

Made to measure?

A key question that this year's non-legal trademark services survey sought to answer is whether, in addition to value for money, users are receiving the tailored services they require

Now in its fourth year, *World Trademark Review's* services survey is designed to build up a comprehensive picture of the non-legal trademark services market and how it caters to user needs. It hones in on four key service areas: searching, watching, trademark management software and renewals and records.

When we last scrutinised this sector in issue 46 of *World Trademark Review*, the previous 18 months had been characterised by a flurry of acquisitions. The intervening period has been calmer, with service providers focusing more on developing their existing offerings. For instance, in February Thomson Reuters CompuMark announced access to a database of over 9 million designs via its SAEGIS platform, with the system further enhanced through the addition of supplementary data to existing databases and English translations for goods and services in 47 countries. Corsearch has added 60 countries to its platform, along with other improvements such as new transactional modelling features and investigative tools for specialised industries.

At Anaqua, alongside the development of a mobile user interface, advanced document management has been a focus. Elsewhere, Envoy International launched its API interface, which allows workflow to be streamlined between a customer's existing case management system and the Envoy platform; while SMD Markeur has introduced new trademark search software. And WebTMS is gearing up to release WebTMS Infinity in Summer 2015; the new iteration will involve migration from .ASP technology to .Net, allowing additional features to be added.

All this is not to say that M&A activity has been wholly absent. In January 2014 CPA Global acquired Nordic patent, trademark and domain renewals company Patrafee, together with its Patrawin IP management software and IP Forecaster budgeting tool. It followed this with the August purchase of US-based patent search and trademark services provider Landon IP. Compared to the previous 12

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months, however, there was certainly less deal activity in the non-legal trademark services space (excluding online/domain services).

So how has this focus on product development benefited users? Elsewhere in this feature (see pages 17, 20, 22 and 24), we drill down into the four areas of service provision and look at how users rate the specific services they receive. At a macro level, meanwhile, the common themes which emerged from the survey are analysed below.

Cost versus value

When we asked respondents to rank, in order of importance, the criteria on which they base their purchasing decisions, cost and value for money unsurprisingly took the top spot (see Table 1). Common bugbears included the hard sell (particularly when unnecessary services are pitched to customers or used to justify higher prices) and lack of transparency, together with excessive charges for training and customisation.

When we put these concerns to service suppliers, all were keen to stress the openness with which they operate. “Pricing transparency is an important part of any successful business relationship and we believe that customers are best served with an open and honest discussion on price,” said CSC’s Malia Horine. “We publish an annual pricing guide for trademark searching and watching, and take time to ensure that no hidden costs negatively impact the relationship.”

SMD Markeur also stated that it does not impose hidden costs, with in-house training provided to clients free of charge. At Corsearch, explained Vice President, Global Sales and Strategic Partnerships Stephen M Stolfi: “We publish our tariffs as well as our annual discount schedule, so it is clear how we provide our pricing to our clients. The

TABLE 1: Rank the criteria on which you base your decision when purchasing trademark services (responses were weighted according to their ranking to create the list below)

(Ranking change from last year’s survey in brackets)

1.	Price/value (-)
2.	Customer service and ongoing support (-)
3.	Software and systems, including integration and compatibility with other systems (+2)
4.	Reputation in the marketplace (-)
5.	Pre-existing relationship with law firm or company (-2)
6.	Transparency of fee structure (-)
7.	Degree of global presence/coverage (-)
8.	Relationship with provider/personnel (-)
9.	Word of mouth/recommendation (-)
10.	Extent of liability accepted (-)
11.	Length of time in the marketplace (-1)

core market we serve is trademark legal professionals and our products are priced to serve this market.”

Nick March, IP business development manager at WebTMS, echoed this sentiment: “Personally speaking, I’m very mindful of transparency, as I used to be a trademark manager and administrator and can appreciate how bad it would look if I thought clients felt we were trying to ‘hide’ costs”. To this end, the company sends out its price list to clients – although March acknowledges that it can be hard to put a defined price on customised jobs. In such instances the company tells clients the daily rate for developers and the likely number of days that a specific request will require, and then puts together a non-committal project plan for client review.

METHODOLOGY

During the research process for the *WTR 1000*, our research team conducted a number of in-depth interviews with trademark practitioners, focusing on the non-legal trademark services they received from their suppliers.

Over a five-week period between September and October 2014, *World Trademark Review* then ran an online survey designed to build up a complete picture of the trademark services market and how it caters to user needs. The research focused on the trademark services sector as distinct from the legal services sector, relating specifically to searching and watching, trademark management software, and renewals and records.

The survey asked respondents to identify and rate, on a scale of one to 10, the services that they receive across the sectors examined. Additionally, it posed a series of questions about the industry in general terms and asked users how they see the sector developing.

The survey was open to in-house trademark counsel and private practitioners, and was promoted through the *World Trademark Review* blog and dedicated mailshots to trademark professionals. Just under 800 responses were received. After the survey closed, *World Trademark Review* examined all entries received, removing duplicates and non-qualifying responses.

For the tables of service providers in the service provider ratings section of the survey, *World Trademark Review* suggested a number of suppliers from which respondents could choose (with product names cited according to confirmation from those suppliers). Once the survey closed, *World Trademark Review* reviewed the responses to ensure that only the views of qualifying individuals were included; and all results were analysed to ensure that in instances where a respondent named a product or company in the ‘other’ box, product names were aggregated under the correct company umbrella.

Given the nature of the industry, a wide spread of suppliers were named and rated by respondents. Rather than giving every supplier cited a rating, *World Trademark Review* decided to provide ratings only for those which received the most feedback in each category, to ensure the integrity of the data. Therefore, the ranking tables reflect only those suppliers which received 10 or more ratings and/or whose respondent levels were within 10% of that received by the company which received the most ratings. The results thus purely reflect the results as obtained by *World Trademark Review* and should not be regarded as exhaustive in each sector featured or as an endorsement of the suppliers cited.

Editorial policy: *World Trademark Review* treated all responses as confidential and has not disclosed any respondent’s comments or details to any third party. Responses used in the coverage of the results have been quoted anonymously and not attributed to any particular individual.

While emphasising that, “from the outset, pricing is explained to clients in a transparent manner”, James Lacey, head of IP portfolio assurance at CPA Global, also warns that cheapest is not necessarily best: “While some trademark owners may be attracted by cut-price rates, they will often find – to their cost – that they are not comparing like with like in terms of service delivery and reliability; nor indeed the amount of their own administrative time that can be saved by working with a service provider.”

Similarly, Claire Hosie, head of communications at Envoy International, states: “Our prices are all-inclusive and fixed... [But] we do encourage purchasers of renewal services to closely examine offers of a ‘cheaper than cheap’ fixed service fee, as they are often associated with less favourable exchange rates, large mark-ups on currency exchanges, the addition of substitute supplier fees when paying direct and/or the charging of large transmission fees. We believe that price should not necessarily be the deciding factor. Overall, we would urge purchasers to consider the entire package when considering a provider, rather than basing their decision on a single factor (most frequently price).”

Take cost out of the equation and next in terms of customer priorities are customer service and ongoing support, ranking higher in terms of importance than the software and systems themselves. While WebTMS’s March laments that this is the case (“I’d expect my software provider to be excelling in these areas by default”), Stolfi agrees that they play a crucial role in the decision, noting that Corsearch customers “also cite price and customer service as key decision criteria”.

CSC’s Horine recommends that companies and firms “ask a simple question when engaging a service partner: ‘Will this company work with me to deliver the kind of relevant, actionable data I need to effectively manage my trademarks?’ If searching and watching produce a ‘data dump’ of results, customers are not getting the service levels they deserve and are mispending their money”.

Act global, think local

When it comes to service, meanwhile, several respondents voiced concerns that suppliers do not always appreciate the individual dynamics of local markets. In part, this explains the popularity of regional offerings (eg, Facil’s Espaider package is used by a number of Brazilian respondents), and the disappointment expressed at certain industry acquisitions which have seen small companies gobbled up by their larger counterparts and their services absorbed into existing global offerings (one such instance was described as “a real blow” to local users).

When asked how Thomson CompuMark and MarkMonitor ensure that local nuance is not lost in the mix, Chief Marketing Officer Frederick Felman responds: “We do recognise the importance of truly understanding local and regional practices, laws and languages, and maintain a local presence in many countries around the globe to ensure we stay connected with these regions and their unique attributes and culture. Additionally, we connect with clients around the globe during the product development process to ensure we are capturing important regional input.”

Catherine La Rooy, head of IP portfolio applications at CPA Global, takes a similar line: “Clients want to do

business as much as possible in local markets and in their own time zones, dealing with people who not only speak the language, but also understand the local culture as well as the specific IP issues.” To meet this need, the company has strengthened its presence in the United States and in the Nordic region, as well as opening an office in Taiwan.

Elsewhere, Envoy International draws on a network of global suppliers to provide local knowledge; while US-headquartered CSC has established offices, salesforces and support professionals in key locations around the world, including the United Kingdom, France, the Netherlands, Spain, Sweden, Australia and Hong Kong.

SMD Marqueur’s head of marketing, Miriam Hölscher, explains that the company’s I-Search product provides international searches with legal opinions from local lawyers “who have extensive experience in their local laws and customs and evaluate trademark searches with regard to local law, local legal practice, terminology and so on”.

While users may have concerns about this issue, it would appear that suppliers themselves feel that they are doing all they can to offer tailored services within their global platforms, drawing on local hubs of expertise. And while users might like them to do more in this regard, the risk is that this could further push up the prices that are already a sore point for many. New system features, global office networks and multilingual customer service all come at a cost, making it difficult for providers to respond to user desires while remaining financially competitive.

Corsearch’s Stolfi acknowledges this conundrum: “It is a challenge to provide systems that meet the needs of a large customer base, so flexibility and the ability to customise are essential to meet the demands of a diverse global client base who require trademark results in different formats, languages and applications anytime, anywhere at a push of a button. The amount of data searched and complexity is ever-expanding, so combining human and technical intelligence as well as smart relevancy ranking is the future to meet needs and be cost competitive.”



A number of users state that they have built up a panel of suppliers

Unhappy? Why not switch?

Much of this feedback echoes previous survey findings. Costs are often slammed as prohibitive or overly complex; customer service could always be improved; and services could more meaningfully reflect the realities on the ground. That these same issues are raised each year would suggest that, despite their assertions, providers are not truly addressing user concerns.

There are several possible reasons for this state of play. One is that the market dominance of certain providers makes them less motivated – financially or otherwise – to adapt their approach. Another is that the hassle of changing providers means that customers are not voting with their wallets and taking their business elsewhere in search of better service. As one commentator observed: “Switching IP databases is complicated, time consuming

TRADEMARK MANAGEMENT SOFTWARE

Of the four services analysed in the survey, trademark management software scored lowest in terms of user satisfaction. Three criteria on which we polled respondents (software flexibility and customisability, customer service and support, and likelihood of recommending the provider) received overall scores below seven out of 10 (see Table 3). Only software performance and reliability was rated higher (at 7.29). So what is going wrong?

As a starting point, there are clearly advantages to controlling this function in-house. One is that systems are tailor-made

and can be customised to the company's specific needs; one respondent noted that this allows his company to adapt the system to meet changing policing requirements. Ongoing costs also remain low; and when support is needed, internal follow-up can be immediate.

The flipside, however, is that these support levels depend on adequate in-house resourcing – otherwise, the company must pay consultants for maintenance and updates. And it is here that in-house systems can fall down. Technologies and work habits are constantly changing; and while competition spurs service providers to move with the times and continue

to innovate, this pressure is generally lacking in-house, meaning that in-house systems often lag behind other market offerings. Users reported difficulties in securing buy-in for tablet and mobile phone compatibility, web-based portals, systems updates and interconnectivity with other management modules, such as accounting software.

By contrast, service providers are encouraged to update their systems regularly, develop new products and add new features in a bid to stay ahead of competitors. As well as systems reliability – with reduced risk of significant downtime or outages – innovative offerings such as 24/7 web-based access, apps and advanced mapping tools are warmly welcomed.

But as the ratings would suggest, all is not rosy with third-party offerings in this area notwithstanding. First, it is hard to create systems that can meet the diverse needs of a global customer base; what for some are useful, customisable offerings are “clunky”, “slow” and insufficiently user friendly for many others.

Additionally, where customisation is available, this often comes with an additional price tag (with unexpected, sometimes excessive charges for systems training another common complaint). One user suggested that while fees seemed competitive at first, “costs have increased much faster than I expected”. Complicated fee schedules do not help – one user noted: “I am constantly finding things that fall outside my subscription when they clearly should be included – it is very frustrating and time consuming to deal with this.”

Finally, while frequent updates are a positive, bugs inevitably follow as system wrinkles are ironed out.

Overall, the good news for service providers is that over half of respondents (53%) are currently using in-house systems and not all are enamoured with them; the potential for increased market share is thus clear. However, service improvements are needed both to attract and to retain corporate clients.

**POSITIVES****In-house systems**

“It is easier to support, as it is maintained in-house.”

“Using an in-house system allows you to adjust the system to fit your needs.”

“We do not pay high maintenance fees.”

External counsel services

“We get a quick response when facing problems.”

“They offer support in our native language.”

“Service is adapted according to our personal requirements.”

Third-party supplier services

“It’s a reliable programme that can handle an enormous amount of records and users without crashing.”

“Web-based software requires no in-house maintenance of software or hardware.”

“There is the ability to adapt the system to our special requirements.”

NEGATIVES**In-house systems**

“The technology can soon start to become obsolete.”

“It lacks the required support to introduce higher-level services.”

“Programming to account for updated legislation requires effort.”

External counsel services

“I have to pay for it – probably more than I would if I performed the function in-house.”

“Service levels are dependent on the personnel dealing with the account.”

“There should be more flexibility to print different kinds of reports.”

Third-party supplier services

“Reports are not very user friendly in terms of the arrangement of information.”

“Every customisation, no matter how small, is an expense.”

“The provider response to problems does not always sufficiently tend to our needs.”

and expensive. So despite not being thrilled with the database you have, if it is filling your basic needs, you tend to just stick with it.”

And customers may also be staying put because the alternatives out there are not all that much better than what they have already. This may perhaps be the most convincing argument, given that – despite low levels of provider switching – users do regularly review the services they receive, with over half doing so on an annual basis (Figure XX).

As an alternative to staying, a number of users state that they have built up a panel of suppliers and send individual jobs to the one which would be most cost

effective in a particular area or can offer the necessary customisation for the task in question.

In a market characterised by a degree of inertia on both sides, the challenge for users is to ensure that suppliers are listening to them and developing services that truly meet their needs. When asked what enhancements might be welcomed, respondents made the following suggestions:

- Work on quality rather than focusing on price (“I’d like to see less selling of new services before existing ones are optimised,” said one).
- Increase interaction with regular contacts at the company (eg, “simply by calling and discussing our needs more often”).

TRADEMARK MANAGEMENT SOFTWARE

FIGURE 1: Overall respondent system usage

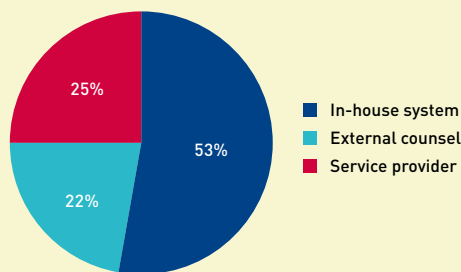


TABLE 2: Overall ratings (entire universe of respondents)

	2014	2013	2012
Software's performance and reliability	7.29	7.4	6.8
Software's flexibility and customisability	6.77	6.5	5.7
Customer service and support	6.88	6.5	5.8
Likelihood of recommending this provider	6.34	6.5	6

TABLE 3: Average ratings by question

Software's performance and reliability		Software's flexibility and customisability	
Average (entire universe of responses)	7.29	Average (entire universe of responses)	6.77
Average service provider rating	7.32	Average service provider rating	6.4
In-house system	7.32	In-house system	7.24
External counsel system	7.25	External counsel system	6.68
Customer service and support		Likelihood of recommending this provider	
Average (entire universe of responses)	6.88	Average (entire universe of responses)	6.34
Average service provider rating	6.57	Average service provider rating	6.23
In-house system	7.12	In-house system	6.42
External counsel system	7.21	External counsel system	6.98

TABLE 4: Company focus (reader ratings for companies which attained enough qualifying votes)

Company	Software performance and reliability	Software's flexibility and customisability	Customer service and support	Likelihood of recommending provider	Overall provider rating
IPPO (WebTMS)	8.45	7.47	7.76	7.8	7.87
Thomson Reuters*	7.33	6.22	6.77	6.55	6.71
Patricx/Patricia	7.04	6.68	6.18	5.81	6.42
Computer Packages Inc	7.36	5.9	6.04	5.95	6.31
CPA Global**	6.92	5.73	5.96	5.34	5.98

* includes Thomson Reuters/Thomson IP Manager/IPMaster/PC Master
 **includes Memotech/Inprotech/FoundationIP/lpendo/First To File

The following companies were used and rated by readers, but we did not have sufficient levels of response to compare them like for like: Anaqua, Brückmann (PatOrg), Aderant (CompuLaw), Corsearch, DAMLOG, Dennemeyer, Equinox IP, Fileye, Genese, Grupo 10, IS Information Service GMBH (IP Master), LDSOFT, Leap Legal, Markify, OP Solutions, Patrafee/Patrawin, Pérdigon, Punto IP, Unycom and Walters Klower (WorldSuite)

- Improve offerings to search/clear designs (one user noted: "Design marks continue to be an issue as to searching and clearing"), and adapt more quickly to provide services relating to non-traditional marks, such as sounds and scents.
- Increase optimisation for mobiles/tablets (reflecting on changing work patterns, one lawyer suggested that "systems should be even more adapted to mobility – thus, software should be optimised for tablets, smartphones, etc").
- Make systems more compatible with corporate platforms – and even with those of competitors.
- Recruit more people with industry expertise and an understanding of what customers do (one trademark counsel complained: "I find that the salespersons

use certain phrases, but when you ask them for support on that matter, it is evident that they do not understand the basis for the question. They don't understand the ins and outs of why we are using their solutions").

Responding to proposed changes

When we highlighted users' desire for increased interaction with regular contacts at the company, rather than being passed around multiple individuals who may be unfamiliar with their needs, the providers that we spoke to once again all stressed their credentials in this area.

At CSC, customers have a strategic account manager who acts as the primary point of contact and coordinates supplementary resources; while Envoy

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RENEWALS AND RECORDALS

The percentage of corporate counsel using in-house systems to manage their renewals and recordals mirrors the figure for in-house trademark management software packages (53%). By contrast, just over one-quarter turn to service providers, with the remainder utilising external counsel services (either through their proprietary systems or by letting external counsel liaise with third-party service providers on their behalf so that they can benefit from negotiated rates).

Overall, there was an appreciation of internal systems, which received a higher overall rating than third-party and external counsel services. This is in contrast to trademark watching (see page 24), where internal systems are used by many, but highly valued by few.

As well as cost savings, reliability and quick turnarounds were the most frequently cited reasons for this popularity. Flexibility was also valued, with users able to train a number of team members to use the system (a task that is made easier by packages being integrated with familiar

internal IT systems). Customer service also received a clear thumbs-up (a 7.91 rating), confirming that it can be a lot easier to chase down queries and requests when operating within your own corporate structure.

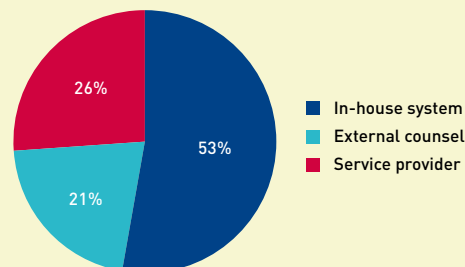
However, there are still some downsides to relying on in-house systems – not least the attendant administrative burden. As one user succinctly answered when quizzed on the main negative of keeping this function in-house: “Stressed staff!”

For those without the requisite headcount (or without the portfolio size to justify internal IT spend), outsourcing becomes a more compelling option. It appears that service providers have clearly upped their game when compared with the previous two years, boasting a 7.4 rating for the past 12 months (the average score in 2012 was 6.4). While there are still some common complaints (relating to cost and small errors), overall there was satisfaction with the service offered, particularly as it relates to system reliability and the reduced administrative burden that it facilitates.

External counsel services scored slightly lower, at 7.07, with the main negative being the expense. However, the reduced administrative burden is identified as a real plus, in addition to easy access to an expert legal eye. As one respondent noted: “Direct interaction with external counsel enables problems to be identified and resolved.”

That such a high percentage of users currently utilise in-house systems means that service providers have a large pool of potential customers to tap. The challenge will be selling the advantages they can bring to the table to users who seem happy and comfortable with their own systems and processes.

FIGURE 2: Overall respondent system usage



POSITIVES

In-house systems

“We believe we save costs by doing it ourselves.”

“We can train our people to accurately handle renewals and recordals.”

“It’s very reliable and because it is in-house, it is not expensive.”

External counsel services

“They are always on top of renewals and provide the necessary information.”

“It means that I don’t have to worry about it – they do.”

“The direct interaction with external counsel allows problems to be easily identified.”

Third-party supplier services

“Online systems make handling renewals fast and easy.”

“They are good at alerting us to upcoming international renewals.”

“They offer an overview of the entire file, including all of the procedural developments together with renewal/annuity payments.”

NEGATIVES

In-house systems

“If you don’t have internal headcount, then you have to hire someone.”

“It does create an administrative burden.”

“We have to pay consultants to maintain and update it, and integrate with our accounts and records.”

External counsel services

“It’s expensive, but I don’t have a large enough portfolio to justify handling in-house.”

“It’s a little too dependent on the individual person dealing with the issue.”

“It can be costly, as our external counsel are paid by the hour.”

Third-party supplier services

“They can be very robotic and rigid in their levels of service.”

“We’ve had some silly errors and suffer from clumsy customer service.”

“They are not very responsive to changes or special requests.”

TABLE 5: Overall ratings (entire universe of respondents)

	2014	2013	2012
Ability to reduce your administrative burden	7.21	7.3	6.4
Customer service and support	7.67	7	6.5
Likelihood of recommending this provider	7.31	7	6.3

TABLE 6: Average ratings by question

Ability to reduce your administrative burden		Likelihood of recommending provider		Customer service and support	
Average (entire universe of responses)	7.21	Average (entire universe of responses)	7.31	Average (entire universe of responses)	7.67
Average service provider rating	7.35	Average service provider rating	7.39	Average service provider rating	7.46
In-house system	7.22	In-house system	7.43	In-house system	7.91
External counsel system	7	External counsel system	6.91	External counsel system	7.3

TABLE 7: Company focus (reader ratings for companies which attained enough qualifying votes)

Company	Ability to reduce administrative burden	Customer service and support	Likelihood of recommending provider	Overall provider rating
Thomson Reuters*	7.8	7.8	7.8	7.8
Envoy International	7.12	8	7.62	7.58
CPA Global	6.91	7.17	6.68	6.92
Dennemeyer	6.57	7	6.71	6.76

*includes Thomson IP Management Services (Thomson Reuters IP Payments)

The following companies were used and rated by readers, but we did not have sufficient levels of response to compare them like for like: Anaqua (and SGA2), Brandstock, IPAN, IPPPO (WebTMS), Lall & Sethi (Click IPR), LDSOFT, Markify, OP Solutions, Patrafee/Patrawin, Patrix/Patricia



envoy^o

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TRADEMARK SEARCHES

Of the four areas we investigated, trademark searching was the most commonly outsourced, with 60% of respondents stating that they use third-party service providers and 13% utilising external counsel to oversee these activities.

Overall, the service received in this area was rated positively, suggesting that outsourcing of this work will continue. On a scale of one to 10 (with 10 being the most positive), when quizzed on the relevance of the records received from providers, the average score was 7.99. The score for usability and timing of search reports was marginally better, at 8.23. While the score for linguistic capability (eg, translation, transliteration, phonetics) dipped a

little to 7.46, when asked whether they would recommend their provider the result was a score of 7.72 – the highest across all services examined in the survey.

Why so happy? Most respondents cited speed as a major plus, with prompt delivery times ensuring that in-house counsel can jump into action to secure swift protection for their internal clients. The scope of coverage is another advantage, as systems can scour databases from around the globe and, in some instances, “help even where the local trademark offices cannot”.

Of course, all of this would be pointless if the quality of the results were lacking; but

happily, this does not seem to be the case. Most respondents appreciate the tailored reports that they receive, which present an accurate (if sometimes a little broad) range of results.

Customer care also got the thumbs-up from a significant number of respondents. There were some who complained of “impersonal service” and confusion caused by too many different points of contact; but the overall sentiment was positive, in sharp contrast to the experience in the trademark management software field (see page 17).

Perhaps unsurprisingly, on the negative side, cost was a common complaint, with users noting that prices are steadily creeping up. A related annoyance was the hard sell from commercial teams eager to bolt on additional services to existing packages.

Those cost concerns have prompted some private practitioners to adopt strategies that seek to minimise the financial knock-on for clients, while also attempting to reduce their own financial commitments. This is not an easy balance to achieve – one UK law firm respondent told our researchers: “We have some difficulties with models which require a yearly fee, as that cost gets pushed on to clients. We tend to prefer ones we pay per search, though sometimes that does work out more expensive for the individual jobs.”

As a result, many firms now shop around, picking and choosing where to send jobs according to the specific brief. One European law firm representative explained: “For searching, we basically select whoever we think is the most suitable supplier. We do have a couple of preferred service providers, of course; but generally we look at the major players and their offerings – it is really a case-by-case thing.”

Beyond cost, the factors that come into play include turnaround times and geographic reach. “It really depends on what the focus is – do you need a very comprehensive search or do you need something more quickly?” observed one respondent.



POSITIVES

In-house systems

“We can manage our own results and know where/what to eliminate before reports are generated.”

“The searches can be done on a very short turnaround and we can add functionality when required.”

“We have found in-house searches are far superior to briefing out to a service provider.”

External counsel services

“It spreads the administrative burden outside the company.”

“There is quick turnaround and they provide clear advice.”

“It’s been a good experience; they are practical in their approach.”

Third-party supplier services

“It’s pretty reliable, although we’ll often complement results with a Google search.”

“They offer good customer service, with timely deliveries.”

“You get access to wide geographical coverage for trademarks.”

NEGATIVES

In-house systems

“There is a lack of automation in the system.”

“It is a burden on resources we could do without and searching is a specialist discipline.”

“Dealing with our IT people.”

External counsel services

“We need to provide a lot of instructions.”

“Humans can’t search as well as a computer.”

“We use a small firm, so they may not be able to handle very large volumes.”

Third-party supplier services

“Far too many pages in reports – an absolute waste of paper if they must be printed.”

“Sometimes important potential conflicts are missed that should have been picked up.”

“Some databases are not updated after original publication and thus do not reflect owner changes if these are not published.”

International clients have a dedicated account team assigned to them from the outset. At CPA, clients have a regular contact point in local offices, with a framework in place to gather ongoing feedback. For WebTMS, regular interaction is facilitated in a number of ways, including through training webinars and regular user group meetings. March adds: “Additionally, we’ve recently hired another full-time account manager and one of their jobs will be to spend a lot of time making courtesy calls to see how our clients are getting on and assisting them with any queries they may have.”

Finally, Thompson Reuters states that regular interaction is important because it not only benefits customers, but also helps the company to ensure that it “stays on top of evolving needs”.

When it comes to extending offerings to encompass designs, meanwhile, clients will be glad to know that the prospects look good. As mentioned earlier, Thomson Reuters CompuMark has already launched an industrial design solution and others will likely follow as technological barriers fall. Corsearch’s Stolfi observes: “Design searching does remain a challenge

In terms of potential improvements to existing offerings, more accurate translations, additional information on the marks cited (eg, the business activities of those identified in company name searches), more transparent fee structures and a move away from paper-based reports were all suggested.

Finally, it appears that there is a clear opportunity for providers that can increase the search options for design rights – whether by enhancing existing products or developing new tools for users and integrating them into dashboards. Users cited both as important additions in an environment where companies no longer rely on traditional marks alone for protection.

FIGURE 3: Overall respondent system usage

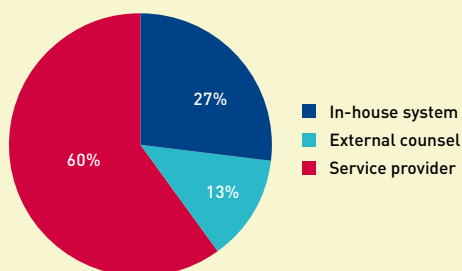


TABLE 8: Overall ratings (entire universe of respondents)

	2014	2013	2012
Relevance of watch notices you receive from your provider	7.99	8	7.2
Usability and delivery timing of search reports	8.23	7.8	7.2
Linguistic capability	7.72	8.2	7.5
Likelihood of recommending this provider	7.72	7.7	7.5

TABLE 9: Average ratings by question

Relevance of watch notices	
Average (entire universe of responses)	7.99
Average service provider rating	7.93
In-house system	8.01
External counsel system	8.21
Usability and delivery timing of search reports	
Average (entire universe of responses)	8.23
Average service provider rating	8.32
In-house system	8.08
External counsel system	8.11
Likelihood of recommending this provider	
Average (entire universe of responses)	7.72
Average service provider rating	8.03
In-house system	7.04
External counsel system	7.5

TABLE 10: Company focus (reader ratings for companies which attained enough qualifying votes)

Company	Relevance of records received	Usability and delivery timing of reports	Linguistic capability	Likelihood of recommending provider	Overall provider rating
Corsearch*	7.88	8.41	7.65	8.27	8.05
Thomson Reuters**	7.85	8.16	7.53	7.98	7.88

* includes Edital/Avantiq

** includes Thomson CompuMark/Onscope/SAEGIS on SERION

The following companies were used and rated by readers, but we did not have sufficient levels of response to compare them like for like: Brandstock, Corporation Services Company, CPA Global/TMDS, Government Liaison Services Inc, Grupo 10, Intellectual Property Organisers, IP Watch Corporation, Lall & Sethi (Click IPR), Markify, Punto IP, SMD Markeur (CEDELEX (Search Software), smdNEt (Search Software)/SMD Markeur Trademark Searching /i-Search Trademark Searches with Legal Opinion), TMView

for all research providers, as it relies on antiquated and coarse design coding systems and good judgement by human analysts. While the human element will always be necessary, we are seeing emerging new technologies that can be layered into the process that will greatly improve the quality and relevancy ranking of design searching and watching results.”

Increased optimisation for mobiles and tablets is also high on providers’ agenda. Again, Thomson Reuters was an early adopter, as Felman explains: “Our launch of the ‘first of its kind’ trademark

analysis mobile app for both trademark research and brand protection has been very well received by clients. It provides them with the ability to work wherever and whenever they need to keep projects and deliverables on track.”

WebTMS says that it is also optimised for tablet and smartphone use, while CPA Global offerings are responsive and Envoy International is developing an app for the US market (due for release in Q1 2015). Meanwhile, Anaqua’s director of marketing, Kristina Heimer, explains: “Anaqua V8 is mobile optimised;

TRADEMARK WATCHING

In terms of trademark watching services, under half (43.7%) of respondents rely on in-house systems, with a similar amount (44.4%) using third-party providers and 11.9% outsourcing this function to external counsel partners. Overall, the scores across the board are fairly consistent with last year's, which saw an upswing on the previous year. In this respect, then, service levels overall seem to have held steady (see tables opposite).

What stands out, when drilling down into the different areas under scrutiny, is that while many counsel rely on internal systems, these fare poorly when compared with the offerings of service providers and external counsel. The main complaints relate specifically to the speed at which results can be accessed, the time it takes to compile results, reliance on the quality of data from sources such as trademark offices, the burdens they place on teams and – perhaps

most crucially of all – missed applications.

On the face of it, this presents another clear opportunity for service providers: access to a large pool of trademark professionals who have not yet outsourced this type of work and who would, if the experience of their peers is anything to go by, benefit from (and welcome) the services that are available. But one major hurdle must be overcome to win over this potential audience: price. Cost effectiveness was the most commonly cited positive of in-house systems, in terms of both the direct cost of generating results and the instant analysis that the team can undertake.

Where this function is outsourced, both external counsel and professional watching service providers receive the thumbs-up. For watch service providers, “reliable” was the word most frequently used, in terms of both system stability and responsiveness to requests. Respondents also welcomed the timeliness of reports and the fact that professional watching services make it easier to monitor a range of jurisdictions. Where there are issues in terms of data reporting, one trademark counsel suggested that the problem may lie with local trademark offices, rather than the companies drawing on their data.

The biggest gripes related to the relevance of results, with some providers taking an overly broad approach. Where counsel receive too many records to examine, this results in an administrative burden and “time wasted reviewing irrelevant hits”. This is compounded by poor translations; one respondent has even had to engage a separate agency to analyse the search results. The key message? While detailed reports are useful, this can quickly become “overly comprehensive”, thus obviating the administrative advantages that outsourcing is intended to create.



POSITIVES

In-house systems

- “As it is in-house, it can be searched anytime, as and when required.”
- “The system has been made according to our specific needs.”
- “It is highly customisable, dependent on management prerogatives.”

External counsel services

- “The reports are provided in a timely manner.”
- “We are alerted to possible infringement or the possibility of oppositions continuously.”
- “Results are filtered by counsel, which reduces time and is cost effective.”

Third-party supplier services

- “Emailed reports in HTML format make for easy reading on email readers.”
- “They provide timely notification of opposition deadlines.”
- “As well as pre-formatted digital tools, they offer the flexibility to have some tailor-made settings.”

NEGATIVES

In-house systems

- “We can only do our best with what we have.”
- “The system is not automated and thus time delays occur.”
- “Results are potentially poor quality, depending on the trademark source.”

External counsel services

- “They are not very flexible in delivery.”
- “Some translations are not provided.”
- “Fee levels are not practical for general watching purposes.”

Third-party supplier services

- “The results are several ‘clicks’ away from the initial email and the email subject line gives no indication as to what marks the report is on.”
- “Moderate relevance of watch notices results from the watch being a computer-based automatic system.”
- “Accuracy of translations of the list of goods and services of national trademarks and international registrations can be problematic.”

but just as important is our mobile app strategy, which puts specialised functionality into the hands of more stakeholders in the form ‘mini apps’ so that they can submit ideas, review dashboards and so forth.”

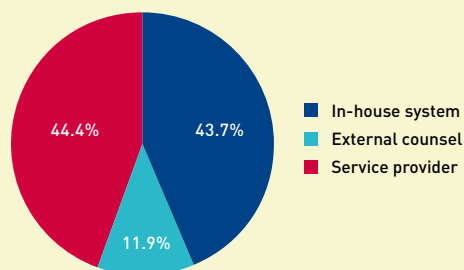
Friend or foe?

Despite these positive noises, the responses from users would suggest that once again, there is still some disconnect between what providers claim they are offering and what customers feel they are getting. Perhaps, then, this creates space for more law firms to step in and offer their own proprietary systems to bridge the gap?

At present, law firm offerings are the exception rather than the rule. Ladas & Parry is one practice which has long marketed services based on its own internal portfolio management and watching systems. “Because we manage a lot of portfolios for many different companies, we have

developed our own proprietary system,” explains partner Dennis S Prah. “Our ability to design our own software has enabled us to respond quickly to client requests for modifications and enhancements. For example, our trademark records and docketing system, which is web based, has a client-facing portal where clients can see all of the cases we are handling for them and get up-to-the-minute statuses. It even allows us to share portfolios with some clients who prefer to handle some cases themselves and prefer us to handle the rest. We both can create and update our own cases; but all the data is stored and viewable in a central place, so we eliminate not only the hassle of exchanging data to two different platforms, but also the client’s independent costs of buying and maintaining its own system.”

Baker & McKenzie likewise has its own internal software system, Global IP Manager. “We also have a

FIGURE 4: Overall respondent system usage**TABLE 11:** Overall ratings (entire universe of respondents)

	2014	2013	2012
Relevance of watch notices you receive from your provider	7.36	7.4	6.6
Flexibility and usability of watch results	7.42	7.4	6.8
Linguistic capability	7.33	7.2	6.6
Likelihood of recommending this provider	7.32	7.6	7

TABLE 12: Average ratings by question

Relevance of watch notices you receive from your provider		Linguistic capability (eg, translation, transliteration, phonetics)	
Average (entire universe of responses)	7.36	Average (entire universe of responses)	7.20
Average (excluding in-house systems/external)	7.5	Average service provider rating	7.25
Performed in-house	5.04	Performed in-house	4.89
Performed by external counsel	7.5	Performed by external counsel	7.60
Flexibility and usability of watch results		Likelihood of recommending this provider	
Average (entire universe of responses)	7.42	Average (entire universe of responses)	7.33
Average service provider rating	7.60	Average service provider rating	7.67
Performed in-house	5.09	Performed in-house	4.8
Performed by external counsel	7.42	Performed by external counsel	7.05

TABLE 13: Company focus (reader ratings for companies which attained enough qualifying votes)

Company	Relevance of the notices received	Flexibility and usability of results	Linguistic capability	Likelihood of recommending provider	Overall provider rating
Thomson Reuters	7.41	7.63	7.35	7.76	7.53
Corsearch	7.58	7.44	7.37	7.65	7.51
CPA Global	7.5	7.3	7.2	6.9	7.22

*includes Thomson CompuMark/Onscope

** includes Edital/Avantiq

*** includes TMDS

The following companies were used and rated by readers, but we did not have sufficient levels of response to compare them like for like: Brandstock, Check Mark Network, Lall & Sethi (Click IPR), Corporation Services Company (CSC), Grupo 10, Intellectual Property Organisers, IP Watch Corporation, Ladas & Parry, LDSOFT, Markify, NetNames, OHIM (TMView), PuntolIP, and Towergate Software.

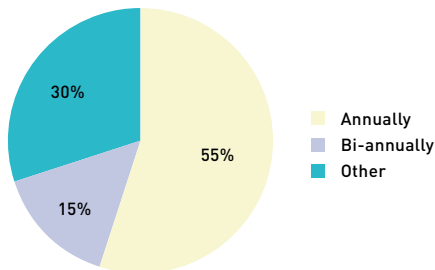
team that centrally handles data processing for global IP portfolios, so we don't need a third-party service provider," adds Say Sujintaya, partner and co-lead of the firm's IP practice group in Thailand. "If I ask for a search to be conducted, I will go to the Baker office in that country. We have extensive reach as a global law firm and most of us represent the clients in multiple locations, so we can centralise data and also make that available for clients, which is great. We have 77 offices in 47 countries, while our IP agent network covers more than 200 countries. If each bought its own software, that would be costly and inefficient. Instead, we have invested significant resources in Global IP Manager and our dedicated support centre in Manila. It is cost effective and efficient, and allows us to guarantee the quality of the data."

When we asked survey respondents what they saw as the likely evolution of the trademark service providers

market (Figure 6), almost one-fifth predicted increased competition from law firms. But on the other side of the coin, providers are mostly quick to downplay this as a threat. Corsearch's Stolfi foresees "more and more synergy between service providers and law firms", with closer partnerships and increased syncing of data and workflow tools.

Jayne Durden, head of client solutions architecture, Americas, at CPA Global, concurs: "Far from competing with law firms, we are working a lot more closely with them, supporting them as they seek to build their practices, manage costs and improve efficiency and profitability." Thomson Reuters Compumark's Felman adds: "Our approach has always been to provide solutions that meet the needs of both law firms and corporations, and we view the relationship with all of our customers as a true partnership."

FIGURE 5: How frequently do you review your service provider?



One voice of dissent is Envoy International’s Hosie, who (while stressing that her company does not offer legal advice to rights holders) suggests that her peers’ position is somewhat disingenuous: “This is already happening and will only continue to do so. Many of our competitors offer legal services that encroach on the services offered by law firms – even brazenly approaching their customers’ clients to sell these additional services. It’s only a matter of time before some service providers offer a ‘one-stop shop’ for all IP matters.”

WebTMS’s March agrees that competition will more likely come from this direction, rather than firms developing their own independent offerings: “I’m not convinced that law firms would be able to justify the time, cost and resource commitment needed to create, develop, maintain, sell and manage a truly competitive product. Perhaps they might buy an up-and-coming/existing outfit and ‘white label’ it as their own; but I don’t think we will be seeing many mainstream IP portfolio software offerings coming out of law firms. What I would consider more likely is IP software specialists taking on experts in the field, which could range from administrators and paralegals offering assistance to consultants advising on strategy and, at a push, trademark attorneys.”

Should this become a reality, tensions will inevitably rise, meaning that providers will have to decide whether the revenues that new legal services could bring in would outweigh those generated by existing law firm customers.

Can’t we all get along?

In the meantime, in an environment where users often work with several different providers, the suggestion of greater interaction between competing platforms received a mixed reaction from the market.

Thomson Reuters Compumark currently has “multiple strategic partnerships with other service providers and continues to evaluate these relationships on a regular basis”; while CSC “works with different providers as necessary to ensure that clients receive timely and cost-effective services”. However, Horine adds that increased interaction between different vendor platforms is unlikely due to proprietary technology concerns.

Envoy International’s Hosie expands: “We believe it is a slightly unrealistic expectation for service providers in direct competition to interact with one another, due to

FIGURE 6: What is the most likely scenario for how you see the trademark service provider marketplace evolving?



the varying nature of the service, software and processes involved. For service providers with which we are not in direct competition, we believe it is feasible to have some kind of interaction, and this is something we could welcome.”

WebTMS’s March echoes this sentiment: “We don’t currently have any formal interaction with other service providers, although we are happy to recommend others in areas we do not cover – obviously based on us being confident with the services they provide.”

Whether due to concerns over access to proprietary technology or the risk of customer poaching, the sense is that cooperation will be limited. However, such fears have not prevented CPA Global from taking the lead in this regard: it is currently developing an open online services platform which allows other providers to ‘plug in’ their respective offerings. Charly Nijm, a director of software product management, explains: “This will allow customers to have all information related to their trademarks in one place, even though they are using different providers. By offering customers a single, integrated services platform in this way, we are affording them better oversight and control of their trademark data, which will make life a lot easier for them, saving them considerable amounts of time. There are also possibilities for users to compare different service providers, which will encourage high-quality performance. Furthermore, the platform enables easier collaboration with colleagues and outside counsel around the world.”

“**There is still some disconnect between what providers claim they are offering and what customers feel they are getting**

Whether this will prove a game-changer remains to be seen; but moves to simplify portfolio management for those who work with multiple providers across the globe are to be welcomed.

Whatever the future holds, future iterations of the trademark services survey will continue to assess the benefits for users and determine whether the sector is really measuring up to customer needs. **WTR**