687,* Aug. 14, 2008; *77 FR 45247, 45251,* July 31, 2012; *78 FR 20180, 20197,* Apr. 3, 2013; *81 FR 33591, 33596,* May 27, 2016]

NOTES: [EFFECTIVE DATE NOTE: *77 FR 45247, 45251,* July 31, 2012, amended this section, effective Aug. 30, 2012; *78 FR 20180, 20197,* Apr. 3, 2013, amended this section, effective May 3, 2013; *81 FR 33591, 33596,* May 27, 2016, revised the definitions of "Attorney or lawyer" and "Practitioner", effective June 27, 2016.]

NOTES APPLICABLE TO ENTIRE CHAPTER:
EDITORIAL NOTE: Chapter I -- Patent and Trademark Office, Department of Commerce, Subchapter A -- General, contains patent and trademark regulations. Subchapter A has been restructured to allow parts pertaining to patent regulations and trademark regulations to be grouped separately.
[PUBLISHER'S NOTE: For Federal Register citations concerning Chapter I Notices, see: *78 FR 61185,* Oct. 3, 2013.]

NOTES APPLICABLE TO ENTIRE SUBCHAPTER:
[PUBLISHER'S NOTE: "The parts in chapter I, subchapter A are regrouped according to subject matter. All parts pertaining to patents--parts 1 and 5--appear sequentially. All parts pertaining to trademarks--parts 2 and 6--follow, also in sequence. Part 3 which pertains to both patents and trademarks follows part 1."]

LexisNexis (R) Notes:

RESEARCH GUIDES 8-600 Gilson on Trademarks 602, (Matthew Bender), ch 600 Attorney, Representative, and Signature, 602 Persons Authorized to Practice Before USPTO in Trademark Matters.
8-600 Gilson on Trademarks 610, (Matthew Bender), ch 600 Attorney, Representative, and Signature, 610 Designation of Domestic Representative by Parties Not Domiciled in the United States.
8-1600 Gilson on Trademarks 1604, (Matthew Bender), ch 1600 Registration and Post Registration Procedures, 1604

Affidavit of Use or Excusable Nonuse of Mark in Commerce under § 8.
8-1600 Gilson on Trademarks 1605, (Matthew Bender), ch 1600 Registration and Post Registration Procedures, 1605
Affidavit of Incontestability Under § 15.

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37 CFR 11.505

§ 11.505 Unauthorized practice of law.

A practitioner shall not practice law in a jurisdiction in violation of the regulation of the legal profession in that jurisdiction, or assist another in doing so.

HISTORY: *[78 FR 20180, 20201,* Apr. 3, 2013]

NOTES: [EFFECTIVE DATE NOTE: *78 FR 20180, 20201,* Apr. 3, 2013, added Subpart D, effective May 3, 2013.]

NOTES APPLICABLE TO ENTIRE CHAPTER:
EDITORIAL NOTE: Chapter I -- Patent and Trademark Office, Department of Commerce, Subchapter A -- General, contains patent and trademark regulations. Subchapter A has been restructured to allow parts pertaining to patent regulations and trademark regulations to be grouped separately.
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