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**NOTE OF THE INTELLECTUAL PROPERTY OFFICE STEERING BOARD  
MEETING HELD ON 26 JULY 2017**

**Attendees:**

**Non-Executive Directors**

Bob Gilbert (Chair)

Gary Austin

Iain Maclean

Andrew Mackintosh

Mandy Haberman

**IPO**

Tim Moss

Sean Dennehey

Louise Smyth

Simon Haikney

Kathryn Ratcliffe

Clare Blackwell

Chief Executive

Deputy Chief Executive

Chief Operating Officer

Head of Strategy & Planning

Head of Secretariat

Secretariat

**BEIS**

Paul Hadley

**Presenters:**

Ian Webber

Adam Williams

Assistant Director, Finance

Acting Director, International Policy

**Observers and Shadows**

Peter Thomas-Keefe

Liam Hynes

Janet Parker

(Louise Smyth)

**1. Chair's Introduction, minutes and update on actions**

1.1 Mr Gilbert welcomed everyone to the meeting, including the Shadow and Observers. Mr Gilbert thanked Secretariat for organising the NED attendance at the Informatics Tradeshow, noting that it was excellent and provided a wealth of information.

1.2 Apologies were noted from Tim Suter and Nora Nanayakkara.

1.3 The minutes of the previous meeting were approved, however Mr Mackintosh noted that he is a member of the Oxford Investment Opportunities Network (OION) Advisory Board.

**Governance and Performance**

**2. Chief Executive's Report**

2.1 Mr Moss highlighted a number of items in the Chief Executive's Report, firstly noting that Jo Johnson remains the Minister with responsibility for IP. He noted that the Minister will be visiting IPO, Abbey Orchard Street on 7 August 2017.

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2.2 Mr Moss noted relationships with DCMS are being developed, to ensure that there is understanding on how IPO and DCMS best work together. Mr Moss said he will be meeting with Andrea Young, Director for Broadcasting, Media and the Creative Industries at DCMS on 7 August 2017.

2.3 He explained that the IPO are looking at raising the IP profile and Mr Moss will be meeting with Stian Westlake, the Minister's Policy Advisor on 27 July 2017 as part of this.

2.4 Mr Moss said he and Mr Maclean attended the BEIS Partner Organisations Networking Session on 22 June 2017. He said it was clear from the session that EU Exit and Industrial Strategy are the priorities going forward. Mr Moss noted that going forward Parliamentary business would be difficult, particularly Statutory Instruments and there will be no spending review this year.

2.5 Mr Moss said that BEIS are looking to clarify their governance and sponsorship framework, the new model will be launched in July/August. Paul Hadley noted that he and Sharon Ellis will be meeting with Kate Marshall next week to discuss the practical issues.

2.6 Mr Moss highlighted the diversity statistics amongst Non-Executives in BEIS and its Partner Organisations. He said improving these statistics is a focus for BEIS, as they are responsible for 40% of Non-Executive appointments across government.

2.7 Mr Moss updated the Steering Board on his recent Stakeholder engagement, noting that Stakeholders have been hugely positive about their relationships with the IPO and Mr Moss mentioned this was great to see and hear.

2.8 Mr Moss highlighted that there were good responses to the Patent Fee consultation and due to comments made there will be some changes to the proposals. He said as a result of making changes, IPO will be recommending that fee increases are introduced on 06 April 2018, rather than the proposed date of 01 October 2017. He noted there is an impact on the financial forecast due to this date change, but this is addressed in the Finance Report.

2.9 Mr Moss said activity around the UPC has moved forward. He mentioned IPO's good reputation within the EPO since the final piece of implementing legislation on privileges and immunities, was laid in Westminster on 26 June. Mr Moss said the Commons Debate did not go ahead on 18 July and is expected to take place after recess.

2.10 Mr Moss noted that Trade Mark and Design applications are continuing to rise. He confirmed patent applications have reduced, however there was a high demand in June 2016 which was considered to be unusual.

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2.11 He also raised that the Accounts were signed following the Audit & Risk Committee meeting on 06 July and were then laid on 18 July.

2.12 Mr Moss reported “The Winning Formula” Continuous Improvement (CI) event took place on 20<sup>th</sup> July, which was a big success. He said the event included external speakers, hakathons, activities, and the opportunity to learn agile and CI techniques.

2.13 Mr Mackintosh congratulated the IPO on winning the National Body Award at the All Wales CI Community Awards, for the CI work undertaken in Trade Marks Examinations. Mr Moss added how well the Trade Marks Examination teams had dealt with the volume increase.

2.14 Mr Moss reported that Pippa Hall had been substantively appointed to the role of Director of Innovation and Chief Economist and Deputy Chief Economist role is currently being advertised. He said the interviews for the International Policy Director role are due to take place in August.

2.15 The Steering Board agreed that working collaboratively with Partner Organisations, Other Government Departments and Private Office to raise the IP profile was a good idea, discussing the importance of IP staying in the mind of Ministers beyond IP.

### Action

- **Tim Moss to look at whole profile and reputation of IPO and develop a plan to raise the profile and awareness within Partner Organisations, Other Government Departments and Ministers.**

### 3. BEIS Update

3.1 Mr Hadley provided an update on the recruitment of the new Chair for Steering Board, saying that Ministers had agreed that headhunters should be appointed and BEIS are looking to extend Mr Gilbert’s term for a further six months.

3.2 Mr Hadley was pleased the Accounts were signed and laid, however mentioned that documents such as the PIPCU Memorandum of Understanding need to be clearer.

3.3 Mr Hadley mentioned that a submission was sent to the Minister on 30<sup>th</sup> May to agree an extension of PIPCU funding, but as far as he was aware the IPO had not received a response. Mr Moss confirmed he would chase this.

### Action

- **Mr Moss to chase response for the PIPCU Funding Submission submitted on 30 May 2017.**

#### **4. Finance Report**

4.1 Mr Webber presented the Finance Report and asked the Steering Board to note the current financial position and forecast going forward. He said that IPOB had agreed most forecast changes in the meeting on 25 July 2017, the most significant being patent fee changes, which will not be implemented until 2018/19. Mr Webber highlighted that the IPO had decided to go forward with Accommodation Strategy, IT Graduate Scheme and Project Managers as income is holding up.

4.2. Mr Webber said that income is up by approximately £2.4m, 11% on the same quarter last year, however Trade Mark income is up 39%, approximately £2m, on the same quarter last year. He noted a concern that it makes the IPO reliant on Trade Mark income, which is potentially at risk due to EU Exit going forward.

4.3 Mr Maclean raised the consequences of Trade Marks staffing issues, if the demand continues to rise. Mr Dennehey explained that a suitable number of Trade Mark Examiners took up post in January 2017. He said that whilst demand is up significantly, if we stay in the EUIPO system, the demand would drop dramatically. Mr Moss mentioned that Mr Dennehey's team are regularly reviewing what would happen if IPO go down a particular route.

#### **5. Corporate Performance Report**

5.1 Mr Haikney updated the Steering Board on the performance at month 3, which was also discussed at IPOB on 25 July 2017. He highlighted that nine of IPO's ten Ministerial Targets were reporting green for the month, saying the Hague agreement target was reporting as amber due to the SI not being laid but this is planned for September.

5.2 Mr Haikney indicated that fourteen of IPO's eighteen Corporate Priorities were reporting green for the month. He noted implementing the first phase of the accommodation strategy was reporting as red, but following extra funding being released this will now revert back to green.

5.3 Mr Haikney highlighted the SPC filing service target is currently reporting as amber, due to a number of technical issues within the PTP project. Mr Dennehey explained that Mr Julyan Elbro is confident the SPC will be delivered.

#### **Strategic**

#### **6. Steering Board Strategy Refresh**

6.1 Mr Haikney provided the Steering Board with an update on the work to refresh the IPO strategy. He explained that a strategic IPOB session was held on 21 June and the underlying principles were agreed. Mr Haikney said it was decided that the

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IPO people are the primary, but not the exclusive, audience as they deliver it. He explained the agreed objectives for the review were:

- Explore what is different and how it might change our strategy
- ensure that we are speaking a common language across all of our work
- explain how the various strategies and plans within the IPO lead back to the strategy
- simplify for communication purposes
- fully involve our values

6.2 Mr Haikney said the session also delved into change and the potential impact of EU Exit, it was concluded that there were no impacts that would affect the IPO's longer term strategy. He highlighted that there remained uncertainty about the scale of change and a number of challenges were identified at the session, including an expected lack of Parliamentary time impacting on the ability to improve the IP system. Mr Haikney said following on from the session, Ms Pippa Hall is looking at the IP Landscape to make sure it encourages innovation.

6.4 Mr Austin noted the simplifying of the strategy objective and the Steering Board discussed it. They noted the IPO need to make sure that the strategy is kept at the appropriate level, ensuring it doesn't lose sight of the audience. Mr Moss mentioned that the strategy needs to be clear and understood by people right across the organisation.

6.5 Mr Haikney concluded by saying communicating the IPO purpose and mission will be the main focus at the next Strategic IPOB on 17 August.

### **7. Steering Board Awayday**

7.1 Mr Haikney presented a draft program for the Steering Board awayday, following a discussion at Steering Board on 01 June. The Steering Board were asked to discuss and agree any issues or concerns, including who would facilitate the event.

7.2 Topics for the day were discussed, including risk and strategy refresh, however the Steering Board the main focus was EU Exit and Industrial Strategy. Mr Moss explained that objectives and priorities for the day need to be clear, ensuring that the best value is gained from it.

7.3 The Steering Board agreed the away day should be discussion based, which would allow them to engage and contribute to the sessions. The items in the draft program were discussed and the Steering Board agreed that risk appetite should be towards the end of the programme and Mr Maclean will remain as the facilitator.

### **Action**

- **Mr Moss, Mr Maclean and Mr Haikney to meet and discuss the awayday program.**

## **Topical**

### **8. EU Exit Tracker**

8.1 Mr Williams provided an update on the IPO's work for EU exit and trade between 16 May and 11 July 2017. The main points he highlighted were lack of clarity, right arounds expected throughout the summer, legislation plans and the Great Repeal Bill. Mr Williams explained progress on issues and stated that IPO have options in place, however it is unclear what paths IPO can take.

8.2 Mr Williams said the IPO EU Exit Board will be meeting on 27 July to discuss managing risks and critical paths for delivering exit solutions. Mr Maclean questioned the next steps and the outputs on critical paths. Mr Williams stated that critical paths were done and this would be shared with Non-Executive Directors.

8.3 Mr Gilbert mentioned identifying issues and possible consequences was helpful and requested that IPO continue to feed information to Non-Executive Directors regarding EU Exit.

#### **Action**

- **Mr Williams to circulate the EU Exit critical paths to Non-Executive Directors.**

### **9. Information Papers**

9.1 The Board Risk and Issues Register was discussed and Mr Moss mentioned risk S39, which is currently amber, has been reviewed at IPOB on 25 July 2017. He said the EU Exit Board will consider if the risk should be red at their next meeting, due to the level of uncertainty surrounding EU Exit.

9.2 Avoidable calls into the Information Centre were discussed as part of the Customer Feedback Report. Ms Haberman mentioned the Private Applicant Helpline, stating the telephone number is not advertised on the IPO website home page.

9.3 Mr Austin flagged that Mr Paul Layland, IPO's independent member of the Audit & Risk Committee, will no longer be on the Committee due to moving to a new position in the private sector. He said the search for a replacement is ongoing.

9.4 Mr Gilbert closed the meeting by thanking everyone for their attendance.

#### **Action**

- **Mr Dennehey to look into the Private Applicant Helpline number being visible to customers on the IPO website.**