

IPReg: 2018 Business Plan, Budget and Practice Fees consultation

The Chartered Institute of Trade Mark Attorneys (CITMA) is responding to the consultation by IPReg on their 2018 Business Plan, Budget and Practice Fees in its capacity as an Approved Regulator, as defined in the Legal Services Act 2007 (the Act) and as the representative body for Registered Trade Mark Attorneys and the wider trade mark and design profession. We are grateful to IPReg for the opportunity to comment.

Draft Business Plan

We acknowledge that IPReg is limiting its new initiatives in 2018 as a result of the recent appointment of a new Chief Executive and a Head of Registration. Under the circumstances we agree this is a sensible approach.

With the significant staffing and structural changes within IPReg we believe 2018 would be an ideal opportunity for IPReg to review how it delivers its core activities and delegated responsibilities, reviewing its processes, rules and regulations, consulting as is appropriate. Inclusion of this in the plan would be welcomed.

Developing and putting into place key deliverables against objectives and activities outlined in the plan as well as performance metrics would help to ensure IPReg is seen to be providing robust and cost effective regulation. This should form a key element of the 2018 business plan and would be beneficial to both those regulated by IPReg and to CITMA (and CIPA) in fulfilling its responsibilities as an Approved Regulator.

There are new initiatives included in the plan which we would welcome further clarification and information on, whilst also understanding why they are considered by IPReg to be a priority activity for 2018. These are the suggested 'Assurance Programme' and 'Research' activities under the Regulatory and Policy section.

We note the new initiative in the 2018 plan to review the impact of Brexit on the profession. As IPReg are no doubt aware, we have been carrying out extensive work in this area and we will continue to do so. We would encourage IPReg to maintain good lines of communication with CITMA in this area to avoid any duplication of work and to ensure there is effective collaboration, combining our efforts to address any impacts identified.

We also hope that certain activities outlined in the 2017 business plan can continue to be built upon.

In the 2017 plan there was a work stream to be undertaken in relation to the issues regarding the provision of services by unregulated providers. We are keen to see this continue and note with some caution that the only reference to this area in the 2018 plan is in respect of 'events' and presentations on the differences between regulated and unregulated providers. As more providers of commoditised IP services are appearing in the marketplace it is important for consumers to be educated and be able to distinguish between the services of a regulated provider and the services of a provider who isn't regulated. We would be happy to support and work with IPReg in this area.

Under the 'Events' activity in the 'Communications' section we would welcome further information as to how presentations on 'the importance of IP protection to the UK and worldwide' is related to the regulatory objectives. Perhaps this is an area which would benefit from collaboration, but we are not sure why it is included in the business plan and considered to be a key objective.

Draft Budget

We note a significant increase in budgeted operational costs compared to the 2017 budget (increase of £58,400 from 2017) to accommodate the staffing restructure and, in particular, the new position of Head of Registration alongside the Chief Executive. We hope that this restructure will bring about efficiency savings and reduce costs elsewhere and we would encourage IPReg to carry out a review of staffing and operational costs during the course of 2018. On the assumption savings can be made, we would hope IPReg were able to decrease their operational budget in 2019, ensuring the cost of regulation is proportionate to the core and necessary regulatory activities delegated to IPReg.

On a more general point the budget and reserves are difficult to follow through and there are areas in the budget and reserves which we would welcome further information and clarification on, so we can understand exactly what they are intended to cover. These are:

Licensing Activities – Compensation (Insolvency) Bond = £35,000

Projects (including research) = £50,000

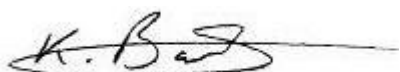
Practice Development = £31,290

Practice Fees

We fully support the proposal not to apply any increase to the practice fees for 2018. Although the fees were not increased for 2017, given the increases applied in previous years and the level of accumulated project reserves and general reserves, we would hope that for future years, all things being equal, a reduction in practice fee could be achieved by IPReg. As the reserves have been built up to a healthy and more than satisfactory level and as the new staffing structure settles into place, we expect to see savings elsewhere. This would further support a reduction in the practice fees in future years whilst still enabling IPReg to deliver a well regarded regulatory regime.

We would be happy to discuss any of these points further with representatives from IPReg if it would be of assistance.

For and on behalf of the Chartered Institute of Trade Mark Attorneys



Keven Bader
Chief Executive

15th September 2017