

Competition and Markets Authority Legal Services Market Study Interim Report – IPReg Response

Introduction

The Intellectual Property Regulation Board (hereafter, IPReg) was established in 2010 to independently regulate specialist Intellectual Property lawyers. There are c2100 patent attorneys and c800 trade mark attorneys on the [IPReg register](#). There are also some 200 registered firms.

Most attorneys also hold a European Qualification.

Attorneys are significant contributors to “UK PLC”

- *In 2011 UK Companies Balance Sheets identified **£63.5 billion**¹ of intangible assets, protected by Intellectual Property Rights. Of which more than £20 billion was protected by Patent & Trade Mark IP rights.*
- *In 2011 firms in the UK Market Sector invested an estimated **£126.8 billion** in knowledge assets compared to £88 billion in tangible assets²*
- *Global trade in IP licenses in 2008 was worth more than **£600 billion** a year – 5% of world trade*
- *The UK IP system was **rated Number 1** by businesses in the 2013 Taylor Wessing Global IP Index in respect of obtaining, exploiting and enforcing the main types of IP rights.*

IPReg welcomes the opportunity to respond to the Competition and Markets Authority consultation regarding the legal services market. CMA has not engaged with IPReg previously, though we note that the Appendix E Stakeholder Engagement document identifies that some Approved Regulators were approached. Given the CMA has not engaged with IPReg before we provide below some information about IPReg and its regulatory approach to the individuals and entities that it regulates.

¹ Viscount Younger of Leckie, Parliamentary Under Secretary of State for Intellectual Property, speaking at IPAN World IP Day, 28th April 2014

² IPO 2015 Fast Facts Guide

We will be answering specific consultation questions particular to us. We would welcome a meeting with CMA representatives to work through or provide more detail on any of our answers.

About IPReg

Intellectual Property legal services are delivered worldwide. The UK is “hub” for worldwide registrations where UK attorneys act as intermediaries (and quality controllers). The Intellectual Property market makes a significant contribution to UK PLC.

IPReg acknowledges that the main scope of the CMA Report is largely “domestic” legal services such as conveyancing, divorce, wills and probate whilst Intellectual Property generally sits with “commercial” legal services. That said, consumers are from a broad spectrum from, for example, BAE and GSK (and indeed the Ministry of Defence) to individuals (“Fred in the Shed”).

Patent Attorneys must hold a STEM degree. Trade Mark Attorneys tend also to be educated to graduate level. Both professions require completion of foundation and advanced examinations and a minimum of two years’ supervised practice.

Though we regulate both Trade Mark Attorneys and Patent Attorneys, these niche specialisms represent very different markets. However, neither profession provides a “process-driven” legal service (though registration renewals tend to be more commodotised and fixed/transparent fees are more likely).

Many attorneys work “in house” supporting research and development directly. There are 507 patent attorneys, 89 trade mark attorneys and 23 dual qualified attorneys working in this way.

Trade Mark Attorneys, in particular, face a competitive market of solicitors and unregulated persons/bodies. There are also minimal barriers to small firms protecting their IP registration, particularly Trade Marks without the use of a lawyer, given the range of self-filing teaching tools provided by the IPO (and to which the IPReg website [signposts](#)).

The Legal Services Board recently published research³ into the unregulated service provision in three distinct legal areas, one of which was intellectual property. The report suggests 7-8% of the intellectual property market is delivered by unregulated service providers. In 2014 an unregulated company filed the second most Trade Marks⁴ in the UK.

IPReg regulates in accordance with the [regulatory objectives](#) and puts protecting and promoting the interests of the consumer and the public at the heart of its regulatory approach.

³ <https://research.legalservicesboard.org.uk/wp-content/media/Economic-insight-in-depth-unregulated-research.pdf>

⁴ See reference 29 of <https://research.legalservicesboard.org.uk/wp-content/media/Economic-insight-in-depth-unregulated-research.pdf>

Improving price and transparency

Is there a minimum level of information that providers should either (i) publish or (ii) provide consumers either in advance of or on engagement? Should this be mandatory? (CMA ref. Qu. 2)

Costs and other ways consumers can be empowered

The [IPReg Code of Conduct](#) requires:

- written terms of business to be given to clients at the outset of a relationship and as often as necessary after. Any variations must be communicated to clients as soon as they apply to the client.
- attorneys to ensure that clients receive as often as necessary an explanation, appropriate to the client's reasonably apparent or expected level of understanding, as to the issues in a matter, the progress of the matter and the likely timescale and an update periodically on expenditure incurred or to be incurred.

Attorneys must feature "regulated by IPReg" on their website and correspondence.

Clients are provided with information on regulatory status and the safeguards this provides. The IPReg logo is available to regulated providers for use in the firm's communications.

The following are additional regulatory requirements:

- to operate a complaints-handling process and to inform the client of this (and their right to have the complaint escalated to the Legal Ombudsman, where their scope applies).
- provide a cost estimate and notify promptly should this change. Fixed prices may be suitable for high volume, more commoditised, transactions. However, online transparency of cost without transparency of quality creates an uneven playing field. It is difficult to provide accessible information on complexity. This gives providers of commoditised and/or straightforward legal services ostensibly a more competitive edge than those providing bespoke, specialised, services. We are not convinced by the case for online publication of fees.

Resources on the IPReg website seek to empower the consumer/client to instruct a lawyer with some confidence and choice. The IPReg website has a [Got an Idea - Do I need an advisor?](#) section and within that ["How do I keep on top of costs?"](#) area which deals with matters such as the difference between an estimate and a quote. Introductions and hyperlinks to the [Intellectual Property Office's empowerment tools](#), such as IP Tutor, are also provided.

We consider all of the provisions above to be sufficient. Our regulatory arrangements will be reviewed in light of the findings of the client care letter research jointly commissioned by the Approved Regulators.

Are there any measures of quality that can readily be collected by regulators or government (including HM Courts and Tribunal Service in relation to civil actions and probate) on observable trends in quality of legal services? (CMA ref. Qu. 5)

Informed Decisions - Quality of provider

Indicators of the quality of regulated provision include Professional Indemnity Insurance claims; complaints (including those made to the Legal Ombudsman); and disciplinary findings. In addition, our regulatory assurance work identifies risk register themes.

The [IPReg Home page](#) sets out what it means when a consumer sees “regulated by IPReg” and the regulatory safeguards:

“When you see “regulated by IPReg” on a website or in an email or letter it means those lawyers (called attorneys) and organisations are regulated by us and that means:

- *to qualify, attorneys have had to complete a rigorous examination and training programme and have to do at least 16 hours further professional training every year*
- *the attorney and organisations are subject to our code of professional conduct*
- *your work will be protected by professional indemnity insurance*
- *you can complain to us”*

The published [Assurance Policy](#) sets out our outcomes-focused approach to regulation. The ["If things go wrong"](#) area of IPReg website provides advice to consumers in the event of the consumer being unhappy with the service received. We have published [guidance regarding the protection of client money](#). We are in dialogue with the Intellectual Property Office (IPO) about provision and analysis of data on the outcomes of patent, trade mark and design applications which if available to us would enable us to monitor trends in these processes.

Informed Decisions - Regulated vs. Unregulated

The statutory registers of Patent Attorneys and Trade Mark Attorneys are published annually. As is a list of registered entities. Also provided is a “live” Find an Attorney search function. <http://ipreg.org.uk/public/find-an-attorney/>. [Disciplinary findings](#) are published on the IPReg website.

Addressing barriers to comparison and search

What additional information could be made available by regulators and trade bodies? (CMA ref. Qu. 3)

Specialism (Patent and/or Trade Mark) practising address, phone number and email address information is published on the IPReg website (and also as [an accessible spreadsheet](#) for usage by digital comparison tools.)

It would be beneficial for the specialisms/competency areas of solicitors and other lawyers who can provide a range of legal services to be transparent.

We also publish [disciplinary information](#) and consider all Approved Regulators should do so to help inform consumer choice and comparison (in addition to incentivising regulatory compliance).

Is there any additional information held by government or regulators that if published would assist the development of the comparison sector or assist consumers directly conducting comparisons? (CMA ref. Qu. 6)

Many of the activities provided by patent and trade mark attorneys take place before the Intellectual Property Office (IPO), which makes public (or intends to make public) its patent, trade mark and design databases. We have, for a long time, been pressing the IPO to include searchable representative data in the published data. This would enable consumers to assess the experience of, and outcomes achieved by, agents/representatives (regulated and unregulated), as well as enabling more informed regulation based on outcomes.

The statutory registers of Patent Attorneys and Trade Mark Attorneys are published annually - as is a list of registered entities.

Also provided is a “live” Find an Attorney search function. <http://ipreg.org.uk/public/find-an-attorney/>

The [IPReg Code of Conduct](#) requires that the attorney acts only within their competence and where asked to act in an area outside of their competence to signpost the client accordingly. Due to our specialist registration the ‘Find an Attorney’ search function provides results by geographical location (if so desired) and, in our view, this is sufficient for the market. This is not a hard and fast rule which works for all sections of the legal services market (as per answer 3 above).

Improving consumer information

Should Legal Choices act as the central information hub for legal services in England and Wales or would an alternative website be more appropriate? (CMA ref. Qu. 2)

The [Legal Choices website](#) is a joint initiative of the Approved Regulators which is increasingly building its value as a consumer resource and we value the CMA's recognition of this. IPReg is on the Legal Choices Editorial Panel and co-funds the website with the other regulators. We are hugely supportive of this resource but are unclear as to how it would work as a central information hub for unregulated provision also given that it is funded and managed by the Approved Regulators. The market is developing private information hubs for IP legal services, such as, for example, the IPIB database developed by the Fraunhofer Institute. There may be only a limited role for a central UK legal services hub, wherever it is provided.

Improving client care communication and increasing access to redress

How can client care communication be improved to better protect consumers' interests and are there examples of client care communication that provide succinct and relevant information? (CMA ref. Qu. 1)

We endorse the importance of this area. Together the Approved Regulators have funded and are in the process of commissioning consumer research into what should be provided in client care letters. We are open-minded as to the outcome of the research findings. We will review our regulatory arrangements in light of this evidence base when provided.

What are the barriers to using LeO and are there any benefits in amending its scope, jurisdiction or approach? (CMA ref. Qu. 3)

The scope of the Legal Ombudsman (LeO) is currently less applicable to the attorney market (given that only private individuals and/or very small businesses can currently access LeO redress). In 2015, nil complaints regarding the IPReg regulated community were taken to LeO. We would favour the raising of the eligibility threshold to the middle range group of businesses who cannot afford the courts but which are not currently serviced by LeO. We recognise that this would have cost implications for both ourselves and for LeO but consider this is a market gap which would benefit from filling. Regulated firms currently fund LeO. We are unsure how unregulated companies would contribute to this. In addition, it is those unregulated firms which provide a low quality service which are likely to be the most reluctant to sign up to LeO.

Questions on the regulatory framework

Are the high level criteria for assessing the regulatory framework that we have identified appropriate? (CMA ref. Qu. 1)

The Legal Services Act 2007 specifies the [regulatory objectives](#):

- (a) protecting and promoting the public interest;*
- (b) supporting the constitutional principle of the rule of law;*
- (c) improving access to justice;*
- (d) protecting and promoting the interests of consumers;*
- (e) promoting competition in the provision of services within subsection (2);*
- (f) encouraging an independent, strong, diverse and effective legal profession;*
- (g) increasing public understanding of the citizen's legal rights and duties;*
- (h) promoting and maintaining adherence to the professional principles.*

and the professional principles to which the Approved Regulators and the Legal Services Board (LSB) should pay due regard. When making a regulatory arrangement application to the LSB, the case measured against these objectives must be presented. We consider the regulatory objectives already provide the appropriate criteria by which a regulatory framework should be assessed.

The criteria suggested by CMA assume the market is homogenous – the reality being that these vary according to risk - and the consumer (and public) interest should be prioritised.

Does the current regulatory framework prevent, restrict or distort competition? (CMA ref. Qu. 2)

The current regulatory framework supports and enables competition. The patent and trade mark services market was liberalised in 1989 to implement the recommendations of the 1986 Office of Fair Trading report entitled “Review of Restrictions on the Patent Agents’ Profession”, and the current framework regulates that liberalised market.

Alternative Business Structures

The Legal Services Act 2007 provided for the establishment (and expansion) of Alternative Business Structures (ABS) and afforded Approved Regulators the opportunity to become Licensing Authorities capable of licensing such structures. Prior to applying for, and being granted, Licensing Authority status, IPReg historically regulated ABS-type firms ranging from Aim Market listed practices to smaller firms where a non-lawyer spouse had a shareholding.

In practice, the concerns regarding non-lawyer ownership of ABS have not materialised. ABS are more likely to be innovative than more traditional firms (and are more likely to have effective complaints-handling systems). Within IPReg, ABS generally have not been found to be any more inherently “untrustworthy” or “risky” than more traditional firms.

We welcomed the very recent MoJ consultation regarding removal and amendment of Legal Services Act 2007 provisions which recognise this. However, the proposed statute revisions maintain some unnecessary competition barriers e.g. the Act’s geographic limitation of England and Wales prohibits the licensing of Alternative Business Structures in other parts of the United Kingdom.

Innovation

IPReg is open to any business model, demonstrated by us having licensed an AIM market flotation, sole practitioner network enabling agile working, networked resource providers and renewal annuities global players. The Code of Conduct is deliberately high-level to focus upon delivery of positive outcomes whilst not being too prescriptive as to how those outcomes should be delivered. Services provided by IPReg-licensed firms include online service delivery, unbundling of services, and introduction of automation.

Competition

The LSB research⁵ report suggests 7-8% of the intellectual property market is delivered by unregulated service providers. In 2014 an unregulated company filed the second most Trade Marks⁶ in the UK.

Trade Mark Attorneys in particular face a competitive market of solicitors and unregulated persons/bodies. There are minimal barriers to small firms protecting their standardised IP registration, particularly Trade Marks, given all of the self-filing empowerment tools provided by the IPO (and to which the IPReg website signposts).

3. Would the potential changes to the regulatory framework we have identified promote competition?

In answering this question it is presumed it relates to the suggestions made at item 7.60:

- “reducing the regulatory burden on regulated providers in areas where it is not justified by consumer protection risk;
- regulation focused on outcomes rather than prescriptive rules (though recognise there are some circumstances where rules are more effective);
- consider the case for extending regulation to specific unregulated activities but only where clear evidence of detriment to consumers”.

⁵ <https://research.legalservicesboard.org.uk/wp-content/media/Economic-insight-in-depth-unregulated-research.pdf>

⁶ See reference 29 of <https://research.legalservicesboard.org.uk/wp-content/media/Economic-insight-in-depth-unregulated-research.pdf>

The regulatory approach of IPReg already embodies both the proportionate regulatory burden and focus upon outcomes identified at 7.60.

The Code of Conduct is deliberately high-level to focus upon delivery of positive outcomes whilst not being too prescriptive as to how those outcomes should be delivered. The principles-based Code enables businesses to apply their own approach subject to core ethical behaviours largely based on s1(3) Legal Services Act – the [\(5\) “professional principles”](#). Prescriptive rules (and guidance) are provided only where mitigation of the risk requires such.

It is appropriate that there is not a “one size fits all” approach to regulation. The cost of regulation is largely determined by risk – IPReg practice fees are generally cheaper because the holding of client money is not the issue for attorneys that it is for some areas of the legal services sector (this is the same for the Bar Standards Board which has set up BarCo as a result). This enables IPReg regulatory assurance resources to be focused on other risks and to be compact (an office of 5 – 4 full-time equivalent).

We agree that where there is clear evidence of detriment to consumers, the case for extending regulation should be considered.

4. Is a further review of the regulatory framework justified on the basis of competition concerns?

We share the concerns expressed at 7.66 regarding significant changes to the regulatory framework:

- “Risk of harming competition e.g. extending rather than reducing the scope of regulation beyond the currently reserved activities without justification
- Wholesale reform would result in significant design and transition costs and may result in a period of regulatory uncertainty
- Such change would not be effective if issues with transparency are not also addressed”.

We set out additional concerns here:-

1. Proportionality: our regulatory approach is proportionate to the risks presented. We regulate from a position of trust and with a focus upon positive consumer and public interest outcomes. Regulation by specialism is a positive feature. IPReg understands the sector it regulates and provides effective, Value for Money, risk-based and outcomes-focused regulation.

Movement away from this to a “one size fits all” regulatory approach and a single regulator risks the loss of this specialist knowledge as well as increasing costs for the profession, especially if required to contribute to a Compensation Fund (this is not appropriate to attorneys who do not hold client monies unlike, for example, solicitors).

2. Independence: we wholeheartedly support the proposal that full independence of the regulator from the providers it regulates is a key regulatory principle. The interests of a regulatory body and a representative body are not always aligned: the former regulates in the interests of the public and consumers, whilst representative bodies operate in the interest of the profession. Sir Michael Pitt (LSB Chairman) has [cited examples of professional bodies resisting reforms](#) which would benefit the consumer and public interest, but less so the profession. Independence of regulatory and representative organisations is essential.

However, we do not accept the innate presumption that true independence is deliverable only through the creation of a single regulator, especially given that the CMA has “not seen clear evidence that this framework significantly impedes competition in the current market”. In addition, the report also found limited evidence that the costs of regulation actually create significant barriers to entry.

3. Outcomes-Focused Regulation (OFR): a single regulator would not herald a new outcomes-focused risk-based approach: IPReg has always had an outcomes-focused approach to regulation. The regulatory regime focuses on the high level principles and outcomes that should form the operational foundation for regulated firms in their provision of services to clients. This principles-based approach underpins [IPReg’s Code of Conduct](#) and avoids the setting of detailed or prescriptive rules whenever possible.

IPReg’s core message since 2010 has been: “*High-level regulation*” of “*a well-run and self-regulating profession.*” IPReg also adopts this OFR approach in relation to risk assessment, assurance and (where necessary) supervision. Please see our [Assurance Policy](#) for more details.

4. Risk: risk is a determinant of cost with a practising fee of only £180 per attorney; these Value for Money costs/savings are passed on to industry. The Professional Indemnity Insurance requirements of the IPReg-regulated community are proportionate to the risks.

5. Consumer confusion: the CMA case for consideration of a single regulator is made in part due to the presumption of consumer confusion regarding regulatory titles. We are not aware of consumer confusion being a live issue in our part of the market. The professional titles of Patent Attorney and Trade Mark Attorney are self-identifying specialisms: the consumer knows what is being bought, who is providing it and how/why they are qualified to do so. It may be different where for example, SRA and CILEx can regulate the same service (e.g. conveyancing) and have titles not necessarily indicative of specialism.

We are aware we could be seen as having a vested interest in maintenance of the status quo. We do not put forward the case against a single regulator solely based upon “own interest”. We refer to the **Regulatory Policy Institute response⁷ to the Ministry of Justice’s 2013 review of legal**

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http://rpieurope.org/Publications/2013/RPI_response_to_MoJ_review_legal_services_regulation_GY.pdf (also accessible from the IPReg website), George Yarrow author

services regulation, which is clear that a complex regulatory framework is not synonymous with a complicated one:

“In summary, whilst the ‘user interfaces’ with regulatory systems should be designed to be straightforward, good regulatory frameworks themselves can be very complex. The relevant tests should be to do [with] functionality and efficiency – how well they do the job, and at what cost – not simplicity per se”.

As demonstrated in our [Developing Regulatory Standards performance assessment](#), we know the markets we regulate, our regulatory arrangements are tailored to those markets and their risks; and this regulatory approach means we are a functional, efficient, cost effective and agile regulator.

“There is still a long way to go in adapting to changing circumstances, and it would be particularly inappropriate at the current time to do anything that, possibly in the name of administrative tidiness, would limit the ability of market participants and regulators to innovate or would reduce incentives to experiment and innovate”.

The RPI response also identifies, as indeed the CMA itself does, a lack of evidence that the current regulatory framework is creating unnecessary competition barriers:

“Some degree of regulatory change is, of course, a positive thing in circumstances where the underlying technological and market environments are themselves changing, as is manifestly the case in the legal services sector. Regulators themselves have to innovate and adapt in order to sustain supervision that is ‘fit for purpose’ in changing circumstances; and liberalising regulatory reform – while it hasn’t always produced the degree of ‘simplification’ or ‘de-regulation’ that some of its (over-simplifying) advocates anticipated and/or forecast – has, for the most part, increased the adaptability and innovative capacity of the markets that it has touched, to the benefit of economic performance in general, and of consumers in particular”.

Where CMA provides evidence of an appetite for self-regulation it does so only in the realm of will-writing. It also states it has not found consumers to be exposed to material consumer protection risks in relation to the quality of advice they receive as a result of using an unregulated provider. Again, this seems predominantly based upon evidence which relates to will-writing research.

It would be wrong to assume that this market, or evidence aligned to it, is in any way representative of the legal services market as a whole. For example, the recent LSB commissioned

research⁸ found there to be “low appetite amongst unregulated IP providers towards voluntary regulation”⁹.

IPReg regulates in accordance with the regulatory principles set out above, which include “(e) *promoting competition*”. The patent and trade mark attorney professions were in fact self-regulated prior to the Legal Services Act 2007, and the self-regulatory regime was not more liberal and pro-competitive than the present regime if anything, it was less so.

Conclusion:

The CMA Report refers to the importance of outcomes-focused regulation which removes the regulatory burden wherever justifiable. Our regulatory approach does this. We consider that regulation by activity (and in our case, title) in this manner provides a very positive regulatory story enabling competition and innovation in the interests of both the consumer and the public. We would be very concerned if such regulatory arrangements and profession specialisms were to be lost in the pursuit of simplification for simplification’s sake and in the absence of an evidence basis for such.

Caroline Corby, Chair

15 August 2016

⁸ <https://research.legalservicesboard.org.uk/wp-content/media/Economic-insight-in-depth-unregulated-research.pdf>

⁹ Page 51 of report

Annexure - Executive Summary of IPReg Response

Subject Area	Specific Questions	IPReg Response – Headline Summary
Improving price and service transparency	1. What are the barriers to providers sharing price and service information with consumers and do these vary by legal service?	No response made.
	2. Is there a minimum level of information that providers should either (i) publish or (ii) provide to consumers either in advance of or on engagement. Should this be mandatory?	<ul style="list-style-type: none"> • Code of Conduct requirements: terms of business, communicate variations, provide timely explanations, complaints-handling processes • Clients provided with information on regulatory status and safeguards this provides • Clients provided with cost estimate and notified promptly should this change • Consumer empowerment resources of the IPO and the IPReg websites • All of above considered sufficient information • Providing online transparency of cost without transparency of quality creates an unfair competitive advantage
	3. Are there examples of good practice in price and service transparency that could be shared more widely?	No response made.

	4. How and when should legal service providers communicate: <ul style="list-style-type: none"> • fees and rates to clients; and • anticipated or actual cost overruns (i.e. where the fee will exceed an estimate or quote)? 	No response made.
	5. Are there any measures of quality that can readily be collected by regulators or government (including HM Courts and Tribunal Service in relation to civil actions and probate) on observable trends in quality of legal services?	<ul style="list-style-type: none"> • Quality indicators include: Professional Indemnity Insurance claims; complaints; and disciplinary findings • Regulatory assurance work identifies risk register themes • IPReg website home page sets out what it means when a consumer sees “regulated by IPReg” • Regulated vs. unregulated vs. Statutory registers published annually; “live” Find an Attorney search function identifying specialisms
Addressing barriers to comparison and search	1. What are the barriers to comparison and search?	No response made.
	2. Are those barriers consistent across different legal services (by area of law, activity and extent to which a service is commoditised)?	No response made.
	3. What additional information could be made available by regulators and trade bodies?	<ul style="list-style-type: none"> • IPReg already publishes accessible information spreadsheet for usage by digital comparison tools • IPReg register provides information in specialisms (regulation by title), it would be beneficial if other registers did similar • IPReg publishes disciplinary findings and considers all Approved Regulators should do so
	4. What measures would allow consumers to be better able to compare the non-price attributes of legal services providers (such as quality or consumer protections)?	No response made.
	5. How can intermediaries and those making recommendations better support consumers in selecting a legal service provider?	No response made.

	<p>6. Is there any additional information held by government or regulators that if published would assist the development of the comparison sector or assist consumers directly conducting comparisons?</p>	<ul style="list-style-type: none"> • Statutory registers of Patent Attorneys and Trade Mark Attorneys • “Live” Find an Attorney search function • Attorneys act only within competence and where asked to act outside of this, signpost client accordingly – specialism information on other lawyers would better inform this search
<p>Improving consumer information</p>	<p>1. How and what information should be provided by a central information hub?</p>	<p>No response made.</p>
	<p>2. Should Legal Choices act as the central information hub for legal services in England and Wales or would an alternative website be more appropriate?</p>	<ul style="list-style-type: none"> • Value CMA recognition of this resource • IPReg is a founding and co-founding member and sits on the Legal Choices Editorial Panel • Unclear how it would work as a central information hub for unregulated provisions given Approved Regulators fund and manage the Legal Choices resource
	<p>3. How should any central information hub be promoted?</p> <ul style="list-style-type: none"> • Should front line regulators, representative bodies and self-regulatory bodies be asked to promote an information hub? • Should legal services providers be obliged to link to an information hub? 	<p>No response made.</p>
	<p>4. Should Legal Choices include information on unregulated and self-regulated providers?</p>	<p>No response made.</p>
	<p>5. What materials should be developed to aid in comparing and selecting a provider?</p> <ul style="list-style-type: none"> • Should materials be made available through channels other than a central information hub (such as Citizens Advice)? 	<p>No response made.</p>
	<p>1. How can client care communication be improved to better protect consumers’ interests and are there</p>	<ul style="list-style-type: none"> • Understand the importance of this area – collaborative project of the Approved Regulators is in process of commissioning research on this project

Improving client care communication and increasing access to redress	examples of client care communication that provide succinct and relevant information?	<ul style="list-style-type: none"> • Open-minded to its findings • Anticipate that each regulator will take forward recommendations individually in the ways most appropriate and effective for the professions they regulate
	2. What would be the consumer protection benefits and impact on competition of restricting the use of the title 'lawyer'?	No response made.
	3. What are the barriers to using LeO and are there any benefits in amending its scope, jurisdiction or approach?	<ul style="list-style-type: none"> • Only private individuals and/or very small businesses can currently access LeO redress • Suggest widening of scope of LeO to include a middle range of businesses who cannot afford the courts but which are not currently serviced by LeO • Unsure how regulated companies would contribute to this (and unregulated firms providing low quality service unlikely to sign up voluntarily)
	4. Are the current arrangements for ADR in legal services clear and readily understandable to consumers and is there scope for greater use of ADR?	No response made.
	5. Should legal services providers be provided with additional guidance on communicating redress options?	No response made.
	Regulatory Framework	1. Are the high level criteria for assessing the regulatory framework that we have identified appropriate?
2. Does the current regulatory framework prevent, restrict or distort competition?		<ul style="list-style-type: none"> • <u>Alternative Business Structures (ABS)</u> – broad range of ABS-type firms historically regulated by IPReg

		<ul style="list-style-type: none"> • <u>ABS cont.</u> – welcome MoJ consultation regarding removal/amendment of some disproportionate ABS provisions but would welcome UK-wide ABS being possible (the Act is limited to England and Wales) • <u>Innovation</u> – IPReg open to any business model; services provided include online service delivery, unbundled services, introduction of automation • <u>Competition</u> – Trade Mark Attorneys in particular face a competitive market
	<p>3. Would the potential changes to the regulatory framework we have identified promote competition?</p>	<ul style="list-style-type: none"> • Regulatory approach of IPReg already embodies both the proportionate regulatory burden and a focus upon outcomes • Principles-based Code of Conduct – prescriptive rules and guidance provided only where mitigation of risk requires such • Cost of regulation a product of risk – IPReg is cheaper • Where clear evidence of consumer detriment, the case for extending regulation should be considered
	<p>4. Is a further review of the regulatory framework justified on the basis of competition concerns?</p>	<ul style="list-style-type: none"> • <u>Proportionality</u> – IPReg regulates from a position of trust and a focus upon positive consumer and public interest outcomes; movement to a one size fits all/single regulator risks loss of specialisation as well as increasing costs • <u>Independence</u> – wholeheartedly support the proposal of full independence of regulatory body from representative body, but do not accept the innate presumption that this is deliverable only through a single regulator • <u>Outcomes-focused regulation</u> – IPReg regulatory approach already outcomes-focused; a single regulator would not herald the introduction of such

		<ul style="list-style-type: none">• <u>Risk</u> – IPReg practising fee of only £180 per attorney; Professional Indemnity Insurance requirements of IPReg community proportionate to risks• <u>Consumer confusion</u> – not a live issue in our part of the market: professional Attorney titles are self-identifying specialisms; Regulatory Policy Institute paper sets out the benefits of the current regulatory framework of multiple regulators; absence of evidence of need for single regulator• <u>Conclusion</u> – IPReg has very positive regulatory story which belies a possible need for single regulator
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