

Intellectual Property Regulation Board

(on behalf of the Patent Regulation Board and the Trade Mark Regulation Board)

Second Consultation on Replacement of the CIPA Higher Courts Qualification Regulations and the ITMA Trade Mark Litigator and Trade Mark Advocate Certificate Regulations

Consideration of the responses to the first consultation

IPReg received 20 responses to its initial consultation to replace the CIPA Higher Courts Qualification Regulations and the ITMA Trade Mark Litigator and Trade Mark Advocate Certificate Regulations with a revised qualification regime for patent attorney and trade mark attorney litigators granting relevant, field-appropriate¹, litigation rights to registered patent & trade mark attorneys.

The range of replies was as follows:

- Other legal services regulators - 1
- Attorney firms - 6
- Representative bodies - 6
- Personal replies - 4
- Other - 3

The following represents the views of those parties who replied to the consultation and the response of IPReg on behalf of the Patent Regulation Board and the Trade Mark Regulation Board.

(1) Do you agree with the proposal to permit all IP attorneys to conduct IP litigation and appear before the PCC in any field-appropriate matter within their competency? If not, why not?

A significant majority of those responding agreed with the proposal in full.

In its response, CIPA noted that the existing regime provides rights to registered patent attorneys to represent clients in actions in the Patent County Court's special jurisdiction² and a right to conduct and appear in the High Court on appeal from the Intellectual Property Office in patent matters and suggested that it would be inconsistent with the core regulatory objectives of the Legal Services Act at least to perpetuate those rights in the new regime and to extend those rights to trade mark attorneys. In doing so, CIPA highlighted that the Patents

¹ i.e. rights commensurate with experience and qualification

² i.e. in patent and design matters

County Court (PCC) is a specialist jurisdiction with a specialist judge and proceeded to argue that the extension of attorney rights into additional areas (outside the “special jurisdiction” but within the competence of the PCC) would be consistent with the core objectives of the Legal Services Act.

The Intellectual Property Lawyers Association and the Law Society Intellectual Property Working Group (collectively the IPLA) supported the proposal to allow patent attorneys to retain their current rights of audience and ability to conduct litigation in the PCC and also saw no reason why, in principle, the rights allowed to patent attorneys should not extend to trade mark attorneys, appropriate to their field of expertise.

There was strong opposition from the Bar Council. It was argued that attorneys would not be competent to undertake open court advocacy based on a training regime specific to IP and general litigation procedure only. This respondent also expressed concern that the consultation made no reference to training on litigation ethics which it regarded as fundamental.

The concerns raised by the Bar Council were addressed, in part, by a suggestion from the IPLA that the IPReg Litigators Code in relation to conduct and ethics should be extended to prevent attorneys operating outside their areas of expertise (which in practice is what happens with solicitors).

There were also comments concerning the burden, level and cost of including training, particularly for advocacy, in the basic qualification regime.

Finally the LSB has also commented informally that the grant/re-grant of advocacy rights within the regulatory framework of the Legal Services Act (these being new Regulatory Arrangements) may have significant resource implications for IPReg and in particular IPReg would have to ensure that any training and assessment regime is such that vulnerable clients³ are protected against inappropriate exercise of such rights.

In conclusion HH Judge Birss commented “It seems to me that this would be a positive development from the point of view of increasing access to justice for SMEs.”

This viewpoint was endorsed by the IPLA “the ability of patent and trade mark attorneys to conduct litigation in the PCC is particularly relevant to its [the PCC] recent reforms, which would seek to encourage access to the PCC as a cost effective forum for SMEs.

IPReg Reply

Overall, IPReg is content that its proposals regarding the right to conduct litigation are justified. It has, however, given further consideration to rights of audience.

Taking each in turn:

³ e.g. private individuals

Right to conduct litigation

In view of the majority of the respondents' comments, IPReg believes that it would be appropriate, in principle, to give all registered patent and trade mark attorneys:

a) the right to conduct litigation in the PCC both within and outside the PCC's special jurisdiction;⁴

b) the right to conduct litigation in county courts designated and acting as Community Trade Mark Courts or Community Design Courts when acting as such or hearing matters relating to passing off or any ancillary matters;

c) the right to conduct appeals from and/or apply for judicial review⁵ of decisions of: i) the Comptroller General of Patents⁶, ii) any person appointed to hear appeals under section 76 of the Trade Marks Act 1994 ,or iii) any other body or tribunal making decisions relating to the grant, enforcement of ownership of intellectual property rights as may be established from time to time; and

d) the right to conduct appeals to the Court of Appeal and the Supreme Court in the cases mentioned above and also from the Appeal Tribunal constituted by the Registered Designs Act 1949.

It is considered that granting such rights to patent and trade mark attorneys would be consistent with the core regulatory objectives of improving access to justice, promoting competition in the provision of legal services and encouraging a diverse and effective legal profession.

Rights of Audience

Notwithstanding the support of many Respondents, the comments from the Bar Council and others, do, however, raise questions regarding the sufficiency of patent and trade mark attorneys' training with respect to undertaking court advocacy in the PCC. In contrast to proceedings in the High Court on appeal from the Patent Office (which, as they are by way of review only, are likely to involve submissions and argument only in relation to pure questions of intellectual property law), advocacy in open court before the PCC is likely to involve the examination of witnesses.

⁴ i.e. such litigation could relate to patents, designs , trade marks or other intellectual property matters.

⁵ When contesting the actions of the Patent Office acting as a PCT Receiving Office, the Patent Act 1977 does not provide an avenue for appeal and in such circumstance an appeal would be made by way of judicial review.

⁶ Both in that capacity and when acting as the Registrar of Trade Marks.

Under the advocacy regime as currently in existence, all registered patent attorneys have a theoretical right to undertake advocacy in matters within the PPC's special jurisdiction, simply by virtue of their qualification as patent attorneys.⁷ Such rights are acquired without such attorneys being required to undertake any advocacy training or instruction on litigation ethics or have their skills and knowledge in such areas assessed. Rather at present such skills and knowledge are only tested if an attorney chooses to train for and acquire a higher courts litigation certificate.

As a regulator IPReg is required to protect the public interest, an objective which needs to be balanced with the other regulatory objectives. The absence of any training or validation of competency carries with it significant regulatory risk and in establishing a new advocacy regime, IPReg does not believe that awarding rights to undertake advocacy (which is likely to involve the cross examination of witnesses) in the absence of training and assessment would be acceptable.

IPReg is, however, mindful of the fact that whilst the majority of respondents (and, it is believed from various sources, the professions at large) consider advocacy rights in open court are *desirable*, such rights have been *exercised* only rarely. This is in contrast to rights to conduct litigation which have been much more widely used.

IPReg also takes note of the concerns raised as to the cost/time burden of training for litigation and advocacy to an acceptable standard for "open court advocacy" within the basic qualification regime.

In such circumstance, IPReg believes that the imposition of compulsory additional advocacy training on all attorneys as part of the qualification regime would not be proportionate having regard to the additional burden and cost for a right that many practitioners will never exercise.

Having considered this, IPReg proposes to limit the right to appear in open court in the PCC to those attorneys who choose to undertake the training and skills assessments required to obtain a higher courts litigation certificate and to limit rights.

Thus in the absence of such a qualification attorneys rights of audience would be limited to:

- a) a right of audience before the High Court on appeal from decisions of: i) the Comptroller General of Patents⁸, ii) an appointed person or iii) any other body or tribunal making decisions relating to the grant, enforcement of ownership of intellectual property rights;
- b) the right to appear before the appeal tribunal constituted by the Registered Designs Act 1949;⁹ and

⁷ In practice exercise of such rights is limited by the IPReg Code of Conduct requiring attorneys only to exercise such rights in appropriate cases within an attorney's own competence.

⁸ Thus preserving the existing rights of registered patent attorneys to appear in the High Court in such appeals.

c) a right of audience in the PCC and the County Courts limited to case management conferences and private interim hearings in cases where an attorney has a right to conduct litigation.

Attorneys requiring additional rights of audience such as a right to undertake open court advocacy before the PCC would only be permitted to do so by acquiring a Higher Courts Litigation Certificate.

IPReg believes this more limited proposal addresses the various concerns put to it, including those related to training and to the burden of regulatory risk and oversight on IPReg, whilst delivering the level of audience rights that are likely to be of interest to the professions. At the same time the grant of wider conduct rights and the opportunity to qualify for greater audience rights are considered proportionate approaches to the core regulatory objectives of improving access to justice, promoting competition in the provision of legal services and encouraging a diverse and effective legal profession.

IPReg appreciates that the restriction of advocacy rights in open court in the PCC to attorneys who choose to acquire a Higher Rights litigation certificate differs from the proposal presented in our earlier consultation and would welcome comments as to whether the regulated community agrees with such an approach or whether attorneys would prefer that IPReg establishes a scheme involving a greater level of training and assessment leading to a broader grant of advocacy rights.

(2) For new entrants to the professions, should the award of litigation rights/a right of audience in the PCC and a right to conduct appeals from Patent Office decisions to the High Court require attendance at a basic litigation skills course? If not, why not?

CIPA indicated that the imposition of a training course would be disproportionate to the risk it would seek to address. This respondent also placed particular emphasis on the IPReg Code of conduct requiring attorneys to operate only in their area of competence. However, CIPA did agree that a mandatory litigation skills course could be beneficial and would be acceptable if the hurdles were not set too high and the burden of training was not disproportionate (although the cost would remain a concern).

The contrary view of the Bar Council was that it could not be in the public interest for untrained persons to be able to conduct litigation or have a right of audience. This respondent was also uncomfortable with the comparison to the solicitors' model of a 2-3 days training course particularly if attendance at such a course was to lead to rights of audience in open court. This respondent was also concerned that the consultation did not

⁹ Again maintain the existing rights of registered patent attorneys. Although such appeals are invariably heard by a Patents Court judge, the Appeal Tribunal is not strictly part of the High Court and hence rights of audience before the Appeal Tribunal are separate from a right to appear before the High Court.

specify whether there would be a formal assessment of competency or whether attendance on the course would be sufficient.

IPLA considered that attendance on a basic litigation skills course including professional ethics should be mandatory; querying only whether the course should be undertaken as part of qualification (when, like CIPA, it felt that the course should be relatively short).

IPReg Reply

The general consensus amongst the respondents was that going forward all attorneys should be required to undertake litigation training prior to being able to exercise litigation and advocacy rights and therefore IPReg is intending to require that all such rights should be subject to satisfactory attendance at such a course. IPReg will be liaising with all parties who have expressed an interest in running such courses to ensure that appropriate courses are in place when the new regime comes into effect.

The concerns raised by the Bar Council primarily relate to the exercise of rights of audience in open court, a matter which should no longer be of concern if the basic rights of patent attorneys and trade mark attorneys were to be limited to the conduct of litigation and advocacy in private interim proceedings, assuming the course is of a satisfactory standard.

With regard to the length of the proposed course, both CIPA and the Intellectual Property Lawyers Association endorsed the proposal for a 2-3 day course to supplement attorneys current training and unlike the Bar Council, the IPLA did not raise any concerns about equating the position of patent and trade mark attorneys in intellectual property matters with that of solicitors. Of course, it is content, rather than length, which is the key.

(3) If such a course is introduced should it be obligatory to complete the course as part of the route to qualification as a patent/trade mark attorney? Alternatively should it be obligatory to undertake the course as part of an attorney's CPD within a certain number of years of qualifying?

The views of the respondents were mixed.

Some suggested that the litigation training should be undertaken prior to qualification whilst recognising the additional burden that this would put on students.

Some advocated that the training (and assessment) should be a pre-requisite to the exercise of the rights and not tied to qualification.

IPReg Reply

In view of the range of replies, IPReg is proposing to adopt a flexible approach to the timing of an obligatory basic litigation skills course.

Under the new qualification scheme for Trade Mark Attorneys, trainee trade mark attorneys are required to attend and complete a skills training course at Nottingham Law School, a

significant portion of that skills course is devoted to skills relating to contentious matters and IPReg considers that completion of the Nottingham Law School course embedded in the training of trade mark attorneys should be taken to fulfil the requirements of the proposed basic litigation skills course required to exercise the right to conduct litigation and limited audience rights we propose to grant.

In contrast, no such skills training is currently embedded in the training required of trainee patent attorneys. Requiring trainee patent attorneys undertake such a course, as a requirement for such attorneys to enter the register, would appear to be disproportionate. However, if IPReg were to make attendance at a basic litigation course entirely voluntary, it is possible that many attorneys would choose to forego the acquisition of any litigation rights. This would limit the pool of qualified litigators and hence be contrary to the regulatory objective requiring IPReg to promote competition amongst the legal profession.

In view of this, IPReg is proposing to make completion of a basic litigation course compulsory for all attorneys qualifying after the date the new regime comes into effect. Such an obligation will be imposed as part of those attorneys' requirement to undertake CPD. Any attorney who qualifies after the implementation date would be required to attend a basic litigation skills course either before qualification or within the three calendar years from the year when their name was first entered onto the patent attorney or trade mark attorney register. Waivers from this requirement would be given to any attorneys who had already attended course approved by other legal services regulators (e.g the Bar Professional Training Course or the Solicitors Legal Practice Course).

Attendance at a basic litigation course would count toward an attorney's CPD in the year when the course was undertaken. In this way the costs of attending a course would be defrayed against the costs of attending other CPD course in that year. Failure to attend the required course would place an attorney in breach of their CPD requirements and would be treated accordingly by IPReg.

(4) Are there any further factors regarding a basic litigation skills course that IPReg should consider?

Attention was drawn by CIPA to the EU Regulations regarding the recognition of professionals. It was considered that the aptitude test taken by citizens of other EU states aiming to cross-qualify should include the testing of those citizens' knowledge of litigation related matters in this country.

The Bar Council and the IPLA were concerned that the details of the proposed course had not been provided, particularly in relation to the teaching of ethical requirements and the duties to the courts.

Carpmaels & Ransford suggested a two tier approach: (1) litigation where the patent or trade mark attorney is taking the leading role and (2) litigation where the patent/trade mark attorney is taking a supporting or instructing role (i.e. the course should include how to communicate effectively with barristers and solicitors).

Potter Clarkson suggested a two stage approach but with a basic and then an advanced course.

In either case, it was recognised that the course needed to equip the attorney with comprehensive knowledge of the litigation process, knowledge of the routes available to the client (including routes outside the courts) and their relative strengths and risks, and broad knowledge of how to pursue those routes (either him or herself, or via a third party).

IPReg Reply

All respondents' comments will be taken into account by IPReg when considering the design and approval of a basic litigation course, although the content and syllabus of the litigation skills sections of the ITMA course designed by NTU for qualifying as a trade mark attorney may well be an appropriate starting point with any necessary adaptations for the course to be directed towards the needs of patent attorneys and/or trade mark attorneys respectively.

(5) Do you agree with the proposal to extend the rights awarded to IP attorneys on qualification to include the right to conduct appeals at all levels?

The majority of respondents agreed, arguing that it was in the best interest of a client to continue with their representatives and that any requirement that a litigant must instruct a new advisor puts that litigant at a significant disadvantage. Moreover, the interests of justice are further safeguarded in that the current proposals require a patent or trade mark attorney undertaking an appeal to be assisted by counsel or other higher court advocate.

The counter argument from the Bar Council was that appeals are not, in fact, less complex (as argued in the initial consultation paper). The appeal might be factually less complex but it is more complex legally and involves different procedures. Additionally it was not correct to state that a new representative would have insufficient time to grasp the case. This would only occur if the matter was left extremely late. Appeals are usually fixed well in advance.

HH Judge Birss noted the clear distinction made in the consultation between conducting proceedings and appearing as an advocate. "I note that the proposal in relation to appeals is limited to allowing the IP attorney to conduct proceedings and does not propose that the IP attorney would automatically be able to appear as an advocate on the appeal. That would be so even if the IP attorney had actually appeared before the PCC. I wish to make clear that I agree with that point. In other words – as the proposal states – if the IP attorney has higher rights of audience in any event then they can if they wish exercise them on such an appeal.

However the IPReg proposal as regards appeals from the Patents County Court is limited to "conducting" appeals and is not intended to confer automatic rights of audience in courts higher than the Patents County Court."

IPReg Reply

IPReg's proposal is to extend the right to conduct appeals to attorneys in respect of matters where they have the right to conduct litigation. As noted by Judge Birss, it is not proposed to link such rights to conduct appeals with any new advocacy rights and hence appeals to the

Court of Appeal and the Supreme Court could only be undertaken with the assistance of counsel or someone else with a right of audience in such courts. This requirement to involve a qualified advocate would appear to address the concerns raised by the Bar Council.

(6) Are there any other rights which should be included?

Haseltine Lake was concerned if the regulations restricted the right of conduct on appeal to the attorney who litigated the first instance proceedings, arguing that clients need maximum freedom of choice and that is often very useful to bring in “fresh minds”.

In its response CIPA mentioned the need to include references in any regulation to the Appointed Person in trade mark matters and tribunals such as the Registered Designs Tribunal which have had responsibility for taking decisions relating to intellectual property.

IPReg Reply

IPReg agrees with Haseltine Lake that rights to conduct appeals should not be limited just to the attorney who conducted proceedings at first instance. Litigation is almost invariably a team effort and firms should not be prevented from involving new team members at a later stage. Additionally IPReg considers that restricting such rights solely to the attorney who undertook the initial proceedings would be anti-competitive as it would restrict a client’s options as to whether they wished to transfer a case to another firm.

IPReg has noted CIPAs comments and is proposing to include express references in the new regulation to the Appointed Person and the Registered Designs Tribunal as well as a general reference to other intellectual property tribunals such as may be constituted from time to time.

IPReg is also proposing to include a right to undertake judicial review of decisions of the Comptroller General of Patents and such bodies as well as the right to conduct appeals. Such rights are considered necessary as occasionally (e.g. when the Patent Office is acting as a PCT Receiving Office and refuses to allocate a filing date to an application) review of a body’s decision can only be taken by way of judicial review and not by way of appeal. However, unlike basic appeals any application for judicial review would require the involvement of a person with a right of audience in the High Court as any application for judicial review would raise matters of administrative law in addition to intellectual property matters.

(7) Do you agree that the qualification regime for patent attorneys should be harmonised with that of trade mark attorneys, so that qualification as a patent attorney litigator should be open to all registered patent attorneys and not just attorneys who have been on the patent attorney register for at least 3 years? If not, why not?

There was a very strong consensus across the responses that the requirement should be abolished.

Scott Harrison commented that this restriction was anti- competitive.

It was also suggested that this requirement was historic and can no longer be justified.

The IPLA argued that an attorney with less than 3 years experience can readily work on a case under supervision so that the delay starting the qualification training does not equate to a delay in acquiring experience.

IPReg Reply

In view of the respondents' comments, IPReg is intending to abolish this requirement in any new regulation

(8) Do you agree that IPReg should move to an outcomes-based assessment scheme similar to that adopted by the SRA where qualification is based on completion of an assessment and not dependent upon completion of "flying hours"? If not, why not?

The requirement of "flying hours" was also regarded as historic. The Nottingham Law School (one of the respondents) course includes extensive simulation exercises, drafting of statements of case and witness statements, instructions to expert witnesses and skeleton arguments, project management and costs management and advocacy role play in simulated management conferences and trial. One respondent confirmed that it had been advised by Nottingham Law School that the current training exceeded that required of those seeking to become solicitors. Moreover skills obtained by attorneys undertaking *inter partes* disputes at the EPO were not counted as flying hours.

The counter argument made by the Bar Council was that simulated exercises were not equivalent to "real cases and real clients". The need for the assessment of candidate was emphasised again.

One respondent was of the view that the current requirements to have 6 months' worth of "flying hours" in order to qualify as an IP litigator is far too burdensome, and against the public interest. It was also argued that qualification as an IP litigator was currently not a realistic option for many IP attorneys. This is because a reasonable number of firms in the profession do not currently have a sufficient amount of litigation work for their IP attorneys to pass the existing "flying hours" requirement.

Another respondent suggested that "flying hours" should be required before "flying solo" and that supervision could be provided in appropriate case by a solicitor or a barrister.

IPReg Reply

The views of various respondents in relation to "flying hours" were balanced. Whereas IPReg can appreciate the view of the respondents who emphasised the importance of real world experience, unless there is detailed analysis of such experience there is no guarantee that the "flying hours" will necessarily provide appropriate training material for an attorney. In contrast an outcomes-based approach provides an objective assessment as to whether an attorney has reached a standard which warrants the award of further rights.

Having considered the various responses, IPReg is of the view that maintaining a "flying hours" requirement is disproportionate to the benefits that it seeks to achieve and that a preferable approach would be to remove the experience requirement, provided this is

balanced by appropriate training. This would greatly simplify the administration of the litigation rights regime as qualification as a higher courts litigator would merely require an accredited course provider to inform IPReg of the names of those attorneys who successfully completed an accredited course.

Once qualified, attorneys could then exercise their new rights but any such exercise would still be subject to the overriding competency requirement of rule 4 of the IPReg Code of Conduct requiring attorneys not to undertake work which is outside their level of competence.

IPReg notes the respondents' comments regarding "flying solo". It is considered that issues of recently qualified solo practitioners are not limited just to the exercise of litigation and advocacy rights and raise wider issues regarding attorney competence. IPReg is not proposing to introduce any limitations in the current regulation but will keep this matter under review to see whether wider restrictions on the frame work of practice of very recently qualified attorneys is merited.

(9) If IPReg moves to an outcomes-based assessment scheme, do you agree that the level required to pass an assessment should be of a similar standard to that of a newly qualified solicitor acquiring similar rights? If not, what would be an appropriate level of assessment? And why?

Generally this was agreed but the Bar Council distinguished between a right to conduct litigation (when the benchmark of solicitors was appropriate) to a right of audience when the more appropriate benchmark would be the skills demonstrated by a barrister at the same level of experience, say 1-3 years post call.

Nottingham Law School replied that the outcomes based approach allowed for a scheme in which it could be demonstrated that the IP litigator had achieved a similar level in terms of education and attainment, in the IP field, as, for instance, a solicitor or Fellow/Chartered Legal Executive. The "flying hours" approach is problematic and in some respects, is a barrier to qualification. Practitioners often report a difficulty in gaining sufficient flying hours without the qualification meaning that a "Catch 22" situation often arises: the qualification being required to get the flying hours and the flying hours being dependent on the qualification. The outcomes-based approach is much "cleaner" and easier to benchmark against other professionals. It would also be possible to arrange for judicial scrutiny of the scheme, which would give added credibility to the system.

Carpmaels & Ransford saw the attraction of adopting a similar qualification regime for solicitors and patent/trade mark attorneys, but that it was potentially an artificial assessment compared with actual experience on the job. This respondent considered that either qualification regime could in principle be acceptable, provided IPReg took account of the competing requirements of balancing market confidence in the patent/trade mark attorneys' qualification (which would tend towards a "flying hours" requirement) and competitiveness in the market place with solicitors (which may tend towards a similar requirement to the SRA).

IPReg Reply

The conduct and advocacy rights awarded following completion of the existing patent/trade mark litigator courses in respect of intellectual property matters are essentially identical to those given to solicitors on qualification. Given the nature of thus in conduct matters IPReg believes that the appropriate level of assessment should be equated with that of a newly qualified solicitor.

The purpose of any assessment must be that a regulator can be satisfied that any attorney granted rights has the skills and knowledge to conduct and exercise rights which are to be granted and IPReg propose to include a statement to that effect in the outcomes required of a course and supplement the existing course outcomes for the Nottingham course with those referred to in the SRA's Litigation Professional Skills Course.

In contrast to solicitors, qualification as a patent attorney/trade mark attorney normally takes at least 3-4 years.¹⁰ Given that attorneys will not attend the litigation course until after qualification and the duration of the Nottingham litigation course, any attorneys obtaining litigation certificates are likely to have been practising in the field of intellectual property for at least 4 years before acquiring higher litigation rights and have a corresponding level of experience in tribunal advocacy before the UKIPO and the EPO. The current proposal effectively limits the award of PCC open court advocacy rights to such attorneys who pass an appropriate advocacy assessment.

Finally, regardless of the level of assessment the requirements of Rule 4 of the IPReg Code of Conduct would still apply and although rights might be awarded attorneys would still be required only to exercise such rights in appropriate cases, a restriction which would equally apply to any solicitor acquiring similar rights and hence any such certified litigators would still be obliged not to undertake work beyond their level of competence.

(10) Are there any other issues which arise from IPReg's proposal to amend the qualification regime for Litigation Certificates?

The IPLA, emphasising concerns expressed elsewhere, regarding the content of the training course, specified training areas which were regarded as fundamental namely:

- The duties as officers of the court and professional rules
- The handling of client money
- Related legal areas (see below)
- Privilege.

This respondent said "intellectual property litigation is not an island" and there are areas of overlap with other legal disciplines such as contract law, competition law, economic torts. IP attorney litigators would need to be competent to handle these issues.

¹⁰ A minimum of 2 years practical experience is required by the qualification regulations.

IPReg Reply

IPReg thanks the respondents for their comments in response to this question and will take their comments into account when reviewing the content of the existing Nottingham Law School litigation course and any approved courses in the future. Issues relating to ethics, the law of evidence and the practice of disclosure will receive particular attention.

(11) Do you agree that IPReg should establish a qualification scheme to enable appropriately qualified patent attorneys and trade mark attorneys to acquire rights of audience in the High Court?

All agreed, and some expressed a desire to be consulted on the detailed content.

Carpmaels & Ransford added “Yes. For patent attorneys, the important knock-on effect of this right is likely to be the right of audience before any European unitary patent court. In our view this right is critical to the long term future of the patent profession in the UK. Without the possibility of acquiring such a right, the role of UK patent attorneys is at risk of being severely curtailed, especially if solicitors and French and German patent attorneys acquire such a right.”

IPReg Reply

Given respondents’ support for such a scheme, IPReg propose to introduce a qualification enabling attorneys to acquire a right of audience in the Higher Courts. Such a qualification would be awarded to those attorneys who had already acquired the right to litigate in the Higher Courts who pass an advocacy assessment confirming their ability to undertake High Court Advocacy.

(12) Do you agree that the qualification scheme for acquiring higher rights of audience should be set at the standard of the SRA scheme enabling solicitors to extend their rights in the Higher Courts? If not, what alternative scheme should be established?

This was agreed (and particularly now that advocacy rights have been opened up to solicitor advocates) with one exception - see above

Respondents also suggested that IPReg should consider accrediting courses currently being offered to solicitors and barristers.

IPReg Reply

IPReg appreciates that the numbers of attorneys applying for Higher Court Advocacy certificates is likely to be very small and it is therefore possible that a dedicated IP advocacy course may not be commercially viable. IPReg therefore agrees that certificates should be issued to attorneys who either complete an IPReg approved course or an advocacy assessment for higher rights approved by another legal regulator such as the SRA.

In the interests of consistency IPReg’s preferred approach would be for a course provider establishing a dedicated IP based advocacy course to seek accreditation from both IPReg and

the SRA. This would ensure that the course met the current SRA standards and would most likely increase the commercial viability of such a course as it would be open for both attorneys and solicitors to attend a course and undertake an assessment leading to a right of audience.

(13) Are there any other issues which arise from IPReg’s proposal to establish a scheme to enable appropriately qualified patent and trade mark attorneys to acquire higher rights of audience?

Respondents raised two specific matters:

- What advertising will be permitted making comparisons with other professionals?
- What limitation (if any) is to be put on “associated litigation”?

IPReg Reply

Rule 18 of the IPReg Code of Conduct permits regulated persons to undertake publicity and promotional activity provided it is honest, accurate and not misleading or otherwise in breach of the rules. IPReg will consider in the light of the consultation whether any additional guidance specifically for higher court advocates should be added.

IPReg’s comments regarding “associated litigation” are set out in response to question 18 below.

(14) Do you agree that the grant and maintenance of Litigator or Advocacy Certificates should be independent from membership of CIPA or ITMA? If not, please explain why.

This approach was agreed by all respondents as being part of the regulatory function of IPReg.

IPReg Reply

Membership of CIPA/ITMA will cease to be a requirement for obtaining any litigation rights or rights of audience when a new qualification regime is approved.

(15) Do you agree that the approach proposed in this paper is the right approach to enable qualified and partially qualified patent and trade mark attorney litigators to apply for certificates under the new regulation? If not, what alternative approach should IPReg consider?

It was agreed that existing qualified attorneys should be able to continue to conduct litigation as before but one respondent indicated that this should be for an interim period only and then subject to suitable specific CPD requirements. The same respondent felt that part qualified attorneys should be required to complete their training under the present regime including “flying hours”

Carmel Corcoran noted that although many solicitors conduct litigation having never specialised in it during training they do generally operate within firms which have established litigation departments which can be relied upon for help with 'conduct'. This is not generally the case with patent/trade mark firms so a background of competency needs to be established carefully.

IPReg Reply

It is intended that Higher Court Litigation Certificates will be issued to anyone who completes the currently accredited Nottingham Law School litigation course or has completed the previously accredited course which will include any attorneys who already hold CIPA Patent Attorney or ITMA Trade Mark and Design Advocate Certificates.

Trade mark attorneys who hold Trade Mark and Design Litigation Certificates and patent attorneys who, but for the submission of a thesis or extended piece of work, have completed the requirements of the Nottingham Law School Litigators Course held prior to 2011 will be issued with Higher Court Litigation Certificates if they successfully complete the advocacy assessment included in the current Litigation Course.

As the requirement for "flying hours" is proposed to be abolished, the award of a Higher Court Litigation Certificate will solely be based on confirmation of completion of a relevant course.

(16) Do you agree with this graduated approach to CPD? If not, how should the CPD levels be amended and why?

The majority view was that all CPD should be undertaken within the areas reflecting the attorney's own practice and that litigation should not be singled out as requiring "extra" hours.

IPReg Reply

As at present all registered patent attorneys and all registered trade mark attorneys will continue to be required to undertake 16 hours CPD relevant to their practice each year. The CPD Regulations are being amended so that this requirement and level of CPD applies across the patent and trade mark professions including all attorneys holding Litigation or Advocacy Certificates. There will no longer be an obligation on litigators to undertake additional or specific types of CPD relating to litigation matters other than the general obligation to undertake CPD relevant to their practice. This brings the level of CPD required of patent and trade mark attorneys into line with the levels required of solicitors.

IPReg is proposing to make it obligatory for all newly qualified attorneys to attend a certified basic litigation skills course either prior to qualification or within 3 years from the end of the calendar year when they are first entered onto the register and the CPD Guidance notes are being updated to that effect.

Newly qualified attorneys will not have any rights to undertake litigation or appear in court until they, or an accredited course provider, inform IPReg that they have completed a course. Failure to attend an accredited course within 3 years of qualification would place a newly qualified attorney in breach of their CPD obligations. If an attorney is in breach they should bring this to the attention of IPReg on the annual CPD return to identify any reasons for the breach and the breach will be dealt with like any other failure to complete required levels of CPD. If a breach is not rectified within a time period set by IPReg this could lead to an attorney being removed from the register.

IPReg is proposing to set the CPD requirements for Higher Court advocates at the same levels required of solicitor advocates by the SRA. This would mean that any attorney who obtained a Higher Court Advocacy Certificate would be required to undertake five hours CPD relating to the provision of higher court advocacy in each of the five years following the issuance of the certificate or in the case of barristers or solicitor advocates who already have higher court rights from the date when they first acquired a right to appear before the higher courts. Such CPD would count towards an attorney's general CPD requirement in the year when it was undertaken.

(17) Do you have any suggestions as to how IPReg should define the scope of "intellectual property litigation" to achieve these aims?

Polar opposite views were expressed.

It was argued by the Bar Council that a narrow definition was required because a wide definition might lead to cases being conducted by persons in areas and on issues on which they were not trained or competent.

In the alternative, a large number of respondents argued that a wide definition was required to avoid satellite litigation – litigation over the right of an attorney to conduct the central case. This argument was supported by reference to the IPReg Code which requires an attorney to practice only within their expertise or competence.

Carpmaels & Ransford and many others recognised the difficulty in defining "intellectual property litigation" but provided the following "first hand" examples of where a relatively broad definition of "intellectual property litigation" would be necessary for trade mark and patent attorneys to fully represent their clients:

- In trade mark disputes it is not infrequent that contractual matters arise, such as whether a coexistence agreement permits or precludes someone from using or registering a trade mark or opposing someone else's trade mark application. Licensing and assignment issues also frequently arise in trade mark matters and should be covered.
- Licensing also has a significant impact on IT/telecom patent work.
- A relatively new type of action that can be put before the courts is standard essentiality determination, which is particularly relevant in the IT/telecoms area and should be covered.

- In the pharmaceuticals area, SPCs and data and marketing exclusivity should fall within the definition.

The IPLA advised that IPReg would need to be able to deal very promptly with cases where it is alleged that an IP attorney litigator is exceeding his or her expertise.

This respondent also proposed that where an IP litigator is found to be acting beyond the scope of his litigation rights his prior communications with his client would remain privileged regardless. First the client should not suffer because of the IP attorney's erroneous view on the scope of their litigation certificate. Second because, in the absence of this rule, the possibility of access to privileged documents might encourage challenges to an IP attorney's competence as a litigator.

IPReg Reply

The wide variety of views put forward by the various respondents exemplifies the difficulties in making an appropriate definition of "intellectual property litigation". As a regulator IPReg is bound by an obligation to protect the public from the inappropriate exercise of rights of audience or rights to conduct litigation. At the same time IPReg is also obliged to promote competition and diversity in the legal profession.

Having considered the various responses received and the difficulties which arose from the existing definition of intellectual property rights as highlighted by *Atrium Medical v. DSB Holding SA*,¹¹ IPReg is of the view that the most appropriate way of defining the scope of attorneys' litigation rights is to use the mixed approach suggested by CIPA and the IPLA identifying the courts and proceedings where patent attorneys and trade mark attorneys may appear and then limiting the exercise of all rights as a matter of professional conduct.

It is believed that the combination of the issuance of certificates identifying courts where an attorney may act and the overriding competency requirement will ensure that attorneys only act in cases appropriate to their skills and experience and therefore provide appropriate protection for the public against misuse of rights. At the same time it is believed that such an approach will minimise the dangers of satellite litigation arising where an attorney's right to litigate was challenged in the courts which could potentially have significant adverse effects on a client.

Rule 4 of the IPReg Code of Conduct, which applies to all actions undertaken by registered patent and trade mark attorneys, requires attorneys only to exercise litigation and advocacy rights in matters within their competence. Failure to do so would be taken very seriously by IPReg and could lead to sanctions such as removal of rights and/or expulsion from the register. IPReg is expanding the Guidance to Rule 4 to emphasise this.

¹¹ 2011 EWHC 74 (Pat)

Summary of draft qualification regime

Based on IPReg's consideration of the submissions made, IPReg is proposing to implement the following scheme based upon three levels of rights as follows.

(i) Intellectual Property Litigation Certificates

Intellectual Property Litigation Certificates will be granted to all patent and trade mark attorneys currently on the registers. This will then enable those attorneys to conduct litigation within the Patents County Court ("PCC") and appear as advocates in private interim applications in such litigation. Such attorneys will also be given the right to conduct litigation in any County Court designated and acting as a Community Trade Mark Court or Community Designs Court or when such courts are dealing with matters relating to passing-off.

Attorneys will also be entitled to handle appeals and/or request judicial review of decisions from the Patent Office, the Appointed Person and any other intellectual property tribunal to the High Court or in the case of registered designs, the Registered Designs Tribunal.

Attorneys will also have the right to conduct further appeals from the High Court and the PCC to the Court of Appeal and the Supreme Court with the assistance of counsel or anyone else who has a right of audience in the Higher Courts.

Attorneys qualifying after the new regulation comes into force will qualify for an Intellectual Property Litigation Certificate when they have completed a basic litigation course approved by IPReg. IPReg will be liaising with all interested parties who have expressed an interest in running such courses to ensure that appropriate courses are in place when the new regime comes into effect.

(ii) Higher Courts Litigation Certificates

Higher Courts Litigation Certificates will replace the existing Litigation Certificates issued by CIPA and ITMA. These will enable attorneys to conduct litigation in the Patents Court and any other Court of the High Court when the court is hearing intellectual property matters as defined by Part 63 of the Civil Procedure Rules and to undertake advocacy in private interim applications in such litigation as well as being able to conduct appeals in such matters to the Court of Appeal and the Supreme Court.

Additionally, holders of such certificates will be authorised to appear in open court before the PCC or in any other County Court acting as a Community Trade Mark or Community Designs Court or hearing any matter relating to passing-off.

Higher Court Litigation Certificates will be issued to anyone who completes the currently accredited Nottingham Law School Litigation Course and to any attorneys who already hold CIPA Patent Attorney or ITMA Trade Mark and Design Advocate Certificates.

Trade mark attorneys who hold Trade Mark and Design Litigation Certificates and patent attorneys who, but for the submission of a thesis or extended piece of work, have completed the requirements of the Nottingham Law School Litigators Course held prior to 2011 will be issued with Higher Court Litigation Certificates if they successfully complete the advocacy assessment included in the current Litigation Course.

(iii) Higher Courts Advocacy Certificates

Higher Courts Advocacy Certificates will be available for holders of Higher Courts Litigation Certificates who complete an advocacy course to confirm their ability to undertake Higher Court advocacy. Such attorneys would then be able to undertake advocacy in open court in all matters where they have a right to undertake litigation. The level of such an assessment will be set at the level required by the SRA of a solicitor advocate acquiring similar rights and the set of outcomes in the regulation mirror the wording of the corresponding SRA regulation.

As with solicitor advocates, any attorneys obtaining a Higher Courts Advocacy Certificate will be required to undertake 5 hours CPD relating to Higher Court advocacy in each of the first 5 years following qualification. Barristers or solicitor advocates acquiring a Higher Court Advocacy Certificate will be required to undertake 5 hours CPD relating to Higher Court advocacy in each of the first 5 years following from the date they were awarded Higher Court rights by the BSB or SRA.

Administration of the new regime

The granting of certificates will be a matter for the PRB or the TRB, with the removal of any certificate to be dealt with under IPReg Code of Conduct. The existing CIPA Litigators Accrediting Board and the ITMA Litigation Accrediting Board will no longer be required. However, in order to accredit courses and ensure that the PRB and TRB have suitable expertise to assess the abilities of course providers, the PRB and TRB will have the ability to establish a Litigation Course Accreditation Panel including members external to IPReg to assess courses, as and when required.

Course providers will be required to inform IPReg about the attendance of individuals at accredited courses and IPReg will update the registers accordingly. If an individual is exempted from attending a course because for example they have rights awarded by virtue of being qualified as a solicitor or barrister, they can apply to IPReg directly for an appropriate certificate.

It is proposed that as part of the IPReg Pro project the patent attorney and trade mark attorney registers will be placed on-line so that registered attorneys will be able to access their records and print out a practising certificate detailing their qualifications and rights as and when necessary.

The Regulation contains provisions enabling IPReg to charge an administrative fee for dealing with applications for litigation and advocacy certificates. At present it is not intended

for any fees to be levied over and above the current practising fees. IPReg will monitor the costs involved in running the litigation and advocacy accrediting scheme and will liaise with CIPA and ITMA in the event that any fees are to be introduced.

Separate fees will be charged to any institutions applying for accreditation of courses. These will be set at the level necessary to cover the administration involved in reviewing and accrediting such courses.

Other Matters

The regulation maintains the current position under the Courts and Legal Services Act that regulated firms are permitted to undertake regulated activities to the extent that their managers and employees are entitled to do so. The regulation provides for a one month grace period for a firm to transfer responsibility to an authorised person in the event that the sole authorised person conducting a matter leaves a firm.

Additional guidance is being added to Rule 14 relating to the conduct of advocates in contentious proceedings. The wording of the Guidance mirrors that from the BSB Code of Conduct. Additionally the Guidance instructs advocates to be aware of and give consideration to both the BSB Code of Conduct and the SRA Code of Conduct to the extent they impact on the conduct of advocates. This additional Guidance is intended to ensure that there is consistency in the rules which are applicable to advocates across the legal profession.

Minor amendments are being made to the Disciplinary Procedure Rules to provide a Complaints Review Committee (“CRC”) with a power to stay complaints relating to litigation where they consider processing a complaint is liable to disrupt the conduct of litigation. The amendment is intended to limit the possibility of the disciplinary procedure being used for the purposes of trying to disrupt the relationships between attorneys and their clients in the course of contentious proceedings.

At the same time the Rules are also being amended to formalise the existing practice of permitting a stay of a complaint the subject matter of which itself is the subject of separate on-going litigation.

Second and final consultation

A draft regulation for implementing the above scheme is submitted with this document. Ancillary amendments to the Code of Conduct, the CPD Regulations and Guidance and the IPReg Disciplinary Rules are also submitted.

IPReg invites comments on the drafting and content of the draft regulation and the ancillary amendments.

IPReg would also welcome comments from any interested parties regarding the proposed restriction of open court advocacy rights in the PCC to attorneys who undergo the training and assessment required to acquire a Higher Courts Litigation Certificate. In particular IPReg would welcome comments from the regulated community whether, as an alternative to the current draft, attorneys would prefer that such advocacy rights were to be made available following an enhanced Basic Litigation Course involving more extensive training and assessment in court advocacy.

Any person wishing to make any comment on the rules or any particular provision within the rules before they are finalised or on any other matters raised by this document is invited to do so by e-mail to the Chief Executive at:

Ann.Wright@ipreg.org.uk

This consultation will close on 19th March 2012 after which the PRB and the TRB will consider the responses in formulating a final draft for submission to the Legal Services Board for approval.

Individuals & organisations consulted:

Approved regulators & regulatory bodies:

Association of Costs Lawyers
Bar Council
Bar Standards Board
Chartered Institute of Patent Attorneys
Cost Lawyer Standards Board
Council for Licensed Conveyancers
ILEX
ILEX Professional Board
Institute of Trade Mark Attorneys
Master of the Faculties
Law Society
Legal Ombudsman
Ministry of Justice
Office of Fair Trading
Solicitors' Regulation Authority

Educational institutions:

Bournemouth University
Brunel University
Nottingham Law School
Queen Mary, University of London
University of Manchester

IP Barristers Chambers:

3 New Square
8 New Square
11 South Square
Hogarth Chambers

IP Judges:

Arnold J
HHJ Colin Birss QC
Floyd J
Kitchen LJ

Registered & regulated persons:

All registered patent attorneys
All registered trade mark attorneys
All entities entered onto the patent or trade mark attorney registers

Representative organisations:

AIPPI
ACID

Anti-Counterfeiting Group
British Brands Group
CBI
Design Council
FICPI UK
ideas21
LES
Intellectual Property Awareness Network
IP Bar Association
IP Federation
Intellectual Property Lawyers Association
Institute of Patentees and Inventors
UNION