

NOTE OF THE INTELLECTUAL PROPERTY OFFICE STEERING BOARD MEETING HELD ON 28 JULY 2016

Attendees:

Non-Executive Directors

Bob Gilbert (Chair)
Gary Austin

Iain Maclean
Tim Suter
Nora Nanayakkara
Andrew Mackintosh
Mandy Haberman

BIS

Paul Hadley

IPO

Louise Smyth
Rosa Wilkinson

Neil Feinson
Ros Lynch
Neil Hartley
Mike Fishwick
Julyan Elbro
Steve Rowan

Janis Makarewich-
Hall

Maria Anthony
Simon Haikney
Kathryn Ratcliffe
Sally Jones

Chief Operating Officer
Director, Innovation and Strategic
Comm
Director, International Policy
Director, Copyright and Enforcement
Director, Finance
Chief Technology Officer
Acting Director, Patents
Acting Director, Trade Marks and
Designs
Task Force Leader
Tripod Portfolio Manager
Head of Strategy & Planning
Head of Secretariat
Secretariat

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

1.1 Mr Gilbert welcomed everyone to the meeting noting that Mr Alty had been temporarily seconded to the Department of International Trade as Director General. In his absence Mr Dennehey would be acting Chief Executive. In Mr Dennehey's absence for this meeting Ms Smyth was deputising. Mr Gilbert welcomed Mr Elbro and Mr Rowan who were covering PDTMD respectively and had also joined the IPO Executive Board.

1.2 It was Miss Wilkinson's last Steering Board meeting as she was also moving across to the Department of International Trade. Mr Gilbert noted thanks to Miss Wilkinson for everything she had done in the IPO as Directors of Innovation and Strategic Communications.

1.3 Mr Gilbert informed the Steering Board that his 6 year term as Chair would end in February and he would not be seeking re-appointment. The process to appoint a new Chair had been started and the aim was to be complete the process in time to do a handover.

1.4 Mr Gilbert had met the Baroness Neville-Rolfe earlier in the day and she had reported that the visit to IPO on 26 July had been very successful.

The Minister would join the Steering Board (SB) Awayday dinner – subject to other diary commitments.

1.5 Apologies were noted from Mr Alty and Mr Dennehey.

1.6 The actions were reviewed. With regard to Women Onboard scheme a response had not yet been received which the Secretariat had followed up.

1.7 The minutes of the meeting held on 26 May were approved subject to a correction in paragraph 1.5 regarding a declaration of interest.

1.8 Ms Nanayakkara noted a declaration of interest as a member of the National Police Chiefs Council Audit and Assurance Board (which was a paying member of the Police Intellectual Property Office Crime Unit (PIPCU).

Governance and Performance

2. Chief Executive's Report

2.1 Ms Smyth highlighted a number of areas in the Chief Executive's report noting that the visit earlier in the week by Baroness Neville-Rolfe had been a success. The key messages were: do not let Brexit detract from delivering business as usual, be prepared for dealing with any increase in demand, (as it would not be acceptable for targets to slip), – look at efficiencies and plan ahead. Both the staff address and the diversity session had been extremely well received. In relation to the Innovation Report currently being drafted by the IPO the Minister noted that it needed reshaping.

2.2 The visit by Mr J Manzoni (Chief Executive, Civil Service) on 4 July had also been a great success. With regard to BIS 2020 he had encouraged the IPO to think wider and continue to share best practice with other departments. Mr D Houlihan (Ms Reid's replacement) was due to start in August – which would provide a further opportunity to share best practice with the Office for National Statistics (ONS). Mr Suter added that the Mr Manzoni's staff address had been an inspirational, energetic and involved discussion. Mr Manzoni had also highlighted the need for the IPO to firm up the efficiency savings from Tripod and the operating model work.

2.3 Ms Smyth noted that following the referendum result Trade Marks were monitoring trade mark demand very closely as there was an expectation of a substantial increase in demand. TMD were planning how best to deal with the situation in terms of further recruitment.

2.4 The Civil Service Live events in Cardiff and London had been very successful. Mr Maclean had facilitated the workshops in London with the IPO team and reported the huge level of interest and enthusiasm. The Minister had suggested the IPO doing an article for the Harvard business review and it was agreed Ms Smyth and Mr Maclean would discuss this further.

2.5 The Non-Executive Directors (NEDs) made a number of comments. It was noted that the IPO had been proactive in providing reassurance and support to non-British Nationals working at the IPO as much as was possible. Support was also being provided for those IPO staff on secondment. On #Adaptive the next phase was due to be launched in September.

BIS Update

3.1 Mr Hadley updated the SB on the changes in BIS as a result of the referendum. Machinery of government changes included the merger BIS and Department of Energy and Climate Change (DECC) to create a new Department for Business, Energy and Industrial Strategy (BEIS). He noted that bringing the two departments together would be a slow and measured process. Mr G Clark had been appointed as Secretary of State and Baroness Neville-Rolfe appointed as Minister of State for BEIS.

3.2 Mr Hadley highlighted that Mr Clark was very strong on geographical place as a dimension and that there was plenty of scope for the IPO to be part of this. The NEDs questioned the impact on BIS 2020 and it was clarified that while there were large organisational challenges to be worked through within the department due to a number of factors (Brexit, steel and a diversion of management time onto the machinery of government changes), the general principles would remain the same. Ms Smyth and Mr Suter confirmed that the Joint Venture Board for BIS 2020 had agreed to do the logical things – not too much too soon, (an approach supported by Mr Manzoni).

3.3 With regard to the National Innovation Plan – IP would take a significantly more prominent role and the timing of publication could change. On the Industrial Strategy the department was considering sectors and it was being chunked up to 18/19 sectors, i.e. a much stronger sectorial approach would be taken although it was in the early stages. Miss Wilkinson noted that there was clear recognition that IP mattered and if we were to compare the understanding and importance of IP in economic terms with the position 6 years ago it would be clear that it was much more visible – although it was important to continue the messaging. The economic data to underpin this was also much more crisply defined. Mr Suter noted the change in policy making and questioned how the IPO would maintain its positive given the competing issues as a result of machinery of government changes.

3.4 Mr Hadley informed the SB that Ms A Brooks would be moving to the Department for International Trade and Mr G Davies was heavily engaged on the business engagement side of the landscape.

4. Finance Report

4.1 Mr Hartley provided an update on the IPO's financial position as at the end of June 2016. An update was also provided on the fees review, PIPCU funding and timing of consultations. Finance had carried out a review of first

quarter spend and forecasts for the year. Overall the revised forecasts showed a larger surplus position compared to the budget. Income was down with pay being the biggest under spend. There were a number of new areas of additional spend which were being reviewed and would impact on the contingency if the spend went ahead.

4.2 The NEDs were concerned about the variances in the budget and the implication going forward in terms of accuracy. Mr Hartley noted that while historically more money was spent later the year – there was a need to do a focussed exercise on the accuracy of forecasts which Finance would lead on.

5. Corporate Performance Report

5.1 Ms Ratcliffe introduced the corporate performance report as the end of June and the SB went on to discuss it, noting that the impact of Brexit on policies would not be clear for some time. There was a question on the graphical presentation on patent examination output and it was clarified that it was presented like this to show the monthly comparison year on year. It was also noted that there were variations month on month and the focus on training new examiner in September also impacted.

6. International Forward Look – post referendum update

6.1 Ms Makarewich-Hall introduced this item regarding the issues and implications of the referendum result for the IPO. The situation was becoming a little clearer and work was progressing. A small taskforce had been created with Mr Feinson leading.

6.2 An intensive period of work was planned in August to produce a strong evidence base. The IPO had already developed a good working relationship with DExEU and ongoing with BEIS.

6.3 There were a number of big issues as detailed in the paper: including Trade marks and design, copyright, patents, UPC and Unitary Patent (UP) and enforcement. What was not yet clear was to the extent to which the IPO would have autonomy. The aim of scenario planning was to be prepared when early decisions were made at a political level.

6.4 The SB discussed the issues fully and NEDs made a number of points. In terms of resources DExEU had quickly put staff in place and the IPO had also put resources in place by setting up a taskforce. The work already in progress on scenario planning would ensure that the IPO was well prepared for decisions yet to be made. The NEDs questioned whether any work had been done to try and analyse how IP had been incorporated into free trade agreements with countries such as Canada, America and Norway – which was something the team were considering.

6.5 It was acknowledged that while the implications of the referendum were significant it also provided opportunities for change and improvements. The NEDs noted that for both internal and external audiences it was important to message positively. This aligned with the IPO's approach to horizon scanning across the office and being opportunistic. The NEDs commented that it would be useful to have a list of opportunities that they could use in wider conversations. Stakeholder engagement was important and talking to universities.

6.6 Mr Gilbert thanked Ms Makarewich-Hall for the update – this was an area the SB would continue to be kept up to date.

7. Steering Board Awayday

7.1 Mr Maclean introduced this item regarding the plans for the Steering Board Awayday. The proposed agenda was agreed subject to a small number of changes. The horizon scanning session was extended to 90 minutes with a slightly later finish time and the session for the external speaker was removed. Further consideration would need to be given to role assignment given Miss Wilkinson's departure and Mr Alty's temporary secondment, although the expectation was that Mr Alty would attend. The Non Executives – Mr Austin and Dr Mackintosh had already started work with IPO colleagues. It was clarified that there was flexibility on how the sessions should run which could be agreed in groups.

7.2 Mr Gilbert noted the need to continue to be flexible in the run up to the awayday and that Brexit would run through all the topic areas.

8. BIS 2020

8.1 Ms Smyth updated the SB noting that along with Companies House (CH) the IPO had presented proposals to the BIS 2020 Joint Programme Board in June which had been positively received. The IPO/CH Joint Programme Board had met in earlier in July to consider activity areas identified to pursue – which had largely been agreed. The approach being taken was to join up where it made sense led by business and customer needs. To date the work had been very positive. Mr Suter said that there needed to be a clear evaluation process to determine the 'what' and the 'why' so as not to create all sorts of 'nice to dos'.

8.2 Mr Gilbert concluded that the IPO and CH were setting the pace and noted the importance of an evaluation and evidence base for decisions.

9. Information and Communications Technology Strategy 2016 – 2020

9.1 Mr Fishwick presented the IPO's Information and Communications Technology Strategy and the SB was asked to endorse the aims, actions,

principles and vision of the strategy. It was a detailed presentation which was very well received by the SB. The relationship with GDS and BIS was discussed in terms of the IPO's level of autonomy – which was an area the IPO worked hard to maintain good working relationships.

9.2 Mr Fishwick provided examples of savings that would be made as a result of the strategy and confirmed that there would be detailed cost benefit analysis undertaken in each segment, (as savings were not yet clear). This was a point also made by Mr Manzoni in his visit – i.e. the need to be clearer on benefits to ensure accurate savings.

9.3 Mr Gilbert concluded that the work had to be done in the most efficient way possible and the ICT Strategy was encouraging. Clearly this was an ambitious strategy and by 2020 the position would change – that said it was important to be ambitious at the outset.

10. Tripod/Operating Model Update

10.1 Ms Smyth introduced this item noting that currently the work on Tripod and the Operating Model was not as close as it should be. Part of the reason for this related to planning and the need to co-ordinate a pipeline of work going forward. This was an area the IPO had dedicated a lot of time - to map the work to achieve an integrated plan on the business change element. The timeline provided was consolidated rather than integrated which did not help in managing dependencies which was largely due to the stage the work had reached. This would be addressed as plans were developed.

10.2 Ms Anthony provided an update on Tripod as detailed in the paper. There were 4 live projects: Gotham (getting off the mainframe), Identity Assurance (IDA), Designs and Patent Transformation. The portfolio plan set out critical milestones and progress and benefits were being mapped. With regard to engagement key messages were being disseminated to staff quickly and the Tripod Portfolio Guide (provided at the meeting) was updated regularly to ensure effective communications across the organisation. With regard to the KPMG audit – the actions were actively being monitored through Tripod and the Transformational Change Committee.

10.3 Mr Gilbert concluded by noting the huge volume of work ongoing in the IPO which needed to be pulled together and made to work.

11. Information Papers

11.1 Mr Gilbert noted thanks for the information papers provided and closed the meeting by thanking everyone for their contributions.