EUIPO

European Union Intellectual Property Office

AMENDED WORK PROGRAMME

2016

2016

European Union Intellectual Property Office

WORK PROGRAMME

EUIPO
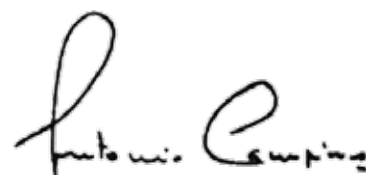European Union Intellectual Property Office

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FOREWORD

The new Strategic Plan 2020 (SP2020) will be published following the approval by the MB/BC, in accordance with Regulation (EU) 2015/2424. In SP2020, the Office focuses on achieving the strategic goals of improving operational effectiveness, enhancing access to the IP system and IP knowledge, and building network convergence with a global impact. These goals and the six lines of action in the plan are built upon the twin principles of a 'Collaborative Organisation' and 'International Cooperation'.

In accordance to the new Regulation, it is necessary for the Work Programme of 2016 to be amended. Therefore, for the first time, the approach taken in the new Strategic Plan 2020 will be followed in this Amended Work Programme for 2016, which is also built on the plan's lines of action. The guidelines for decentralised agencies were also followed in the preparation of this document and it should also be stated that it is now mandatory for the Office to issue work programmes on a yearly basis.

The first goal of improving operational effectiveness builds strongly on the strategy of operational excellence in the previous plan. With this goal, the Office will do the right things at the right time, in a cost-effective manner. It will develop systems/processes/approaches that make the life of our users as simple as possible, with the least environmental impact. This goal will only be achieved with a high degree of staff engagement and commitment towards user focus and higher effectiveness. The second goal of enhancing access to the IP system and IP knowledge can only be achieved when stakeholders, whether they are lawyers, examiners, users or members of the public have a shared understanding of the role, importance and functioning of IP within society. Making the system more accessible and straightforward for users such as SMEs will be vital if they are to avoid costly mistakes in protecting their Intellectual Property. Finally, the third goal of building network convergence with global impact is a direct consequence of the increasing globalisation of trade, meaning that the network approach pioneered within the European Trade Mark and Design Network, and the other existing networks supported by the Office, will benefit from being applied in a global context.

As mentioned above, and explained in detail in SP2020, all the activities and projects defined under each Line of Action are designed to achieve the three Strategic Goals. To deliver this vision requires a dynamic and knowledgeable organisation (Line of Action 1) that acts in a transparent and accountable manner (Line of Action 2). As we live in an increasingly digital world with all its opportunities and threats, this must be supported by an effective and secure digital environment (Line of Action 3) in terms of infrastructure and transformational power. Since the IP market is interconnected and interdependent a strong network engagement (Line of Action 4) with other players is essential. This must be coupled with the provision of high quality services that are customer driven (Line of Action 5). Taken together all these elements support the wider interpretation of our institutional mandate implicit in the Office's new name and expanded role, at the heart of which is the vision of strengthening the intellectual property system (Line of Action 6).

António Campinos
Executive Director

MISSION STATEMENT

The Office was established by the Council Regulation (EC) No. 40/94 in 1994. The mission of the Office is to manage the European Union Trade Mark (EUTM), according to Regulation (EU) 2015/2424 of the European Parliament and of the Council, and Registered Community Design (RCD), created by the Council Regulation (EC) No. 6/2002. In order to do so, the Office carries out examination, registration, opposition, cancellation, administration and promotion procedures for European Union Trade Marks and examination, registration, invalidity and promotion procedures for Registered Community Designs. All decisions adversely affecting a party to a proceeding can be appealed to the Boards of Appeal of the Office. In order to further support IP rights holders, the Office engages in a wide range of cooperation and convergence activities with other IP offices, such as the activities regarding the European Cooperation regulated by Article 123c of the EUTM Regulation.

In June 2012 by Regulation (EU) No 386/2012, the Observatory was entrusted to the Office. It houses the European Observatory on Infringements of Intellectual Property Rights. The Regulation transferring the Observatory to the Office covers responsibility for a wide range of tasks relating to research, communication, spread of best practice, and support for enforcement of all types of intellectual property rights.

In October 2012 by Directive 2012/28/EU, the Office was also entrusted to establish and manage the single publicly accessible European database containing information related to orphan works.

PART A – Introduction

STRATEGIC PLAN

The Office's Strategic Plan for the period 2016-2020 builds on the achievements of the previous plan and represents a continuation and an evolution of the course charted in the past five years. The projects and activities included in this Strategic Plan are those to which the Office has assigned the highest priority, based on their potential to benefit users and other stakeholders.

To implement the Strategic Plan, six lines of action were defined, including European Cooperation projects, with progress to be measured using a Balanced Scorecard.

This Amended Work Programme outlines the activities to be undertaken by the Office during the second half of 2016 within the framework of new Strategic Plan. In addition, important activities carried out by organisational units responsible for horizontal services have been included, such as Internal Audit and the Data Protection Office.

The strategic key performance indicators are defined as follows:

STRATEGIC KEY PERFORMANCE INDICATORS				
Principle	Strategic Goal	Code	Indicator Name	2016 Targets
Collaborative Organisation	1. Improve operational effectiveness	1.1	Staff highly engaged	74.5%
		1.2	Staff understanding of the Strategic Plan	72.5%
		1.3	Staff contribution to the Strategic Plan	83.5%
		1.4	Level of achievement of the Quality Service Charter objectives	70.0%
		1.5	User satisfaction with customer services provided	81.0%
		1.6	TMs and RCDs straight-through cases	63.0%
		1.7	Incoming and outgoing electronic communications with our users	65.0%
		1.8	Greenhouse gas emissions per on-site worker	3.6 tons

STRATEGIC KEY PERFORMANCE INDICATORS				
Principle	Strategic Goal	Code	Indicator Name	2016 Targets
International Cooperation / Collaborative Organisation	2. Enhance access to IP system and IP knowledge	2.1	User overall satisfaction	82.0%
		2.2	Attendees satisfaction with events	75.0%
		2.3	Advertisement Value Equivalency for Observatory Studies and Reports	€3,200
		2.4	Training courses delivered to our stakeholders	3680 days
		2.5	Europeans demonstrating a good objective knowledge of IP	18.0%
International Cooperation	3. Build network convergence with global impact	3.1	Multi-office users expressing satisfaction with the network convergence	55.0%
		3.2	Usage of TM View, DS View and TM Class	1.126.000 monthly searches
		3.3	E-filings in the network done using ECP Tools	60.0%
		3.4	Enforcement Database usage by Enforcement Authorities	2762 connections

The execution objective of the SP2020 projects is:

SP2020 - Projects Execution
Objective 2016: 18%

LOA 1   LOA 2   LOA 3   LOA 4   LOA 5   LOA 6

SP2020 - Projects Execution Objectives 2016

LOA 1	8%
LOA 2	19%
LOA 3	
LOA 4	9%
LOA 5	24%
LOA 6	28%
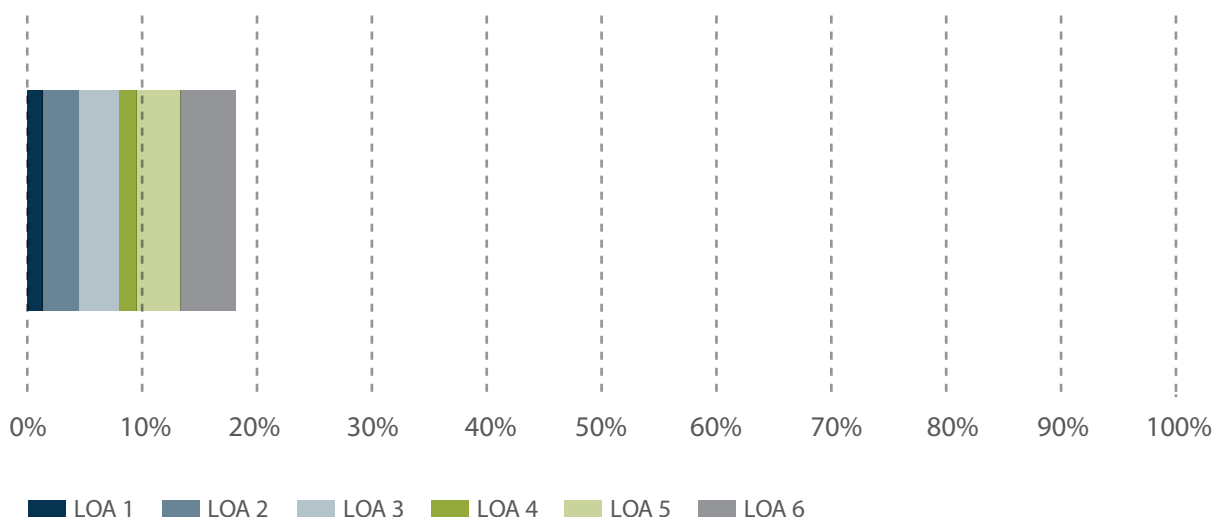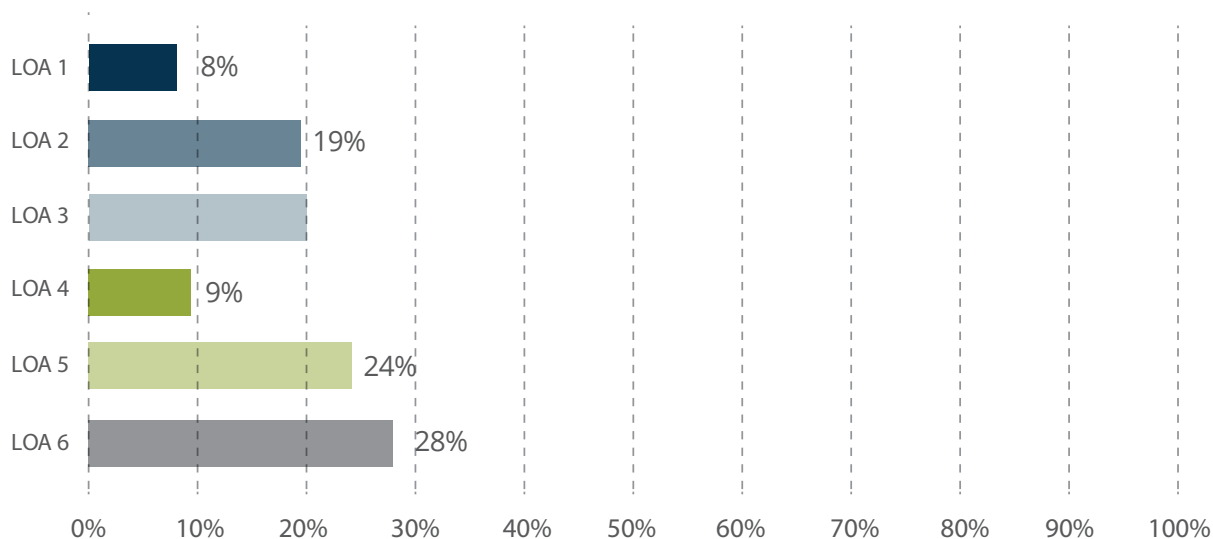
STRUCTURE OF THE DOCUMENT

The Office's Amended Work Programme 2016 consists of two main parts. The first part describes the projects and running activities that the Office will engage in under the Strategic Plan in 2016, and includes activities related to both internal and external audits as well as data protection. This part is divided into six separate sections aligned with the six Lines of Action identified in the Strategic Plan 2020.

The second part is composed of the annexes reflecting the guidelines for programming documents for decentralised agencies. This part outlines the key assumptions on volumes, service charter, strategic key performance indicators, annual staff policy plan, financial resources, corporate risk register, procurement plan and organisational chart.

PART B – EXECUTION OF THE STRATEGIC PLAN IN 2016

The Office put in place a PMO structure and methodological framework for the roll out of the Strategic Plan 2015 through programmes and projects. This project management framework has now been tailored to the Strategic Plan 2020 needs and revamped taken on the lessons learnt from the previous years. The programme breakdown has been structured under six Lines of Action as follows:

1. BUILD A DYNAMIC AND KNOWLEDGEABLE ORGANISATION

1.1 Talent Capital

HR reform remains a key element in the Office's drive to become an organisation of excellence.

Achieving excellence requires, among other things, recruiting and retaining the best talent, fostering staff potential and talents through continuous professional development, and creating the right organisational structures providing an optimal work environment for staff to perform at their best.

In 2016 Talent Capital will focus on collaborative working by means of the team structure introduced in the reorganisation of October 2014, and on effective talent management as key drivers in improving performance and productivity. A talent management tool will be made available to staff and managers, allowing on the one hand staff to record and make known to the Office their talents and on the other hand the Office to make optimal use of the staff talents to cover business needs and support career development.

To solidify the new collaborative work culture, the team objectives that were put in place in 2015, will be reinforced, placing emphasis on empowering and engaging staff by means of teamwork, sharing knowledge and learning from others.

Moreover peer feedback and 360-degree feedback will be introduced in 2016 aiming at helping staff identify gaps between how they perceive themselves and how they are perceived by their team members, raise awareness and develop self-focusing on team work. In particular, with 360-degree feedback, where the feedback process is extended to a number of sources, typically peers/colleagues, direct reports and line managers, the Office aims to help create high-performing cross-functional teams and enhance managers' leadership skills. In both cases the feedback will be confidential, following data protection rules, and will not be linked to staff appraisal.

In order to recruit and retain talented staff, the main way in terms of reaching a permanent employment status in the Office shall remain the competitions for officials organised by the European Personnel Selection Office (EPSO).

At the same time, the Office, as a self-funded Agency committed to a balanced budget, needs to maintain flexibility to deal with fluctuations in workload, driven by industry demands, and potential new responsibilities. It will therefore continue to hire Temporary Agents and Contract Agents, engaged for a fixed period. In this regard, the Office will adopt the Commission's model decision on the engagement and use of Temporary Agents 2(f), a new category of temporary staff specific for Agencies. The new rules establish the procedures for selection of Temporary Agents 2(f), ensuring EPSO standards and facilitating reasonable career prospects through mobility within the same Agency and inter EU Agencies.

The policy for Temporary Agents with standard 5-year contracts will be maintained with the possibility of renewal in accordance with the Staff Regulations and under a clearly defined procedure. In addition,

the Office will introduce a new framework allowing it to offer to a limited number of Temporary Agents depending on profile, business needs and budget constraints, and through a transparent process, the possibility of a second contract renewal for an indefinite period.

Concerning Contract Agents, they will continue to be engaged from the lists established following the EUIPO-EPSO contract agent selection (CAST) for different profiles. The CAST database will be updated on an annual basis.

HR will work collaboratively in the launching and implementation of the 1st phase of the Enterprise Resources Planning project (ERP), in particular in order to accompany the necessary cultural change. This is an ambitious project that should allow HR to work in a more professional way ensuring the necessary synergies with the finance area in order to provide an improved service to the whole Office. In addition, HR will play a key role in coordinating and providing HR knowledge and expertise during the Chairing of the Troika of EU agencies.

Foster engagement in the organisation

Internal communication is linked to the organisation´s vision, mission and objectives. Internal communication plays a part in building an organisation of excellence within the Office by keeping staff informed of its work and activities, and by building a culture of staff buy-in to the organisation's goals. This helps employees better understand their contribution to the organisation and reinforce their engagement. But engagement is not something extra, it is a workplace approach designed to ensure that the employees are committed to the organisation's goals and values, motivated to contribute to organisational success, and are able at the same time to enhance their own sense of well-being.

Internally, the Academy plays a vital role in supporting the changes in the organisation as the Office makes the shift to a team working environment. In order to deliver their full potential, staff require more training in trade mark and design administration processes and tasks as well as further training in soft skills areas, including languages and teamwork, and in both HR and finance management.

Knowledge Repository Next Generation

Work will continue on improving and promoting ShareDOX, the Office's content and document management platform, which houses the Knowledge Repository, with the aim of making the platform externally accessible in 2016. ShareDOX supports the Office's compliance with current ISO standards and legal requirements. It also promotes the emergence of a collaborative and more transparent working style across the Office, and allows information and content to support functions rather than merely 'belong' to certain departments.

1.2 Working environment

Line of Action 1 of SP 2020 has set as one of its objectives the optimisation of a sustainable workplace. This objective will comprise three areas of activity: the development of the Office's campus; the increase of its security levels; and the reduction of the environmental impact of its operations.

The campus development includes three projects: the integration in one single enclosure of the two plots of land owned at the moment by the Office; the construction of a new office building on one of the two plots (the AA3 building); and the creation of additional workspaces in the buildings existing on the other plot (AA1 and AA2).

The City Council of Alicante is expected to approve in April the sale to the Office of the stretch of street located between the two plots, so that they become one single and unified enclosure. Moreover, this will allow for the AA3 building to be connected with the AA2 building by means of an elevated walkway at the level of the second floor, a pedestrian walkway at the ground level, and an underground tunnel. The outer perimeter of the plot resulting from joining the two existing plots and the stretch of street that separates them will be completed by the end of 2016 according to the current projections.

The AA3 building will house as of 2018 the services of the Observatory and the Academy. It will consist of some 150 workplaces, together with meeting and training rooms and ancillary services. Over the first quarter of 2016 its technical project will be drafted, with the goal to file the application for the construction permit by the end of March. The permit should be granted by May, allowing work to start in June. According to the current work plan, by the end of the year most of the resistant structure of the building should be finished.

In 2016 the technical project for the creation of additional workspace in the AA1 and AA2 buildings will be drafted. The goal is to install new offices on the ground floor of AA2, as well as new project areas, videoconference rooms and warehouses on the underground floors of AA1. Work is scheduled to start by the third quarter of 2016 and by the end of the year, should be around 40 % complete.

As regards the improvement of the campus security levels, in 2016 it is planned to complete the zoning of the existing buildings in five concentric rings of increasing security and to secure the perimeter of the unified plot, in order to protect the same level of protection for the existing buildings and the new building under construction.

As regards the project to reduce the environmental impact of the Office, in 2016 it is expected to extend the EMAS environmental management system to the AA2 building. The first phase of the process for the implementation of a new energy management system will start, together with the development of an improved method for measuring accurately the emission of greenhouse gases by the Office. Finally, a plan will be drawn up for the integration of green criteria in the supply chain of the Office.

2. INCREASE TRANSPARENCY AND ACCOUNTABILITY

<u>2.1 Increased transparency and accountability</u>

On the Finance side, the implementation of activity-based management will help the Office manage its activities by demonstrating the link between activities and deliverables and their relative costs in terms of both human and financial resources. This will improve efficiency and assist the drive to increase production and quality while keeping costs under control.

As part of its 'e-Business' culture, the Office aims to move towards making transactions with external financial stakeholders electronic wherever possible. Full integration of the Office in the e-PRIOR project developed by the European Commission will facilitate the entire procurement and purchase process, before and after the award of the framework contracts, from the launching of a call for tender to the payment of the last invoice.

At present, the Office is using e-Notification, allowing procurement procedures to be notified in the European Commission website TED; the e-Tendering module e-Access, operated by the Office for Publications and allowing bidders to access and download the tender documents; e-Request, allowing

the Office to request electronically offers for services to suppliers who have signed a framework contract with them; and e-Invoicing, allowing suppliers to send their invoices electronically.

Two specific projects: The implementation of e-Procurement (e-Submission module) and the implementation of e-Ordering, are going to be executed during 2016 and will be added to the existing and installed e-Notification and e-Access modules in the pre-contract award phase, and to the e-Request and e-Invoicing modules in the post-award phase.

The e-Submission module will allow economic operators to prepare their tenders and submit them electronically and the Office to generate the necessary templates and encryption key, and to securely open the tenders received. The feasibility of adding other modules of the tendering procedure (e-evaluation, e-awarding) will be evaluated. Moreover, once the framework contracts are attributed and signed, the e-Ordering module will allow the Office to sign specific contracts with the suppliers electronically. These two modules will therefore contribute to completing the landscape of tools allowing the Office to fully interact electronically with its tenderers and vendors. Following the centralisation of the (non-institutional) vendors' management, the objective for 2016 is the implementation of the strategic vendor management programme, based on the categorisation of vendors by level of risks and relevance, so as to increase the efficiency and effectiveness of the governance of the non-institutional suppliers of the Office.

Currently, the Office provides for three different methods of paying fees related to EUTMs and RCDs: bank transfer, current account and credit/debit card. The majority of payments, about 82 %, are made using a current account, with a further 6 % by credit card and the remaining 12 % by bank transfer. Bank transfers do not offer significant added value and have considerably higher internal management costs than other payment methods. In order to continue reducing the 'less-added value' tasks performed by the Office's internal staff, part of management of bank transfers will be outsourced during 2016.

Under the Strategic Plan 2011-2015 the Office's financial functions and procurement procedures have already been streamlined and centralised in order to allow decision-makers to concentrate on operational issues. In 2016, this work will be reinforced by starting the centralisation and integration of business systems related to resources management (both financial and human), thus moving towards a full Enterprise Resource Planning system.

This system will use tools providing a more integrated core for HR processes, which are completely interoperable with Finance information systems as well as external systems such as PMO (Payments Management Office, the system used for the payment of salaries, health insurance claims, expenses and other benefits). This process, starting in 2016, will also support implementation of the HR strategy, focusing on talent management, the modernisation and automation of HR administrative services, and user empowerment (e.g. employee self-service).

Finally, the alignment with applicable regulations and implementing rules will lead the Office during 2016 to establish and to follow-up a roadmap for the implementation of its new Financial Regulation and Implementing Rules as well as of the new provisions on procurement and external actions arising from the corresponding update of the General EU Financial Regulation. In addition, for a more effective and efficient use of resources, and in line with the provisions on controls in the Financial Regulation, the Office will start progressively implementing a risk-based approach not only for financial controls but for all activities of the Office.

At the financial level, the Budget Planning and Consolidation module of the new ERP, to be developed during 2016, will facilitate the preparation of the budgets, both by nature and by activities, as well as their (mandatory for 2017) integration with the workforce plans and the work programs. These are important components of the new Activity Based Management strategy, which will allow further strengthening the financial management of the Office.

2.2 Audit

Internal Audit (IA) assists management by providing independent, objective assurance and consulting services designed to add value and improve the organisation's operations. In 2016 IA will carry out audits in the areas specified in the 2016 Audit Plan, follow up on past audits and execute other tasks related to IA.
The 2016 Audit Plan is based on a risk and request analysis that took into account the Corporate Risk Register, requests from departments, audit universe coverage and IA's professional judgment. The areas to be audited have been derived from this analysis.

Taking into consideration the recommendation from the ISO 27001 certification exercise to carry out more frequent audits on certain controls, four ISO 27001 internal audits, to maintain the Office's certification, have been included in the plan. With the aim of covering all 16 Internal Control Standards (ICS) in a four year cycle three specific audits on Internal Control Standards are planned for 2016.

IA will continue to oversee the implementation and functioning of the overall Anti-Fraud Strategy (AFS) and, in particular, the follow up of the remaining action points, its maintenance and its renewal. IA will also provide internal audit services to the Community Plant Variety Office.

2.3 Data Protection

The protection of personal data is a recognised fundamental right. The mission of the Data Protection Officer (DPO) is to ensure that the processing of personal data by the Office respects the basic principles of protection established within the EU. This helps build a strong and vibrant organisation, which is one of the paramount objectives of the current Strategic Plan.

For 2016, the DPO will focus in particular on training and on the awareness of Office staff vis-à-vis data protection.

As regards training, the DPO team will focus on further improving the cohesion and training of the Data Protection Coordinators (DPCs) in every department and service. Two training sessions are envisaged, to be held during the DPCs' periodical network meeting.

In 2016, the Office will host the EU Network of DPOs. The DPO will take advantage of the presence of several EU experts on data protection matters, including the team of the European Data Protection Supervisor (EDPS), to organise additional training sessions open to all staff along similar lines to that organised in July 2015 with the EDPS. This event is expected to raise staff awareness of data protection issues.

As another element of the awareness-raising strategy, the DPO will set up and maintain up-to-date a 'DPO Corner' on Insite. The Corner will answer questions from data subjects and provide documentation and forms relating to the handling of personal data. This is in line with the internal communication strategy of the Strategic Plan.

The goal is to ensure that data protection is taken into consideration at every level in the daily life of the Office and at the beginning of every project.

2.4 Corporate Sustainability Framework

As a public organisation it is essential that the Office strives to be sustainable for users of the IP system, as well as for the benefit of citizens and businesses across Europe. Sustainability relates not only to the products and services provided, but also to the people, policies and strategies that underpin them.

Transparency and accountability are an integral part of this, and the Office must explain, in greater detail than before, how it sets priorities, plans, executes, monitors implementation, and measures the results of its actions and their impact.

In 2016, a Corporate Sustainability Framework will establish a set of principles that will enhance the ability of the Office to make sound decisions and analyse their impact so that it can demonstrate how its activities add value to the IP system and to European society. By finding synergies across activities, the Office will clarify what is already being achieved and what more needs to be done to increase transparency and accountability. It is essential to meet the expectations of stakeholders now, without jeopardising what can be delivered to them in the future.

EU citizens increasingly expect to have access to understandable information about the impact organisations have on society, that is to say, their sustainability. The framework will be supported by a sustainability dashboard and lead to the publication of the first Corporate Sustainability Report for the EUIPO for 2016/2017.

A new benefits management framework will also be developed in 2016. In order to ensure synergies with the corporate sustainability framework, the defined benefits are allocated to a structure composed of the five sustainability capitals (social, economic, operational, human and environmental) with equivalent components making up each capital across both frameworks.

The new benefits management framework will lay the foundation for a targeted and results-oriented benefits realisation approach. By providing a clear structure for benefits definition in the early stages of a project, including the specification of quantitative benefit targets, the realisation of those benefits will be facilitated, and effectively support the Office's benefits realisation culture.

ISO 9001:2015

During 2011-2013, a corporate Quality Management System (QMS) was implemented at the Office, leading to ISO 9001 certification of all of its activities in 2013. The Office is now also fully ISO 27001 certified for information security, and has further certifications for environmental standards, occupational health and universal accessibility. These certifications and the processes leading to them, combined with the discipline of successfully passing subsequent recertification exercises, have brought many improvements. In particular, they have encouraged the simplification of processes and have raised awareness within the Office about the benefits of continual improvement and knowledge sharing.

As a fully certified ISO 9001 body, the Office will continue to strive to improve all aspects of its products and services. Looking forward, a new version of the quality standard ISO 9001:2015 will necessitate revising the Office's Quality Management System and enhancing it by including additional elements

relating to risk and stakeholder management. At the same time, the activities needed to implement the Legal Reform will give the Office an opportunity to optimise the system.

3. FOSTER AN EFFECTIVE AND SECURE DIGITAL ENVIRONMENT

3.1 IP Tool Trilogy

The IP Tool Trilogy Programme aims at simplifying several systems which today exist as separate different modules, in a new tool and provide more IT coverage of IP processes. The vision requires that the whole business Back Office is supported by IT tools in order to enable knowledge sharing and team collaboration as well as enhance digitalisation.

The ultimate outcome is to have a Register as a repository of IP rights for internal and external use, taking into account ex ante and ex post quality controls, early detection of deviations with respect to the Service Charter, and the seamless access to the guidelines and the knowledge repository. Ex post checks will be considered as 'systemic maintenance' tools (e.g. identifying areas for improvement: taking reactive/corrective actions on unsatisfactory products) and will tailor ex ante levels of verification.

The initial Programme (IP Tool Programme) will consist of delivering a new IT tool for the streamlined and/or electronic processing of IP and Persons Recordals (Other Recordals project). It will also involve the gradual build-up of the Register (Register project) and the upgrading of the Publication system into an advanced dissemination and publication platform (Publication Project).

The second part (IP ART Programme) will focus its efforts in enlarging the IP Tool system by accommodating all the proceedings related to the IP Rights currently managed by the Office: Trade Marks, International Registrations and Applications, Designs and any potential additional IP rights (Ex parte Trade Marks project and Ex parte Designs project). Consequently, the ultimate outcome will be the unique tool fully integrating end to end flows in the areas of examination, opposition, cancellation and invalidity (Inter parte project).

The third part (BoA/Litigation Programme) will harmonise the appeals workflow, starting with the filing of an appeal (eAppeal Project) streamlining the proceedings in a way which is easy to manage and customise. It will provide for the automation of non-added value tasks, support the validation of information and the management of documents in the Office´s knowledge repository. It will support the management of appeals before the General Court and the Court of Justice, and if possible, will integrate with the Court of Justice e-Curia systems so as to provide an early automatic creation of the annulment and update of the status of an Appeal.

3.2 EUIPO Digital Systems

Over the past few years, under the Strategic Plan, many obsolete systems have been decommissioned and standard reference architecture put in place, with a governance structure that controls improvements to existing systems and the development of new ones. This has given the Office flexibility in delivering new systems, and improved the timeliness and, ultimately, the quality of software development and maintenance.

A new website has been designed to improve user experience and security significantly, the Observatory and the Academy have been supported with the provision of IT tools to reach a wider and broader

audience, and a series of common tools under the umbrella of the Cooperation Fund programme have been built and implemented in all EU IP Offices.

During 2016 EUIPO will continue to evolve towards a fully digital landscape. A clear Cloud strategy will represent a shift in the way that EUIPO provides IT services to internal and external customers. By leveraging shared infrastructure BITD will be able to spend less time managing complex IT resources and concentrate on transformational projects. The Cloud Strategy project aims at keeping the Office aligned with current IT trends and will enable BITD to reduce the spending in hardware and central software thus reducing the financial footprint of running our operations. These savings will be progressive during the period, and will mostly affect activities related to keeping a modern technological environment.

The working methods of the Office are evolving towards creating cross-departmental synergies and a more flexible organisational structure, leading to a matrix organisation and a team-based structure. This new structure requires strengthened team collaboration and thus sharing of knowledge and information. In order to properly achieve cross-departmental synergies, information systems are needed, especially between HR and Finance, with sufficient flexibility to reach compliance with new HR and Financial legal regulations. The Enterprise Resources Planning (ERP) project will address the implementation of a system landscape for user interaction in this regard. This solution will provide a more integrated core for HR processes that is completely interoperable with Finance information systems and other external systems. At the same time it will support the implementation of the HR strategy for the next years, focusing on talent management and HR´s transformation as a business enabler through modernisation and automation of HR administrative services, and user empowerment (e.g. employee self-service allowing staff access to personal data and to generate certificates).

As always, IT security will continue to be a priority. Hence the Office will take steps to strengthen security through better detection and defences, and increase system availability through improved measures against denial-of-service attacks and a more dynamic and less centralised network, hence increasing segregation (Increase IT Security project).

These multi-annual projects will lay the foundation for a solid and cost-effective backbone of measures, which may be complemented in future years with other projects, to achieve a fully-digital technological landscape for the Office.

3.3 Pre-Clearance

The registration of a EUTM requires a distinct sign and the description of the products or services to be protected under the desired mark in accordance with the Nice classification system. The registration of a RCD requires a clear representation of the appearance of a whole or a part of a product that is novel and has individual character. The product to which the design applies has to be described clearly, preferably in accordance with the International classification established by the Locarno Agreement.

If these registration processes are delayed or even end in refusal, this results in additional efforts having to be made by both the user and the Office. Problems may arise for any of the following reasons: formalities/admissibility deficiencies (including classification examination issues); absolute grounds of refusal raised by the Office; and relative grounds of refusal raised by other trade mark owners/applicants on the basis of prior rights.

An early indication of this delay in process or negative outcome, referred to as 'pre-clearance' may be achieved through putting the information and the tools typically used in examination at the disposal of users before they proceed with e-filing.

Pre-clearance is not a new concept. In fact the verification of the electronic filing form already 'clears' the path to registration. The new aspect under discussion is the targeted consolidation of information. This, in particular, includes indicative information, for example, search results against a trade mark or design database, which may allow user to remedy issues that may hinder their request, choose not to move forward, and in general make decisions based on a more transparent and predictable process.

The existing tools have already contributed to improving quality and consistency of decision-making in the Office. Users have also benefitted from increased certainty reaching registration timely and free of conflicts with earlier rights. Efficient pre-clearance would result in fewer exchanges of information, due to higher predictability. This would lead to an improvement of several core key performance indicators (for example opposition or invalidity rates) and increase in the level of satisfaction of users. This would be particularly true for SMEs.

A comprehensive outcome from Pre-Clearance with implementation in the back office foreseen as well as in e-filing, e-opposition and e-search, would allow users to access information efficiently and quickly. Internal and external search methodologies and sources will be aligned as much as possible to ensure maximum consistency and predictability. An initial Distinctiveness Project will be followed by other projects.

4. INTENSIFY NETWORK ENGAGEMENT

4.1 European Cooperation

The Cooperation Fund and the Convergence Programme laid solid foundations for the European Trade Mark and Design Network (ETMDN), resulting in tools that cover the whole life cycle of a trade mark or design, and bringing offices closer together on matters of IP practice, thus making the registration of IP rights, at both national and EU level, more accessible and coherent for the benefit of users.

Such cooperation has transformed relationships between IP Offices from mere co-existence to a close partnership, in which systems and practices are increasingly interoperable, within the limits of current legislation. All elements of the two-tier national and EU system have been reinforced, and progress has been achieved towards an environment where users will apply for protection solely on the basis of where they intend to do business, thus removing barriers to trade and enhancing the contribution that IP rights can make to the competitiveness of EU industry.

These two programmes are, as from the approval of the SP2020, formally closed and replaced by the European Cooperation projects mentioned above.

During the implementation of the Cooperation Fund, 21 projects delivered 19 tools, covering everything from open access databases such as TMview, Designview and TMclass to e-filing and e-services, Back-Office file handling, quality, and e-learning.

As of January 2016, 370 implementations have been achieved. 17 EU IP Offices were using the trade mark e-filing tool, 15 were using the design e-filing tool, 14 were using e-services and 10 were using

the Back Office system for file management. All EU offices were integrated into TMview, TMclass and Designview, except Germany.

The Office continued to support further implementations during the first half of 2016 in order to ensure that the benefits of these tools were fully realised, in the interests of both IP Offices and users. It therefore maintained a technical and organisational team to support the work of the Offices without starting new projects. In parallel, steps were taken to ensure that the results of this investment were recorded and consolidated as the basis for future work under the SP2020.

During the implementation of the Convergence Programme, 6 planned projects were completed with the definition and implementation of common communications.

During the first half of 2016 the main focus of the Convergence Programme was the continuation of the design project 'CP7: Harmonisation of product indications', which started in 2014 and which delivered Designclass, the harmonised database and search tool for design product indications, in which 24 EU offices have been participating since December 2015. The second phase will be fully completed by the end of 2016, once the taxonomised structure and the administration tool for managing the update of terms are completed.

The new European Cooperation projects will be formally launched during the second half of 2016, based on the scope definition approved by the Management Board. On the one hand, the consolidation and completion of CF tool implementations will be continued where interest has been expressed by IP offices. Major improvements to existing CF tools will also be defined in relation to both 'back' and 'front' office tools, as well as the Network's gateway and in the area of quality. Improvements to TMview and Designview will be also defined.

New tools and solutions will be developed, including searching both figurative trade marks and designs, an IP user repository or an Integrated Multiple Assessment Solution. Working groups will be established to this end.

In parallel, the Office will launch the development of a platform supporting the Network's efforts on disseminating IP rights information through call centres, help desks and so on, and the conclusion and management of the related cooperation agreements for securing the participation of EU IP offices in the new European Cooperation projects in line with Article 123c EUTMR, as well as to improve overall budget execution in this context.

As part of the project on sharing services and practices, and based on the experience gained through the Convergence Programme, a Convergence Analysis project will be launched in order to map the need for further convergence in examination practices in the fields of trade marks and designs.

Finally, the ETMD Network will continue to be supported in various manners, including the deployment of project management and development experts in offices, so as to contribute to the launch and development of the new projects. Work in the fields of data capturing and in quality certification in IP offices will be supported.

DesignEuropa Award

In order to provide a showcase for the increasing importance of designs, in 2016 the Office will launch a bi-annual award programme with the aim of recognising companies for design excellence and

promoting the Registered Community Design (RCD). The scheme will pay special attention to use of the RCD in successful design management and market introduction. Awards will be available in three categories: industry, small and emerging companies and lifetime achievement. The plan is to hold the award ceremony in the final quarter of 2016 and to run the event every two years.

4.2 International Cooperation

Within the previous strategic plan, the Office conducted cooperation with 21 countries and international organisations under the scope of the International Cooperation Programme.

As a result of this programme, TMview, Designview and TMclass have become global search tools expanding beyond EU borders. A total of 53 offices participate in TMview including nine offices as part of ASEAN TMview. Designview offers data from 47 offices participate including eight offices as part of ASEAN Designview and TMclass offers trade mark classification information from 57 offices.

As part of the new SP2020, the Office will launch a project aiming to extend and support tools of the Network and of the Observatory beyond EU borders. This means that, beyond the EU, the Office will continue to cooperate with those international partners that are seeking a deeper involvement in the common platforms and tools, with the aim of enabling users to benefit from improved access to IP rights information through online databases such as TMview, Designview and TMclass, as well as specific Observatory tools such as ACIST.

In parallel to that, the Office will continue to intensify its cooperation activities with EPO and WIPO.

Joint Academy events, such as 'IP Essentials for EU Officials' and the 'IP Executive Week' will continue, and there will be further collaboration on online training resources. The Pan-European Seal programme, which has been organised in partnership with the EPO and universities will be further developed, covering an increased number of universities and more trainees. Further details on this project are to be found in the Academy section in 2.5 below. Collaboration within the framework of EU-funded projects will continue where appropriate, and new areas of work such as synergies in classification practices will be explored. The two organisations will also continue to work together on activities designed to raise awareness of IP, and will pursue their interinstitutional exchange on best practice. The training of non-IP-specialised judges and courts will become a new field of joint action.

In relation to WIPO, the Office will also continue to have observer status in important bodies such as the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications, the Working Group on the Legal Development of the Madrid System for the International Registration of Marks and the Committee of Experts on the Nice and Locarno classifications.

Furthermore, the Office will continue its multilateral cooperation within the context of the TM5 & ID5 fora. Integration of Chinese trade mark information into TMview is one of the objectives. The Office's efforts to promote taxonomy among its TM5 partners will also continue. In 2016, the Office will support both SAIC and SIPO to organise TM5/ID5 meetings in China, and will continue to seek the partners' agreement on user involvement in ID5 and TM5 in order to provide more transparency and information-sharing with users.

Finally, the Office will continue implementing four extended EU-funded projects, namely, ECAP III (ASEAN countries), IP Key (China), the modernisation of the IPR system of the Russian Federation, and EUI IPC (India). Among the priorities for 2016, the Office will continue to be fostering transparency

in access to IP rights information through open online facilities modelled on existing tools such as TMview, Designview and TMclass. In the case of IP Key, another important component will be to provide support to the EU-China IP Dialogue and IP Working Group. As requested by the Commission, the Office will remain prepared to become the implementing agency for similar projects elsewhere and will cooperate with the European Commission on IP rights matters in other countries, particularly Latin America and Africa. Where necessary, these efforts will be combined with bilateral cooperation activities with relevant stakeholders.

All such activities will be conducted in coordination with the relevant local and international organisations that are effectively engaged in cooperation activities in the field of IP. Close coordination with WIPO and EPO will be maintained to avoid duplication of effort and to benefit from resource optimisation.

4.3 European Interagency Network

During 2016, the Office will chair the Network of EU Agencies, in which 41 agencies of the European Union participate. This network is designed to improve coordination, information exchange and agreement on common positions across EU agencies, further improving their efficient and effective functioning. Once the main issues of shared interest are identified, a draft Work Programme will be drawn up with an associated action plan. Meetings are planned in Brussels and in Alicante and measures will be taken to improve communication within the network. The costs linked to the EUIPO presidency of the network have been foreseen in the 2016 budget.

5. ENHANCE CUSTOMER-DRIVEN QUALITY SERVICES

5.1 Product and Service Quality

Product quality

Quality, both in terms of products and services, remains at the heart of the Office's priorities.

Under product quality, the focus will be on the specific measurable issues of increasing the consistency, predictability and quality of decisions. Previously, the Office's focus had been on ensuring quality through a comprehensive programme of ex post checks and tools for measuring user feedback.

However, while such checks brought many benefits, there may have been some disconnection between the results and the users' verdict. Although significant improvements were registered in many areas and the number of quality metrics monitored by the Office has almost tripled since 2010, the User Satisfaction Survey still indicates a gap between the product quality level in particular, as assessed internally, and that perceived by the Office's users.

To address the misalignment, now that the ex post checks have been expanded to cover all the Office's core operations, the focus is shifting towards ex ante checks and greater involvement of users, to ensure that quality checks better reflect users' needs. The new framework will allow the Office to retain flexibility in applying its control system (rapid results allow rapid analysis and reaction), to use a balanced approach of both ex ante and ex post controls based on risk assessment. The Office will ensure that users' views are taken into account by: increasing their contribution to product and service improvements; eliminating the perception gap; by implementing product audits; getting immediate user feedback; and by continuously assessing quality via user satisfaction surveys.

The Office reorganisation in October 2014 resulted in smaller teams with strong cohesion among members. This is designed to facilitate ex ante quality control and ensure better quality results. To achieve this, a system of ex ante checks is being set up, covering 57 points of core processes.

With regard to ex post checks, the Office is planning a pilot in order to get more feedback from users on the quality criteria. This will involve setting up Stakeholder Quality Assurance Panels project of auditors. The panels will be designed to have high user input, and the Office will have to determine the best way of ensuring this in a sustainable manner. The product quality audit results will be fed back into the product quality framework to ensure continuous improvement.

In order for the new approach to ex post checks to work, it is important that the Office continues the process of updating and improving the examination Guidelines, which constitute the sole repository of the Office's IP knowledge, are at the centre of our practice and act as a point of reference. This process will be further detailed in Section 2.3.3 on the Knowledge Circles.

Service quality

To complement improvements in product quality, the Office will also work on measures to enhance service quality, as defined by timeliness, usability and accessibility. In the internet age, one of the main priorities must be to enhance the quality of online engagement and communication.

While the speed of decision-making is important to users, they also place great emphasis on consistency and predictability. In order to increase predictability, the Office must provide applicants with efficient technology and effective services in order to ensure that, when an application is filed with the Office, it is of the highest quality possible, thus reducing the risk that the file will have deficiencies and have to face an objection. This is particularly important for SMEs. Fewer objection letters issued by the Office will mean less work for both the Office and its users, and will improve the quality of applications and eventually of the Register.

The Office aims to lower deficiency rates, not only by improving the Guidelines, as detailed under 2.3.1, but also by further developing tools and systems to guide users towards compliance through the integration of appropriate functionalities into the e-filing tools.

Promoting greater use of the Harmonised Database will be a priority in 2016 by the launch of the Maximise HDB Usage project. All EU IP Offices have been fully harmonised since February 2015, and those that have integrated the Harmonised Database into their e-filing systems are reporting positive results.

The Harmonised Database is a very important joint resource that is helping to improve operational efficiency, legal certainty and user-friendliness. Its benefits extend beyond users of the EUTM Fast Track procedure. Overall, around one-third of EUTM applications are choosing 100 % of their goods and services from the Harmonised Database, while almost 80 % of all goods and services terms are automatically recognised and are therefore pre-approved and pre-translated. This has huge benefits for users in terms of reducing irregularities, increasing quality and timeliness, and improving the efficiency of the filing process.

In the context of the Strategic Plan, the Office will continue to build on what has been achieved so far and further promote use of the Harmonised Database and its integration with National Office e-filing systems. In order to increase user commitment, the Office will improve the functionalities for saving

and managing goods and services specifications in the user area, and add alerts about any changes in the database or in the Nice classification that affect their specifications. Users will be provided with the means to propose new terms. The Goods and Services Builder tool will undergo further evolution and offer more linguistic capacities in order to guide users to the relevant terminology within the database. Particular emphasis will be given to areas where most deficiencies and problems are encountered - for example retail services.

The Office will also launch a Sustainable Customer Services project by using value-added self-service solutions, allowing the user to obtain all the needed support and guidance online, and a customer-driven services approach in which communications between the Office and its users is proactive rather than reactive. Modern forms of communications could be added, according to user needs, such as online chats or platforms allowing the community of users to provide support and guidance to each other.

In addition to the self-service initiatives designed in the Sustainable Customer Services project, a specific customer service approach will be developed within a new extended Key User Project which will provide personalised services according to their inherent needs, similarities and profile. As part of the new approach, increasing use of customer information and new technologies will be developed to support users in conducting business with the Office in an efficient manner. Such solutions and tools will further guarantee compliance with Office practice by communicating to the users in a clear, intelligible and personalised manner the requirements derived from the Office's guidelines, thus making it easier for occasional filers or SMEs to use the system in an efficient and error-free manner to serve their business needs.

Under the Strategic Plan 2011-2015, the Office has progressively made communications to users available in more languages, allowing it to reach a far wider community and giving customers a better communication experience. This development has been accompanied by reduced delivery times for linguistic services, improved quality checks and stringent linguistic revisions of both the website and the Harmonised Database. The Multilingual Communications Management project will constitute the next step by applying technical state-of-the-art solutions to allow the provision of multilingual communications in an efficient, agile and fully digital way. To this end, the Office will move towards supporting business communications, with multilingual terminology repositories to ensure correctness and consistency, and translation memories to provide efficiency gains.

Since it is important for all users and the EU IP system in general to have access to relevant IP information in their own language, the full potential of machine translation will also be exploited under this project to allow instant online translations. The automatic translation of Office decisions and of judgments by the General Court, the Court of Justice and the national courts will be the first outcome of this activity. The initial idea is to collaborate with the leading providers of machine translation solutions in the market to provide an innovative automatic translation service customised to handle IP terminology.

Knowledge Circles

The work of the cross-departmental Knowledge Circles is directly linked to the Office's quality agenda. By keeping Office practice up to date with the latest decision-making trends of the Boards of Appeal and the case-law of the CJEU, the Knowledge Circles help improve the consistency and predictability of the Office's decisions. Since 1 August 2014, all of the Office's practice has been reflected in its updated Guidelines which are since regularly updated on a yearly basis following an open and inclusive consultation process with user associations and National Offices. In 2016, further major work will be

required on the Guidelines beyond the completion of the third revision cycle, due to the Legal Reform and the need to ensure that the contents and revision process of the Guidelines are fit for purpose and serve the needs of the IP community.

In 2016 the Knowledge Circle objectives will include the completion of the third regular revision cycle of the existing guidelines and a special edition of the Guidelines laying down the practice of the Office in all the areas where the legislative framework has changed as a result of the amendments to the EUTMR. It is important that the continuous improvement of the format, structure and Guidelines have a clear focus and be based on exhaustive user feedback, both internal and external. Moreover, the Office's practice should also be accessible to a broader, non-specialised public, for which the current format is not necessarily best suited, such as SMEs or direct applicants. With this in mind, the structure, format and content of the Guidelines will be reviewed to take into account the different target audiences. Based on the results of the review, changes will be implemented to improve the text of the Guidelines as well as the consultation and revision processes. A further objective will be to ensure better integration of the Guidelines, which is at the centre of Office practice, in all existing and future products and tools connected with this practice. In addition, the Knowledge Circles will continue to support the operational departments of the Office in IP-related matters by providing timely expert advice on complex issues, and to answer queries from external stakeholders with a view to explaining and clarifying Office practice to private and professional users and associations.

5.2 Boards of appeal

The Boards of Appeal will be active in various areas in 2016. In the first half of the year, aside from decision-taking, the implementation of the Legal Reform will play an important role.

Effective Dispute Resolution

Last year was a productive year for the Boards, with a commitment to continue this positive tendency during 2016, with the result of reducing the time parties wait for decisions.

The key commitments of the Boards are to provide Effective Dispute Resolution, streamlined appeal processes, and consistency of practice. The Knowledge Circle on Appeal Processes created in 2015 will continue its activities identifying areas where appeal proceedings can be streamlined and made more efficient and effective for the benefit of both our external users and internal staff. The Boards of Appeal treat each appeal file individually by means of active case management in order to offer its users tailor-made appeal proceedings which are resolved globally, are cost and time effective, and empower the parties towards effective dispute resolution. The options offered by the Boards of Appeal in the context of effective dispute resolution are Single Member decisions, Full Panel decisions, Grand Board decisions, conciliation and mediation.

The Boards of Appeal are also committed to follow and implement all decisions of the General Court and Court of Justice of the European Union in the most effective way, as well as to support the latest developments in case-law.

The Registry of the Boards of Appeal is responsible for the receipt, dispatch, safekeeping and notification of all documents relating to the proceedings before the Boards of Appeal and for the compilation of the relevant files. By doing so, the Registry will ensure effective and expeditious appeal proceedings, continuously working for the maintenance of the Appeal Service Charter and ISO standards.

User Engagement

The Boards of Appeal will continue to ensure that users may obtain quick and reliable answers to their queries related to their cases pending before the Boards of Appeal.

Furthermore, the Boards of Appeal will continue to participate in various activities within the Key User Management Program of the Office in order to enable Key Users to interact with the Boards of Appeal in the most effective way.

Presidium of the Boards of Appeal

The Presidium of the Boards of Appeal continues to play a crucial role in the organisation of the work of the Boards and the processing of appeal cases. After the entry into force of the Legal Reform, the Presidium will adapt the existing rules and processes to the new provisions.

Grand Board of Appeal

The Grand Board will continue to play a very important role at the decision-taking level of the Boards. In 2015, the Grand Board contributed to the benchmarking decision exercise of the Boards of Appeal by rendering several landmark decisions in EU trade mark and design case-law. For 2016, the Grand Board of Appeal will continue rendering decisions in areas where this is justified by legal complexity, importance, or special circumstances, e.g. if there are diverging decisions amongst the different Boards of Appeal.

6. STRENGTHEN THE INTELLECTUAL PROPERTY SYSTEM

6.1 Legislative Reform

The Office's overall aim is swift, effective and harmonised implementation of the new legislative package, beginning in the fourth quarter of 2015, following the publication of the Reform.

The first task will be to implement across the Office the changes to the Regulation that will come into force 90 days after publication in order for the Office to be fully compliant upon entry into force. These will include specific action on the change of name and corporate identity to be carried out over a transitional period of 12-18 months. The Office's Guidelines, practice instructions and forms will be updated to be fully in line with the new legal provisions.

The Office will also provide technical input and support in the preparation of any secondary legislation that follows the new basic Regulation no later than 21 months after publication insofar as requested to do so by the EU institutions following an exchange of views with National Offices and user associations.

Further support may be extended to National Offices who may request assistance in the transposition of the Trade Mark Directive and the implementation of the resulting national legal provisions, following the model provided by the current Convergence and Liaison Meetings. Transposition of the Directive will have to be completed within a period of three years following its publication. This will also provide an excellent opportunity to increase harmonisation between the EU and national bodies in all aspects touched upon by the reform.

The Office is making preparations to ensure adherence to the legislative package mandates with no reduction in service quality, as well as full transparency and increased convergence across the ETMDN. Targeted awareness campaigns will be used to ensure that the changes and their implications for the Office's stakeholders, staff and general public will be widely known and well understood.

6.2 Support Intellectual Property system

Observatory Programme

The Observatory on Infringements of Intellectual Property Rights (Observatory) was transferred to the Office in June 2012 by Regulation (EU) No 386/2012, which entrusted it with responsibility for a wide range of tasks relating to research, communication, dissemination of best practices and support for enforcement of all types of intellectual property rights.

The observatory is made up of a network of public and private sector representatives, who collaborate in five working groups - Public Awareness, Enforcement, Legal and International, IP in the Digital World, Statistics and Economics.

The Observatory is now fully integrated into the Office and therefore benefits from the Office's capabilities and resources. A Multiannual Plan for 2014-2018, aligned with the Office's Strategic Plan, has been developed and Work Programmes outline the activities to be undertaken by the Observatory on an annual basis. The 2016 Work Programme was prepared following consultation with Observatory stakeholders and discussion at the Observatory Plenary meeting.

The main elements of the Observatory's Work Programme are summarised briefly below according to the working group with which they are associated.

Public Awareness

In 2016 the Observatory will repeat the IP perception study, on the knowledge and attitudes towards IP among EU citizens, first carried out in 2013. This will help identify trends in the way EU citizens perceive IP and the extent to which they respect it.

The Youth Action Plan will be fully implemented and deployed, and the results of the SME Scoreboard report, which monitored the problems and needs of SMEs regarding IP protection, will be explored with a view to identifying specific actions or tools to address those needs. Following the IP in Education study, the Observatory will create and coordinate a specialised IP Education Network.

In addition, the 11 projects selected under the grant scheme launched in 2015 will be followed and guided as part of the implementation of national awareness-raising initiatives, which are designed to build a better understanding of IP and of the damages of counterfeiting and piracy.

Enforcement

In 2016, under the grant agreement with the Office, Europol will engage in activities to increase information gathering, monitor trends in the field of online IP crime and related areas, and support the activities of national competent authorities.

The Enforcement Database (EDB) and the Anti-Counterfeiting Intelligence Tool (ACIST) will be further improved and developed. A number of sectorial reports will be produced, largely based on data available in ACIST, but also complemented by open-source research and other data sources.

Cooperation within the inter-agency Coordination Group on Infringements of IP Rights will be reinforced, and the Observatory will continue organising knowledge building events in collaboration with Europol, Eurojust and national enforcement authorities.

Based on the conclusions drawn from the first workshop held in 2015 under the European Intellectual Property Prosecutors Network, specific initiatives in 2016 will promote stronger networking, expansion of knowledge and experience sharing between European prosecutors involved in IP crime cases.

In 2016, EUIPO and CEPOL (the European Police College) will start working on a Virtual training Centre for enforcement authorities. CEPOL already has such a training facility for enforcement authorities but IPRs are not covered. The idea is to pool the forces of both agencies to avoid double work and ensure the maximisation of results. The training centre will be launched in 2017 and will ensure all learning needs of national authorities in the field of IP enforcement will be catered for.

Legal and International

EU Regulation No 386/2012 provides for the fostering of international cooperation with IP offices in third countries so as to build strategies and develop techniques, skills and tools for the enforcement of IP rights. The Regulation also provides for the development of programmes for the provision of technical assistance to those countries, with the aim of helping European businesses protect their IP rights there.

The concrete deliverables will be the extension of tools and databases (i.e. EDB, ACIST and ACRIS) to related authorities for the exchange of information relevant for the enforcement of IP rights in third countries. This work will be carried out in close coordination with the Commission, in particular DG TRADE.

Support will also be given to the establishment of a joint enforcement programme with the Commission beyond EU borders for assisting with the enforcement of IP rights of EU companies. The Observatory will also further consolidate the EU Delegation Network (a network of IP experts in key EU delegations) in third countries. The main focus will be on those countries or regions around the world where EU-funded projects are being implemented by the Office.

The Observatory will continue its work of collecting key case-law on IP enforcement in Member States in collaboration with the EU IP Offices, thus building on the results of the pilot run at the end of 2014 and the experience gained through the expansion of this activity in 2015.

A study will be performed on request of DG AGRI on the control of GIs in the markets in the Member States. The study will be launched in 2016 and completed in 2017.

A study will also be carried out on legislative measures relating to online sales of counterfeit products. This study will be developed on the basis of the terms of reference established in 2015. Finally, a report will be drawn up on trade secret litigation trends.

IP in the Digital World

In 2015, the Observatory launched a new work stream to develop initiatives to help consumers differentiate legitimate from infringing sites, both for physical goods and digital products. A pilot project for a European Aggregator of Legal Offers was started in 2015 with four Member States. Upon completion of the pilot, the Aggregator will be deployed to further Member States in 2016 and subsequent years. A consumer-friendly guide on Frequently Asked Questions regarding copyright is being prepared and is expected to be published in 2016.

Research is being carried out into the business models most commonly used in online IP infringements. This independent research, to be completed during 2016, will provide an overview of the different infringing models, assessing how they function, how they are financed, how they generate profits for their operators, the kind of content disseminated and the size of their user bases. Furthermore, the specific question of malware in pirate sites will be studied by external experts.

After becoming fully operational and publicly accessible at the end of October 2014, two new releases of the Orphan Works Database were issued in 2015 to respond to users' demands. In 2016, it is envisaged that use of the Orphan Works database will be further promoted and its functionalities improved through additional releases.

In addition, the Observatory will carry out a feasibility study on the development of a digital platform that will enable authors, inventors and other creators to upload their works to a central repository in a secure and confidential manner and thus obtain evidence of the date of creation or invention (EU Soleau envelope system).

Economics and Statistics

Quantification of infringement is a key work stream for the Observatory. Several sectorial studies were published in 2015, including those on perfumes and toilet preparations, clothing, footwear and accessories, sports goods, and toys and games. A number of additional sectorial studies will be published in 2016.

At the same time, the Office is collaborating with the OECD in carrying out a study to estimate the total value of counterfeit goods traded in the EU. This work started in late 2014 and has progressed considerably throughout 2015, with the final report to be published in mid-2016.

These two streams of studies of counterfeit goods will reinforce and supplement each other.

In addition, the Office, partly in collaboration with the European Commission's Joint Research Centre (JRC) and partly through its own efforts, will carry out studies of the extent and impact of the infringement of digital content, such as music, film, TV programmes, streaming of events and e-books, with the first results to be published in the first half of 2016.

Other studies will be carried out, including a repetition of the IP Contribution Study (industry level), which was published in September 2013, and further studies on topics such as Geographical Indications, public domain and trade secrets.

Major events in 2016

In 2016, the Observatory will continue to organise events to ensure that policymakers, enforcers and other relevant stakeholders are fully aware of relevant issues surrounding IP infringements.

The main events planned for 2016 include two seminars organised jointly with Europol and Eurojust — one to be held in the spring and the other in the autumn; an EDB forum in June; three judges seminars; two regional seminars for enforcers; and a meeting of the prosecutors network.

In addition, the Observatory will organise the meetings mandated in EU Regulation No 386/2012, including the plenary, the public stakeholder meeting, and working group meetings.

Academy projects

The Academy is continuing to develop as a resource both internally and externally. Externally, working in close collaboration with all other Office departments, the Academy serves as a point of reference, providing information and training to the IP community in general and to the public at large. In order to support the development of the European Trade Mark and Design Network, many training events previously attended only by Office staff have been opened up to staff from other EU IP Offices as well as to selected participants from user associations.

Training/Learning and knowledge sharing

Training, other types of learning and knowledge sharing are assuming ever greater importance at the Office. Since the Academy was established in 2011, the Office has successfully handled a growing number of both internal and external training participants.

For example, the number of internal training participants grew from 5 528 in 2011 to 8 402 in 2014 with the average Office staff member receiving almost eight days of face-to-face training in the latter year. At the same time, more than 3 000 training days were delivered to participants from other IP offices and a further 1 500 to other external stakeholders.

Since the Portal was launched in 2013 for both internal staff and external stakeholders, there have been several technical upgrades and a drive to increase content.

The Academy increasingly uses online delivery methods such as webinars and e-learning. The strategy is to leverage the significant advantages offered by e-learning technology with a view to delivering training in a timely and cost-effective manner. The e-learning platform OALP contains more than 200 courses; in 2014, Office staff members completed more than 3 400 courses, and external stakeholders a further 1 000.

In parallel, there is a growing trend towards providing courses that issue a certificate to mark the achievement of those who successfully complete training. A total of 400 courses are available on the OALP, 131 of which are open to external stakeholders. All are free of charge.

In 2016, the Office will continue its efforts to improve the OALP and provide a learning environment where the online contents (eLearning modules, tutorials and webinars included in the e-Academy activities) are of the highest quality and available anywhere/anytime and in multiple languages.

In 2016, the Pan-European Seal Professional Traineeship Programme will also be further developed.

The Pan-European Seal sets up a programme that reaches all academic areas, promotes the use of online tools amongst university teachers and students, helps young people access the IP labour market, and encourages multicultural exchange.

The Pan-European Seal is a programme currently run in coordination with nineteen Universities/IP and Economics programmes and EPO with the aim of setting up a traineeship scheme in collaboration with a number of target universities. The pilot programme started at EUIPO in October 2014 with the European Intellectual Property Institutes Network (EIPIN) partners.

On 13 October 2015, the full programme got under way when the Office welcomed 60 trainees, ten more than the initial target of 50, for a year-long traineeship. At the same event the 14 trainees who took part in EUIPO's pilot received certificates, with four of them being granted merit diploma. In parallel, the European Patent Office started its pilot edition of the Pan-European Seal with 34 trainees, which is 20 more than the target foreseen.

More new members are expected to join the Pan-European Seal programme, with special emphasis being placed on gradually encouraging the participation of universities/programmes from all EU and EPO Member States, as well as including more academic areas. The involvement of associated partners to co-promote the Pan-European Seal programme is also foreseen.

Once the programme has reached cruising speed, as a commitment to social responsibility, it will provide 100 traineeships per year in the two offices. This will contribute to the dissemination of IP knowledge and awareness, to the rationalisation and streamlining of traineeships, and to talent detection.

The Office will also be supporting the creation of a Joint Doctorate in Intellectual Property under the European Commission's Marie Curie Actions in collaboration with EIPIN. The Office will also consider giving support to other similar IP programmes found to be relevant.

PART C – ANNEXES

I. KEY ASSUMPTIONS ON VOLUMES

EUTM-related assumptions

In 2016 the Office expects to receive a total of 145 680 EUTM applications — 121 548 direct and 24 132 through WIPO. This figure represents a 12 % increase over 2015.

International Applications filed at the Office are expected to increase to 8 546 filings.

Use of e-filing is projected to continue at its current high level. It is expected that 98 % of all direct EUTM applications in 2016 will arrive electronically — the same figure as in 2015.

Between 3 % and 4 % of all EUTM applications will not progress further because of the impossibility of according a filing date (for example, because the application fee has not been paid). This means that 142 268 applications will progress to examination. Of those, some will be rejected or withdrawn at the examination stage, while others will later be subject to a successful opposition, so that ultimately 125 392 EUTMs are expected to be registered in 2016.

It is estimated that 18 168 oppositions will be filed, representing an increase of 5.5 % over 2015.

The same number of opposition files will be closed, the majority (about 2/3) through an agreement between the parties. The Office will issue 6 303 opposition decisions.

Since the overall number of trade marks in the Register is increasing, we expect to see a steady increase in cancellation filings. The forecast for 2016 is 1 732 cancellation filings. Reflecting the current steady-state situation, an equal number, 1 732, of cancellation cases will be closed, 1 079 of which by a decision on substance.

The number of EUTM recordals is forecast to increase at the same rate as in 2015, to 57 799.

An EUTM can be renewed 10 years after the filing date. The Office expects 57 % of the EUTMs eligible for renewal in 2016 to be renewed, in line with 2015 figures. In 2016 it is also expected that 38 % of trade marks with a filing date of 20 years ago will be renewed for the second time.

RCD-related assumptions

Design filings are expected to remain stable as compared to 2015. However more files from the US and Japan are expected to come through WIPO. Therefore the direct filings will slightly drop to 83 436 and RCDs filed through WIPO (the Hague Agreement) are expected to increase to 14 077 filings. Most designs will be examined within two weeks. Of the designs filed directly with the Office, 94 % will be received through e-filing, up from 92 % in 2015.

Around 3 % of incoming direct filings are withdrawn or refused during the examination process. The rest reach the registration stage. Some 11 % of designs received are deferred at the request of the applicant. The remainder are published immediately.

For RCDs, it is assumed that the first renewal rate will remain constant at 48 % in 2016. In addition, since 2013, the Office has been seeing second renewals of RCDs. For example, designs registered in

2006 and renewed in 2011 can be renewed for a second 5-year period in 2016. It is estimated that 29 % of RCDs eligible for second renewal will in fact be renewed.

Following consistent recent trends, the number of RCD invalidity filings is forecast to remain stable at 408 in 2016, with 408 cases closed during the year, of which 344 by decision.

Finally, the number of incoming inspection requests (related to both EUTM and RCD files) is expected to grow to 10 714.

The tables in this section show the forecasts for volumes of applications, registrations, oppositions, cancellations, invalidities, appeals and other procedures at the Office. These volumes result in the revenue forecasts used in the 2016 Budget.

European Union Trade Marks

	2014	2015	2016 forecast
EUTM applications filed (direct filings)	100 316	108 515	121 548
% via e-filing (direct filings)	97 %	98 %	98 %
97 %	98 %	98 %	28 %
% via Fast Track	3 %	27 %	29 %
International registrations filed	17 183	21 886	24 132
EUTMs settled in examination	111 790	127 347	142 268
Searches (national)	816	787	700
EUTMs published	109 519	120 857	135 261
EUTMs registered	103 759	109 330	125 392
Oppositions filed (no duplicates)	15 668	17 218	18 168
% via e-filing	58 %	76 %	81 %
Oppositions settled	17 545	16 634	18 168
Number of opposition decisions	6 400	5 474	6 303
Renewals (of CTM N-10)	27 168	26 121	37 036
% renewals (of CTM N-10)	57 %	56 %	57 %
Renewals (of CTM N-20)			13 433
% renewals (of CTM N-20)			38 %
% via e-renewal	97 %	95 %	97 %
Cancellations filed	1 407	2 048	1 732
Cancellations settled	1 359	1 400	1 732
Number of decisions on substance	854	864	1 079
Inspection requests (EUTM & RCD)	9 507	7 984	10 714
EUTM Recordals[4]	55 553	56 665	57 799
International applications	7 482	8 053	8 546

4 - Entries to the Register other than registration and renewals.

Registered Community Designs

	2014	2015	2016 forecast
RCD registrations filed (direct filings, no duplications)	87 532	86 140	83 436
% via e-filing	85 %	92 %	94 %
% via Fast Track	27 %	37 %	42 %
RCDs examined	89 666	86 978	83 436
RCDs registered	85 407	82 598	80 706
RCDs published	82 512	79 045	77 602
RCDs deferred	11 053	10 357	10 282
Renewals (of RCD N-5)	33 897	36 067	37 869
% renewals (of RCD N-5)	48 %	48 %	48 %
Renewals (of RCD N-10)	14 933	18 261	19 885
% renewals (of RCD N-10)	28 %	29 %	29 %
RCD international designs filed	10 302	11 373	14 077
RCD recordals[5]	18 799	20 000	21 900
RCD invalidities filed	392	268	408
RCD invalidities closed	425	296	408
Number of invalidity decisions	331	226	344

Appeals

	2014	2015	2016 forecast
Appeals filed	3 284	2 611	2 750
Appeals closed	2 855	2 936	2 860
Number of decisions	2 783	2 911	2 800
Cases lodged before GC	290	296	300
Cases lodged before CJEU	34	65	50

5 - Entries to the Register other than registration and renewals.

II. SERVICE CHARTER 2016

The following tables show the standards of service we will aim for in 2016. They will be published on a quarterly basis on the Office website together with data on service average timeliness for information purposes.

As in previous years, the objectives are organised into three main sections: timeliness, accessibility and quality. Following the previous year's practice, we will strive to achieve the stated timeliness objectives in 99 % of cases across the board. For each objective, three levels of achievement have been defined: Excellence (the objective that we strive for), Compliance (considered acceptable) and Action Needed (the level at which the Office needs to take action to raise performance to Compliance level).

The timeliness objectives are in turn presented in eight sections: Fast Track, EUTM direct filings (standard track), EUTM Oppositions and Cancellations, International registrations, RCDs, Appeals, IP Management and Finance.

Timeliness

Fast Track		Objective 2016		
		Excellence	Compliance	Action needed
EUTMs	EUTM publication	<3 weeks	3-4 weeks	>4 weeks
	EUTM registration	<17 weeks	17-19 weeks	>19 weeks
RCDs	RCD registration	<2 working days	2-3 working days	>3 working days

EUTM direct filings		Objective 2016		
		Excellence	Compliance	Action needed
EUTM examination done, standard track	EUTM examination done, standard track	<20 days	20-25 days	>25 days
	EUTM publication, standard track	<7 weeks	7-10 weeks	>10 weeks
	EUTM registration, standard track	<22 weeks	22-25 weeks	>25 weeks
EUTM first action, standard track	EUTM first action, standard track	<30 days	30-35 days	>35 days
	EUTM AG refusal decision	<15 weeks	15-20 weeks	>20 weeks

EUTM: Oppositions/ Cancellations		Objective 2016		
		Excellence	**Compliance**	**Action needed**
Oppositions	EUTM opposition admissibility	<16 days	16-25 days	>25 days
	EUTM opposition decision	<10 weeks	10-20 weeks	>20 weeks
Cancellations	EUTM cancellation decision	<10 weeks	10-25 weeks	>25 weeks

International registrations		Objective 2016		
		Excellence	**Compliance**	**Action needed**
IRs (straight forward)	IR examination	<20 days	20-25 days	>25 days
	IR registration	<46 weeks	46-49 weeks	>49 weeks
IRs (non-straight forward)	IR first action	<30 days	30-50 days	>50 days
	IR AG refusal decision	<15 weeks	15-20 weeks	>20 weeks

RCDs		Objective 2016		
		Excellence	**Compliance**	**Action needed**
RCDs	RCD examination first action	<10 working days	10-15 working days	>15 working days
	RCD registration	<10 working days	10-15 working days	>15 working days
	RCD invalidity decision	<10 weeks	10-12 weeks	>12 weeks

Appeals			Objective 2016		
			Excellence	**Compliance**	**Action needed**
Appeals	Appeal receipt	90 %	<10 days	10-14 days	>14 days
	Appeal decision ex parte	75 %	<8 months	8-16 months	>16 months
	Appeal decision inter partes	75 %	<8 months	8-16 months	>16 months

IP Management		Objective 2016		
		Excellence	**Compliance**	**Action needed**
IP Management	International applications —forwarding to WIPO	<15 days	15-16 days	>16 days
	EUTM transfers	<10 days	10-14 days	>14 days
	RCD transfers	<10 days	10-14 days	>14days

Finance			Objective 2016		
			Excellence	**Compliance**	**Action needed**
Finance	Average payment time	97 %	<18 days	18-30 days	>30 days

Accessibility

Accessibility	Objective 2016		
	Excellence	**Compliance**	**Action needed**
Telephone calls to First Line/ e business hotline	<16 secs	16-20 secs	>20 secs
Emails answered by Information Centre	<3 days	3 days	>3 days
Complaints	<8 days	8-11 days	>11 days
Website availability	>99 %	99-98 %	<98 %

Quality of decisions (ex post)

Quality	Objective 2016		
	Excellence	**Compliance**	**Action needed**
EUTM examination proceedings	> 95 %	95-90 %	< 90 %
EUTM AG decisions	> 98 %	98-95 %	< 95 %
Opposition proceedings	> 95 %	95-90 %	< 90 %
Opposition decisions	> 95 %	95-90 %	< 90 %
Cancellation proceedings	> 95 %	95-90 %	< 90 %
Cancellation decisions	> 95 %	95-90 %	< 90 %
RCD publications	> 95 %	95-90 %	< 90 %
RCD invalidity proceedings	> 95 %	95-90 %	< 90 %
RCD invalidity decisions	> 95 %	95-90 %	< 90 %

III. BALANCED SCORECARD

Principle	Line of Action	Strategic Objective	Code	Indicator Name	2016 Target
Collaborative Organisation	LOA1 Build a dynamic and knowledgeable organisation	OB 1.1: Foster engagement in the organisation	1.1.1	Staff satisfaction with internal communication	60.0%
			1.1.2	Staff satisfaction with the Office Reputation	69.5%
			1.1.3	Staff satisfaction with the Office Management	55.0%
			1.1.4	Days of absenteeism (short term)	5.8%
			1.1.5	Days of absenteeism (long term)	1.2%
		OB 1.2: Develop, retain and share knowledge across the organisation	1.2.1	Training days per employee	3.6
			1.2.2	Internal training satisfaction	66.0%
			1.2.3	Staff consider appraisal process fair	53.0%
			1.2.4	Examiners with multi-tasking profile	1.75 areas covered per examiner
			1.2.5	Inter departmental mobility rate	39 procedures
			1.2.6	Staff ability to work in several languages	81.5%
			1.2.7	Former trainees contractually linked with the Office	3.0%
			1.2.8	Trainees indicating that the traineeship facilitated their access to employment / further studies	67.5%
			1.2.9	Cross departmental collaboration	67.5%
			1.2.10	Usage of knowledge repositories	3420 files accesses
			1.2.11	Numbers of hits on the e-learning platform	90,000

Principle	Line of Action	Strategic Objective	Code	Indicator Name	2016 Target
Collaborative Organisation	LOA1 Build a dynamic and knowledgeable organisation	OB 1.3: Optimise a sustainable workplace	1.3.1	Staff satisfaction with the workplace	68.0%
			1.3.2	Infrastructure cost per on-site worker	€16,288.50
			1.3.3	Paper saved as result of digital strategy	24 tons
			1.3.4	Paper consumption per on-site worker	46.23 Kg
			1.3.5	Toner consumption per on-site worker	0.16 Kg
			1.3.6	Water consumption per on-site worker	12.7 m3
			1.3.7	Energy consumed (gas + electricity) per on-site worker	9.4 MWh
			1.3.8	Quantity of renewable energy produced on-site	17.0%
			1.3.9	Ratio of significant security breaches	1.5%
			1.3.10	Time required to declare the premises completely evacuated	6.9 min
	LOA2 Increase transparency and accountability	OB 2.1: Strengthen the financial management of the Office	2.1.1	Budget forecast accuracy (expenditure)	From 95% to 100%
			2.1.2	Budget forecast accuracy (revenue)	From 97% to 120%
			2.1.3	Budget forecast accuracy (carry over)	86.00%
			2.1.4	Product unit cost	€667
			2.1.5	Current Account and Credit/Debit Card payments	79.0%
		OB 2.2: Ensure swift alignment with all applicable regulations and implementing rules	2.2.1	Compliance with Internal Audit recommendations	70.0%
			2.2.2	Number of non-conformities in certified management systems from external audits	0
			2.2.3	Observations from European Court of Auditors	1
			2.2.4	Entries in the Register of Exceptions	0.70%
			2.2.5	Processes implemented considering the Data Protection Officer opinion	70.0%
			2.2.6	Tender offers processing timeliness	50.0%

Principle	Line of Action	Strategic Objective	Code	Indicator Name	2016 Target
Collaborative Organisation	LOA2 Increase transparency and accountability	OB 2.3: Strengthen prevention and detection of fraud	2.3.1	Staff awareness of Anti-fraud strategy	63.5%
			2.3.2	Risk level of Fraud related risks (ERM)	< = 13
	LOA3 Foster an effective and secure digital environment	OB 3.1: Streamline operations with advanced digital tools	3.1.1	Procedures initiated and executed digitally	57.3%
		OB 3.2: Strengthen IT Security	3.2.1	IT Security Incidents	11
		OB 3.3: Maintain and improve service availability of systems	3.3.1	Office tools availability	98.0%
		OB 3.4: Ensure cost effectiveness	3.4.1	IT investment in new projects and initiatives versus total IT cost	22.0%
			3.4.2	IT cost per IT user	€22,700
International Cooperation	LOA4 Intensify network engagement	OB 4.1: Support and strengthen cooperative networks for greater convergence	4.1.1	% of harmonised offices per project	72.0%
			4.1.2	Execution rate of European Cooperation agreements	71.0%
		OB 4.2: Extend reach of existing tools and databases	4.2.1	Trade Marks available in TM View	42,000,000
			4.2.2	Designs available in DS View	9,550,000
			4.2.3	Usage of Similarity	7905 visits
			4.2.4	Stakeholders satisfied with EU funded projects	75.0%
			4.2.5	Non-EU offices implementing tools and practices	68 implementations

Principle	Line of Action	Strategic Objective	Code	Indicator Name	2016 Target
International Cooperation	LOA4 Intensify network engagement	OB 4.3: Enhance common tools and databases with new functionalities	4.3.1	User satisfaction with TM View, DS View and TM Class	79.0%
			4.3.2	National Offices satisfaction with ECP Tools (Back Office)	63.0%
		OB 4.4: Create new IP tools and databases	4.4.1	Usage of national court judgments database	3900 searches
		OB 4.5: Strengthen networks of EU agencies	4.5.1	Visits to landing page of EU agencies extranet	1080
Collaborative Organisation	LOA5 Enhance customer-driven quality services	OB 5.1: Further integrate user perspective in delivery of products and services	5.1.1	User satisfaction with the Office's decision(s) predictability	59.0%
			5.1.2	Users awareness of the Office's Guidelines	45.0%
		OB 5.2: Increase the proportion of straight-through files processed by improving predictability	5.2.1	EUTMAs automatically classified	33.0%
			5.2.2	EUTMAs filed using Fast Track	25.0%
			5.2.3	Designs filed using Fast Track	25.0%
			5.2.4	EUTMAs expressions automatically classified	77.0%
			5.2.5	Formalities deficiency rate	3.6%
			5.2.6	Classification deficiency rate	12.6%
			5.2.7	AG Objection rate	6.3%
			5.2.8	RCD deficiency rate	27.0%

Principle	Line of Action	Strategic Objective	Code	Indicator Name	2016 Target
Collaborative Organisation	LOA5 Enhance customer-driven quality services	OB 5.3: Optimise team working for high-quality delivery	5.3.1	Areas of expertise in the teams	3
			5.3.2	Staff satisfaction on Teamwork	67.5%
			5.3.3	Index automatic translation (at source language)	55.0%
			5.3.4	Appeals confirmation rate ex-parte decisions	72.0%
			5.3.5	Appeals confirmation rate inter-partes decisions	63.0%
			5.3.6	General Court confirmation rate	75.0%
		OB 6.1: Contribute to harmonised implementation of the legislative reform	6.1.1	Implementation of the legislative reform in the office	54.0%
		OB 6.2: Deliver evidence-based research on key areas of IP	6.2.1	Downloads of relevant papers/publications from the Observatory Website	5,440
			6.2.2	Stakeholders perception on the quality of the studies carried out by Observatory	70.0%
			6.2.3	Observatory website visitors	4752 per month
		OB 6.3: Strengthen cooperation and knowledge-sharing with and among enforcement authorities	6.3.1	Studies and Reports published by Observatory	16
			6.3.2	User satisfaction with the Enforcement Tools	75.0%
			6.3.3	Enforcement Database usage by rights holders	1040 products

Principle	Line of Action	Strategic Objective	Code	Indicator Name	2016 Target
Collaborative Organisation	LOA5 Enhance customer-driven quality services	OB 6.4: Support EU business, in particular SMEs, in protecting their IP rights	6.4.1	SME's use of Intellectual Property	9.0%
			6.4.2	SME's knowledge of term 'Intellectual Property Rights'	24.0%
			6.4.3	New direct filers	10,050
			6.4.4	External stakeholders training satisfaction	66.0%
		OB 6.5: Raise awareness among citizens and decision-makers of the impact and value of IP rights	6.5.1	15 to 24 year-olds that bought counterfeit products over the last 12 months	14.0%
			6.5.2	15 to 24 year-olds that downloaded or accessed copyright-protected content illegally over the last 12 months	14.0%
			6.5.3	Europeans awareness of legal offers for downloading or streaming music	65.0%
			6.5.4	Usage of Orphan Works Database	1800 searches per month
			6.5.5	Number of works in the Orphan Works Database	12,000
			6.5.6	Press Coverage (external communication)	522 articles

IV. ANNUAL STAFF POLICY PLAN

This human resources plan is written in the context of the Work Programme 2016, and the budget that is related to it. It bridges the completion of the Strategic Plan 2011-2015 and the beginning of the implementation of the Strategic Plan 2016-2020. It covers the situation as known for 2016, with a preview to the future Strategic Plan 2016-2020 once approved.

The Office offers IP rights protection to industries and business. One of the main missions conferred by the founding regulations to EUIPO is to manage the registration of the European Union trade mark and the registered Community design. These missions are permanent and generate intellectual property protection to companies and individuals of a paramount interest for the internal market in the EU and abroad.

The services delivered by the EUIPO are business driven and self-financed which constitutes a valuable specificity of this Office. Therefore, in addition to the standard constraints of sound financial management, the Office has the duty and the responsibility to preserve the appropriate balance of revenue and costs in the context of self-financing.

The main objective is to find a good balance between, on the one hand rationalising and achieving the necessary control of title I of the budget due to the economic situation in the EU, and on the other hand disposing of an outstanding human capital allowing to perform the recurrent activities necessary for operations, to close the achievements of the objectives of the Strategic Plan 2011-2015, to launch the Strategic plan 2016-2020, to implement the Legislative Reform and to enhance the activities in the field of European Cooperation.

Principles applicable to Human Resources Planning 2016

When developing this Planning 2016, the following principles are applied:

1. The business growth of the EUIPO for 2016 is estimated to be 8.9%, based on the volume of CTM applications while making use of the ARIMA (AutoRegressive Integrated Moving Average) model . This growth is significantly higher than the prudent figure of 5%, which was the historical yearly average volume growth that was applied when the Office decided on how to implement the Inter-institutional Agreement on budgetary discipline. The EUIPO will make the most of its investments and benefits resulting from the Strategic Plan 2011-2015 to cope once again in 2016 with this outstanding growth figure, knowing that this situation is no longer sustainable in the future.
2. The gradual 5% reduction in the Establishment Plan by 2017 follows the implementation of the agreement of 2 December 2013 between the European Parliament, the Council and the Commission on an Inter-institutional Agreement on budgetary discipline, cooperation in budgetary matters, and on sound financial management. The strategy foresaw a gradual reduction of the Office's Establishment Plan by 2% in 2014 by means of an amended budget, and an additional 1% in annual reductions between 2015 and 2017.
3. The limitation of increase in Title 1 of the budget, which envisages mainly the compulsory salary variations and the possibility to raise the number of Contract Agents (CA) for 2016. For the year 2016, the workforce composition is based on EUIPO's headcount in 2015 and the few additional staff missing due to vacancies not filled yet, agreed between HR and the respective departments/services.

4. In principle Officials (FT) and Temporary Agents (TA) retirements, end-of-contracts or invalidity departures will be substituted, subject of case-by-case analyses.

5. The main component of the additional workforce for 2016 is CA. However, if the volume of activities keeps growing at the same pace as it did between January and April 2016, recourse to additional FT and TA might become necessary.

6. The implementation of the Legislative Reform will mainly take place in 2016 and more particularly in the 1st part of the year. This implementation needs extra interim staff.

7. One of EUIPO's priorities in HR management is the internalisation of some tasks that are currently carried out through external resources contracts. It is necessary to retain knowledge and expertise that is considered essential for the organisation and it offers continuity when a task that originally was of a consulting nature, becomes more implementation oriented. This internalisation is made possible by engaging Contracts Agents.

8. As from 2016, EUIPO's budget will be activity-based. As such the available and planned human resources will be distributed in 4 categories (Operational activities; SP2020 Projects, EU Cooperation (Art. 123 c) and Legislative Reform) and by 6 Lines of Action.

9. The benefits identified as a result of further automation, the introduction of new electronic tools and internal reorganisations have been taken into consideration for the resources allocation.

10. Business drivers that determine the workload are defined based on the nature of the activities of each of the EUIPO departments/services.

- For the production departments, the main business driver is the number of applications for registration of EUTMs and RCDs.
- For the support departments/services, the business drivers are more related to policy decisions and projects included into the Strategic Plan 2016-2020.
- For 2016 in particular, the implementation of the Legislative Reform will affect the workload of most departments of the Office.

Human resources baseline 2016

The table below gives an overview of the EUIPO workforce baseline 2016 as budgeted:

EUIPO workforce end 2015 and budget possibilities 2016		
Staff category	December 2015	Forecast 2016
FT & TA	731	744
CA	54	98
Subtotal statutory	785	842
SNE	63	71
Total	848	913

The table below shows the distribution by Line of Action, categories and type of staff:

Line of Action	Operational activities			SP2020 Projects			EU Cooperation			Legislative Reform		Grand Total
	FT/TA	CA	SNE	FT/TA	CA	SNE	FT/TA	CA	SNE	FT/TA	CA	
LoA1 - Build a dynamic and knowledgeable organisation	95.2	15.2	0.6	6.2	1.0							118.1
LoA2 - Increase transparency and accountability	91.3	14.0	3.3	2.8		0.7						112.0
LoA3 - Foster an effective and secure digital environment	49.0	2.9	1.0	12.5	3.0							68.4
LoA4 - Intensify network engagement	19.5	9.8	10.2	4.9	2.0	1.8	4.0	2.0	7.0			61.1
LoA5 - Enhance customer-driven quality services	425.4	40.8	38.9	2.9	2.2	1.5						511.6
LoA6 - Strengthen the Intellectual Property System	24.1	3.2	4.4	3.0		1.6				3.5	2.1	41.8
Grand Total	704.3	3.2	58.4	32.2	8.2	5.6	4.0	2.0	7.0	3.5	2.1	913.0
Percentage	92.9%			5.0%			1.4%			0.6%		100.0%

These 2016 budget possibilities are distributed by department as follows:

DEPARTMENT	FT / TA	CA	SNE	Grand Total
Academy	15	3		18
Boards of Appeal	88	5	6	99
Business Information Technology Department	58	5	1	64
Cabinet	4	3		7
Commission	2			2
Communication Service	13	2	2	17
Corporate Governance Service	5	2	3	10
Customer Services Department	83	20	7	110
Deputy Executive Director	1			1
Executive Director	4			4
Finance Department	63	6		69
Human Resources Department	32	9		41
Infrastructures and Buildings Department	29	6		35
Internal Audit Service	5			5
International Cooperation and Legal Affairs Department	68	18	15	101
Observatory	23	3	5	31
Grand Total	744	98	71	913

The table below shows the distribution by Line of Action, categories and type of staff:

Category and grade	Establishment plan in approved Budget 2016	
	Permanent	Temporary
AD 16	0	1
AD 15	0	3
AD 14	22	23
AD 13	36	7
AD 12	26	14
AD 11	12	33
AD 10	3	7
AD 9	12	12
AD 8	4	9
AD 7	10	4
AD 6	17	0
AD 5	0	0
Total AD	**142**	**113**
AST 11	29	7
AST 10	31	7
AST 9	43	22
AST 8	64	20
AST 7	45	17
AST 6	94	49
AST 5	33	60
AST 4	3	22
AST 3	26	0
AST 2	0	0
AST 1	0	0
Total AST	**368**	**204**
TOTAL	510	317

V. FINANCIAL RESOURCES

The financial consequences in the revenues and expenditures of the amended work program 2016 take into account:

▌ the new landscape of EUIPO revenues, following the modifications of the EUTM fees (in particular the EUTM renewal fees),

▌ the financial consequences of the projects associated to the new SP 2020 and to the EU Cooperation (falling under art 123c), of the costs of the legislative reform and, since its integration in the Office's budget, of the international cooperation projects funded by the EU COM,

▌ the new estimates of higher growth of incoming EUTM applications.

The global figures of the Supplementary and Amending Budget 2016 result in expected revenue in the area of EUR 236 million, expected expenditure in the area of EUR 235 million and an annual result (without the effects of carry overs 2015) in the area of EUR 1 million benefit:

	SABUDGET2016
REVENUE	236,0
EXPENDITURE	-234,7
RESULT	1,3

€ MILLION

The distribution of the expenditure by nature shows a typical pattern of an agency where staff is the main asset but that does significant investment in IT and building:

	SAB 2016
T1 - STAFF	100,5
T2 - BUILDINGS, EQUIPMENT	86,8
T3 - SPECIAL FUNTIONS	43.6
T4 - EU FUNDED PROJECTS	3,7
T5 - COMPENSATION TO MEMBER STATES[1]	p.m.
RESULT	**234,7**
T10 - OTHER EXPENDITURE	186,6
T101 - Unforeseen events	156,9
T102 - Allocation to the Reserve fund	29,7
T103 - Compensation to Member States[2]	p.m.
RESULT	**421,3**

€ MILLION

1 - During the current budget year

2 - In future budget year

The high level breakdown of expenditure by LoA and snapshots of envelopes for the main cost headings result as follows:

	SAB 2016	%
LoA1 - Build a dynamic and knowledgeable organisation	36,7	15,6 %
LoA2 - Increase transparency and accountability	17,4	7,4 %
LoA3 - Foster an effective and secure digital environment	37,3	15,9 %
LoA4 - Intensify network engagement	39,5	16,8 %
LoA5 - Enhance customer-driven quality services	83,7	35,7 %
LoA 6 - Strengthen the Intellectual Property system	20,2	8,6 %
	234,7	**100 %**

	SAB 2016
EU Cooperation (Art.° 123)	23,8
Strategic Plan 2020 Projects	15,4
Legislative Reform Implementarion	2,9
Observatory	14,3
	56,5

LoA5 "Enhance customer-driven quality services" consumes the highest percentage of the expenditure (35.74% of the budget), which is the logical consequence of the assignation of the majority of staff to the delivery of EUIPO main IP products (EUTM and RCD).

LoA4 "Intensify network engagement" becomes the second most consuming LoA (16.8% of the budget), due in particular to the weight of the envelop dedicated to EU Cooperation projects falling under the new article 123c of EUIPR (EUR 23.8 million) but also to that of the international cooperation projects funded by the EU COM (EUR 3.7 million), recently integrated in the budget.

LoA3 "Foster an effective and secure digital environment" closely follows in terms of expenditure (more than 15.9% of the budget), due to the significant importance of IT related costs in the Office's operations (EUR 33.3 million), but also to the big proportion of costs of projects of Strategic Plan 2016-2020 (other than EU Cooperation) falling under this LoA (EUR 4 million).

LoA1 "Build a dynamic and knowledgeable organisation" follows in the raking (15.6% of the budget), due also to the big proportion of costs of projects of Strategic Plan 2016-2020 (other than EU Cooperation) falling under this LoA (EUR 5.2 million), in particular the building projects.

Finally LoA 6 "Strengthen the Intellectual Property system" and LoA2 "Increase transparency and accountability" represent each one around 8% of Office's budget, the first one including in particular the cost of Observatory operations and projects (including a "reliquat" of SP1, namely those of the Offer Aggregator Project) and those of the Legislative Reform.

VI. CORPORATE RISK REGISTER[8]

Risk ID (RISK RAISED)	RISK DESCRIPTION	RISK TYPE (risk typology)	EXISTING CONTROLS OR ACTIONS ALREADY TAKEN	RESIDUAL RISK LEVEL Impact (I) Likelihood (L)	RISK RESPONSE Avoid/ Transfer/ Reduce/ Accept (watch)	ACTION PLAN SUMMARY Additional/ ongoing actions to mitigate risk
2014_OH.03 (Q2/2014)	**Distribution of unsolicited misleading invoices to Office users** - When users file applications for trade marks or designs they systematically receive fraudulent/ misleading invoices. The continuation of these schemes could damage the Office reputation.	Safeguarding of assets information and staff	The Office is taking action on a number of fronts: Information to users IT investigations Office Anti-Fraud strategy legal actions against fraudsters Cooperation with National Offices, EUROPOL and the European Commission Knowledge Circle enforcement	20 I (4) L (5)	Reduce	Continue ongoing activities, Intensify information to the Office users in relation to the change of the Office name and new fee structure.
2014_OH.08 (Q2/2014)	**Alignment between budget – work programme – staff plan and strategic plan** – Tight schedule for the alignment of all planning activities in line with the inter-institutional agreement.	Strategic/ Compliance with laws and regulations	The process 'Define and implement strategy' defined and aligned with inter-institutional agreement.	16 I (4) L (4)	Reduce	Development of an Activity Based Budget covering all activities of the Office. New Project Management Office under development. Integration efforts ongoing (Strategic Plan/Workforce planning/budget 2016/WP 2016 and preliminary WP/budget 2017-2018-2019).
2015_OH.01A (Q3/2015	**Implementation of legal reform - substance and IT changes –** The new trade mark regulation, approved at the end of 2015, and entering into force in March 2016, involves a number of changes in the Office practice and especially in the Office IT systems that could potentially lead to problems when entering into production.	Operational/ Compliance with laws and regulations	Creation of a knowledge circle on 'Legal Reform'. Creation of a programme for the implementation of the legal reform changes. Office Business Continuity Plan Communication plan and strategy on legal reform in place.	15 I (5) L (3)	Accept (watch)	Continue ongoing activities.

8 - Office Corporate Risk Register – Version Q4 2015 – state of Office corporate risks as per 31/12/2015.

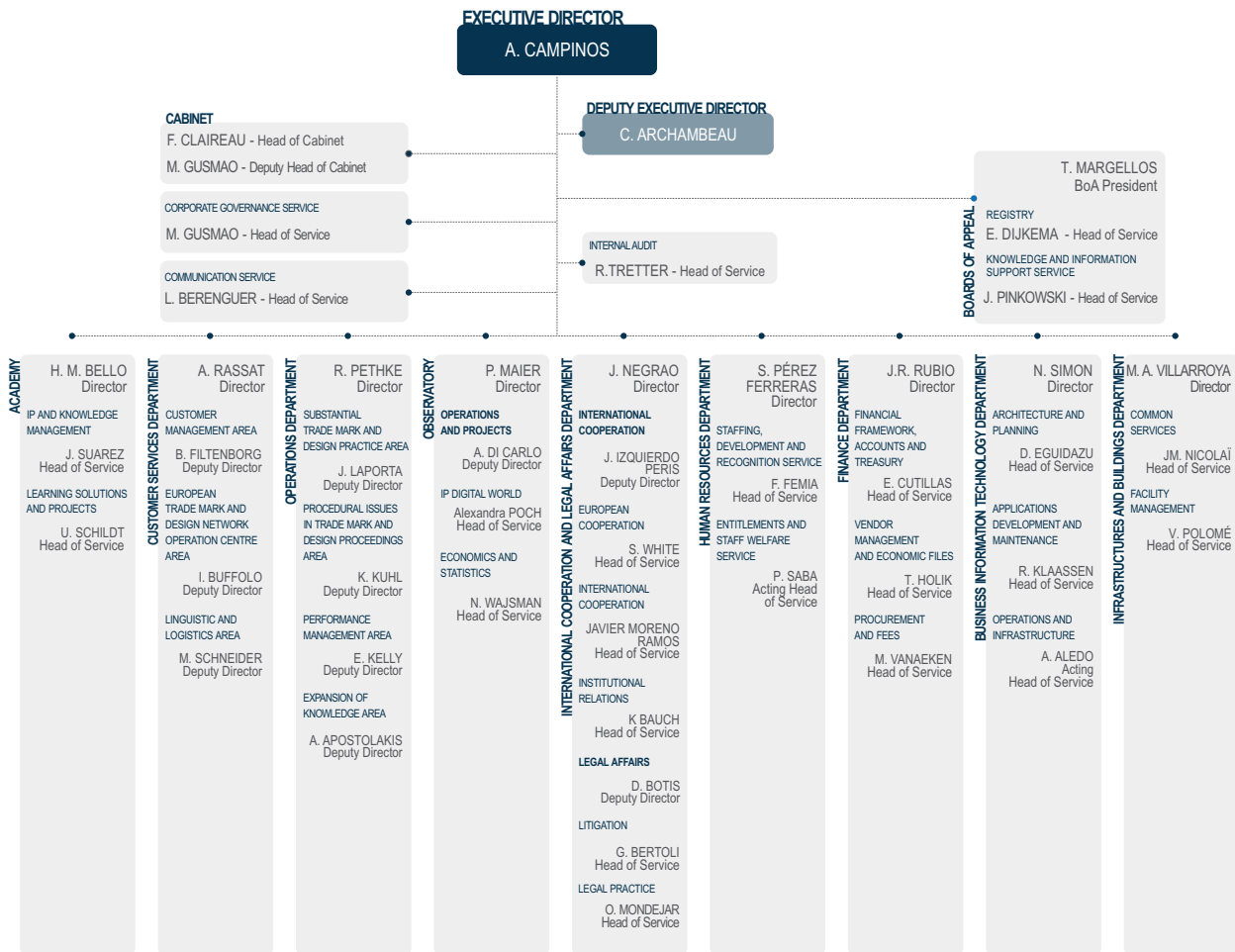| Risk ID (RISK RAISED)	RISK DESCRIPTION	RISK TYPE (risk typology)	EXISTING CONTROLS OR ACTIONS ALREADY TAKEN	RESIDUAL RISK LEVEL Impact (I) Likelihood (L)	RISK RESPONSE Avoid/ Transfer/ Reduce/ Accept (watch)	ACTION PLAN SUMMARY Additional/ ongoing actions to mitigate risk
2015_OH.01B (Q3/2015)	**Impact of Legal Reform on the revenue of the Office** - One of the most significant changes introduced by the legal reform is the new fee structure to be charged to users. The impact of the reduction of fees is unknown and depends on the market response to the new fees structure.	Strategic	Several simulations on different scenarios were done by Budget team and the Chief Economist. Definition of a long term financial planning (revenue and expenditure) to assure the financial sustainability of the Office; Long term financial planning will be adjusted in accordance with the actual data during 2016.	15 I (5) L (3)	Reduce	Implementation of the new fee in front Office before entry into force of the EU Trademark regulation. Close follow up of payments to make sure users are charged with the applicable rates. Provision in 2015 accounts to cover the amounts that have been accounted in 2015 as revenue and will be refunded in 2016.
2015_OH.29 (Q4/2015)	**Uncertainty linked to the judgement on case regarding the award of a contract for IT services.** The pending Court Case regarding the award decision on an opening tendering procedure is close to being ruled (estimated Q1 2016). There is a risk that the Court might decide to annul the award decision and/or order EUIPO to pay a financial compensation. The financial compensation, if materialised, could have a severe impact on the budget and reputation of the Office.	Compliance and regulations	The office has already implemented improvements in the process for call for tenders, empathising clearness, transparency and unambiguity in the redaction of the technical specifications and the evaluation criteria.	15 I (5) L (3)	Reduce	Assessment on the necessity of imparting training to technical experts/evaluators. Evaluation of the necessity of preparing a budgetary reserve. Conduct an analysis of the possible outcomes of the judgement and courses of action for each possibility.

Risk ID (RISK RAISED)	RISK DESCRIPTION	RISK TYPE (risk typology)	EXISTING CONTROLS OR ACTIONS ALREADY TAKEN	RESIDUAL RISK LEVEL Impact (I) Likelihood (L)	RISK RESPONSE Avoid/ Transfer/ Reduce/ Accept (watch)	ACTION PLAN SUMMARY Additional/ ongoing actions to mitigate risk
2015_OH.28 (Q4/2015)	**Misuse of information of new trade marks in EUIPO database –** External entities are systematically browsing the eSearch plus database to identify new applications and register domain names with the same wording as newly filed trade marks and on the same date. The continuation of these schemes without concrete pro-active measures from the Office might negatively damage the Office reputation.	Safeguarding of assets information and staff	The Office is taking action on a number of fronts: Information to users IT investigations Office Anti-Fraud strategy legal actions against fraudsters Cooperation with NO´s, EUROPOL and the EC Knowledge Circle enforcement	15 I (5) L (3)	Reduce	Assessment of the situation to gain a better understanding of the magnitude of the schemes and a clearer view on the potential impact to our users. Assessment of possible mitigating actions in coordination with EURid Warn users in the Office website
2014_OH.04 (Q2/2014)	**EUTM/RCD renewals by non-legitimate requester –** Potential fraudulent behaviour against Office users through unsolicited services	Strategic/ Compliance with laws and regulations	Automatic message in website when renewal is requested for a second time. Office Anti-fraud strategy and several actions are being taken as result of this strategy. Assessment of the problem: magnitude, impact and root causes and possible actions.	15 I (3) L (5)	Reduce	Improvements on the IT systems (part of IP tool – automatically inform the owner/ representative, de-block renewals online.

VII. PROCUREMENT PLAN

Project Name	Proc Plan date	Procurement Type
Aleph licences	30/06/2016	Negotiated
Cabling	30/06/2016	Open
CEI Experts for Observatory	30/06/2016	Call for expression of interest
Esteam software	30/06/2016	Negotiated
Language courses	30/06/2016	Restricted
Media and Public relations	30/06/2016	Open
Printing Services	30/06/2016	Open
Staff survey HR user satisfaction survey CSD	30/06/2016	Open
Study on Geographical Denominations	30/06/2016	Open
Supply of specialized periodicals	30/06/2016	Open
Travel Agency	30/06/2016	Open
Allegro licences, maintenance and services.	31/12/2016	Negotiated
IT accessories	31/12/2016	Open
JRC/IP infringement database purchase	31/12/2016	Negotiated
Mobile devices	31/12/2016	Open
Servicios de asesoría jurídica sobre ley nacional española	31/12/2016	Open
Telecom accessories	31/12/2016	Open

EUIPO
European Union Intellectual Property Office

VIII. ORGANISATION CHART

EXECUTIVE DIRECTOR
A. CAMPINOS

CABINET
F. CLAIREAU - Head of Cabinet
M. GUSMAO - Deputy Head of Cabinet

CORPORATE GOVERNANCE SERVICE
M. GUSMAO - Head of Service

COMMUNICATION SERVICE
L. BERENGUER - Head of Service

DEPUTY EXECUTIVE DIRECTOR
C. ARCHAMBEAU

INTERNAL AUDIT
R.TRETTER - Head of Service

BOARDS OF APPEAL
T. MARGELLOS
BoA President

REGISTRY
E. DIJKEMA - Head of Service

KNOWLEDGE AND INFORMATION
SUPPORT SERVICE
J. PINKOWSKI - Head of Service

ACADEMY
H. M. BELLO
Director

IP AND KNOWLEDGE
MANAGEMENT

J. SUAREZ
Head of Service

LEARNING SOLUTIONS
AND PROJECTS

U. SCHILDT
Head of Service

CUSTOMER SERVICES DEPARTMENT
A. RASSAT
Director

CUSTOMER
MANAGEMENT AREA

B. FILTENBORG
Deputy Director

EUROPEAN
TRADE MARK AND
DESIGN NETWORK
OPERATION CENTRE
AREA

I. BUFFOLO
Deputy Director

LINGUISTIC AND
LOGISTICS AREA

M. SCHNEIDER
Deputy Director

OPERATIONS DEPARTMENT
R. PETHKE
Director

SUBSTANTIAL
TRADE MARK AND
DESIGN PRACTICE AREA

J. LAPORTA
Deputy Director

PROCEDURAL ISSUES
IN TRADE MARK AND
DESIGN PROCEEDINGS
AREA

K. KUHL
Deputy Director

PERFORMANCE
MANAGEMENT AREA

E. KELLY
Deputy Director

EXPANSION OF
KNOWLEDGE AREA

A. APOSTOLAKIS
Deputy Director

OBSERVATORY
P. MAIER
Director

**OPERATIONS
AND PROJECTS**

A. DI CARLO
Deputy Director

IP DIGITAL WORLD

Alexandra POCH
Head of Service

ECONOMICS AND
STATISTICS

N. WAJSMAN
Head of Service

INTERNATIONAL COOPERATION AND LEGAL AFFAIRS DEPARTMENT
J. NEGRAO
Director

**INTERNATIONAL
COOPERATION**

J. IZQUIERDO
PERIS
Deputy Director

EUROPEAN
COOPERATION

S. WHITE
Head of Service

INTERNATIONAL
COOPERATION

JAVIER MORENO
RAMOS
Head of Service

INSTITUTIONAL
RELATIONS

K BAUCH
Head of Service

LEGAL AFFAIRS

D. BOTIS
Deputy Director

LITIGATION

G. BERTOLI
Head of Service

LEGAL PRACTICE

O. MONDEJAR
Head of Service

HUMAN RESOURCES DEPARTMENT
S. PÉREZ
FERRERAS
Director

STAFFING,
DEVELOPMENT AND
RECOGNITION SERVICE

F. FEMIA
Head of Service

ENTITLEMENTS AND
STAFF WELFARE
SERVICE

P. SABA
Acting Head
of Service

FINANCE DEPARTMENT
J.R. RUBIO
Director

FINANCIAL
FRAMEWORK,
ACCOUNTS AND
TREASURY

E. CUTILLAS
Head of Service

VENDOR
MANAGEMENT
AND ECONOMIC FILES

T. HOLIK
Head of Service

PROCUREMENT
AND FEES

M. VANAEKEN
Head of Service

BUSINESS INFORMATION TECHNOLOGY DEPARTMENT
N. SIMON
Director

ARCHITECTURE AND
PLANNING

D. EGUIDAZU
Head of Service

APPLICATIONS
DEVELOPMENT AND
MAINTENANCE

R. KLAASSEN
Head of Service

OPERATIONS AND
INFRASTRUCTURE

A. ALEDO
Acting
Head of Service

INFRASTRUCTURES AND BUILDINGS DEPARTMENT
M. A. VILLARROYA
Director

COMMON
SERVICES

JM. NICOLAÏ
Head of Service

FACILITY
MANAGEMENT

V. POLOMÉ
Head of Service

2016

Office for Harmonization in the Internal Market (Trade marks and designs)

WORK PROGRAMME