

Strategic Plan 2020:

Guiding Principles and Outline

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1. Introduction

OHIM's Strategic Plan, adopted in 2011, set out the objectives and activities of the Office for the years 2011-2015. The vision was to create a comprehensive European Trade Mark and Design Network. In order to make that vision a reality, strategic goals and lines of action were formulated in areas such as quality, organisational excellence, modernisation and simplification of the IT infrastructure, optimisation of the working environment, creation of an IP Academy, and international cooperation.

As the current Strategic Plan is well over three quarters realised, with almost all its activities either completed or very close to completion, the process for developing the new Strategic Plan 2020 was begun during the summer of 2014. This process is wide and inclusive, involving a broad range of OHIM stakeholders being invited to provide their suggestions based on a series of guiding principles identified by the Office.

This document contains a description of this process, followed by a brief discussion of the achievements of the 2011-2015 Strategic Plan, and a proposed outline of the new Strategic Plan 2020. It should be noted that while this Outline contains a description of the various goals, objectives and associated actions, all the elements of the Plan are subject to further revision as the consultation with stakeholders of the Office continues to take place during the coming weeks and months.

2. Consultation phase

Phase 1: OHIM staff

In early June 2014, a first draft of the general guiding principles was prepared to facilitate the consultation process and to serve as the basis for the consultation. On 25 June, a news item posted on OHIM's intranet and an email from the Office sent to OHIM staff started the consultation process for the entire staff of the Office. The aim was to collect their suggestions and inputs, based on the guiding principles. By the deadline of 18 July, more than over 100 individual or team contributions had been received.

Phase 2: the Administrative Board and Budget Committee

Subsequently, the consultation phase continued with the involvement of the Administrative Board and the Budget Committee (AB/BC) members and observers.. This phase started on 28 August and lasted until the end of September.

All contributions on the guiding principles of the Strategic Plan 2020 will be reviewed by the Office and a guiding principles document will be drafted¹.

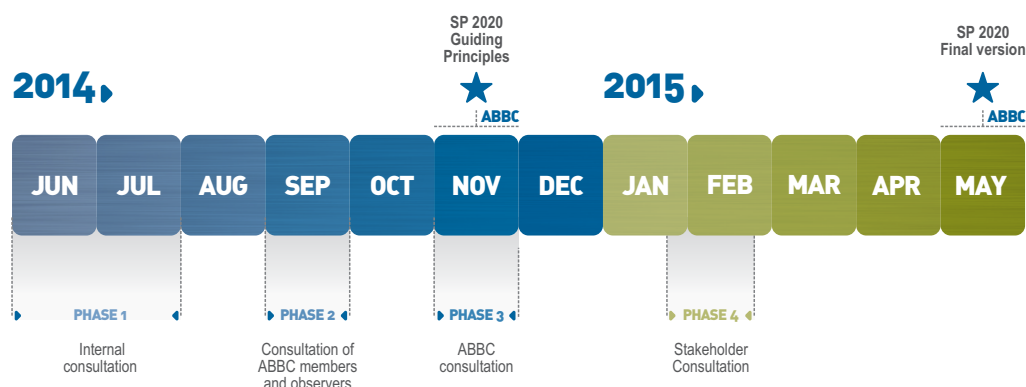
Phase 3: November 2014 AB/BC meeting

These guiding principles will be presented to the AB/BC members and observers during the November 2014 meeting, allowing for discussion and further direction from the AB/BC.

Phase 4: other OHIM stakeholders

After the November AB/BC meeting, the consultation phase will continue, seeking the contribution of all OHIM stakeholders, EU National Offices, BOIP, the User Associations, major IP international organisations, business associations and SMEs. Following this fourth consultation phase, all the inputs received will be analysed and reflected in the final version of the Strategic Plan 2020, to be distributed in advance of the May 2015 AB/BC meeting to the AB/BC members and observers.

The consultation process is summarised in the figure below.



1 - The present document.

3. Achievements of the 2011-2015 Strategic Plan

As set out in the 2011-2015 Strategic Plan, OHIM's vision is to become a true organisation of excellence that, together with the EU National Offices, can form part of a comprehensive and increasingly interoperable European Trade Mark and Design Network (ETMDN), supported by common tools and practices for the benefit of users. This network is intended to be a leader in the world of intellectual property in terms of quality, efficiency and effectiveness in the interest of European consumers, companies from Europe and around the world, as well as intellectual property specialists, applicants, owners and third parties.

This vision was to be achieved through three specific strategic goals:

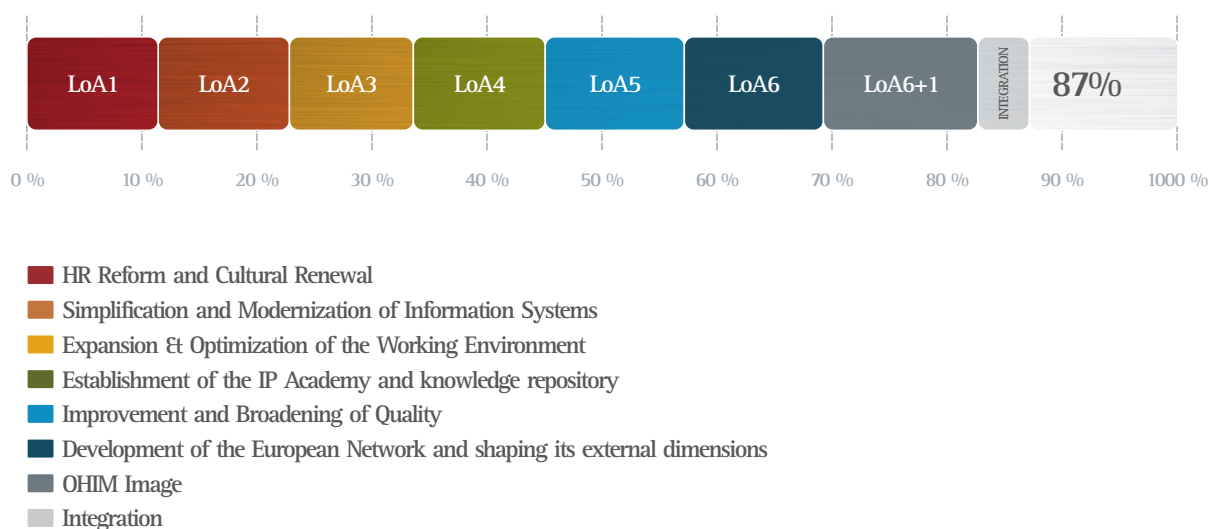
Goal 1 - Build a strong, vibrant and creative organisation

Goal 2 - Increase quality and optimise timeliness and efficiency of operations

Goal 3 - Promote convergence of practices within the European Trade Mark and Design Network and beyond.

These goals are pursued via a multitude of projects, organised in programmes to carry out six Lines of Action and 33 Key Initiatives. All activities are financed by OHIM's own resources based on sound financial management procedures. Progress is monitored via defined performance indicators, including Balanced Scorecards (BSC) and Key Performance Indicators (KPI), which aim at measuring the effectiveness of the projects.

Overall, as of October 2014, the Strategic Plan 2011-2015 is 87% implemented. The graphic below shows how each of the Lines of Action has contributed to this global figure. In this "tube chart", each Line of Action is represented by a portion of the "tube", and collectively their progress percentages add up to 87%.



Main achievements

Goal 1 – Build a strong, vibrant and creative organisation

To achieve excellence and to improve quality, OHIM must attract top-quality employees, train them well and provide them with the optimal working environment and tools to do their job. During recent years, the Office has made significant progress in this regard.

The Human Resources reform programme, supported by modern learning tools delivered by the newly created Academy and carried out in the context of constructive social dialogue between OHIM management and staff, has clearly improved staff motivation and satisfaction. This is evident in the results of the Staff Satisfaction Survey carried out in 2013. Strong improvements are shown in all categories compared with the previous exercise carried out in 2009, with particularly sharp increases in positive scores for Top Management (+34%), Communication (+33%) and Supportive Culture (+31%). Such improvements reflect a widespread understanding among staff of OHIM's plans and strategy as well as confidence in the senior leadership's ability to deliver on that strategy.

A thorough workforce planning exercise was conducted in order to estimate the staffing requirements of the Office until 2017. This exercise took into account workload evolution, strategic projects, productivity improvements, the new staff regulation and expected temporary agent contract terminations as well as retirements. For the first time, OHIM has a clear view of its future staff needs and can plan accordingly. The results of this study were a major input into the sizing of the EPSO competition that took place in 2013-2014, resulting in the creation of a reserve list from which OHIM can recruit officials.

At the same time, the Office is carrying out a full renewal of its working environment with the refurbishment of the main building, completed at the end of 2012, and the completion of the new building in the autumn of 2014, which will provide OHIM with a state-of-the-art physical working environment. In addition, the Office intends to acquire two plots of land next to the headquarters, to complement the plot acquired in late 2014. All three plots will constitute a reserve of land for future expansion of the activities of the Office if necessary.

The IT simplification programme has made great strides in improving the tools available to internal users and has simplified internal processes. OHIM has improved its network infrastructure, with better performance and monitoring, higher redundancy and more backup options, as well as enhanced security that complies with the relevant ISO standards.

Goal 2 – Increase quality and optimise timeliness and efficiency of operations

Since 2010, OHIM has coped with an increase in CTM applications of close to 20%, (more than 116.000 CTM applications received in 2014). However, changes in the working culture, procedures and tools have led to improvements in productivity and quality. Unit costs have declined by more than 10% since 2010. There have also been significant improvements in quality, consistency and predictability during the past two years.

Users now benefit from faster and better service when filing CTM and RCD applications or when conducting other proceedings before the Office. Pendency times have been reduced and the predictability and consistency

of OHIM decisions have improved. The number of quality metrics being monitored by the Office has almost tripled since 2010.

Access to OHIM services has also improved through OHIM's new website. Users now have access to new online tools, enabling them to conduct virtually all their business with the Office electronically. The information provided externally has grown in quantity and quality. By making available to users the same tools and information sources used by its examiners in making their decisions, OHIM has enhanced predictability for the users of the system. Many of these online resources are specifically designed to make the CTM and RCD system more easily accessible to Small and Medium Sized Enterprises (SMEs) which constitute the overwhelming majority of European companies.

Reflecting the efforts made, OHIM attained ISO 9001:2008 certification for all its activities in October 2013, two years ahead of schedule.

The success of all these measures has been confirmed by the results of the User Satisfaction Surveys carried out during this period. They clearly show a continuously high level of overall satisfaction with performance among users.

Goal 3 - Promote convergence of practices within the European Trade Mark and Design Network and beyond

The European Trade Mark and Design System is based on the solid principle of coexistence between the national and community protection levels.

Since 2010, the Office has launched two key initiatives - the Cooperation Fund and the Convergence Programme. Both aim at reinforcing coexistence through the creation of a European Trade Mark and Design Network, based on common tools and practices, for the benefit of users. As a result, with the creation of common tools and practices, all EU IP offices are able to provide services to their users covering the whole lifecycle of a trade mark or design, from the initial pre-clearance, e-filing, classification and examination to back office functions and the fight against counterfeiting and other infringement.

Furthermore, users can define their protection strategies without being conditioned by unnecessary differences in practices at the different offices and without having to cope with the ensuing increased costs.

Tools such as TMview and TMClass now reach out globally - covering all EU Member States and many of the most important non-EU economies.

OHIM has also extended the approaches pioneered with the ETMDN on the global stage with the aim of supporting European companies that operate in external markets. This is done by serving as the implementing agency for EU-funded programmes in third countries, and by engaging in meaningful cooperation with a number of relevant external partners such as the TM5 offices, the BRIC countries and with international organisations in the IP field such as the EPO and WIPO.

In addition, in 2012 the Office received a new area of competence. The full integration of the EU Observatory on Infringements of Intellectual Property Rights into the Office has already created significant synergies. The Observatory Department, working with the Observatory network, has already made a number of important contributions to a better understanding of the importance of IP. Several reports, including widely cited studies on the economic importance of IP rights to jobs, GDP and trade in the EU, and on the attitudes and perceptions of citizens on IP rights, have been published. These studies pave the way for further research, including a second major study on the impact of IP rights use on the economic performance of SMEs, as well as awareness campaigns and knowledge-building with enforcement authorities.

The Observatory has also developed tools to help public authorities and rights owners enforce IP rights. The Enforcement Database lets companies work with customs to help identify shipments of counterfeit goods. The Anti-Counterfeiting Intelligence Support Tool integrates data from police authorities to support enforcers and policy-makers; and the Anti-Counterfeiting Rapid Intelligence System is an intelligence database designed to help European companies protect their IP rights outside the EU.

The ETMDN strengthens OHIM and the National Offices and prepares them to tackle future challenges, to support the European economy and innovation and to respond to ever more demanding business needs. There is a particular focus on the backbone of European economy, the SMEs. The Network also reaches further out to support Europe's global role at a technical level vis à vis its external partners.

4. Challenges for the coming years

External environment

The economic crisis that began in 2008 has led to widespread austerity in government finances in all EU Member States. This austerity is in turn reflected in the Multiannual Financial Framework (MFF) that was adopted by the EU institutions for 2014–2020. In particular, most EU institutions and agencies, including OHIM, are required to reduce staff by 5% and in general to operate within strict budgetary constraints. While OHIM is in the unique position of being self-financing, the austerity measures still apply to the Office.

Despite the recession, the current economic volatility and the sluggish recovery in Europe, the inflow of CTM and RCD applications has remained strong, and so in the coming years the Office faces the challenge of having to cope with an increasing volume of applications and with the new competencies, such as the Observatory, entrusted to it, in an environment characterised by resource constraints. To continue to provide users a quality service in a timely fashion, productivity and efficiency must be increased. The Office has committed itself to absorb growth in filing volumes of 5% per year² by improving productivity rather than by increasing staff.

The reform of the CTM system was proposed by the Commission in 2013 and is likely to be come into effect during 2015. The proposed changes reinforce the need for OHIM to operate efficiently. While the exact elements of the new legislation are still under consideration, it is clear that one element of the reform will involve an adjustment of CTM fees (the third fee adjustment since OHIM began operations in 1996), moderating OHIM's future revenue growth and thus making it even more important to control costs. Other elements of the reform include an increased emphasis on cooperation with Member States and further harmonisation of the trade mark system in the EU.

Internal environment

In the 2011–2015 Strategic Plan, the Strategic Goal of building a strong, vibrant and creative organisation, supported by Pillar I of Organisational Excellence and by the activities already undertaken in the field of HR reform and cultural renewal, has resulted in a considerable improvements in staff satisfaction and the working environment of the Office. Nevertheless, actions are still needed to promote team working and to achieve the highest possible level of collaboration between all staff members across the Office. The remnants of a “silo” culture in some areas of the Office need to be transformed to a more performance and service oriented culture.

While considerable achievements have been made in the areas of quality during 2011–2015, users continue to expect more of OHIM, and so the Office needs to undertake further actions to enhance user experience and to improve users' perception of the quality of OHIM services. Users' engagement with the e-business solutions provided by the Office should also intensify. In this context, in a modern IP office, the term “e-business” refers not only to the initial filing of applications or oppositions, but to the entire range of communications and transactions between the Office and its users.

With the Observatory now integrated into OHIM and thus fully benefitting from the capacities of the Office, it is now time to carry out the core tasks of promoting increased awareness of the IP system. This is done by providing evidence-based contributions to policy makers (such as the IP Contribution and IP Perception

2 - Historically, CTM applications have grown at an annual rate of 5% since the inception of the Office.

studies), by making society at large (especially its younger members) aware of the importance of IP rights, and by strengthening the knowledge of all IP actors—IP office officials, customs, police, judges, users, academics. To carry out this mandate, the Observatory network and the collaboration between OHIM and its public and private stakeholders must be intensified even more.

Finally, European business must increasingly look beyond the EU for its growth, and the Office must stand ready to help European companies, particularly SMEs, become more competitive in the global marketplace and enforce their IP rights in third countries. The European Trade Mark and Design Network must be broadened and the convergence efforts in terms of common tools and practices must be expanded beyond the European Union boundaries.

5. Key elements of the draft Strategic Plan 2020

The draft Strategic Plan is built around a strategic framework that begins with a proposed vision which gives rise to a set of strategic goals and objectives. These goals and objectives can be further broken down into specific actions and initiatives. Associated with the different levels are measurement systems designed to monitor the progress towards the vision. The framework can be depicted graphically as follows:

Strategic framework SP 2020



The main elements of this framework are explained below.

Proposed Vision

The proposed vision that has emerged from OHIM's experience with the current Strategic Plan and from the ongoing consultations with staff, AB/BC members and observers, and other stakeholders is:

User-driven European Intellectual Property Network with a global focus.

This new vision represents a natural evolution of the vision in the Strategic Plan 2011–2015. That plan was built on a vision of a European Trade Mark and Design Network for the benefit of users. This vision was pursued by working together with the EU IP offices in the context of the Cooperation Fund, the Convergence Programme, and bilateral projects.

The vision of creating the European network has been achieved to a very high extent. It is now time to expand on the original vision in two ways. Firstly, while the network remains a European network, it will increasingly also focus on the world beyond the EU borders. Many European companies, including many

SMEs that have until now focused on their domestic markets, will look to emerging markets for their future growth. Secondly, the scope of the network now encompasses all IP rights and not only trade marks and designs. While registering trade marks and designs remains the core business of OHIM, the Office now has a mandate that includes monitoring infringement and supporting enforcement of all IP rights.

Draft Strategic Goals, Objectives and Key Performance Indicators

In order to achieve the proposed vision, OHIM would pursue a number of Strategic Goals, each of which encompassing several Lines of Action and supported by the two pillars of a Collaborative Organisation and International Cooperation.

The Strategic Goals that have been identified through the consultation process carried out so far are:

1. Operational efficiency;
2. Access to IP system and IP knowledge;
3. Network convergence with global impact.

The Strategic Goals are “translated” into a set of preliminary Strategic Objectives. They are associated with one or more Key Performance Indicators (KPIs). The Strategic KPIs are based on the vision of the Office and connect the high-level Strategic Goals with the more operational Strategic Objectives. The KPIs measure OHIM’s overall performance until 2020, and all the programmes and projects defined under the Lines of Action are designed to achieve the Strategic Objectives as measured by the corresponding KPIs.

The proposed Strategic Objectives and KPIs are structured around four basic themes: **Quality, Efficiency, Engagement and Network**. The guiding principle supporting the KPIs is that they must measure outputs rather than inputs. In other words, it is the results that must be monitored, not the internal actions taken by the Office to achieve those results.

Quality refers to the aspects of the trade mark and design system as experienced by users: timeliness, consistency/predictability, accessibility, and quality of decisions and proceedings. OHIM will continue to strive to improve all these attributes of the service. Coupled with a stronger emphasis on ex-ante quality checks, quality of decisions will no longer be measured only by comparing decisions and proceedings against internally defined standards, but also through user satisfaction indicators such as the “real-time” surveys and other instruments designed to gauge user perception of OHIM services.

“**Consistency**” refers not only to consistency between OHIM’s first and second instance, but more broadly to consistency across the Network, which in turn also supports greater predictability. In keeping with the principle of measuring outputs, the benefits of convergence across the network will be measured by looking at consistency of decisions taken within the Network.

Efficiency of operations is a key necessity given the constraints under which OHIM will operate in the future. A related concept is effectiveness. Taken together, efficiency and effectiveness mean that the Office will do the right things, in a cost-effective manner. The strategic KPIs associated with efficiency include unit cost or other measures of cost efficiency, as well as other metrics related to productivity, such as the percentage of interactions between users and the Office carried out electronically.

Engagement with staff, users, national IP offices, the local community and other public and private stakeholders is of key importance to OHIM. These constituencies engage with OHIM in various ways; consequently, the strategic KPIs measuring engagements are also wide-ranging. Staff engagement is measured through annual staff satisfaction surveys and by tracking the extent of cross-department collaboration and team working. User engagement is gauged by monitoring how accessible the IP system is to SMEs, representative and other users (as measured by appropriately defined, objective indicators) and through user surveys and user meetings.

An important dimension of user engagement is the extent to which the tools and the information made available by the Office are in fact being accessed. KPIs falling under this heading include the use and economic impact of the flagship tools such as TMview and Designview, as well as the usage of the Enforcement Database by companies and customs and the extent of media coverage of reports and studies published by the Observatory and their use in the political debate. The use of other online tools provided by OHIM, such as the newsletters, webinars and information disseminated through channels such as Twitter is another important indicator. Stakeholder engagement is also reflected in attendance at events (such as conferences or workshops) organised by OHIM, and the degree of satisfaction with those events among the attendees. Finally, engagement with the local community can be measured by the economic impact of the Office on the economy of Alicante province and the wider Valencia region.

In summary, one way or the other, the various engagement-related KPIs discussed reflect the reputation and credibility of the Office.

Network is a key attribute of the way OHIM operates, both internally and externally. Internally, it refers to the new ways of working in cross-departmental teams and in engaging staff in projects that are not “part of their job” but that make use of their unique skills and provide development opportunities. Externally, the European IP Network with global reach is at the very heart of OHIM’s vision. Many of the engagement KPIs will only be achievable in the context of this network. Tools such as TMview were developed and are managed under the Cooperation Fund model, which involves OHIM working together with national IP offices and BOIP and the user community. And of course, the Observatory is itself a network of OHIM and its stakeholders who work together to define the tools and studies produced by the Observatory.

The effects of the convergence of practices and tools will be assessed by measuring the degree of consistency as experienced by users of the IP system. The metrics will be developed in collaboration with the national IP offices and user associations, and outside expertise will be enlisted as required.

The global dimension of the network is measured through the number of non-EU countries adhering to TMview and Designview. The effects of OHIM’s work in third countries could also be reflected in an increase in the number of EU companies, particularly SMEs, protecting their IP rights in those markets, provided that suitable indicators can be developed.

Lines of Action

The proposed Strategic Goals and the associated Strategic Objectives set out in high level terms how OHIM intends to achieve its stated vision. However, in order to guide the daily work of the Office, these high-level goals and objectives must be operationalised, or “translated” into specific activities to be carried out. These so-called Key Initiatives (KI) are grouped into Lines of Action (LoA). Each of these is briefly explained below.

1. Build a dynamic and knowledgeable organisation of people

This Line of Action focuses on developing OHIM’s staff and providing its members with the optimal working environment coupled with a performance management system and recruiting and working methods designed to elicit a consistently high level of performance and productivity while at the same time enhancing work-life balance through teleworking and other measures. This means, in particular, that there will be an emphasis on team working through knowledge-sharing, team objectives and development of collaborative dynamic work tools. An improved physical work environment will facilitate both teamwork and individual work. Team working will be further promoted by creating internal knowledge networks so that members of staff can apply their knowledge and hidden talents to develop ideas and projects across departmental boundaries. The successful Knowledge Circles that are already implemented in the Office are a model of what can be achieved by working together across departments.

2. Increase transparency and accountability

This Line of Action aims at making OHIM best-in-class as regards communication and engagement, built on a foundation of modern IT and strict compliance with all relevant standards and rules.

All internal systems will be integrated, with an emphasis on reliability and performance. Users will participate in the testing and provide feedback that will be used in further development. Cost efficiency and accessibility will be enhanced through seamless integration of front and back office.

OHIM’s credibility and trustworthiness are vital assets that must be protected and enhanced by guaranteeing high standards in data protection, auditing the activities of the Office as comprehensively as possible, carrying out an overall assessment of risks to OHIM’s activities and reputation (involving external partners where appropriate), and implementing an anti-fraud strategy across the entire Office. These efforts will be underpinned by evolved management systems designed to promote innovation and creativity while complying with the latest versions of all relevant ISO standards, and by a new financial framework of activity-based costing, budgeting and financial management.

A communications strategy with a particular focus on SMEs and engagement with the local and regional community will be carried out. At the same time, enhanced stakeholder engagement management will be implemented through participation in events jointly with Member States and national offices, and developing specific engagement objectives for the Observatory stakeholders. The principle of transparency will be followed to the fullest extent possible.

3. Enhance user-driven quality services

This Line of Action consists of actions to improve the user experience when dealing with OHIM while at the same time promoting cost efficiency and effectiveness.

RCD fast track registration has been available for some time, and fast track was introduced for CTMs in November 2014. Fast-track procedures will be developed in other areas as well, as they simultaneously contribute to user satisfaction through faster processing and to cost efficiency by encouraging users to make use of electronic solutions. In order to increase predictability, high-quality search/clearance/classification tools will be developed.

The Key User Programme³ will be enhanced following a better understanding of user behaviour and by developing suitable online experiences.

Simplification of CTM and RCD workflows will be achieved through full integration of the front and back office processes and IT tools, by initiating and intensifying ex ante activities to improve quality, and by developing creative solutions and seamless channels of communications to solve formality issues. The Office will also prepare for possible integration of new IP rights.

The Office will adopt a user perspective on quality by basing quality assessment on user evaluation rather than only on compliance with internal OHIM standards. User input will be solicited in order to increase drafting quality, consistency and predictability. Joint quality audits will be conducted within the Network, and the Guidelines will be further enhanced in cooperation with users and other stakeholders.

4. Support Intellectual Property Rights enforcement and valuation

This Line of Action comprises activities that are primarily executed through the Observatory and follow from Regulation (EU) No 386/2012 which entrusted the Observatory to OHIM.

A fundamental task of the Observatory is to provide evidence-based contributions and data to support policy makers; information, tools and databases to support enforcement authorities such as customs; to build capacity among enforcement authorities; to conduct awareness campaigns on the positive side of IP and the negative consequences of IP infringement; and to develop initiatives to help European business protect their IP rights, both inside the EU and in third countries.

The Office will continue to disseminate knowledge using several approaches and communication methods tailored to the audience profile (IP experts, industry, SMEs). In doing so, it will intensify the collaboration with the national offices, EPO, WIPO and other IP offices, and universities in order to evolve from knowledge management to content collaboration.

³ - This programme covers the 250 top users of the Office, who jointly account for 50% of OHIM's business.

The aim of this programme is to enable the top users joining the programme to get the most out of the new website and other tools and service provided by the Office.

5. Intensify and broaden network engagement

This Line of Action seeks to realise the full benefits of the network aspect of the vision. The Convergence Programme will be intensified to provide users with a common experience across different IP systems. Furthermore, the Cooperation programmes will encompass a set of projects to provide tools such as TMview and Designview with new capabilities, and to launch new tools needed to meet the needs of users.

The Office will seek to evaluate the full economic and systemic impact of converged and shared tools and practices, building on the existing methodology to quantify the economic benefits of the Cooperation Fund and Convergence Programme.

The International Programme, building on the support already provided to the Commission's activities outside the EU, will further develop OHIM as the IP technical assistance arm of the Commission, with a focus on regional partnerships and on technical enforcement issues.

Finally, OHIM will seek to enhance complementarity to the benefit of users by developing work sharing schemes across the Network in areas such as language check or formalities, thus moving from co-existence to true complementarity within the EU IP system.

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