

**EXPLANATORY MEMORANDUM TO THE
INSTITUTE OF TRADE MARK ATTORNEYS ORDER 2004
2004 No. []**

1. This Explanatory memorandum has been prepared by the Department for Constitutional Affairs and is laid before Parliament by command of Her Majesty.

Description

2. This Order designates the Institute of Trade Mark Attorneys an authorised body for the purposes of sections 27 and 28 of the Courts and Legal Services Act 1990 (rights of audience and rights to conduct litigation).

2.1 The effect of the Order will be to enable ITMA to grant the following rights to its members.

Civil Proceedings Certificate (Fellows and Ordinary members)

- To appear in open court in county courts in all actions, except family proceedings;
- To appear before Justices or a District Judge (Magistrates' Court) in magistrates' courts in relation to all matters originating by complaint or application, including applications under the licensing, betting and gaming legislation;
- To appear before any tribunal under the supervision of the Council on Tribunals where the tribunal rules provide for a non-discretionary right of audience being available to barristers and solicitors;
- To appear before coroners' courts in respect of all matters determined by those courts and to exercise rights of audience similar to those exercised by solicitors and barristers.

Family Proceedings Certificate (Fellows and Ordinary members)

- To appear in open court in a divorce county court in all family proceedings;
- To appear before Justices or a District Judge (Magistrates' Court) in family proceedings courts;
- To appear before coroners' courts in respect of all matters determined by those courts, and to exercise rights of audience similar to those exercised by solicitors and barristers.

Criminal Proceedings Certificate (Fellows and Ordinary members)

- To appear before Justices or a District Judge (Magistrates' Court) in all adult magistrates' courts in relation to all matters within that court's criminal jurisdiction;
- To appear before Justices or a District Judge (Magistrates' Court) in all youth courts in relation to all matters within that court's criminal jurisdiction.
- To appear in the Crown Court or High Court before a judge in chambers to conduct bail applications;
- To appear in the Crown Court on appeal from the magistrates' court or on committal of a person for sentence to be dealt with, if s/he, or any solicitor by whom s/he is employed or any solicitor or Fellow in the same employment as her/him, appeared on behalf of the defendant in the magistrates' court;
- To conduct a plea and directions hearing in the Crown Court;

- To conduct preliminary hearings in the Crown Court where an indictable only offence has been transferred to the crown court;
- To appear before coroners' courts in respect of all matters determined by those courts, and to exercise rights of audience similar to those exercised by solicitors and barristers.

2.2 In addition, ITMA is also seeking the following rights for its Fellows and Ordinary members:

- a) subject to the jurisdiction of the courts concerned, the right to conduct litigation in the Chancery Division of the High Court, including the patents court, and in the county court, including the Patents county court; and to conduct appeals from the Comptroller General of Patent Designs and Trade Marks, the Patents county court, the county court and the Chancery Division of the High Court, in respect of any matter relating to the protection of any trade mark or design or as to any matter involving passing off, or to the Olympic Symbol etc. (Protection) Act 1995, or to the Olympic Association Right (Infringement Proceedings) Regulations 1995, or to the right to an injunction to restrain the unauthorised use of Royal Arms etc. conferred by Section 99(4) of the Trade Marks Act 1994 and any ancillary matter thereto ("Trade Mark & Design Litigation");
- b) Subject to the jurisdiction of the courts and tribunal concerned, the right of audience in:
 - i) hearings in the county court, including the Patents county court, in Trade Mark & Design Litigation;
 - ii) hearings before the Appeal Tribunal constituted by the Registered Designs Act 1949 ; and
 - iii) hearings in private on interim matters ancillary to Trade Mark & Design Litigation.

The rights sought are for Fellows or Ordinary Members of ITMA who have been granted Trade Mark & Design litigator Certificates by ITMA in accordance with the proposed ITMA Qualification Regulations.

Matters of special interest to the Joint Committee on Statutory Instruments

3. None.

Legislative background

4. Sections 27 and 28 of the Courts and Legal Services Act 1990 provides that a person has rights of audience and the right to conduct litigation if he has been given those rights by an authorised body. In addition to the General Council of the Bar and the Law Society (and the Institute of Legal Executives in the case of the right to conduct litigation), an authorised body is one which has been so designated by Order in Council. Schedule 4 to the Act sets out the procedure to be followed on an application to the Secretary of State for authorised body status. This includes a

requirement for advice to be given by the Consultative Panel, the Office of Fair Trading and the designated judges. If the Secretary of State grants the application, he may recommend to Her Majesty that an Order in Council be made designating the body as an authorised body. The Order is subject to the affirmative resolution procedure under section 120(5) of the Act.

Extent

5. The Regulations relate to England and Wales.

European Convention on Human Rights

6. The Order raises no human rights issues.

Policy background

7. At present, trade mark agents do not have the right to conduct litigation in relation to trade marks, designs, copyright and passing off. Patent agents have such rights in relation to patents and certain related areas before the Patents County Court. In addition, since 25 November 1999, those patent agents who can obtain a litigator Certificate from the Chartered Institute of Patent Agents (“CIPA”) can acquire such rights in relation to a broad range of intellectual property litigation before the High Court.

7.1 Trade marks are not matters currently dealt with in the county courts. Trade mark and passing off disputes are closely related and both are litigated in the High Court. Under the existing framework a client must instruct a solicitor for proceedings in court which often means an additional layer of representation and cost. Alternatively, since the first patent agent’s litigator Certificates were issued by CIPA in May 2000, a client may instruct a patent agent litigator. Whilst this extension of rights has affected Patent agents, it has remained the case that solicitors have the conduct of the vast majority of trade mark and Design proceedings.

7.2 ITMA have identified several benefits that would arise from granting them authorised body status. These are;

Choice

Availability of trade mark agents will offer the client more choice by allowing them to use those representatives whom they would usually use in relation to trade mark matters and who may have more involvement in the marketing side of the client’s business than solicitors.

Cost

Reduction in the number of people involved in trade mark proceedings will reduce the cost to the client. In the early stages of litigation there will be no need to brief solicitors on the history of the client’s portfolio or on the nature of the client as this will already be within the knowledge of the trade mark agent who has previously acted for the client in trade mark prosecution matters.

Accessibility

For clients experiencing intellectual property problems relating to trade marks, designs and passing off, trade mark agents are often the first point of contact. With this in mind, allowing them to conduct litigation will help to prevent infringement and minimise damage. It will also help to avoid any additional costs that may be incurred by having to refer the matter on to a solicitor.

Competition

By allowing additional representatives to carry out litigation in trade mark matters, competition will be stimulated within the sector.

A significant limitation on ITMA's authorised body status would be the current limit on jurisdiction to hear trade mark cases which confines them to High Court only. While they would nominally be able to bring cases in the county court, given the specialised nature of their work, it is highly unlikely that Trade Mark agents would actually be able to bring any cases. As such, they would remain at a disadvantage to patents agents who are able to do so. Therefore, in order to ensure a more even balance between the two sector, a separate Order will be brought forward to extend jurisdiction in Trade Mark matters to suitable county courts

7.3 The Order will come into force on 1 April 2005

Impact

8. The Office of Fair-Trading (OFT) and the Patent Office (PO) have reported that granting the application may increase competition in the provision of litigation and advocacy services associated with trade mark design right proceedings. In addition, it has also been noted that some of the rules which ITMA proposes in order to underpin the exercise of the proposed rights may restrict the capacity of ITMA members to compete with members of other professions and may thus lessen the extent of any increase in competition brought about by designation.

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22 October 2004

