

The Intellectual Property Regulation Board seeks views and comments on the proposed Rules of Disciplinary Procedure set out below.

The rules need to be in place to support and uphold the Code of Conduct already agreed and to provide those registrants and regulated the subject of any allegation of misconduct under the Code of Conduct with a procedure with which the allegations will be dealt with.

Once we have had comments on this draft, IPReg intends to seek advice externally to establish that the draft procedures set out in the rules are compliant with the Human Rights Act. However, any comments anyone wishes to make in that regard will be welcomed.

Attention is also drawn to the questions posed in the body of Rules 8 and 13. In relation to the question in Rule 8 it should be noted that the Legal Service's Board's rules for Approved Regulators may have a bearing on whether a Lay majority is a requirement or desirable. At Rule 13, the question is one which we should prefer to have a common response from the Chartered Institute of Patent Attorneys and the Institute of Trade Mark Attorneys in order that we can avoid, for example, a different outcome dependent upon the profession of the individual against whom an allegation has been made.

Views and comments to be sent to:

Intellectual Property Regulation Board
95 Chancery Lane
London WC2A 1DT

Or to:

mike.knight@ipreg.org.uk

Comments to be submitted by **31 July 2009**

The Chartered Institute of Patent Attorneys and the Institute of Trade Mark Attorneys Rules of Disciplinary Procedure

DRAFT VERSION 8 13/04/09

The Chartered Institute of Patent attorneys (CIPA) is empowered by section 275A of the Copyright Designs and Patents Act 1988 to regulate persons entered in the Register of Patent Attorneys;

The Institute of Trade Mark Attorneys (ITMA) is empowered by section 83A of the Trade Marks Act 1994 to regulate persons entered in the Register of Trade Mark Attorneys;

The Patent Regulation Board of the Chartered Institute of Patent Attorneys and the Trade Mark Regulation Board of the Institute of Trade Mark Attorneys working jointly together as the IP Regulation Board (IPREG) now make the following provisions under section 275A of the Copyright Designs and Patents Act 1988 and under section 83A of the Trade Marks Act 1994, respectively, pursuant to Sections 185 and 184 of the Legal Services Act 2007.

Rule 1 – Interpretation

In these Rules, unless context otherwise requires:

“CIPA” means The Chartered Institute of Patent Attorneys;

“ITMA” means the Institute of Trade Mark Attorneys;

“the Institutes” means ITMA and CIPA;

“The IPREG Board” means the Patent Regulation Board of CIPA and the Trade Mark Regulation Board of ITMA working jointly together as the Intellectual Property Regulation Board

“IPREG” means The Intellectual Property Regulation Board Limited (Company Number 6624948)

“Patent Attorney Register” means the register kept under section 275 of the Copyright Designs and Patents Act 1988 as amended;

“Trade Mark Attorney Register” means the register kept under section 83 of the Trade Marks Act 1994 as amended;

“registered person” means —

- (a) a registered patent attorney;
- (b) a registered trade mark attorney; or

- (c) a body (corporate or unincorporate) entered in the patent attorney register or the trade mark attorney register;

“regulated person” means a registered person, an employee of a registered person, or a manager of a body which is a registered person;

“manager” in relation to a body, has the same meaning as in the Legal Services Act 2007;

“Complainant” means a person making a complaint and includes any person natural or legal;

“Complaint” means:

- (a) a report made by an ombudsman in accordance with Section 143 (2) of the Legal Services Act 2007 ;
- (b) a complaint alleging a breach of the Common Code of Conduct and/or the Common Litigation Code of Conduct by a regulated person;
- (c) a complaint made in accordance with the Charter of CIPA or the Articles of Association of ITMA against a Member of either Institute alleging conduct in breach of the Charter or Articles or any codes, rules, bye-laws or other standards thereunder as the case may be;
- (d) a complaint alleging misconduct in breach of any combination of the above;

“Code of Conduct” and “ Litigation Code of Conduct” mean, respectively, the said unified Codes jointly adopted by the Patent Regulation Board of the Chartered Institute of Patent Attorneys and the Trade Mark Regulation Board of the Institute of Trade Mark Attorneys working together as the IP Regulation Board

“Joint Disciplinary Panel” or “JDP” means the body appointed pursuant to Rule 4 of these Rules;

“Disciplinary Board” means a board of the JDP appointed in accordance with these Rules for the hearing of a Complaint or any matter connected with a Complaint;

“Respondent” means any person against whom a Complaint is made;

“Regulatory Objectives” means the regulatory objectives as defined in Section 1 of the Legal Services Act 2007;

“Professional Principles” means the professional principles as defined in Section 1 of the Legal Services Act 2007;

“Member” means any Member of CIPA or ITMA within the jurisdiction of their respective disciplinary arrangements;

“Trade Mark Complaint” means a Complaint exclusively or substantially concerning the practice or conduct of the Respondent as:

- (a) a registered person entered in the Trade Mark Attorney register, including a registered trade mark attorney working as a Trade Mark & Design Litigator,
- (b) a regulated person regulated by virtue of their relationship with a registered person entered in the Trade Mark Attorney register, or
- (c) as a Member of ITMA;

“Patent Complaint” means a Complaint exclusively or substantially concerning the practice or conduct of the Respondent as

- (a) a registered person entered in the Patent Attorney register, including a registered patent attorney working as a Patent Attorney Litigator,
- (b) a regulated person regulated by virtue of their relationship with a registered person entered in the Patent Attorney register, or
- (c) as a member of CIPA;

“General Complaint” means Complaints that the Disciplinary Panel determines are not Trade Mark Complaints or Patent Complaints; and

“Registrar” means a person appointed by the relevant Institute to maintain the patent attorney register or the trade mark attorney register.

Rule 2 – Jurisdiction

2.1 These Rules shall apply to Complaints relating to members of CIPA and/or ITMA and any aspect of a Regulated Person’s conduct except matters within the exclusive jurisdiction of the Office for Legal Complaints.

Rule 3 - Administration

3.1 IPREG shall provide administrative and any other necessary support services to the JDP and Disciplinary Boards, including by administering the handling of Complaints and all related materials, making arrangements for the conduct of hearings, the attendance of parties, representatives and witnesses, the presentation of evidence and liaising (in particular in the receipt and transmission of correspondence) between the JDP, the Disciplinary Boards, the Institutes, the Registrars, Complainants and Respondents and any other interested parties in a timely and proportionate manner in accordance with the Regulatory Objectives.

3.3 Insofar as the same are not otherwise provided for in these Rules the IPREG Board, in consultation with the JDP and the Institutes, shall make regulations or other arrangements for:

- (i) The submission of Complaints and other Pleadings, evidence or materials;
- (ii) The determination of a *prima facie* case;
- (iii) The giving of Directions for the handling, management, hearing and determination of Complaints;

- (iv) Providing, or securing the provision of, advice to the JDP and Disciplinary Boards;
- (v) The drawing up of Decisions and Orders and sending the same to the Parties, the Institutes and the Registrars, and any other interested persons;
- (vi) assessing and awarding costs; and
- (vi) The publication and enforcement of decisions.

Rule 4 - The Joint Disciplinary Panel

- 4.1 The IPREG Board shall through IPREG set up a Joint Disciplinary Panel consisting of at least three Attorney Members from each Institute, as well as at three lay Members. None of the Members shall be sitting Members of the IPREG Board or the Councils of either Institute.
- 4.2 The CIPA Attorney Members shall all be Registered Patent Attorneys. The ITMA Attorney Members shall all be Registered Trade Mark Attorneys. All Attorney members shall be recruited by the Institutes in accordance with their own procedures.
- 4.3 The lay Members shall be individuals none of whom are or have been Registered Patent Attorneys or Registered Trade Mark Attorneys. The lay members shall be recruited by the IPREG Board using "Nolan" principles.
- 4.4 All appointments shall be for a term of 3 years.
- 4.5 Decisions of the JDP shall be taken by a simple majority.
- 4.6 The JDP shall appoint one of the Attorney Members to be its Chair to hold office for a period of 3 years. The Chair shall have an additional casting vote in the event of any tied vote.
- 4.7 If at any time there is a shortfall of Members the IPREG Board may, in consultation with the Chair of the JDP, and CIPA and ITMA, appoint temporary Members to fill such vacancies as necessary, the maximum term of any temporary appointment being the balance of the term lying vacant.
- 4.8 The IPREG Board may at the request of the JDP or a Disciplinary Board co-opt Members to the JDP or a Board.

Question: Should the JDP have a Lay majority? Especially if one is given to the Disciplinary Boards?

Rule 5 - The Standing Complaint Review Committee

- 5.1 The IPREG Board shall designate two of its Lay Members and one of its Attorney Members to be the Standing Complaint Review Committee.

Rule 6 - Procedure on receipt of Complaints

- 6.1 Upon receipt of a Complaint it shall be reviewed by IPREG to establish whether it complies with any formalities or other requirements stipulated in accordance with Rule 3.3. If the Complaint does not comply, IPREG shall inform the Complainant accordingly and invite him to remedy the deficiencies noted within a period of two months. If the deficiencies are not remedied before the time limit expires, IPREG shall reject the Complaint as inadmissible.
- 6.2 If the Complaint is found admissible, IPREG shall:
- (a) Send a copy of the Complaint to the Respondent informing him that the matter is to be reviewed by the SCRC and inviting him to file, within a period of one month, from the date of the communication brief and concise observations (which may include admissions) in order to assist the SCRC to determine the status of the Complaint; and
 - (b) Confirm to the Complainant that the Respondent has been sent a copy of the Complaint, that his observations have been requested and that the matter will be reviewed by the SCRC.
- 6.3 Any observations filed shall be copied to the Complainant for information. Any observations filed after the expiry of the one month period shall be ignored in the SCRC's determination of a case to answer.

Rule 7 Review and assessment of a case to answer

- 7.1 The SCRC shall review the Complaint and any Observations received from the Respondent within one month after the end of the period referred to in Rule 6.2 to determine whether or not the Complaint discloses a *prima facie* case. If the SCRC determines that there is no case to answer, the Complaint shall be rejected and the Complainant and the Respondent shall be notified forthwith of the SCRC's decision.
- 7.2 If the SCRC determines that a Complaint discloses a *prima facie* case, the SCRC shall, having regard to the public interest, the Common Code of Conduct, the Regulatory Objectives and the Professional Principles, determine whether in the opinion of the SCRC the matter would best be dealt through a summary procedure because: :
- 7.2.1 further proceedings would be disproportionate and unnecessary taking account of all the circumstances including without limitation:
- (a) whether the matter is of a purely technical or trivial nature;

- (b) the extent of any material prejudice or loss caused or likely to be caused to the Complainant or to any other person by reason of the Respondent's acts;
- (c) whether a matter involves the integrity or honesty of the Respondent;
- (d) the Respondent's standard of care and conduct in the matter leading to the alleged breach;
- (e) whether the Respondent's handling of the matter, once drawn to his attention, was reasonable and what, if any, steps he has taken to terminate and prevent any repetition of the alleged breach;
- (f) whether any material harm has been caused to the standing of the Respondent's Profession;
- (g) the past disciplinary record of the Respondent;
- (h) whether the Complaint is frivolous or vexatious;
- (i) whether it is a case of doubt or difficulty or which involves a matter of public interest):

And

7.2.2 In the opinion of the SCRC, the issuance of a Notice under Rule 7.3 is sufficient to deal with the matter.

- 7.3 If the SCRC determines under Rule 7.2 that there is a *prima facie* case but that the matter would best be dealt with through a summary procedure it shall propose to the Respondent, copied to the Complainant, that it shall issue a Notice to the Respondent stating that in the opinion of the SCRC a prima facie case has been made out and if appropriate making a recommendation as to actions to be taken by the Respondent to avoid any repetition of the breach. The Respondent shall have one month from the service of that information to elect, by informing the SCRC in writing, that instead he wishes the matter to be heard by a Disciplinary Board.
- 7.4 If no such election is made by the Respondent the SCRC shall
 - a) issue the said Notice and inform the Registrars of the Registers in which the Respondent is registered that a Notice has been issued and require that this be noted against the Respondent's entry in the Register for a period of three years from the date of the Notice;
 - (b) send a copy of the Notice to the Complainant; and
 - (c) make such an order for the Complainant's costs as the SCRC considers appropriate and just.
- 7.5 Where a Respondent elects under Rule 7.3 for the matter to be heard by a Disciplinary Board, then the Disciplinary Board shall, when considering an award

of costs, consider in particular (but without limitation) whether and if so to what extent the Respondent acted unreasonably, unnecessarily or disproportionately in making that election, and if the Respondent has so acted this may be reflected in any award of costs for or against the Respondent.

- 7.6 If where the SCRC considers that there is a prima facie case for the Respondent to answer, but that dealing with the matter through a summary procedure would not be appropriate, or if a Respondent has made an election under Rule 7.3 the SCRC shall inform the JDP which will proceed forthwith to appoint a Disciplinary Board to determine the matter. When informing the JDP, the SCRC shall also inform the JDP whether in the opinion of the SCRC the Complaint should be treated as a Trade Mark Complaint, a Patent Complaint or a General Complaint. The Complainant and the Respondent shall be notified of the SCRC's decision to refer the matter to a Disciplinary Board.

Rule 8 - Disciplinary Boards

- 8.1 The Chairman of the JDP will appoint Disciplinary Boards in accordance with the provisions of these Rules, drawn from the members of the JDP.
- 8.2 If the Chairman of the JDP rejects the opinion of the SCRC as to whether the Complaint is a Trade Mark Complaint, a Patent Complaint or a General Complaint he shall appoint two Lay Members of the JDP to make that determination with him.
- 8.3 A Disciplinary Board shall consist of three persons being two lay Members, and one Attorney Members. If the Complaint is a Trade Mark Complaint the Attorney Member will be a Registered Trade Mark attorney. If the Complaint is a Patent Complaint the Attorney Member will be a Registered Patent Attorney. If the Complaint is a General Complaint the Attorney members of the Board may be selected by the Chairman of the JDP in the exercise of his discretion or, at his option, by a vote of the JDP.

Note: the Board has a Lay majority. Is this desirable?

- 8.4 The members of the Disciplinary Board shall appoint one of their number as Chair. Decisions of a Disciplinary Board shall be taken by simple majority.
- 8.5 A Disciplinary Board may if it considers it appropriate appoint a legal advisor to assist it. The legal advisor shall be a practicing barrister or solicitor and will sit with the Disciplinary Board but shall not have a vote.

Rule 9 - Pre-Hearing steps

- 9.1 Within 14 days of the constitution of a Disciplinary Board, IPREG will notify the Complainant and the Respondent of the commencement of the Disciplinary Board stage of the proceedings and will invite the Complainant to file within one month of the commencement of such stage any further facts, evidence (including Witness

Statements of any person to be called at the Hearing) or other matter on which it intends to rely.

- 9.2 As soon as possible after the expiry of that period IPREG will forward any matter so filed by the Complainant to the Respondent and invite the Respondent to file within one month any further facts, evidence or other matter on which it intends to rely in its defence.
- 9.3 As soon as possible after the expiry of that period IPREG will forward any matter so filed by the Respondent to the Complainant and shall invite the Complainant to file within one month any further facts, evidence or other matter, strictly in reply.
- 9.4 The Complainant or the Respondent may, on request, obtain an extension of up to three months both for the filing of further facts, evidence or other matter and for the appointment of the Hearing if he provides a reasonable justification for such an extension.
- 9.5 Either party may file further facts, evidence or other matter with the leave of the Disciplinary Board.
- 9.6 The Disciplinary Board may give judgment on any admissions by the Respondent, without the need for a Hearing, if it sees fit and if the parties agree.
- 9.7 As soon as possible after the end of the period referred to in Rule 9.4 IPREG shall appoint a hearing date, the hearing to be held as soon as is reasonably practicable but in any event no later than six months hence. An Oral Hearing will take place only if a Party so requests by a date no later than one month before the date appointed for the Hearing. Otherwise the Disciplinary Board will be convened on the date appointed for the Hearing and the Complaint will be decided on the basis of the papers and materials before it.
- 9.8 If no Hearing is requested IPREG shall invite the Parties to file written arguments no later than 5 clear working days before the Disciplinary Board is to consider the complaint.
- 9.9 If a Hearing is requested, it will be heard in public unless the Disciplinary Board determines that it should be held in private in the public interest, for reasons of public order or national security in a democratic society, where the interests of juveniles or the protection of the private life of the parties so require, or to the extent strictly necessary in the opinion of the Disciplinary Board in special circumstances where publicity would prejudice the interests of justice. If held in public the press and other members of the public may be excluded from all or part of the Hearing.

Rule 10 - Miscellaneous Procedural Matters

- 10.1 Subject to the express provisions of these Rules, a Disciplinary Board shall have full powers to adopt such procedures as it thinks fit for the fair determination of the issues before it including powers to allow amendment of the Complaint and to adjourn its proceedings.
- 10.2 The Disciplinary Board may give any directions deemed necessary or appropriate for the hearing of a Complaint before it. In the interests of procedural economy and if it is proportionate to do so, the Disciplinary Board may delegate its power to give directions to one of its number
- 10.3 Without prejudice to paragraph 10.1, directions may be made about documentation, inspection, Statements, skeleton arguments and the place or time of any Hearing.
- 10.4 IPREG may refer to the Disciplinary Board responsible any procedural matter in a particular case for a decision or directions and the Disciplinary Board may itself or on the application of any party make an order on such terms as to the Disciplinary Board shall appear just:
- (a) to give consent to the withdrawal of an application or allegation in respect of which a *prima facie* case has been determined;
 - (b) to adjourn any hearing listed for directions or for a substantive hearing;
 - (c) to agree to the amendment of any application or allegation or the correction of any matter;
 - (d) to provide for the attendance of witnesses at the Hearing;
 - (e) to make any directions which shall appear necessary or appropriate to secure the timely hearing of the matter.
- 10.5 In cases of doubt or uncertainty IPREG may ask the JDP to issue guidance or a ruling as to any general matter of procedure.
- 10.6 Any hearing under this rule shall be held in public unless rule 9.10 applies.
- 10.7 No application or allegation in respect of which a case to answer has been certified may be withdrawn without the consent of the Disciplinary Board

Rule 11 - Service of Documents

- 11.1 Any Complaint or other document required to be served under these Rules shall be served—
- (a) personally; or
 - (b) by sending by guaranteed delivery post or other guaranteed and acknowledged delivery to the last known place of business or abode of the person to be served; or
 - (c) in such other manner as the Disciplinary Board may direct.

11.2 Any document served in accordance with paragraph 11.1 shall be deemed served on the second working day following the day on which it is delivered, posted or transmitted.

11.3 A document delivered to the last known place of business or abode of the person to be served may be regarded by the Disciplinary Board as duly served if it is satisfied that it is reasonable to expect that the document has been received by or brought to the attention of the person to be served

Rule 12 - Evidence

12.1 Unless otherwise ordered, evidence shall be given by witness statement, statutory declaration or affidavit, such evidence to have been filed with IPREG in accordance with these Rules and any directions given thereunder.

12.2 A party wishing to call a witness or to seek a witness's attendance for cross examination shall seek a direction to that effect. In the event a person directed to attend to give evidence fails to attend the Hearing the person's evidence shall be inadmissible unless the Disciplinary Board otherwise directs

Rule 13 - Hearings and determination of the Complaint

13.1 At a Hearing the Parties may represent themselves or be represented through representatives of their own choosing. Parties may examine or have examined witnesses against them. In cases where the Disciplinary Board finds a Complaint proved it shall not determine a penalty without having given the Respondent an opportunity of putting forward mitigation.

13.2. After completion of the matter, including any Hearing which may be held, the Disciplinary Board shall give a reasoned written decision setting out the Complaint, the facts, and its conclusion as to what should follow, the decision being forwarded to IPREG, the appropriate Registrar and Institute Board (for both CIPA and ITMA in the case of a General Complaint), the Complainant and the Respondent. The decision shall be pronounced publicly on the Institute's website and in its journal, either in whole or in part, once it has become final, i.e. no Appeal has been made, save where all or part of the Hearing was held in private and such publication would frustrate the legitimate reasons for which it was so held. The notice of publication of the decision will in all cases include the names of the Respondent and the Complainant, save where exceptional circumstances exist.

13.3. In the event and to the extent that the Complaint is proved, the Disciplinary Board may impose on the Respondent any one or more of the following sanctions

- (i) a public Notice to the Respondent stating the facts of the matter, the nature of the Respondent's breach and if appropriate a recommendation as to actions to be taken by the Respondent to avoid any repetition of the breach;

- (ii) a public reprimand;
- (iii) a suspension for such term and subject to such conditions as the Board thinks fit of the Respondent from practice as a Regulated Person;
- (iv) a suspension for such term and subject to such conditions as the Disciplinary Board thinks fit of the Respondent from acting as a Trade Mark and Design Litigator and/or as a Patent Attorney Litigator;
- (iv) A suspension for such term and subject to such conditions as the Disciplinary Board thinks fit of the Respondent from membership of the Institutes;
- (v) The expulsion of the Respondent from either Institute;
- (vi) Striking the Respondent from the Register of Trade Mark Attorneys, and/or the Register of Patent Attorneys;
- (vii) Cancelling the Respondent's certificate to practice as a Trade Mark and Design Litigator and/or as a Patent Attorney Litigator;
- (viii) an order requiring the Respondent to undertake training or other activities pertinent to any disciplinary breach or breaches found to have been proven by the Disciplinary Board;
- (ix) A recommendation to the UKIPO, EPO and/or OHIM that the Respondent's recognition or authorisation should be withdrawn:
- (x) an order to pay a fine up to Level 5 of the standard scale of fines for summary offences as set out in section 37 of the Criminal Justice Act 1982 as amended from time to time;
- (xi) an order to pay a proportion of or the full costs of the disciplinary procedure, including the Complainant's costs.

Question: should the Board be able to make orders under (iv) and (v) or should its power be limited to making recommendations to the Institutes?

13.4 The Disciplinary Board shall not make any order for redress to the Complainant or any other person.

13.5 If the Respondent does not comply with the any of sanctions imposed the Disciplinary Board can, on an application by any interested or aggrieved person make an order suspending or striking the Respondent from the Registers or suspending or excluding the Respondent from membership (including as a student) of the Institutes without further reference to the Respondent.

Rule 14 – Costs

14.1 The Disciplinary Board may make such order as to costs as it shall think fit including an order—

(a) disallowing costs incurred unnecessarily; or

(b) that costs be paid by any party judged to be responsible for wasted or unnecessary costs, whether arising through unreasonable, unnecessary or disproportionate conduct, non compliance with time limits or otherwise.

14.2 The Disciplinary Board may order that any party bear the whole or a part or a proportion of the costs.

14.3 The amount of any costs to be paid shall be fixed by the Disciplinary Board.

14.4 The Disciplinary Board may also make an order as to costs under this Rule—

(a) where any application or allegation is withdrawn or amended;

(b) where no allegation of misconduct is proved against a Respondent.

Rule 15 - Mediation etc

15.1 Nothing in these Rules shall prevent the Parties agreeing to seek to resolve the matter by conciliation or other means at any time. However, other than by suspension in accordance with these Rules this shall not delay the JDP's consideration of the complaint or the progress of Disciplinary Proceedings.

15.2 Nothing in these Rules shall prevent either Institute offering a service for mediating or conciliating complaints.

15.3 No resolution or other disposal of matter by the Parties shall prevent the continuance of the Disciplinary Process where the IPREG or the Disciplinary Board is of the opinion that the case concerns a matter of public interest.

Rule 16 - Appeals

16.1 Either the Complainant or the Respondent may appeal to an independent person or body of persons (none of whom shall at any time be or have been registered or regulated persons or Members of the IPREG Board) appointed by the IPREG Board (the Appeal Board) .

16.2 The Appeal Board may admit, or invite, further submissions from any party to the proceedings and from the Complainant. However an appeal shall be by way of review and not by way of a full rehearing and fresh evidence may only be considered if the Appeal Board is satisfied that:

(i) it could not previously have been obtained with reasonable diligence; and

(ii) if it had been before the Disciplinary Board it would have had an important influence upon the determination of the matter.

- 16.3 In each appeal the Appeal Board will determine the procedure to be followed and may hold a preliminary hearing for determining issues relating to the production of fresh evidence and the conduct of the appeal.
- 16.4 The Appeal Board may impose any of the sanctions set out in 13.3 above and may vary or set aside any such sanctions imposed at the Disciplinary Board Stage.
- 16.5 At the end of the Appeal Stage, if the appeal has not been withdrawn by the Appellant, the Appeal Board will issue a reasoned, written decision. The decision shall be pronounced publicly, either in whole or in part, save where all or part of any Hearing of the appeal was held in private and such publication would frustrate the legitimate reasons for which it was so held.