

**RULE CHANGE APPLICATION MADE BY THE PATENT REGULATION BOARD
AND THE TRADE MARK REGULATION BOARD
AS THE INTELLECTUAL PROPERTY REGULATION BOARD
TO THE LEGAL SERVICES BOARD
UNDER SCHEDULE 4, PART 3, PARAGRAPH 20(1)
LEGAL SERVICES ACT 2007**

**APPLICATION TO REVISE AND CONSOLIDATE CERTIFICATION RULES
CONCERNING LITIGATION AND RESERVED INSTRUMENT ACTIVITIES BY THE
“RIGHTS TO CONDUCT LITIGATION AND RIGHTS OF AUDIENCE AND OTHER
RESERVED LEGAL ACTIVITIES CERTIFICATION RULES 2012”**

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Introduction

1. **The Litigation background**

Intellectual Property (IP) litigation is a discreet and specific area of speciality in the litigation field. Under Part 63 of the Civil Procedure Rules and the accompanying Practice Direction (relevant extract at **Annex 1**) IP Litigation comprises the following subject matter:

- (1) patents
- (2) copyright;
- (3) rights in performances;
- (4) various specialised rights conferred under Part VII of the Copyright, Designs & Patents Act 1988;
- (5) design right;
- (6) Community design right;
- (7) association rights;
- (8) moral rights;
- (9) database rights;
- (10) unauthorised decryption rights;
- (11) hallmarks;
- (12) technical trade secrets litigation;
- (13) passing off;
- (14) protected designations of origin, protected geographical indications and traditional speciality guarantees;
- (15) registered trade marks; and
- (16) Community trade marks.

Within the English Court system IP litigation is allocated, variously, to:

- a) The Chancery Division of the High Court (the Patents Court for patent matters, general Chancery for trade mark, design, copyright and other IP matters);
- b) The Patents County Court, which is a unique lower court dedicated to IP litigation featuring a streamlined procedure and “caps” on recoverable damages and costs; and
- c) For non-patent matters, certain specified County Courts.

In addition, the usual routes of Appeal from these courts apply and there are appeal routes into the High Court from various tribunals that deal with IP rights, such as the UK Intellectual Property Office.

2. The role and regulatory position of Patent and Trade Mark Attorneys, and the need for reform

For a more detailed explanation of the current position and the need for change, please refer to the analysis contained in pages 1-5 of IPReg's first Consultation in this matter (**Annex 2**). The following is a summary.

In addition to the traditional representation roles of solicitors and barristers in the courts, over time patent and trade mark attorneys have been granted limited equivalent field-and-jurisdiction-appropriate rights. However, the grant of rights has been incremental, both by statute and authorised rule-making and as a result the regulatory structures for the two professions are inconsistent in form and substance.

In parallel, following Government and consumer concerns as to the cost and availability of access to justice in respect of IP rights there have been substantial reforms to the Patents County Court structure to improve access to justice; further significant changes are planned. The existing regulatory arrangements need to reflect these advances.

Furthermore, certain statutory litigation rights granted to Patent Attorneys have been repealed by the Legal Services Act 2007 and whilst they remain in force during the transitional period, they need to be replaced with alternative Regulatory Arrangements.

As for the qualification framework, in the light of evidence from Nottingham Trent University and elsewhere IPReg has become conscious that the training regimes, especially for Patent Attorney Litigators, are over-engineered and are operating as a barrier to entry, to the disadvantage of the consumer.

As between patent and trade mark attorneys themselves notwithstanding they have equivalent skills, the vagaries of legislative reforms have led to an anomalous disparity of rights which IPReg wishes to address.

Finally, IPReg is unique amongst Approved Regulators in that it regulates two separate professions whose members largely practise together. It is desirable that as far as possible the regulatory arrangements of the two professions are harmonized into single codes applicable to all regulated persons.

Against this background, IPReg wishes to revise and consolidate its existing regulatory arrangements for the conduct of and representation in IP litigation into a new comprehensive structure.

Proposed Changes: Summary

1. By this application IPReg wishes to replace the existing regulatory arrangements relating to the grant to Patent and Trade Mark attorneys of:
 - a) rights of *audience* (which is the right to address a Court); and
 - b) rights of *conduct* (which is the right to manage litigation for a client by taking certain procedural steps and fulfilling certain roles in the handling of a case);in IP litigation.

2. The core elements of the new Litigation Regulations will be:
 - a) A single regulation covering both regulated professions;
 - b) The grant of basic IP litigation rights, in lower courts concerned with IP litigation, to all Attorneys upon completion of basic training subject to the Attorney's observance of the competency requirements of the IPReg Code of Conduct;
 - c) The grant of rights of conduct in respect of IP appeals/judicial review;
 - d) The passporting of basic litigation rights for all Attorneys registered at the time the new Regulations come into force;
 - e) Provision that all newly qualified Attorneys should undertake basic litigation training within 3 years of registration and the introduction of appropriate courses;
 - f) The replacement of existing separate patent and trade mark qualifications in respect of High Court "conduct" rights with a single High Court "conduct" right for both professions;
 - g) The introduction of a new High Court "audience" right in IP matters for IP litigators subject to the passing of an advocacy test of the same standard as the existing SRA or BSB approved tests for acquiring such rights;
 - h) The abandonment of the requirement that the grant of any rights is dependent upon membership of the relevant Approved Regulators' representative arms;
 - i) The establishment of a Litigation Course Accreditation Panel including members external to IPReg to assess courses, as and when required;
 - j) The transfer of the certification role from the existing Litigation Accrediting Boards to IPReg;
 - k) The replacement of the existing educational arrangements with "outcomes-focussed" assessments at all levels;
 - l) To make all certificates subject to annual renewal;
 - m) To make the maintenance of Higher Court advocacy certificates subject to additional CPD requirements.

3. IPReg also wishes to take his opportunity to ensure the continuation, with slight modifications, of other rights that will cease at the end of the transitional period, namely rights relating to Reserved Instrument Activities and the administration of oaths and the rights of patent and trade mark attorney bodies to undertake authorised activities when managers and employees of such bodies are entitled to undertake such activities.

4. Finally, in addition to the core rule changes, it will be necessary to make consequential and clarificatory amendments to the IPReg Code of Conduct and its Guidelines, the Guidance Notes to the Continuing Professional Development Regulations and the Disciplinary Procedure Rules and to update other documents to reflect changes in terminology and to place references to the previous regulations with references to the new regulations.

Nature and effect of existing arrangements: Registered Patent Attorneys

1. **Registered Patent Attorneys (RPAs)**

RPAs had limited statutory rights under S. 102 A of the Patents Act 1977 and Section 292 of the Copyright & Designs Act 1988. Both sections were repealed by the LSA. However these rights have been preserved by LSA Schedule 5 Para 15(1) until the end of the transition period under the Act. Sections from the relevant legislation are set out as **Annex 3** to this submission.

1.1. **Patents Act 1977 S.102A**

The rights under S. 102A of the Patents Act 1977 are the right to appear and be heard on behalf of any party to an appeal under that Act from the Comptroller-General of Patents to the Patents Court. These rights are granted upon qualification as a Patent Attorney. No specific litigation training in addition to the training to qualify as a patent attorney is required.

1.2. **Copyright Designs & Patents Act 1988 S. 292**

Under this section all RPAs acquire, by virtue of their qualification as patent attorneys, the rights to appear and be heard in matters within the so-called “special jurisdiction” of the Patents County Court. The matters in question are those relating just to patents and designs and any ancillary proceedings. Again, no specific litigation training in addition to the training to qualify as a patent attorney is required.

As noted, these statutory rights have been repealed by the LSA and must be replaced if consumers are to continue to have access to these services.

2. **Patent Attorney Litigators**

2.1. **Subject matter of rights granted**

As an Authorised body under the Courts and Legal Services Act 1990 (CLSA), The Chartered Institute of Patent Attorneys (CIPA) enacted The CIPA Higher Courts Qualification Regulations 2007 (**Annex 4**) under which Registered Patent Attorneys who are also Fellows of CIPA, upon further qualification and certification, may be certified as **Patent Attorney Litigators**, in respect of “intellectual property litigation” which is defined as:

“litigation in respect of any matter relating to the protection of any invention, design, technical information or trade mark, or similar rights, or as to any matter involving passing-off, or any matter ancillary thereto”.

2.2. **Rights available**

The rights available are:

- (i) the right to conduct Intellectual Property Litigation in the Chancery Division of the High Court, including the Patents Court and in the County Court including any court designated as a Patents County Court;
- (ii) to the right to conduct appeals in Intellectual Property Litigation from the Chancery Division of the High Court, including the Patents Court, and in the County Court including any court designated as a Patents County Court;
- (iii) the right of audience in hearings in the County Court including any court designated as a Patents County Court in Intellectual Property Litigation;
- (iv) the right of audience in hearings in private on interim matters ancillary to Intellectual Property Litigation.

2.3. **Qualification Requirements**

Currently, (subject to appropriate exemptions for those with equivalent qualifications) in order to qualify a Patent Attorney must:

- a) Be a Fellow of CIPA;
- b) Be a registered Attorney;
- c) Have been so registered for at least 3 years;
- d) Have completed a validated course (currently the 1-year course in Intellectual Property Litigation offered by Nottingham Trent University);and
- e) Complete 6 months' supervised experience;
- f) Agree to observe the IPReg "Special Rules of Professional Conduct applicable to Regulated Persons conducting litigation or exercising a right of audience before the Courts", effective 15 September 2011.

2.4. **CIPA Litigators Accrediting Board - Course validation and certification of Patent Attorney Litigators**

The current Regulations set out the requirements for a Litigators Accrediting Board (LAB). This Board determines the syllabus of the course, its validation/monitoring and may grant, refuse or withdraw an Attorney's certification. Although currently constituted and empowered via CIPA, the Patent LAB is effectively under IPReg oversight by virtue of members of the IPReg Board having been appointed the LAB and by virtue of the LAB making their decisions subject to IPReg approval.

2.5. **Appeals**

There are standard provisions for any person aggrieved by a decision of the LAB to seek a review, followed by an appeal to a person or body appointed by CIPA.

2.6. **Schedule 1**

Expired.

2.7. **Schedule 2 - Course Validation Guidelines**

These are self-explanatory.

2.8. **Schedule 3 – Specimen Syllabus**

This is self-explanatory.

2.9. **Schedule 4 – Basic Qualifications for Admission to the Litigation Course**

These are self-explanatory.

Nature and effect of existing arrangements: Registered Trade Mark Attorneys

1. Registered Trade Mark Attorneys (RTMAs)

RTMAs, in contrast to RPAs, currently obtain **no** litigation rights through basic qualification as an attorney.

2. Trade Mark Litigators and Trade Mark Advocates

2.1. Subject matter of rights granted

As a CLSA Authorised Body the Institute of Trade Mark Attorneys (ITMA) issued Regulations in 2005 permitting Trade Mark Attorneys to qualify as litigators and originally these followed the CIPA model of a single qualification giving both litigation and audience rights in the PCC, County Courts and, in a limited fashion, the High Court.

Subsequently, however, to meet professional and consumer demand ITMA separated the qualifications for “conduct” and “audience” rights.

Thus ITMA enacted The ITMA Trade Mark Litigator and Trade Mark Advocate Certificate Regulations 2007 (**Annex 5**) under which RTMAs who are also Members of ITMA, upon further qualification and certification, may be certified as Trade Mark Litigators or Trade Mark Advocates in respect of “Trade Mark & Design Litigation” which is defined as litigation in respect of:

“any matter relating to the protection of any trade mark or design or as to any matter involving passing off, or to the Olympic Symbol etc. (Protection) Act, 1995, or to the Olympic Association Right (Infringement Proceedings) Regulations 1995, or to the right to an injunction to restrain the unauthorised use of Royal Arms etc. conferred by Section 99(4) of the Trade Marks Act 1994: and any claim for infringement of literary or artistic copyright in the Trade Mark itself: and for breach of contract insofar as it relates to the sale of trade mark goods or the provision of trade mark services, the subject of a licence”.

2.2. Rights available

The rights available are divided into two.

2.2.1. Trade Mark Litigator Certificate

The basic Trade Mark Litigator Certificate gives holders the rights to conduct Trade Mark & Design Litigation, without any attendant right of audience, in:

- (a) the Chancery Division of the High Court, including the Patents Court, and in the County Court, including the Patents County Court; and
- (b) appeals from the Comptroller General of Patents Designs and Trade Marks, the Patents County Court, the County Court, and the Chancery Division of the High Court.

2.2.2. **Trade Mark Advocate Certificate**

This additional qualification gives holders the right of audience:

- (i) in hearings in the County Court, including the Patents County Court, in Trade Mark & Design Litigation;
- (ii) in hearings before the Appeal Tribunal constituted by the Registered Designs Act 1949 (as amended from time to time); and
- (iii) in hearings in private on interim matters in the course of Trade Mark & Design Litigation.

2.3. **Qualification Requirements**

Currently, (subject to appropriate exemptions for those with equivalent qualifications) the qualification requirements are that RTMAs must:

- a) Be an Ordinary Member or Fellow of ITMA;
- b) Be a registered Attorney (note that, in contrast to the CIPA qualification there is no requirement of a minimum of 3 years' registration);
- d) Have completed a relevant validated course (note that Trade Mark Advocates must have also completed the Trade Mark Litigators course);
- e) Acquire "Relevant Experience" which is defined by reference to supervised experience types and quality over a minimum 6-month period, but without stipulating strict "flying hours" minima save that in both cases a minimum of 6 days' observance of or involvement in proceedings before a relevant forum is required;
- f) Agree to observe the IPReg "Special Rules of Professional Conduct applicable to Regulated Persons conducting litigation or exercising a right of audience before the Courts", effective 15 September 2011.

2.4. **Basic Qualifications for Admission to the Litigation Course**

Dealt with in Paragraph 9, these are self-explanatory.

2.5. **ITMA Litigators Accrediting Board - Course validation and certification of Trade Mark Litigators and Trade Mark Advocates**

The current Regulations set out the requirements for a Litigators Accrediting Board (TMLAB). This Board determines the syllabus of the course, the validation/monitoring of Courses and may grant, refuse or withdraw an Attorney's certification. The subject matter the syllabi must at least cover is set out in Paragraph 8.1 and is self-explanatory. Although

again although currently constituted and empowered via ITMA, the Trade Mark LAB is effectively under IPReg oversight by virtue of the appointment of IPReg Board members to the LAB and by virtue of the Trade Mark LAB making decisions subject to approval by IPReg.

2.6. **Appeals**

There are standard provisions for any person aggrieved by a decision of the LAB to seek a review, followed by an appeal to a person or body appointed by ITMA.

Nature and effect of existing arrangements: Applicable to both Patent and Trade

1. **Continuing Professional Development (CPD)**

Certified litigators must undertake CPD above the norm for registered patent and trade mark attorneys. Under the IPReg Continuing Professional Development Regulations (**Annex 6**) those attorneys in either Institute who hold Certificates under the CIPA or ITMA Litigation Regulations (the Current Regulations) must complete a minimum of six hours in CPD relevant to litigation, up to three hours of which may be included within the total general CPD specified for patent and trade mark attorneys.

2. **Codes of Conduct**

Conduct is regulated by the current IPReg Code of Conduct and the Special Rules of Professional Conduct applicable to Regulated Persons conducting litigation or a right of audience before the Courts. (**Annex 7 and Annex 8** respectively)

- 2.1. **Competence:** There is a general duty in Rule 4 to limit work to that within an attorney's competence.
- 2.2. **Duty to act in the interests of justice:** There is a general duty in Rule 14 to act in the interests of justice.
- 2.3. The Litigation Code was approved by the LSB last year. It is an important element of the new IPReg suite of regulations relating to litigation and advocacy.

3. **Professional Litigation Titles**

Currently there are no specific Regulatory Arrangements concerning the use of professional litigation titles.

4. **Maintenance and Revocation of Certificates**

Under the Current Regulations, certificates are granted without limit of period subject to the power of the relevant Litigators Accrediting Board to revoke them.

5. **Disciplinary Arrangements**

These are mostly dealt with by the IPReg Disciplinary Procedure applicable to all Attorneys (**Annex 9**). However, currently there is an unnecessary duality of powers between the LABs which have the right to revoke Certificates, and the IPReg –constituted Disciplinary Boards which have the right to cancel them.

6. **Other Amendments**

6.1. **Reserved Instrument Activities**

Having been previously dealt with by statutory exceptions to S.22 of The Solicitors Act 1974 (now repealed), LSA Schedule 5 Para 14 (1) (Patent Attorneys) and Para 16 (1) (Trade Mark Attorneys) confer authorisation to carry on Reserved Instrument Activities during the transitional period. These rights terminate at the end of the transitional period unless and to the extent they are restored by new regulatory arrangements.

6.2. **Administration of Oaths**

The existing provisions are statutory under the LSA Schedule 5 Para. 14 (2) (Patent Attorneys) and Para 16 (2) (Trade Mark Attorneys (Annex 3 as before). During the transitional period all Patent Attorney Litigators and Trade Mark Litigators/Advocates have the right to administer oaths (a right derived originally from CLSA S.113, now repealed). These rights terminate at the end of the transitional period unless and to the extent they are restored by new regulatory arrangements.

7. **Rights of Patent Attorney and Trade Mark Bodies to carry on Reserved Legal Activities**

The existing provisions are statutory under the LSA Schedule 5 Para. 14 (3) –(7)(Patent Attorneys) and Para 16 (3)-(7) (Trade Mark Attorneys).

During the transitional period any patent attorney body is entitled to undertake reserved legal activities which -

- (a) if the body is a partnership, any partner who is a registered patent attorney is authorised to carry on;
- (b) if the body is a body corporate, any director who is a registered patent attorney is authorised to carry on.

Similar provisions are made for trade mark attorney bodies in respect of bodies where partners/directors are registered trade mark attorneys. These rights terminate at the end of the transitional period unless and to the extent they are restored by new regulatory arrangements.

Nature and effect of proposed alterations

1. Litigation Rights – Draft Regulation Paras 1- 8, 10, 11

IPReg seeks by this application to replace the current two separate litigation arrangements with a single regime offering 3 levels of qualification common to both patent and trade mark attorneys. The draft Regulation is **Annex 10**.

1.1. Subject matter of rights to be granted

The existing arrangements, in both the statutory and regulatory provisions, attempted to define specifically the subject matter in respect of which rights can be exercised. In each case this was more limited than the subject matter of CPR Part 63 and the restricted definitions fail to take account of the fact that litigation is rarely straightforward. Frequently a case will range of various different issues.

This presents two difficulties. First, a client may have to use a different counsel, or a combination of counsel, merely because the subject matter strays outside a narrow definition. Secondly, the more narrow a definition the greater the opportunity for tactical challenges to an attorney's rights; see for example *Atrium Medical - v – DSB Holding SA* [2011] EWHC 74 (Pat).

IPReg has consulted with a view to determining a more acceptable definition. Its conclusion, which it proposes to enact, was that instead of listing specific subjects the best solution was to identify the courts in which Attorneys may act and to determine the breadth of subject matter by reference to the over-riding competency requirements of the IPReg Code of Conduct. In this latter approach IPReg is following the same path as the SRA and the BSB.

1.2. The rights proposed to be available

IPReg proposes to make 3 levels of common qualification available of all Attorneys, regardless of whether they are Patent or Trade Mark Attorneys.

1.2.1. Intellectual Property Litigation Certificate

This is a certificate which will be granted to all Attorneys in both regulated professions upon completion of a Basic Litigation Course. Essentially it will confer on attorneys rights that reflect their general skills and role as IP attorneys, strengthened by litigation training equivalent in outcomes (allowing for specialization) to that of newly-qualified solicitors under the SRA's Litigation Professional Skills Course.

Specifically it will grant the following rights:

- i) A right to *conduct* appeals from and/or apply for judicial review in the High Court of decisions of:
 - a) the Comptroller General of Patents,
 - b) an Appointed Person (an appeal body constituted under the Trade Marks Act 1994), or
 - c) any other body or tribunal in England and Wales making decisions relating to the subsistence, scope, grant, enforcement, exploitation or ownership of intellectual property rights such as may be constituted from time to time;

The rights referred to in paragraph a) give to all attorneys the rights formerly enjoyed by Patent Attorneys under S. 102A of The Patents Act 1977.

The rights described in paragraphs b) and c) apply a consistent approach to appeals from other relevant equivalent tribunals before whom IP Attorneys routinely appear, to remove anomalies in representation on appeal.

- ii) A right to *conduct* litigation in:
 - a) the Patents County Court; and
 - b) any County Court when the court is hearing a matter where Part 63 of the Civil Procedure Rules apply or any matters ancillary thereto;

As well as restoring the position of Patent Attorneys that would otherwise be lost with the repeal of S. 292 of the CDPA, this alteration will grant both Patent and Trade Mark Attorneys equivalent rights of *conduct* in the lower courts. Note, however, that their rights in County Courts other than the PCC are limited by reference to the application of CPR Part 63 – if the matter does not fall within that Part, the Attorney cannot handle it. This ensures that Attorneys rights are limited to field-appropriate subjects and venues.

- iii) A right of *audience* to appear before:
 - a) the Patents County Court;
 - b) the High Court in appeals proceedings mentioned in paragraph (i) but not applications for judicial review; and
 - c) the appeal tribunal constituted by the Registered Designs Act 1949 (as amended from time to time);

The grant of these rights of audience to all attorneys restores the position of Patent Attorneys in the PCC and High Court under S102A PA 1977 and S. 292 CDPA 1988 and brings patent attorneys rights of audience before the Registered Designs Appeals Tribunal granted under the Registered Designs Appeal Tribunal Rules 1950 as amended into the rights covered by the LSA scheme. Additionally the regulation creates an equality of rights between Patent and Trade Mark Attorneys.

Note, however, that the audience right does not extend to County Courts other than the PCC, notwithstanding that they are covered by conduct rights. This recognises that more general advocacy skills and experience would be more appropriate before the non-specialist judges in those venues.

- iv) A right to conduct appeals from decisions in proceedings mentioned in paragraphs (i)-(iii) above to the Court of Appeal and the Supreme Court.

The conduct rights on appeals from tribunals such as UKIPO addresses a problem under the existing arrangements, namely that entirely competent representation in the tribunal below has to be abandoned in favour of solicitor/barrister representation simply because of an historic inconsistency in regulatory provision, increasing cost and duplicating effort for consumers.

Note that this right is limited to the conduct of appeals in the Appeal Divisions. Recognizing that higher appeals may present more formidable advocacy challenges, as a safeguard Attorneys without higher rights would still require the assistance of a Higher-qualified advocate in such matters.

1.2.2. **Higher Courts Litigation Certificate**

This certificate will grant to duly qualified attorneys:

- i) All rights given under an Intellectual Property Litigation Certificate;
- ii) A right of audience to appear before any County Court when the court is hearing a matter where Part 63 of the Civil Procedure Rules apply or any matters ancillary thereto;
- iii) A right to conduct litigation and a right of audience to appear in case management conferences and in interim proceedings before:
 - a) the Patents Court; and
 - b) in any other Court of the High Court when the court is hearing a matter where Part 63 of the Civil Procedure Rules apply or any matters ancillary thereto; and
- iv) A right to conduct appeals from decisions in proceedings mentioned in paragraph (iii) to the Court of Appeal and the Supreme Court.

The Higher Courts Litigation Certificate is essentially a like-for-like replacement for the “full” rights granted under the Current Regulations, making allowance for the changes to subject-matter described in paragraph 1.1. Absent other legal qualifications, qualification is dependent on passing an approved Advanced Litigation Skills course.

1.2.3. **Higher Courts Advocacy Certificate**

This Certificate will grant a right of audience before the High Court, the Court of Appeal and the Supreme Court in proceedings which may be conducted by an attorney holding a Higher Courts Litigation Certificate. In respect of IP matters, this level will be equivalent to the SRA Civil Higher Rights Award. The Certificate will be available to those who pass appropriate Higher Rights training.

1.3. **Passporting of existing rights**

It is proposed that all Attorneys on the Registers at the date the new Regulations come in to force will be granted Intellectual Property Litigation Certificates. This will restore the repealed rights of Patent Attorneys and give parity of rights to Trade Mark Attorneys.

Existing holders of Trade Mark Advocate Certificates and Patent Attorney Litigation Certificates will be granted Higher Courts Litigation Certificates thereby maintaining their existing rights.

Holders of Trade Mark Litigation Certificates will only be required to complete the additional advocacy section of the course previously required to qualify for a Trade Mark Advocate Certificate to be granted a Higher Courts Litigation Certificate.

Similarly, attorneys who completed parts of a previously approved course for obtaining litigation certificates under the previous regulations will be exempted from having to complete the corresponding sections of a course approved under the new regulation.

1.4. **Membership of a Representative Body**

It is proposed to dispense with the requirement that qualification should be dependent on membership of a representative body. Qualification should be a matter of regulation alone. This was the unanimous view of the consultation respondents and it accords with, for example, the position of the Law Society/SRA.

1.5. **Registration for 3 years as a precondition of qualification**

This, too, is being dispensed with, since the 3-year registration period has no direct correlation to skill or competence, and it is not a feature of comparable professions all of which permit practice on qualification. The competency requirements in the Code of Conduct should be a sufficient safeguard.

1.6. **Training Courses**

a) **IPLC - Basic Litigation Course**

IPLCs will be awarded to Attorneys qualifying after the new regulation comes into effect who certify that they have completed a Basic Litigation Skills Course. The outcomes for the Course are set out in Schedule 1 to the draft regulation (**Annex 10 as before**).

Attendance at the existing course run by NTU for trainee trade mark attorneys would suffice and IPReg is currently discussing with CIPA about the establishment of a suitable basic litigation course for patent attorneys, adapting litigation courses CIPA has previously provided. IPReg are also proposing to accept completion of other courses approved by other authorised regulators e.g. the LPC approved by the SRA and the BVC and BPTC approved by the BSB as approved Basic Litigation Courses. The regulation provides IPReg with options to validate other courses.

The Basic Litigation Course will not need to be completed prior to registration as an Attorney (although a trade mark attorney qualifying by completing the NTU trainee trade mark course would do so). Instead, it will be dealt with as part of the CPD regime, with a requirement that the course be taken within 3 years of entry on the register (see below).

b) **Higher Courts Litigation Certificate – Advanced Litigation Skills Course**

Again, the outcomes are described in Schedule 1 to the draft Regulation. Completion of the existing Nottingham Law School IP Litigation Course would satisfy the requirements and as noted above as part of the continued approval of the Nottingham Law School IP Litigation Course and to ensure continuity of qualification regime, IPReg is proposing to permit Nottingham Law School to exempt attorneys who completed parts of the courses approved under the previous regulations from corresponding portions of the new course.

c) **Higher Courts Advocacy Certificate - Advocacy Skills Course or Advocacy Assessment**

Candidates must hold a Higher Courts Litigation Certificate to be eligible, as those skills are an essential adjunct to court advocacy.

Due to the low numbers of eligible attorneys and the specialist nature of Higher Court advocacy it is expected that take up of Higher Courts Advocacy Certificates will be very low and it is possible that the development of a dedicated IP advocacy course may not be commercially viable. For that reason and in order to maintain equality of standards across the legal professions, the regulation provides that qualification as a Higher Courts Litigator may be achieved either by a holder of Higher Courts Litigation Certificate completing an IPReg approved Advocacy Skills Course or an Advocacy Assessment leading to rights of audience in the Higher Courts approved by another legal services regulator (e.g. the SRA Higher Rights Advocate assessment or the advocacy assessments in the BVC or BPTC approved by the BSB).

If an application for approval of an Advocacy Skills Course is made, IPReg's preferred route would be for such a course to be jointly validated by IPReg and another approved regulator such as the SRA to ensure consistency of standards. To that end the outcomes required for such a course reflect the existing outcomes of the SRA advocacy assessments to enable such dual certification to occur and to ensure that the level of any assessment matches that required by the SRA Higher Rights Civil Award.

1.7. **Pre-certification Relevant Experience**

Following extensive consultation IPReg has decided not to carry forward into the new regulation the obligation to have 6 months “flying hours” or “relevant experience” contained in the Current Regulations for Higher Courts litigators. By the time attorneys qualify for any rights under the regulation they will have been in practice for at least 2 years, as long as a newly-qualified solicitor exercising equivalent rights will have been in a training contract and in practice are likely to have been working in their area of expertise for considerably longer. IPReg is satisfied that here and at all other levels the competency restriction will be an appropriate safeguard and fetter, although it will keep this under review here and in other areas of practise. It also notes that Higher Advocacy rights are subject to CPD **requirements** in the first 5 years after certification.

1.8. **Maintenance and Revocation of Certificates**

Henceforth all certificates will be renewed annually along with an Attorney’s professional registration. They will be revoked automatically on the Attorney’s request or upon the cessation of professional registration. In all other respects certification is subject to the Disciplinary Procedure. The effect is to bring the certification regime into the mainstream IPReg registration and disciplinary process alongside all other regulated rights and activities. Provision for this is made in the Draft Regulation.

1.9. **Course Validation**

IPReg will replace the existing Litigator Accrediting Boards of each Institute with a single Litigation Course Accreditation Panel (LCAP). It will:

- a) handle applications from course providers;
- b) accredit courses and course providers;
- c) consider and, if deemed necessary, alter the outcomes; and
- d) consider whether an accreditation to a course or course provider should be withdrawn and decide accordingly.

In contrast to the former Boards, LCAP will not have powers to certify Litigators. These will be reserved to IPReg in the exercise of its qualification and disciplinary arrangements.

The course accreditation provisions are the same, mutatis mutandis, as those in the Current Regulations.

1.10. **Appeals**

Any person aggrieved may seek a review; thereafter Appeal will be in accordance with the Administrative Appeals Regulations, ensuring consistency across IPReg.

1.11. **Schedule 1 – Litigation/Advocacy Course Outcomes**

The criteria for the Basic Litigation Course are derived from the existing arrangements in place for the ITMA qualification regime, as designed in conjunction with NTU.

The outcomes for the Advanced Litigation Skills Course mirror those applied in the Current Regulations.

The Outcomes for the Advocacy Skills Course reflect the equivalent SRA outcomes, adapted as necessary.

2. **CPD**

- 2.1. The requirement in the Current Regulations for litigators to undertake additional CPD throughout their period of certification is out of step with the requirements of comparable regulators such as the SRA and the BSB. Instead, in line with other regulators, limited additional CPD will be confined to those holding Higher Courts Advocacy certificates. As with Solicitor Advocates there will be a requirement to complete 5 hours advocacy CPD in each of the 5 years following certification.
- 2.2. In order to ensure that all Attorneys receive core litigation training and are eligible to be certified for an IPLC, they will be required that all attend a Basic Litigation Course with 3 years of registration.

The proposed amendments to the CPD Regulations and Guidance are contained in **Annex 11**.

3. **Code of Conduct**

The proposed new text comprises **Annex 12**

3.1. **Competence**

In addition to the general duties in Rule 4, there will be a specific Guidance Note (GN) 4.3 setting out the standards of competence applicable to IP Litigators. This is a corollary of the de-restriction of the type of litigation a Litigator can carry out, and a balance to the elimination of the Relevant Experienced requirements. There is a general duty in GN 4.3 to limit work to that within an attorney's competence. Carrying out litigation unrelated to IP will be regarded as a prima facie breach of Rule 4.

- 3.2. To further protect the consumer it is additionally provided in GN 4.3 that where a case under an Authorised Litigator's control discloses a range of other issues unrelated to IP the Litigator must be supplemented by other duly experienced legal advisors.
- 3.3. Continuity of representation is vital in litigation. New GN 4.4 imposes obligations on firms to transfer work to another litigator (including, if necessary, in another firm) if the responsible litigator leaves.
- 3.4. New GN 4.5 reinforces the risk of disciplinary penalties for the inappropriate exercise of litigation rights.

3.5. **Duty to act in the interests of justice**

There is a general duty in Rule 14 to act in the interests of justice when an Attorney appears before a Court or Tribunal.

To supplement that, new Guidance Notes set out a comprehensive behavioural code for any Regulated Person engaged in formal advocacy which is derived from that of the BSB. It is also provided that Advocates must take into account the relevant BSB and SRA codes to the extent they impact on Advocates. This should ensure consistency in the rules applicable to advocates across the professions.

3.6. **Observing the Special Rules of Conduct for Litigators (Annex 7 as before)**

Under the Current Regulations, absent statutory regulatory powers it was necessary to secure formal agreement from Attorney Litigators to be bound by the Institutes' respective codes of conduct for litigators.

In contrast, acting for the Institutes in their post-LSA roles as Approved Regulators the IPReg Special Rules for Litigators will now apply automatically by virtue of a specific GN (14.4) to the Code of Conduct, Rule 14. The original provisions are therefore otiose.

3.7. **Professional Litigation Titles**

New GN 18.5 clarifies how and when the professional litigation titles may be used.

4. **Disciplinary Arrangements**

Under the existing Disciplinary Procedure, the initial stages are handled by a Complaint Review Committee (CRC). This Committee has power to suspend the investigation of the Complaint in certain circumstances.

Following concerns raised in consultation, it will be made clear by that in cases where the Complaint concerns the Respondent's role as a litigator in pending litigation, the CRC shall only suspend investigation of a Complaint if it is satisfied that neither the client of the Respondent, nor any opposing parties, nor the Court, will suffer any detriment if the client continues to be represented by the Respondent.

The revised regulatory text appears in **Annex 13**.

5. **Other reserved activities**

The details can be found in Paragraph 9 of the Draft Regulation (**Annex 10 as before**).

5.1. **Reserved Instrument Activities**

As noted, the rights of Attorneys to carry on Reserved Instrument Activities will terminate at the end of the transitional period and must be replaced. However, IPReg is conscious that its regulatory remit extends only to matters pertaining to intellectual property. Thus, Paragraph 9.1 of the Draft Regulation authorises Attorneys to carry on Reserved Instrument Activities where such instruments relate to intellectual property.

5.2. **Administration of Oaths**

The authorisation to administer oaths and to use the title “Commissioner for Oaths” is to be re-instated and will apply to all Registered Attorneys. Details appear in Paragraph 9.2 of the Draft Regulation.

6. **Rights of Patent Attorney and Trade Mark Bodies to carry on Reserved Legal Activities**

See Paragraph 10 of the Draft Regulation.

6.1. As regards the carrying on of Reserved Legal Activities, specific provision is made to ensure that Regulated Bodies can carry these on subject to supervision by a person authorised to carry out those activities. This maintains the current position under transitional provisions of LSA Schedule 5 Para. 14 (3) – (7) and Para 16 (3)-(7) but expands the current arrangements to account for the possibilities of other legal professionals e.g. barristers and solicitors practising via patent and trade mark attorney bodies.

6.2. There is a supplementary provision to cover the absence of a sole authorised supervisor; the Body remains authorised for 1 month thereafter solely for the purpose of placing the work under the control of a replacement authorised person.

7. **Ancillary Amendments**

The definition section of the Patent Attorney and Trade Mark Attorney Qualification and Registration Regulations is being updated to reflect the change of the basis under which patent and trade mark attorneys will be granted litigation and advocacy rights. The change of terminology has no effect on the scope of the regulations.

Regulatory Objectives

1. IPReg believes that its proposals comply with the regulatory objectives set out in the LSA.

Protecting and promoting the public interest

2. As noted by numerous commentators and Government reviews, it is in the public interest that access to justice be improved and the cost of litigation is reduced. IPReg believes that its core proposals to preserve the litigation rights of patent attorneys and extend equivalent rights to trade mark attorneys self-evidently support this objective. The public interest is protected by the safeguards ensuring due training and competence. These aims are further supported by the replacement of four differing litigation regimes with a single regulatory arrangement backed up by a single disciplinary structure.

Supporting the constitutional principle of the rule of law

3. Whilst the impact on this objective is broadly neutral, it is supported by the enhanced Guidance Notes in the Code of Conduct emphasizing the Attorneys' duty to act in the interests of justice and the enhanced code of behaviour for litigators.

Improving access to justice

4. The proposals will enhance access to justice by increasing the pool of available litigators in the IP field. Improving access to the IP litigation arena, especially for SMEs, is a key theme of successive Government reviews.

Promoting competition in the provision of legal services

5. The creation of more IP litigators will self-evidently promote competition in what has hitherto been the preserve of a small field of specialised lawyers.

Encourage an independent, strong, diverse and effective legal profession

6. These proposals shall enhance the knowledge of skills of all newly qualified attorneys and will instil in them a greater appreciation of the role and rule of law and their duties as professional lawyers. That greater knowledge will in turn improve effectiveness. Diversity in the IP litigation field may increase at a stroke since a high proportion – nearly 50% - of Registered Trade Mark Attorneys are women, a much greater percentage than it is believed are currently represented in this field.

Increase the Public's understanding of a citizen's legal rights and duties

7. There is no impact on this objective.

Promoting and maintaining adherence to the professional principles

8. Whilst broadly neutral (the requirements being included in existing Arrangements) the proposals enhance the duty to the court contained in LSA S.1 (3) (d).

Obligations under S28 Legal Services act 2007 – Better Regulation Principles

Proportionate

9. The proposals widen the pool of available litigators whilst at the same time removing unnecessary and disproportionate qualification requirements. They also create uniformity and consistency across the two regulated profession in the qualification for and conduct of IP Litigation. Overall, the complexity of regulation has been reduced but strengthened where necessary and retaining original structures wherever possible. This represents a proportionate approach to harmonising and extending litigation rights.

Accountable

10. The LCAP will be directly accountable to IPReg. Course Providers are subject to IPReg's powers to demand reports. In all other respects the functioning of the litigation regime is within IPReg's existing regulatory framework and accountable accordingly.

Consistent

11. If the application is approved it will provide complete consistency for patent and trade mark attorney litigators, in marked contrast to the 4 different regimes presently operated.

Targeted

12. The amendments are targeted on a specific area of practice.

Transparent/consultation

13. IPReg consulted twice on its proposals. Copies, and IPReg's subsequent responses to them, form **Annexes 2 (as above), 14 (response including supplemental consultation) and 15 (response to supplemental consultation)**. Copies were sent to all relevant organisations/interests and professional stakeholders and the consultations were widely publicized. The Second consultation sought to deal with specific concerns raised about training levels for the grant of advocacy rights in the PCC and invited comments on the draft regulatory texts.

14. Overall, the majority of consultees supported the proposals, including in particular the Patents County Court Judge, HH Judge Birss who commented that there was no need to restrict advocacy rights within the PCC.
15. As to transparency, the entire regime is subject to IPReg's normal oversight and reporting requirements. It will therefore be transparent.

Desired outcome

16. The desired outcome at the base level is to improve the litigation skills of IPReg-regulated persons and to encourage more attorneys to undertake litigation. It will be possible for IPReg to directly monitor the former through its own administration, and to obtain information via Court Records and other intelligence to monitor the latter. At the higher levels, IPReg recognises that as at present there may be limited demand. It is hoped that increased familiarity with and exposure to litigation at the basic level will increase the demand for the Higher Qualifications. IPReg will monitor demand via its training providers and certification process.
17. IPReg has noted that the abolition of a "flying hours" requirement before entry into litigation practice increases the reliance on the competency requirement in the Code of Conduct. IPReg will monitor this through its disciplinary regime, liaison with the Legal Services Ombudsman, the Patents Court Users Group and market intelligence.

Impact upon other approved regulators

18. There will be no known impact on other approved regulators.

Proposed Implementation Plan

19. It is proposed IPReg will implement the new Regulations at the end of 2012 following approval by the Legal Service Board to provide time for an approved Basic Litigation Courses for patent attorneys to be finalised.

Explanatory material

20. Copies of all of the responses to the two consultations are available on request.

Submission

21. The LSB is asked to approve this application.

Annexes

- 1 Part 63 of Civil Procedure Rules and the accompanying Practice Direction
- 2 IPReg's First Consultation on the role and regulatory position of Patent and Trade Mark Attorneys and the need for reform (pages 1-5)
- 3 S102a of the Patents Act 1977 and s292 of the Copyright & Designs Act 1988 (as originally enacted)
- 4 The CIPA Higher Courts Qualification Regulations 2007
- 5 The ITMA Trade Mark Litigator and Trade Mark Advocate Certificate Regulations 2007
- 6 IPReg Continuing Professional Development Regulations
- 7 IPReg Code of Conduct
- 8 Special Rules of Professional Conduct applicable to Regulated Persons conducting litigation or a right of audience before the Courts
- 9 IPReg Disciplinary Procedure
- 10 Litigation Rights - Draft Regulation
- 11 Proposed new text to the CPD Regulations and Guidance
- 12 Proposed new text to Code of Conduct
- 13 Revised regulatory text to Disciplinary Procedure
- 14 Response to First Consultation (including Supplemental Consultation)
- 15 Response to Supplemental Consultation