

**It is interesting to note that the IP departments of some companies struggle with the measurement of the quality of IP services. But this research also revealed that some companies have a very structured process for the evaluation of IP services. Depending on the company, the process can be very extensive or relatively simple and straightforward.**

In recent months, on behalf of Van Merle IP Counsel Select, Laura Prager has carried out a study among a selected group of IP firms and IP departments of large companies. The respondents to this survey, all patent attorneys, were evenly spread among IP firms and large companies, and located in Europe, the USA, and Asia. With each respondent, a semi-structured interview was conducted and questions were asked about quality measurement and drivers of performance.

The interview questions were partially based on an article by Stewart, Hope and Muhlemann (1998). They carried out a study on quality drivers in professional law services. They suggest that clients experience the quality of the attorney through a filter, which they label "trust". Through this filter, the clients experience the different drivers of quality like communication skills, responsiveness and technical competence. Factors that influence the quality of professional law services also seem to be important for the quality of IP services.


When discussing drivers of quality for patent services, a difference can be made between the quality experienced by small clients filing only a few patent applications and by large companies filing many patent applications per year. Small clients mainly focus on characteristics that can be easily observed, like communication skills, adherence by the patent attorney to the agreed-upon arrangements, and even the appearance of

the office. Small clients generally do not have the expertise to judge the content of the work of the patent attorney or his technical competence, and therefore they have to trust appearances. Large clients, on the other hand, often have an IP department which depends on external IP firms when the workload is too high or when in need of specialised knowledge (Garry, 2008). This research focuses on large companies with in-house expertise.

### Quality drivers

The saying "quality has its costs" is true for each business. The quality of IP services in the patenting process is determined by the value of the patent. One respondent indicated that it is not difficult to get a patent. The difficulty lies in getting a *valuable* patent. In order to deliver value, a patent attorney needs to understand the commercial purpose of the patent, i.e. what was the reason for filing in the first place? For this research, this is called commercial acumen. The term commercial acumen requires further explanation; it has two sides which are closely related. First of all, does the patent attorney understand the commercial purpose of the patent, the reason for filing the patent application? Secondly, the patent attorney needs to balance his commercial and professional approach in order to deliver good service. That can be difficult because this balance is different for each client, but also for each patent.

It is interesting that respondents relate fees and commercial acumen to each other when describing quality drivers. How well a patent application is filed depends on the commercial acumen, and in practice, this explains the budget that can be spent, which relates to the amount of time and effort that can be spent to reach for perfection. All IP firms explained that a good IP firm should bring in operating efficiency and have the ability to find a compromise between cost and optimal value for the client.



Further, the technical competence of the IP firm was considered extremely important. The technical competence of an IP firm was specified in terms of knowledge about law and technologies, efficient procedures, drafting quality, translation quality, and quality of handling office actions.

Finally, nearly all respondents considered responsiveness as a very important quality criterion. Considering the nature of the business, with strict deadlines and severe consequences, this was expected.

### Measurement of quality

Certain quality drivers can be measured objectively without much effort, e.g., the cost per case or the responsiveness of a patent attorney. This is standard practice for all respondents. Other quality drivers like commercial acumen are more difficult to assess, as it will only appear in court if a patent is robust. The maturity level in quality measurement is diverse. Some companies meticulously monitor the quality of translation activities or the proposed arguments and amendments to office actions and provide direct feedback. This is a labor-intensive approach, warranting a high quality level. At the other extreme, some companies have recently started measuring quality and are still struggling to define it.

The quality measurement system should depend on the market of a company. Some markets, like pharmaceuticals, are very competitive with regard to patenting. This means that a company cannot afford any mistake in the patenting process. The quality measurement system should be very strict and detect any possible mistake.

Considering the IP budget, quality measurement is more than justifiable. A measurement system should at least track the status of a few quality drivers, like cost and responsiveness on case level. In that way objective figures are available to evaluate the performance of the IP firm. It is interesting to note that measurement and numerical evaluation of processes occur more in the USA, as it seems embedded in the corporate culture.

### Suggestions for improvement

When questioning the respondents about improvement possibilities, both parties pointed towards each other. IP firms mention that they can improve their services if clients are able to explain their needs better, i.e. what are the client's expectations with regard to a particular patent application. Clients in return mention that the service of IP firms can be improved if IP firms listen more carefully in order to understand the commercial purpose of a patent application.

It is a trend that more administrative work is shifting towards paralegals, in order to improve the efficiency of patent attorneys. In practical terms this implies that quality is more determined by others than by patent attorneys. It is increasingly important that paralegals and other personnel of the client and IP firm work in good cooperation. In this area, a great deal can be gained in terms of efficiency. Currently, contract negotiations and IP firm selection are performed by patent attorneys and IP managers. In order to increase efficiency and to create a better fit between company and IP firm, other disciplines should be incorporated in the decision process.



## Conclusions

The patent community is characterised by a high level of education. Therefore a fair level of quality measurement was expected in this research. The initial expectations were not met in the area of quality measurement. But the research revealed a high interest among the respondents for this topic. In addition, it is interesting to identify a division between companies who have a measurement system in place and are satisfied with the results, and companies who have recently started with a more objective quality measurement system. This seems to support findings of a wider development of professionalisation in the service industry all around the world. Whereas previously service contracts were closed in the old boys' network, currently companies want to know the value and cost of outsourcing. In order to determine value for money, a measurement system is essential, as "to measure is to know".

## References

- Garry, T. (2008) Affect and the role of corporate customer expertise within legal services, *Journal of Services marketing*
- Stewart, H., Hope, C. and Muhlemann, A. (1998) Professional service quality, *Journal of Retailing and Consumer Services*



## Profile

*Van Merle IP Counsel Select specializes in selecting outside IP counsel.*

*We provide the following services:*

- *the selection of patent and trademark firms, patent translation agencies, patent search firms and annuity payment providers*
- *the regular auditing of outside IP counsel*
- *contract renewal with outside IP counsel*

*We have served companies:*

- *that file fewer than 20 to more than 1000 patent applications per year*
- *worldwide, but with a focus on companies in Europe and the USA*
- *in many kinds of industries*
- *by selecting the most suitable IP counsel wherever they are in the world*

*Our clients have confirmed the following advantages of working with us:*

- *20% to 50% savings on attorney fees*
- *improvement of the quality of the outside counsel*
- *reduction of the number of outside counsel*

*Van Merle IP Counsel Select has performed projects in the countries listed below.*

*Algeria, Argentina, Armenia, Australia, Azerbaijan, Bahrain, Bangladesh, Belarus, Belize, Bolivia, Brazil, Canada, Chile, China, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, Egypt, El Salvador, France, Georgia, Germany, Guatemala, Guyana, Honduras, India, Indonesia, Iran, Iraq, Israel, Japan, Jordan, Kazakhstan, Kuwait, Kyrgyzstan, Lebanon, Libya, Malaysia, Mexico, Moldova, Morocco, Netherlands, New Zealand, Nicaragua, Norway, Oman, Pakistan, Panama, Peru, Philippines, Qatar, Russia, Saudi Arabia, Singapore, South Africa, South Korea, Sri Lanka, Sudan, Suriname, Syria, Taiwan, Tajikistan, Thailand, Trinidad and Tobago, Tunisia, Turkey, Turkmenistan, Ukraine, United Arab Emirates, United Kingdom, United States, Uruguay, Uzbekistan, Venezuela, Vietnam, Yemen*

## Contact details

Contact: Mattijs van Merle  
Managing Director  
Address: Forclazpas 4  
5624 ND Eindhoven  
The Netherlands  
Telephone: +31 (0)40 248 68 86  
Fax: +31 (0)40 248 68 85  
Email: [info@vanmerle.com](mailto:info@vanmerle.com)  
Internet: [www.vanmerle.com](http://www.vanmerle.com)