



The Institute of
Trade Mark
Attorneys

Legal Services Board – consultation on Compliance & Enforcement

A formal response by the Institute of Trade Mark Attorneys

The Institute of Trade Mark Attorneys (ITMA) welcomes the opportunity to comment on this consultation.

ITMA in general supports the proposals in the consultation document and welcomes the informal approach to conflicts.

We do have strong reservations in respect of the maximum financial penalties that the LSB could impose on an Approved Regulator (p18 – 21 of the consultation). On the formula put forward, ITMA as an Approved Regulator could be facing a £10 million maximum penalty if applied. We feel that the £10 million figure proposed is disproportionate and in no way reflects the scale of regulation that the smaller regulators, in particular, would be managing. Although it is appreciated that it may only be in extreme circumstances that this maximum figure would be applied, if it were, it would easily bankrupt the Institute.

ITMA would ask that the LSB reconsider this proposal and look carefully at the implications on all Approved Regulators and ensure that penalties are proportionate. We agree that penalties for non compliance need to be in place and that Approved Regulators have to be accountable, but the risk of bankruptcy, is a step too far.

We also have concerns about the proposal to link the maximum to the total value of the services regulated as we believe that this would be difficult to calculate and value. We would suggest that a simple method is adopted that does not impose additional burdens upon Approved Regulators.

**Keven Bader – Chief Executive
for and on behalf of ITMA**

26 October 2009