



As colleagues and contacts head off for their Summer holidays (the changed picture shows what I'll be up to), the start of August somehow feels like a moment to reflect on the year so far.

It's been an interesting one for the IPO. In addition to the thrills and spills of the general election in May, we've been active across the IP waterfront: pushing forward on international collaborations; shaping

the domestic environment; making sure businesses can find the right IP tools and guidance; improving the enforcement landscape; reaching out to educate the next generation; and, of course, working to deliver the high quality, globally respected rights granting services for which we are renowned.

IP continues to be an agenda that is both demanding and energising. In this edition of IP Connect, you'll hear about some of the things we've been up to recently to make sure that the UK's IP environment remains the best in the world and supports the success of our outstanding innovators and creative talents. Perhaps something to read on your hols?

**Rosa Wilkinson, Director of Innovation and Strategic Communications**

## International

### PM visits South East Asia - IP co-operation announced



If you managed to miss it, during July, [Prime Minister David Cameron](#) led a trade delegation to Indonesia, Singapore, Vietnam and Malaysia to boost UK trade and investment. This was his first visit outside of Europe since his re-election. The Prime Minister, accompanied by Business Secretary Sajid Javid, used the visit to highlight the value of markets outside the EU for UK industry.

This region is on the rise and is expected to become the fourth largest single market in the world by 2030. The Prime Minister was accompanied

by 31 representatives from businesses to boost economic links with this booming region.

During his stay in [Singapore](#), the Prime Minister gave a press conference with the Prime Minister of Singapore Lee Hsien Loong. Cameron acknowledged the challenges and concerns that businesses face relating to IP protection in the region. He [announced](#) that the UK and Singapore have agreed an MoU to boost co-operation on this issue, providing greater reassurance for British companies who want to use Singapore as a springboard to the region.

The IPO is keen to support UK businesses looking to export to, and work in, Singapore and wider ASEAN. The proposed MoU is a welcome boost for better collaborative working between the UK and Singapore.

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## UK-IPO in China



Andy Bartlett (Deputy Director, Patents Directorate, IPO) visited China from 15-23 July for meetings with the State Intellectual Property Office (SIPO), to participate in a SIPO promotion seminar on Patent Prosecution Highways (PPH) and to visit Liaoning Province in Northeast China.

As well as PPHs, Andy also discussed UK-China co-operation on IP Finance and IT systems. Representatives of the UK Chartered Institute of Patent Attorneys (CIPA) joined the trip. CIPA participation allows Chinese participants

to see the private sector view of the UK IP system and raises CIPA's profile with Chinese companies.

The IPO held successful events to magnify IP messages to a wider audience, including an "IP Salon" on innovation attended by 150 people at Dalian University of Technology and a workshop with local high-tech companies.



The IPO will continue discussions with SIPO and the Dalian Municipal IPO during the 3rd UK-China IP Symposium in London later this year and Tom Duke, the UK's IP attaché to China, will also participate in the Liaoning Provincial IPO's China International Patent Fair in September 2016.

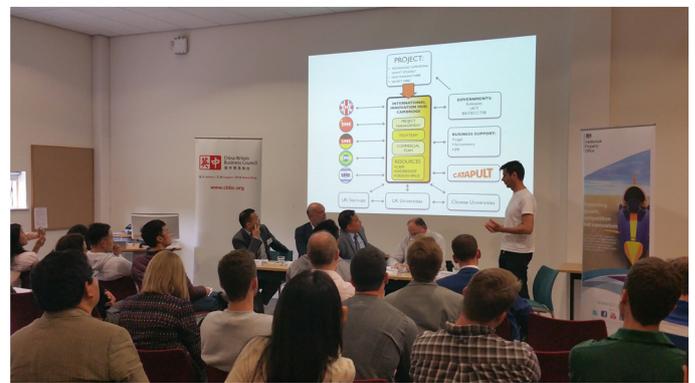
## Exploring IP China: Science and Innovation

The IPO and the China Britain Business Council hosted an exciting seminar on *IP in Science and Innovation in China* on 30 July at the Institute of Manufacturing in Cambridge.

This event brought together UK businesses and technology transfer offices to facilitate discussions about the benefits and pitfalls of joint ventures between China and the UK. A panel of lawyers, businesses and technology transfer offices provided a diverse range of perspectives and gave delegates an excellent opportunity to pose their questions in a highly interactive session.

The key concerns when entering into collaborative research projects in China are how to deal with 'background' IP including the way technological improvements are managed and the potential IP licensing and ownership issues.

The discussion also covered how to best handle the governance structure and decision making processes in relation to joint ventures, the Chinese legal considerations that need accommodating in an English contract, due diligence before contract signing and managing the relationship whilst working together.



Overall the seminar provided useful discussion of best practice and emphasised the importance of understanding the cultural differences in China. Discussions at this seminar will be fed into an IPO project to build a UK-China collaborative research toolkit. As the UK and China continue to strengthen their research relationships, managing the intellectual property produced in these projects is increasingly important.

The IPO is keen to create a toolkit which reflects the needs of businesses, universities and other involved institutions. If you are interested in contributing to discussions on the toolkit please get in touch with [liberty.timewell@ipo.gov.uk](mailto:liberty.timewell@ipo.gov.uk).

## National Copyright Administration of China visits UK

The Policy and Legislative team from the National Copyright Administration of China (NCAC) visited the IPO on 25 June this year for in-depth discussions about the development of copyright legislation in the UK. The IPO and NCAC have had a longstanding and effective relationship with several exchanges over the past year in both China and the UK.

At present, China's copyright law is undergoing its 3rd revision and the NCAC came to the UK to research different approaches to copyright legislation. The delegation included



six influential copyright policy makers who were keen to gather specific information about the UK copyright reforms. Topics of discussion covered recent changes to copyright legislation in the UK such as the Copyright Hub, the development of legislation on copyright collective management

organisations (CMO) with specific focus on extended collective management and the legislative framework for orphan works.

Overall, the trip helped to build trust and mutual respect between the IPO and the NCAC and further highlights

the IPO's effective coordination with the legislature in China. These links will be further strengthened during UK-China Copyright Week in China from 31 August – 4 September.

## UK-China Copyright Week

### Invitation to attend UK-China Copyright Week (31 August - 2 September)

In the 21st Century, governments around the world must respond to the challenges created by the digital age and adapt their copyright systems to remain relevant and effective. The UK is no exception and has implemented a wide range of reforms in the past few years. Similarly, China's copyright law will undergo its most thorough reform yet.

In this context the UK Intellectual Property Office has coordinated a week long programme of events in conjunction with the National Copyright Administration of China (NCAC) to share best practice on key areas of reform and to engage with copyright creators and owners from both the UK and China. Dr Ros Lynch, the UK's Director of Copyright and Enforcement will lead a UK delegation of policy officials

participating in events in Beijing, Hangzhou and Shanghai.

Topics will include:

- Collective Licensing
- Extended collective licensing
- Broadcasting and related rights
- Orphan works
- Copyright enforcement and enforcement of other IP rights

### Programme

Date	Activities
Monday 31 August (Beijing)	Afternoon: UK-China Copyright Seminar, with the National Copyright Administration of China (NCAC)  Evening: 14th UK-China Intellectual Property Salon: <i>Copyright &amp; the Creative Industries</i>
Tuesday 1 September (Beijing)	Annual meeting of the International Federation of Reproduction Rights Organisations (IFFRO)
Wednesday 2 September (Beijing, Hangzhou, Shanghai)	Beijing: UK-China Collective Licensing Training Workshop (Full day)  Shanghai: Lunch meeting on enforcement of IP rights on Alibaba Group e-commerce platforms  Hangzhou: Evening reception for UK and China creative industries companies and government officials

A more detailed programme will be available soon but please book flights! The UK-China Copyright Week is a key opportunity for UK stakeholders to engage directly with the Chinese copyright legislators and to share views on the development of the system at this crucial stage of reform.

To register your interest in attending any of these events and for more information about the programme please email [su.hong@fco.gov.uk](mailto:su.hong@fco.gov.uk)

# Enforcement Update

## IPO Collaborate with CTSI on Strategy - Driving Local Growth through IP Property

The IPO has been working with Chartered Trading Standards Institute (CTSI), the Alliance for IP and the Anti Counterfeiting Group to put together an [IP enforcement strategy](#) for local delivery. This strategy concentrates on IP supporting growth and promoting safer communities. It is aimed at decision makers within local councils and it is hoped that it will provide more support and direction towards IP enforcement. The strategy was launched at the [Trading Standards and Consumer Affairs conference in Bournemouth](#) at an IP plenary, which included a question and answers session to a panel of experts.

## Online criminals set to face tougher penalties for copyright theft

The Government launched a consultation (18 July) on plans to increase the maximum sentence for commercial-scale online copyright infringement from 2 to 10 years imprisonment. Proposals set out in the consultation will bring penalties for online offences into line with equivalent offences relating to the copyright infringement of physical goods.

The proposed new measures will increase the sanctions for criminals who infringe the rights of copyright holders for large-scale financial gain and will make clear that online copyright infringement is no less serious than physical infringement.

Intellectual Property Minister Baroness Neville-Rolfe said:

“The Government takes copyright crime extremely seriously - it hurts businesses, consumers and the wider economy both on and offline. Our creative industries are worth more than £7 billion to the UK economy and it's important to protect them from online criminal enterprises.”

“By toughening penalties for commercial-scale online offending we are offering greater protections to businesses and sending a clear message to deter criminals.”

Head of the Police Intellectual Property Crime Unit (PIPCU), Detective Chief Inspector Peter Ratcliffe said:

“Online or offline, intellectual property theft is a crime. With advances in technology and the popularity of the internet, more and more criminals are turning to online criminality and so it is imperative that our prosecution system reflects our moves to a more digital world.”



Panel - from left: Eddy Leviten, (Alliance for IP) Helen Barnham (UK IPO), Sir Robin Jacob (facilitator), Matt Lumb (Tangle Teezer) Mike Weatherley, Gavin Terry (CTSI)

At present, commercial-scale online copyright infringement is only punishable by a maximum of 2 years imprisonment, by comparison the maximum sentence for infringement of physical goods is 10 years. The UK's creative industries, including film, television and music, are worth £7.1 billion per year to the UK economy and support more than 1.6 million jobs. The new proposals will offer the creative industries further protection from large-scale online copyright offenders and act as a significant deterrent.

Eddy Leviten, Director General of the [Alliance for Intellectual Property](#), said:

“This consultation is very welcome as we feel there is a clear anomaly in the way that online copyright infringement by criminal enterprises is treated by the justice system.”

The publication of the consultation follows the recommendations made in the independent review 'Penalty Fair?' and calls from the creative industries for harmonisation of online and offline copyright infringement offences.

The consultation is available at ['changes to penalties for online copyright infringement'](#).

# Designs

## New measures to help designers protect their rights

UK designers will no longer have to include a design number on products to be confident they can recover damages for infringement under new proposals announced on 16 July.

Providing notice of registered IP rights by marking a product is optional but allows the rights holder to highlight that the design is registered. This means that infringers cannot claim that they could not have known that the design was protected.

[Government is seeking views on proposals to help designers enforce these rights.](#) The proposed measures will mean designers can mark their products with a web link, instead of having to stamp the product or attach a label with the registered design numbers. The web link would notify third parties of the relevant registered design rights and keep information up-to-date as IP rights change.

Making a false claim that a design is registered can result in a fine, so this proposed change would simplify the system for design owners and users.

The proposal was announced by Intellectual Property Minister, Baroness-Neville Rolfe, on a trip to the headquarters of British technology company, Dyson.

During the visit, Intellectual Property Minister Baroness Neville-Rolfe, said:

“Dyson is at the forefront of technology and innovation in the UK so it is apt that the announcement has been made here. Strong IP systems allow innovation, creativity and entrepreneurship to thrive.”

“We are confident that virtual marking for registered designs will be very warmly welcomed by UK companies for whom design is key to their success. Dyson is rightly famous for its innovative designs. The company recognises that it would be a simpler way of providing notice for those rights owners who wish to make use of this option.”

Sir James Dyson, Founder and Chief Engineer, Dyson, said:

“Virtual marking will propel intellectual property into the digital age. Next, we need to uphold a culture where inventors resolutely protect their ideas and where the ideas of others are firmly respected.”

The Intellectual Property Act 2014 introduced a provision to allow for web marking of patented products. This enables patent owners to mark their product with a web link, instead of having to stamp the product or attach a label with the patent numbers.

This is an optional system that means that an infringer cannot claim that he or she did not know, or could not have known, that the product was protected by patent(s). The government is now seeking views on extending this system to registered designs.

The call for evidence is available at [Webmarking for registered design rights: call for evidence.](#)

# Economics, Research and Evidence

## UK consumers give boost to legal downloading and streaming for TV, films and music

A new [survey](#), published by the Intellectual Property Office (IPO), highlights the latest UK trends in online streaming and downloading.

- Increase of more than 10% in take up of legal services since 2013.
- Increase of 6% in online consumption, of both legal and illegal content.
- 1 in 5 still access content illegally.
- The survey highlighted 62% of internet users in the UK have downloaded or streamed music, TV shows, films, computer software, videogames or e-books. This is up from 56% in 2013. The survey showed that there was a 10% increase in UK consumers accessing content through legal services. One in five consumers still access some content illegally.

The survey was published in parallel with research in Australia and shows

that while British and Australian users consumed online media at similar rates, illegal downloading for UK consumers was half the rate of their Australian counterparts.

Key findings from the UK survey show that:

### Music

- 15.6 million UK internet users accessed music online. 12 million users streamed music and 10.5 million users downloaded music. 16-24 year-olds were the most active in music downloads.
- YouTube, Amazon and Spotify were the top platforms used for downloading and streaming with 54 per cent of all music streaming and downloads were accessed via YouTube.
- 26 per cent of users have accessed content illegally.

### Film

- 10 million UK internet users have accessed films online.
- Netflix, Amazon and YouTube were the top platforms for film downloads and streaming with Netflix responsible for 44 per cent of all activity.
- 25 per cent of users accessed some content illegally.

### TV

- 15 million UK internet users have accessed a TV programme online.
- BBC iPlayer, You Tube and ITV Player were the top platforms for accessing TV programmes online with BBC iPlayer responsible for 62 per cent of activity.
- 21 per cent of users accessed some content illegally.

The findings also show that:

- 5.6 million of UK internet users accessed or downloaded e-books, 5.2 million users accessed or downloaded video games and 5.5 million accessed or downloaded computer software.
- Average quarterly spend on downloading and streaming content ranged from £6.68 for TV programmes to £20.28 for music. The most common reasons given for infringing were because it's free (49%) and convenient (43%)
- Respondents said they would be encouraged to stop infringing if there were cheaper legal services (25%) and if everything was available legally (21%)

Intellectual Property Minister Baroness Neville Rolfe said:

“It's great news that a huge proportion of UK consumers are going online to enjoy Music, TV

Shows, Video Games and e-books legally, supporting our creative industries to grow and showing the benefits of making legal content widely available.”

“By building a clear picture of online streaming and downloading trends we can work with industry and international partners to tackle the problems of internet piracy and increase public awareness of the ways people can download and stream legally.”

The Government is taking action to tackle online copyright infringement and has:

- provided £3.1m of funding for Creative Content UK's education campaign to educate consumers on how they can download and stream legally.

- through the IPO, provided £5.56m of funding up to 2017 for Police Intellectual Property Crime Unit to tackle copyright infringement.
- consulting on proposals to toughen criminal penalties for large scale commercial copyright infringement.
- working with the European Commission and industry to tackle piracy by finding ways to help make more content available to purchase across borders, while protecting and rewarding creativity.

The UK survey was funded by the IPO was undertaken by Kantar Media and conducted between March and May 2015. It is the fifth wave of a large-scale consumer tracking study into the extent of online copyright infringement, as well as wide digital behaviours and attitudes, among people aged 12+ in the UK.

## Independent review finds Intellectual Property Enterprise Court reforms have improved access to justice for businesses

An independent report on the Intellectual Property Enterprise Court (IPEC), published this month by IP Minister Baroness Neville-Rolfe, showed that reforms introduced in 2010 are having a positive effect on access to justice for small businesses.

Baroness Neville-Rolfe said:

“The report shows that the reforms made to the old Patents County Court through the introduction of IPEC have been successful. Access to justice has greatly improved for all rights holders, but particularly for small and medium sized businesses and entrepreneurs.”

The report, commissioned by the Intellectual Property Office, confirmed that:

- there has been a substantial increase in cases, with more IP rights holders able to defend their rights.
- small businesses and individuals' access to justice has been greatly improved, with nearly 850 cases heard since the start of the reforms in late 2010.

- there has been a significant increase in case filings by small business claimants following the introduction of the costs cap and the active case management process in October 2010.
- active case management clarifies and limits claims, greatly speeding up the process of litigation.
- cost caps and active case management reforms have helped litigants now understand their potential exposure before initiating a claim.
- overall, the reforms may have encouraged parties to enter into disputes with, and to seek redress from, potential IP infringers, where previously they would have not done so.

The IPEC is a specialist court established within the Chancery Division of the High Court. It was introduced in place of the Patents County Court, with the aim of helping provide affordable access to justice for rights holders to protect their IP.

The IPEC reforms included a fixed scale of recoverable costs capped at £50,000 (in order to provide certainty for SMEs considering litigation) a cap on damages of £500,000; a time limit of 1-2 days proactive case management to reduce unnecessary action; the introduction of a Small Claims Track for uncomplicated copyright, trade mark and unregistered design cases with a value of £10,000 or less. This involves informal procedures that may not need legal representation.

The full [Evaluation of the Reforms of the Intellectual Property Enterprise Court 2010-2013](#) (PDF, 833KB, 53 pages) report is available.

# UPC and UP update

## Preparatory Committee

The Preparatory Committee met Friday 10 July and discussed the 18th draft of the Rules of Procedure that is expected to return to the October meeting for agreement. There was widespread praise for the work done to get it to this stage.

The Protocol for Privileges & Immunities and the operating costs of the court were discussed and will return in October. There was also agreement for an MoU with the [ISRP](#) to provide their service for pensions and social security to the court.

The Provisional Application timetable was discussed and will return to a meeting in early September for agreement along with the staff regulations which are back with the HR & Judicial Training Working Group to finalise ahead of the meeting. The date for the meeting in October has been confirmed for 13 October.

## Governance

The Project Board met on Wednesday 29 July and had an update from the HR and Training and Facilities workstreams and an initial planning discussion for a review of the project governance in the autumn.

The Sub-groups of the Project Board also all met recently:

### IT

The initial kick off meetings with the successful suppliers took place recently and work is now underway. The technical lead is now out in Italy with the case management system suppliers confirming the detail of the initial planning work.

One of the priorities within the case management system is the opt-out process and this will be the first form to be addressed.

Alongside this investigations are underway to provide an interim payment provider until the court has its legal entity and a functional finance system. To assist the team with this task, a specialist financial solutions architect has joined the team for three months.

The team, along with the case management system supplier, recently met with the EPO technical team to discuss requirements for the technical process of the opt-out.

A number of user workshops over the autumn and across Europe have been confirmed.

The workshops are aimed at refining requirements and testing the CMS.

To sign up for the event in London on 9 September 2015, 10am to 4pm and for further details on the other events please follow this link:

<http://www.eventbrite.com/e/upc-user-workshop-london-tickets-16861134106?aff=mcivte>

## Facilities

The team have been giving further consideration to the optimum specification level for the facility.

## Legal

The Legal Sub-group met late July. Discussion focussed on the 18th Draft of the Rules of Procedure which we expect to be adopted at the October Preparatory Committee.

The EPLC is still to be agreed and we inform you once it is published on the UPC website.

## HR & Judicial Training

The team are reviewing the new draft of the staff terms and conditions following their return to the Working Group.

Sweden made a proposal at Preparatory Committee to use an online recruitment tool which is now with the HR and Training Working Group to consider.

## Finance

On Monday 6 July, Burness Paul kindly hosted our second event on the Court Fees consultation, this time in Edinburgh. The topics covered in the presentations were the same as the earlier event in London, but it was interesting to note that many of the issues raised in the Q & A discussions were different. Amongst these issues were the option of a “pay as you go” system rather than reimbursements (as suggested in Alternative 1), comparisons to the German value based fee system and the complexity of the Application to determine damages. Compromises for SME support and the impact of the fee structure on non practicing entities were also raised, as they were in London. We are very grateful to our hosts, speakers and participants for their contributions to providing us with further invaluable insight on what to expect in the consultation responses.

## Unitary Patent

The EPO Select Committee meets again on 16 and 17 September to continue discussions on the remaining details relating to the Unitary Patent.

An official Communiqué of the last Select Committee meeting is available on the EPO website at: <http://www.epo.org/about-us/organisation/communiqués.html>

# Support for Business

## Free intellectual property (IP) advice from an IP Attorney

<https://www.gov.uk/government/news/cipa-clinic>

The Intellectual Property Office in Newport runs regular clinics with the Chartered Institute of Patent Attorneys. These clinics are for individuals seeking free advice on patents, trade marks and designs. You can discuss your ideas or problems with one of the duty Chartered Patent Attorneys for half-an-hour at no charge. An Examiner from the Intellectual Property Office will also take part in the clinic.

The next clinic takes place on Tuesday 8 September 2015 (2pm to 4:30pm) [Email us](#) to register for the event and find out what information is required prior to attending.

## IP Master Class 2015 courses

Reach your potential with quality intellectual property (IP) advisor training for business professionals.

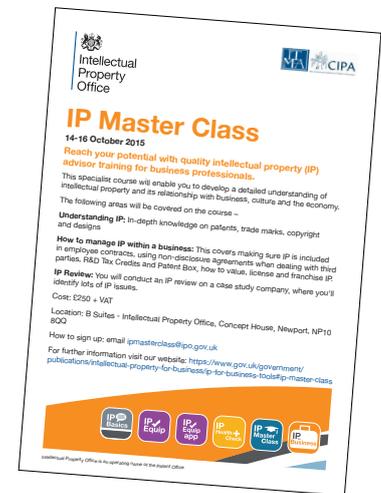
This specialist, classroom based course is aimed at anyone wanting to develop their knowledge and skills when working with business on issues around intellectual property.

It will enable you to develop a detailed understanding of all aspects of IP and its relationship with business, culture and the economy. You will also develop sound practical skills you can apply to a business environment.

Further information is available in our [Intellectual Property for business guidance](#).

## Available dates

- 14 to 16 October 2015 (Newport, South Wales)
- 17 to 19 November 2015 (Northern Ireland)



## IPO Blog

### Did you know that the IPO has its own blog on GOV.UK?

The IPO blog was launched in September 2014 and since then we've been regularly posting on all aspects of IP. The blog covers a wide range of IP related subjects, from trade marks to enforcement and copyright.

The blog is updated with new posts a couple of times a week, so there's always something new to read. You can

find it at [ipo.blog.gov.uk](http://ipo.blog.gov.uk) You can also get email notifications of new content by subscribing to our blog updates, which will bring all our posts directly into your inbox.

[Click here](#) for the latest blogs, including an insight into geographic indications (GIs) in China, a look at the brands that power the Tour De France and a guest blog from Minister for IP Lady Neville-Rolfe on the very first piece of content licensed through The Copyright Hub.

## What is the IP Health Check?

The IP Health Check is one of our free 'IP for Business' online support tools. It consists of 9 individual modules on different areas of IP: Copyright, Trade marks, Designs, Patents, Confidential information, Licensing your IP, Trade marks overseas, Franchising, Enforcement.

The IP Health Check provides you with a tailored confidential report based on your answers to a series of simple questions. The report includes a list of action points to help you protect and exploit your IP rights, guidance on how to put these into practice and links to useful information, websites and other resources.



## IP Events

[Click here](#) for a list of forthcoming IP events which may be of interest to you or your clients/members.

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