

IPReg: Consultation on changes to IPReg's compensation arrangements

1. The Chartered Institute of Trade Mark Attorneys (CITMA) is responding to the consultation by IPReg on changes to its compensation arrangements in its capacity as an Approved Regulator, as defined in the Legal Services Act 2007 (the Act) and as the representative body for Chartered Trade Mark Attorneys and the wider trade mark and design profession. We are grateful to IPReg for the opportunity to comment.
2. We generally support the proposals set out in the consultation.
3. It would appear sensible and proportionate to extend eligibility by increasing the financial threshold to entities with a turnover of £2 million. Alongside this, increasing the limit per individual claim from £25,000 to £30,000 also seems appropriate.
4. Whilst we support the proposals, given the extensions to the arrangements, it is more likely that a claim will be made, although we suspect the numbers would still be very low. There is no indication in the consultation as to how much it would cost IPReg in terms of human resource and financial cost to administer and consider any claims. The 2024 budget indicates £10,000 for "Actuarial and Legal Costs in respect of Compensation Fund", however it would be useful to know what proportion of this, if any, is projected to be for handling and considering claims.
5. It would also be helpful to understand from IPReg if the preferred approach would be to return, at some point, to compensation arrangements whereby an insurance policy is underwritten by an insurance provider rather than a dedicated compensation fund being held by IPReg.
5. We have no specific comments on the draft compensation arrangement rules.

For and on behalf of the Chartered Institute of Trade Mark Attorneys



Keven Bader
Chief Executive

8th January 2024