CHAPTER 1
An Overview of the Attorney-Client Privilege When the Client Is a Corporation

Vincent S. Walkowiak

I. Introduction 1
II. The Attorney-Client Privilege: First Principles 3
   A. Establishing the Privilege 4
   B. Determining the Rule of Privilege: Control Group versus Subject Matter 8
   C. Multiple Roles of In-House Counsel 13
      1. In-House Counsel as Executive 13
      2. In-House Counsel as Witness 17
      3. The Shelton Doctrine: Noticing the Opposing Counsel’s Deposition 17
   D. Other Types of Privilege Theory 20
      1. The “Joint Defense” 20
      2. Self-Critical Analysis 22
   E. Losing the Attorney-Client Privilege 25
      1. Waiving the Privilege 25
      2. Waiver by Selective and Inadvertent Disclosure 26
      3. Protecting the Privilege in Today’s Technological Age 31
      4. Offensive Use of the Privilege 33
      5. The “Good Cause” Exception 34
   F. Distinguishing the Attorney Work-Product Doctrine from the Attorney-Client Privilege 35
      1. The Attorney Work-Product Doctrine 35
      2. Limits of the Work-Product Doctrine 37
      3. Asserting the Work-Product Doctrine in Successive Litigation 37
III. Conclusion and Practical Tips 39
CHAPTER 2  
Perspectives on the Attorney-Client Privilege and the Work-Product Doctrine  
Allan Kanner, Tibor Nagy  
I. Introduction 41  
II. The Attorney-Client Privilege and the Work-Product Doctrine 42  
A. The Attorney-Client Privilege 42  
B. The Work-Product Doctrine 45  
III. The Crime-Fraud Exception 48  
A. Origin and Purpose 48  
B. Scope of the Exception 49  
C. Evidentiary Standards 51  
D. Building a Crime-Fraud Exception Argument in Mass Torts 54  
IV. Investigations by In-House and Outside Counsel 56  
A. The Changing Role of In-House Counsel 57  
B. Changing Conceptions of Secrecy 60  
C. The Use of Outside Counsel in Internal Investigations 61  
V. Communications with Former Employees 63  
VI. Conclusion 67

CHAPTER 3  
Confidentiality and Its Relationship to the Attorney-Client Privilege  
Arthur Garwin  
I. Introduction 69  
II. Model Rule 1.6—Confidentiality of Information 71  
A. Public Information 72  
B. Paragraph (a) Impliedly Authorized Disclosures 74  
C. Authorized Disclosures 75  
D. Paragraph (b) Exceptions 75  
1. Physical Harm 75  
2. Crime-Fraud Exception 76  
3. Ethics Advice 78  
4. Claim or Defense 80  
5. Other Law or Court Order 80  
6. Lawyer’s Change of Employment 83  
E. Paragraph (c) Inadvertent or Unauthorized Disclosures 83

CHAPTER 4  
Preserving Candor between Lawyers and Clients: The Hidden Danger from Exceptions to the Attorney-Client Privilege  
Kenneth A. Hindman, M. Colston Jones  
I. What Lawyers and Clients Understand about the Attorney-Client Privilege, and What It Means to Them 85
Contents

II. The Unspoken Understanding between Lawyers and Clients 86
III. The Source of the Danger: Substantive Law 87
V. How Restricting the Scope of the Privilege Expands Exceptions to the Privilege 92
   A. Exception for “Nonlegal” Work 92
   B. “Bad Faith”/“At Issue” Exception 94
   C. “Crime-Fraud” Exception 97
VI. Why the Courts Are Not the Answer 100
VII. Why Litigation-Based Rules Should Not Define the Privilege 102
VIII. Conclusion 104

CHAPTER 5
Communications between Attorneys and Putative Class Members 107
Allan Kanner, Tibor Nagy

I. Introduction 107
II. Communications with Nonclients Generally 108
   A. Rules against Solicitation, Contact with Represented Parties, and Misleading Statements 108
   B. The Traditional Model: No-Comment Local Rules 110
   C. Gulf Oil Co. v. Bernard: The No-Comment Model Is Cut Back 111
   D. The Modern Model: Case Management 113
III. Communications with Putative Class Members 114
   A. Precertification 114
      1. Jackson v. Motel 6 Multipurpose, Inc. and Abdallah v. Coca-Cola Co. 116
      2. Hammond v. City of Junction City 120
   B. The Opt-Out Period 120
      1. Kleiner v. First National Bank of Atlanta 121
      2. Georgine v. Amchem Products, Inc. 123
   C. Postcertification, Post-Opt-Out Period 125
IV. Opt-In Class Actions 125
V. Conclusion 130

CHAPTER 6
Communications between Related Corporations and the Attorney-Client Privilege 131
Vincent S. Walkowiak

I. Direct Communications between a Parent Corporation and Its Subsidiary 131
II. The “Common Ownership” Test 132
III. The “Community of Interest” Test 133
IV. The “Joint Defense” Test 137
V. Summary of the Three Tests 140
VI. The Work-Product Doctrine as It Applies to Communications between Related Corporations 140
VII. Degree of Ownership Required for “Common Ownership” to Apply 143
VIII. Control of Privilege before and after Sale of Related Corporation 144
IX. Conclusion 148

CHAPTER 7
Federal Courts’ Application of the Work-Product Doctrine to Nonparties 151
J. Tracy Walker, IV, C. Simon Davidson
I. Introduction 151
II. Origin of the Work-Product Doctrine and Underlying Policy 151
III. Decisions Narrowly Interpreting Rule 26(b)(3) or Otherwise Denying Work-Product Protection to Nonparties 153
IV. Decisions Granting Work-Product Protection to Nonparties 157
V. Advice for Practitioners 160
VI. Conclusion 162

CHAPTER 8
Applying the Attorney-Client Privilege to Investigations Involving Attorneys: What Is Fair Game in Discovery? 163
David E. Bland, Scott G. Johnson
I. Introduction 163
II. The Attorney-Client Privilege Defined 164
III. Upjohn Co. v. United States 166
IV. Is the Attorney Investigator Acting in the Capacity of an Attorney? 169
A. Attorney Investigator Acting in Capacity of Attorney 171
B. Attorney Investigator Not Acting in Capacity of Attorney 175
C. Summary 177
V. The Work-Product Doctrine 178
A. In Anticipation of Litigation 179
B. Substantial Need 185
C. Witness Statements 187
D. Summary 190
VI. What Must Be Disclosed? 190
VII. Conclusion 192
CHAPTER 9
Protecting the Attorney-Client Privilege during an Internal Investigation
Michael Dockterman

I. Introduction
II. Attorney-Client Privilege
   A. Elements of the Privilege under Federal and State Law
   B. Identifying the Client
   C. What Is Protected?
   D. Asking for Legal Advice
   E. Preserving the Privilege When Establishing the Investigation Team
   F. Designating Information Subject to the Privilege
   G. Expecting to Waive the Privilege
III. Work-Product Doctrine
   A. Elements of the Work-Product Doctrine
   B. Preserving the Exemption
   C. Expecting to Waive the Exemption
IV. Preserving the Privilege and the Exemption
   A. Internal Disclosure
   B. Disclosure to a Party with a Common Interest
   C. Disclosure to a Nonadversary Third Party
   D. Disclosure to a Consultant or Expert

APPENDIX 9-1
Sample Upjohn Letter

APPENDIX 9-2
Sample Memorandum Authorizing Investigation

APPENDIX 9-3
Sample Delegation of Authority

CHAPTER 10
Contacting Employees, Former Employees, and Other Witnesses Currently or Formerly Affiliated with the Opposing Party—Conflict between the Permissive Scope of Fact Investigation and Protection of Attorney-Client Communication
Vincent S. Walkowiak

I. Definition of the Problem
II. Current Employees
III. Former Employees
IV. Creation of Attorney-Client Relationships with Former Employees 240
V. Strategies to Prevent Access to Key People and Information 241
   A. Identify Key People 241
      1. Require Confidentiality Agreements 241
      2. Enjoin the Former Employee 242
      3. Quash Third-Party Subpoenas 244
   B. Trial Strategies 245
      1. Move to Disqualify 245
      2. Size Up the Hostile Ex-Employee Witness 246
      3. Defuse the Former Witness at Trial 246
VI. Conclusion 247

CHAPTER 11
Discovery of the Nontestifying In-House Expert Assigned to Litigation 249
Ann Marie Mortimer
I. Introduction 249
II. Understanding Rule 26(b)(4)(B) and Successor Rule 26(b)(4)(D): A Historical Perspective 250
III. Making the Case for Qualified Protection of Nontestifying, In-House Experts under Rule 26(b)(4) 254
IV. Practical Challenges in Applying Rule 26(b)(4) to In-House Experts 256
   A. What Does “Specially Retained” Mean in the Context of an Existing In-House Employee? 257
   B. What Does “In Anticipation of Litigation” Mean? 258
   C. What Qualifies as “Exceptional Circumstances” for Purposes of Piercing the Qualified Discovery Protection of Rule 26(b)(4)? 259
   D. Who Has the Burden of Demonstrating Whether the Prerequisites of Rule 26(b)(4) Have Been Met? 260
   E. Does the Identity of a Nontestifying In-House Expert Need to Be Disclosed? 260
   F. What Are the Differences between an “Informally Consulted” Expert and a Nontestifying Expert? 261
V. Practice Pointers for Minimizing Discovery Risk 261
VI. Conclusion 262

CHAPTER 12
The Attorney-Client Privilege in Bankruptcy 263
Toby L. Gerber
I. Introduction 263
II. The “Applicable Law” in Bankruptcy Proceedings 264
III. Application of the Attorney-Client Privilege to Parties in a Bankruptcy Proceeding 265
A. The Debtor, the Debtor-in-Possession, and the Trustee 265
   1. Prebankruptcy Attorney-Client Privilege Belonging to a Debtor 266
   2. Postfiling Transfer of Ownership and Control of the Privilege from the Debtor to the Trustee or Debtor-in-Possession 267
B. Creditors Committee 268
C. Liquidating Trustee under a Plan 269
D. Litigation Trustee under a Plan 269
E. Examiner 270

IV. Assertion of the Attorney-Client Privilege in Bankruptcy Proceedings 270

CHAPTER 13
Putting Attorneys on the Witness Stand and Their Advice at Issue: The Perils of Selective Waiver of Privilege 271
Nicole J. Wing, Nicholas Vera
I. Introduction 271
   A. Foundations 272
   B. Rationale 272
   C. Work-Product Immunity 273
   D. Attorneys Testifying outside Their Capacity as Such 274
      1. The Attorney as an Expert Witness 274
      2. The Attorney as a Corporate Representative 274
II. Putting the Advice of Counsel at Issue 275
   A. The General Rule 275
   B. The State of Mind Exceptions 276
      1. Hearn and Implied Waivers 276
      2. The Good Faith Defense 277
      3. Equitable Estoppel 278
      4. Fraud 280
      5. Contractual Intent 280
   C. Beyond State of Mind 281
   D. Further Extensions of the Implied Waiver Doctrine 282
      1. Refusal of Advice-of-Counsel Defense 282
      2. Pleading by Opponent 283
III. Pretrial Procedure 283
   A. General Considerations 283
   B. Deposing Counsel 284
IV. Scope of Privilege Waiver 285
   A. Scope of Attorney-Client Privilege Waiver 285
      1. Subject Matter Waiver 286
      2. Prior Proceedings 287
      3. Multiple Attorneys 287
   B. Scope of Work-Product Waiver 288
V. Conclusion 289
CHAPTER 14
The Application of the Attorney-Client Privilege to Communications between Insureds and Insurers 291
Kirk A. Pasich
I. Introduction 291
II. Application of the Attorney-Client Privilege 294
   A. The Majority View 294
   B. The Minority View 299
   C. Witness Interviews by Insurers or Their Counsel 301
   D. The Impact of an Insurer’s Reservation of Rights or Declination on the Applicability of the Attorney-Client Privilege 303
III. Safeguards an Insured May Employ to Protect the Attorney-Client Privilege 310
IV. Conclusion 311

CHAPTER 15
Attorney-Client Privilege and Work-Product Immunity in Patent Litigation 313
Michael Edward McCabe, Jr.
I. Introduction and Overview 313
II. General Rules on Privilege and Work Product in Patent Cases 314
   A. Attorney-Client Privilege 315
   B. Work-Product Immunity 317
III. Communications Relating to Invention Process 318
   A. The Privilege Standard Set Forth in the Spalding Decision 319
   B. District Court Cases Applying Spalding 320
   C. The Limits of the Spalding Decision 323
      1. Forwarding Nonprivileged Records Not Privileged 323
      2. Nonconfidential Communications Not Privileged 324
      3. Primarily Business Documents Not Privileged 324
      4. Prior Art Searches May Not Be Privileged 325
      5. Choice of Law Limitations 326
   D. Patent Prosecution Documents as Work Product 326
   E. PTAB Documents as Work Product 329
IV. Communications with Patent Agents and Foreign Counsel as Privileged 330
   A. Who Qualifies as an “Attorney” 330
   B. Communications with U.S. Patent Agents 331
   C. Communications with Foreign Patent Agents and Foreign Attorneys 334
      1. Whose Law to Apply 336
      2. Determining Privilege under Foreign Law 338
V. Attorney-Client Privilege in Patent-Related Administrative Proceedings 345
   A. Section 337 Investigations before the International Trade Commission 345
   B. Proceedings before the Patent Trial and Appeal Board 347
VI. Waiver of Privilege or Immunity 350
   A. Inadvertent Disclosure versus Intentional Waiver 350
   B. Advice-of-Counsel Defenses by Accused Infringer 355
      1. The EchoStar Decision 356
      2. The Seagate Decision 358
      3. Post-Seagate Decisions 359
      4. The Halo Decision 362
      5. Post-Halo Decisions 363
      6. Advice of Counsel after the AIA 365
   C. Waiver Based on Crime-Fraud Exception 367
VII. Conclusion 371

CHAPTER 16
The Joint-Defense Privilege: An Illusion or a Magic Wand? 373
Jeffery J. Carlson, Reagan W. Simpson
I. Introduction 373
II. Basic Overview of the Attorney-Client and Work-Product Privileges 374
   A. Attorney-Client Privilege 374
   B. Work-Product Privilege 374
III. The Applicability of the Attorney-Client Privilege and the Work-Product Privilege in the Context of a Joint-Defense Arrangement 376
   A. Attorney-Client Privilege 376
      1. Communications between Parties to JDA and Their Counsel Relating to Joint Defense Are Privileged 376
      2. Limits of Joint-Defense Attorney-Client Privilege 379
   B. Work-Product Privilege 382
   C. Waiver 383
      1. Attorney-Client Privilege 383
      2. Work-Product Privilege 386
   D. The Use of a Confidentiality Clause as a Precautionary Measure 388
   E. Discovery of Joint-Defense Agreements 389
   F. The Crime-Fraud Exception 389
IV. Issues Concerning Insurance Coverage Groups 390
   A. The Privileged Nature of Communications Shared with Insurer 390
B. Privileges Afforded Plaintiffs in Joint Prosecution against Insurer 393

V. Tips on Drafting Agreements 394

VI. Conclusion 395

CHAPTER 17
The Scope and Use of the Attorney-Client Privilege in the United States and Its Applicability to Communications in the U.S. and Abroad 397

Christopher Scott D’Angelo
I. Definitions 397
   A. What the Privilege Is 397
   B. What the Privilege Is Not 398
   C. Exceptions to the Privilege: Crime-Fraud 399
II. Sources 400
III. Scope and Limits of the Privilege; Waiver 402
   A. Corporate Clients 402
   B. Waiver 405
IV. In-House Lawyers 410
V. Prospective Government Action 411

APPENDIX
Attorney-Client Privilege: 50-State Survey 2019 417

CHAPTER 18
Privilege, Public Relations Firms, and Protecting Confidential Communications from Disclosure 435

Mike A. Orlando Jr.
I. The Attorney-Client Privilege and Third Parties 436
II. Did the PR Firm Enable the Giving of Legal Advice? 437
III. Was the PR Firm the Functional Equivalent of a Client Employee? 441
IV. Protecting Communications and the Client 444

CHAPTER 19
Preserving the Attorney-Client Privilege and Work-Product Protections Afforded to Communications with Experts: Be Mindful of What You Say and to Whom You Say It 447

David E. Bland
I. Introduction 447
II. Amended Rule 26 Protects Communications with Experts Employed for Trial Preparation 449
   A. Classifying the Nontestifying Expert 450
Contents  xiii

B. Discovery from Consultants within the Attorney-Client Privilege  452
C. Discovery from Nontestifying Consultants  453
   1. In Anticipation of Litigation or for Trial  453
   2. What Constitutes “Exceptional Circumstances”?  455
III. The Law as to Testifying Experts  457
   A. Introduction  457
   B. Pre-2010 Amendment Law  459
   C. The 2010 Amendments to Rule 26  461
      1. Facts or Data Considered  461
      2. Draft Reports  464
      3. Attorney-Expert Communications  467
IV. The Use of Dual-Role Experts  469
V. Testifying to Nontestifying Experts: Redesignating an Expert Witness  470
VI. Conclusion  473

Table of Cases  475
Index  531