

Regulator Performance Framework Self-assessment

Financial Year 2015-16



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Revision history

Date	Amendments
20/07/2016	Initial draft
18/08/2016	Updated draft to incorporate feedback from Regulatory Reform Division, Department of Industry, Innovation and Science
25/8/2016	Updated draft to incorporate some feedback from Domestic Policy
12/9/2016	Final draft incorporating Director General and Executive Board feedback
04/10/16	Final self-assessment incorporating feedback from IPSF consultation

Executive summary

Our Role	<p>IP Australia is the Government agency responsible for administering Australia’s intellectual property (IP) rights system; specifically patents, trade marks, designs and plant breeder’s rights (PBR). This includes processing applications, maintaining the IP rights registers, conducting hearings and deciding on disputed matters relating to granting or refusing Australian IP rights, and regulating the IP attorney profession.</p> <p>By continuing to deliver efficient administration of Australia’s patents, trade marks, designs and plant breeder’s rights, IP Australia provides an effective legal framework for innovators to protect their ideas. This creates a secure environment for investment in innovation, enables firms to build brand value and business knowledge, and encourages the disclosure of inventions and the transfer of knowledge and technology.</p> <p>IP Australia also promotes awareness of the IP system, provides advice to Government on the development of IP policy, and contributes to international negotiations and development of cooperation programs to support the global IP system for the benefit of the Australian economy and society.</p>
Our Stakeholders	<p>IP Australia’s customers are individuals and businesses in Australia and overseas. IP Australia works closely with our customers to deliver new and improved administration of IP rights.</p> <p>Our stakeholder base is broad encompassing business, legal professionals, entrepreneurs and self filers, to research institutions and global IP offices.</p> <p>In 2015-16 IP Australia received 115,607 applications for all rights combined. IP Australia also supported the Professional Standards Board for Patent and Trade Mark Attorneys (PSB) to administer the regulatory and disciplinary regimes for over 1,300 registered attorneys.</p> <p>IP Australia’s Ministerially-approved stakeholder consultation mechanism under the Regulatory Performance Framework (the IP Stakeholder Forum) includes representatives from the:</p> <ul style="list-style-type: none">• Australian Chamber of Commerce and Industry (ACCI)• Australian Federation of Intellectual Property Attorneys (FICPI Australia)• Australian Industry Group (AIG)• Australian Manufacturer’s Patents, Industrial Designs, Copyright and Trade Mark Association (AMPICTA)• Institute of Patent and Trade Mark Attorneys of Australia (IPTA)• International Association for the Protection of Intellectual Property (AIPPI)• Law Council of Australia IP Committee• Licensing Executives Society of Australia and New Zealand (LESANZ)• Knowledge Commercialisation Australia (KCA)• Universities Australia <p>IP Australia is committed to learning from peer experiences in implementing continuous improvement strategies to reduce the costs of compliance for those they regulate. As part of the Industry, Innovation and Science portfolio, IP Australia will continue to work closely with its parent department and other regulators in the regulatory reform portfolio towards this aim.</p>
Regulator Performance Framework	<p>The Regulator Performance Framework (RPF) is an important part of the Government’s commitment to reduce unnecessary or inefficient regulation imposed on individuals, business and community organisations. The RPF sets up a process to measure the performance of regulators, including IP Australia.</p> <p>The RPF consists of six key performance indicators (KPIs), which state the Government’s expectations of regulator performance.</p> <ul style="list-style-type: none">- KPI 1—Regulators do not unnecessarily impede the efficient operation of regulated entities.- KPI 2—Communication with regulated entities is clear, targeted and effective.- KPI 3—Actions undertaken by regulators are proportionate to the risk being managed.

- KPI 4—Compliance and monitoring approaches are streamlined and co-ordinated.
- KPI 5—Regulators are open and transparent in their dealings with regulated entities.
- KPI 6—Regulators actively contribute to the continuous improvement of regulatory frameworks.

Annual externally-validated self-assessment reports aim to identify the extent to which the regulator is achieving the performance indicators in the RPF and highlight areas for improvement.

IP Australia's measures for the KPIs under the RPF have been selected to ensure:

- high quality services are provided in a timely way
- communication is clear, meaningful and timely
- compliance standards are transparent
- ongoing stakeholder engagement to improve the way we work.

Results from the RPF self-assessment process will be used alongside ongoing feedback from our customers to shape the future direction of our agency, and tailor the services and support we provide.

This first annual self-assessment report provides an assessment of IP Australia's performance against the six KPIs under the RPF and sets the performance benchmarks to measure future performance improvement. IP Australia met all performance targets in 2015-16, including our quality and timeliness goals and delivering greater efficiencies for our customers. The performance scorecard provides further detail on IP Australia's 2015-16 performance against specific metrics for the purposes of the RPF.

The following examples highlight some of our key achievements in 2015-16 across the 6 RPF KPIs.

Quality Assurance

- IP Australia maintained Quality Certification in 2015-16 and expanded certification to cover the activities performed by the Business Improvement Support Centre (BISC). This work informs the approach IP Australia will take in 2016-17 to gain certification under the new ISO 9001: 2015 standard.

Patent Prosecution highway (PPH)

- IP Australia undertook substantial work across 2015-16 that supported the commencement of a comprehensive patent prosecution highway (PPH) pilot program in 2016-17. This pilot complements IP Australia's participation in the Global PPH and aims to fast-track existing examination procedures already available at IP Australia and the European Patent Office (EPO), allowing applicants to obtain corresponding patents faster and more efficiently. The PPH pilot program forms part of IP Australia's continued efforts to strengthen inter-office cooperation, ensuring the benefits of high-quality, expeditious, and inexpensive examination for applicants by reducing duplication and examination workload for offices.

Supporting Stakeholder Innovation

- Launch of Source IP, an online tool that facilitates collaboration between business and researchers, enabling Australian businesses, including small to medium sized enterprises', easier access to public-sector innovation and technology.
- Began the staged introduction of an online 'virtual assistant' using cognitive computing technology to better assist our customers 24/7. This work will progressively deliver a more agile business environment that captures efficiencies and improves service delivery.
- Successful implementation of electronic correspondence from IP Australia for patent, trade mark and designs customers who are registered eServices' users. As a result, the manual workload and postage/courier costs for IP Australia and customers have been reduced, and delivery of correspondence is highly reliable.

Outreach and awareness activities

- IP Australia has over 9,500 followers across its accounts on Facebook, YouTube, LinkedIn and Twitter. This increase in social media presence has added value to customer communication, increased online engagement and built more meaningful relationships with customers and other relevant stakeholders. Advertising campaigns that help educate the public on IP using social media have increased post engagement and sharing of our online content and reach of 30,000 per post, compared to non-advertised campaigns which receive an average reach of 175.
- A review of the IP Australia's external website to better align the organisation and content of our support and information resources with customer needs. The refreshed website, based on extensive feedback, was launched in March 2016 with ongoing refinements planned.
- Other specific initiatives include IP Workshops for Start-ups, which educate small businesses on the use of IP, and TEDx events targeted at the university sector.
- In 2015-16 IP Australia conducted qualitative research and re-designed its annual customer satisfaction survey to confirm:
 - robust data at each point of interaction with IP Australia
 - clear insights into what matters most to our customers and the drivers for satisfaction

- where we should target our improvement efforts to give the highest value to our customers, each year.

Improvement Initiatives in 2016-17

IP Australia will continue to review measures in 2016-17 to ensure that KPIs remain relevant, support continuous improvement and provide timely insight into how we can drive reform in our business.

Results from the RPF self-assessment process will be used alongside ongoing feedback from our customers (for example, see [Attachment A](#)) to shape the future direction of our agency, and tailor the services and support we provide. IP Australia will continue working with the IP Stakeholder Forum to ensure the support we provide our customers is aligned with their needs, and opportunities for improvement are identified early. Customer engagement activities in 2016-17 will focus on:

- further refining our customer intelligence measures and interaction points to drive and inform business direction
- enhancing online information and tools in line with feedback to support a greater understanding of IP.

Specific improvement initiatives planned for 2016-17 include:

- Provision of timeliness data for PBR against KPI 5 to further complete the measures.
- Comparing our trade mark demand forecasting methodology with other IP offices.
- Delivering improved trade mark and designs search capability.
- A joint report on the Inter-Office Quality Audit of the [Vancouver Group](#), to inform future work on the quality of IP rights.
- Implementation of IP Australia's Quality Improvement Project.
- Renewing our Customer Service Charter commitments in partnership with our stakeholders.
- Reviewing IP Australia's business information, analytics capability, and Risk Management Framework.
- Extending the scope of ISO 9001 Quality Certification across ICT support.

2015-16 Performance Scorecard

	MEASURE	OWNER	PERFORMANCE	COMMENTARY
KPI 1 Do not unnecessarily impede the efficient operation of regulated entities	Examine and issue first reports on applications for standard patents within 12 months of receiving the request for examination.	PATENTS	Target met Average timeliness was 7.6 months	IP Australia issued 28,050 first examination reports on applications for patents in 2015-16 which is on plan for the financial year. First report timeliness significantly improved from the 12.2 months achieved in 2014-15, with the average timeframe for first reports on applications for standard patents recorded as 7.6 months in 2015-16.
	Conduct a <i>prima facie</i> examination on applications for plant breeder's rights within 8 weeks of receiving the application.	PLANT BREEDER'S RIGHTS (PBR)	Target met Average timeliness was 3 weeks	IP Australia issued 281 field reports in 2015-16. The average timeframe for <i>prima facie</i> examinations for PBR was 3 weeks.
	Examine and issue a report on trade mark applications within 13 weeks of receiving the application.	TRADE MARKS (TM)	Target met Average timeliness was 10.1 weeks	IP Australia received 73,338 TM applications in 2015-16 and issued 76,423 first reports on TM applications in 2015-16. The average timeliness in 2015-16 for TM reports was 10.1 weeks, which is a small increase compared with the 8.5 weeks reported in FY 2014-15. This is attributed to an influx of international work. However, report timeliness was still well within the target timeframe for TM of 13 weeks.
	Examine and issue a report on registered designs within 13 weeks of receiving requests for examination.	DESIGNS	Target met Average timeliness was 7.7 weeks	The average timeliness for reports on registered designs in 2015-16 was 7.7 weeks, which is a slight increase on the average timeliness of 7.0 for 2014-15. However, report timeliness was still well within the 13 week target timeframe.
	Give at least 8 weeks' notice before implementing a change in fees and endeavour to give 12 weeks' notice when introducing major new fees	FINANCE, QUALITY, REPORTING & PROPERTY GROUP (FQRPG)	N/A	No major fee changes occurred in 2015-16. IP Australia undertook evaluation of its fees in 2015-16 and will report on the results in 2016-17.
	Tier 1 - At least 93.5% of search and research is correct	IP RIGHTS	Target met	Compliance was met across all IP Rights for FY 2015-16 as follows: <ul style="list-style-type: none"> • Patents – 96.5% • PBR – 95.8% • TM – 94.6% • Designs – 98%

	MEASURE	OWNER	PERFORMANCE	COMMENTARY
	Tier 2 – At least 90% of reports are comprehensive and informative and free of invalid objections / considerations	IP RIGHTS	Target met	Compliance was met across all IP Rights for FY 2015-16 as follows: <ul style="list-style-type: none"> • Patents – 96% • PBR – 100% • TM – 96% • Designs – 99%
	Tier 3 – At least 85% of written formalities are complete and correct	IP RIGHTS	Target met	Compliance was met across all IP Rights for FY 2015-16 as follows: <ul style="list-style-type: none"> • Patents – 87% • PBR – 96% • TM – 94% • Designs – 97%
KPI 2 Communication is clear, targeted and effective	Complete final registration within 15 working days of receipt of applications for either individual or incorporated attorney registration, that are compliant with legislative requirements.	PROFESSIONAL STANDARDS BOARD (PSB)	Target met	100% of final registrations were completed within 15 days of receipt of application.
	Notify applicants in writing of its decision within 42 working days of deciding whether or not it is satisfied that the person has the qualification.	PSB	Target met	100% of applicants were notified within 42 working days. An assessment time of 42 days was agreed with our stakeholders as part of the Customer Service Charter. This timeframe reflects the varied time for responses depending on the complexity of the application and the supporting examination process.
KPI 3 Actions are proportionate to the risk being managed	IP Australia does not have a compliance or enforcement role in regard to IP rights once they are granted. Accordingly, this KPI is not relevant to IP Australia.	N/A	N/A	N/A
KPI 4 Streamlined and co-ordinated compliance monitoring	Undertake an annual audit of compliance with Continuing Professional Education (CPE) requirements for Patent and Trade Marks Attorneys based on an appropriate sample.	POLICY & GOVERNANCE GROUP (PGG)	Annual audit conducted	The annual audit of compliance with CPE requirements for Patent and Trade Mark Attorneys was conducted in 2015-16. 98% of attorneys were found to be compliant. Action was taken in the one instance of non-compliance.

	MEASURE	OWNER	PERFORMANCE	COMMENTARY
KPI 5 Open and transparent in dealings	Respond to correspondence relating to the examination of applications within 20 working days of receiving the correspondence.	IP RIGHTS	Target met	Compliance was met across all IP Rights for FY 2015-16 as follows: <ul style="list-style-type: none"> Patents – average response time of 12.0 days PBR – data unavailable in 2015-16 TM – average response time of 9.6 days Designs – average response time of 11.6 days
	Issue decisions within 12 weeks of holding a hearing, unless further submissions or evidence is received.	IP RIGHTS	Target met	Compliance was met across all IP Rights for FY 2015-16 as follows: <ul style="list-style-type: none"> Patents – average time to issue a decision was 9.5 weeks PBR – no decisions recorded TM – average time to issue a decision was 10.8 weeks Designs – no decisions recorded
KPI 6 Actively contribute to the continuous improvement of regulatory frameworks	Consult with a representative stakeholder body on regulation reform opportunities at least twice a year , including updating stakeholders on regulation reform measures that IP Australia is progressing and inviting stakeholders to suggest their own regulation reform ideas.	PEOPLE & COMMUNICATION GROUP (P&CG)	Target met	In 2015-16, IP Australia regularly consulted with representative stakeholder bodies including the Patents Consultation Group, the Trade Marks and Designs Consultation Group, and the IP Stakeholders Forum on regulation reform, including on the innovation patent system and IP Australia’s fee review 2016. IP Australia continued to work with stakeholders in drafting a significant package of legislative proposals to further streamline IP processes and support small business. IP Australia launched a pre-examination process (PEP). This trial project delivered notifications to 1500 patent applicants providing them with a list of the citations potentially relating to their application. By providing relevant information up front, the service strengthens the quality of patent applications and support we provide to our customers. IP Australia will assess the outcomes of the trial at the end of the financial year and recommendations considered in 2016-17.
	Hold outreach activities to engage with customers. Examples include holding workshops/forums, conducting stakeholder visits, improving IP Australia’s online presence, and conducting other public education and awareness activities.	P&CG	Target met	IP Australia conducted a range of outreach activities to facilitate access to the IP system, promote understanding of its value and facilitate stakeholder feedback, including: <ul style="list-style-type: none"> 20 start-up workshops. A series of ‘Indigenous specific’ IP seminars throughout regional Australia. Active engagement with CPA Australia, Engineers Australia, and the Export Council of Australia, who assist to promote messages about the value of IP through their memberships. In April 2016, IP Australia launched a new website, based on extensive user research, to better meet user needs and expectations and began the staged introduction of an online ‘virtual assistant’ using cognitive computing technology to better assist our customers 24/7. This work aims to improve the customer experience of our web channel, especially for small to medium-sized businesses.

MEASURE	OWNER	PERFORMANCE	COMMENTARY
			<ul style="list-style-type: none"> IP Australia ran a number of external communication campaigns to communicate research report releases, legislative changes, consultations, events and general IP awareness to our stakeholders and customers. Some of the campaigns were promoted through paid social media advertising and the results showed an increase in post engagement, reach, sharing of our content and a considerable increase to our social media following. A series of TEDx events targeted at the university sector. IP Australia's social media presence and online community continued to increase to over 9500 followers across its social media accounts. As at 30 June 2016 IP Australia had 2559 likes on its Facebook page, 2844 followers on twitter, 3340 followers on LinkedIn and 473 subscribers to its YouTube channel.
<p>Maintain certification of our Quality Management System for business processes to the ISO 9001 standard to ensure we fulfil our role as administrators of the IP system effectively, efficiently and to a high standard.</p>	<p>FQRPG</p>	<p>Certification maintained</p>	<p>IP Australia maintained ISO9001:2008 certification in 2015-16 for the IP Rights Division, FQRPG and P&CG, while also extending the scope to cover the activities performed by the Business Improvement Support Centre (BISC).</p> <p>An annual external audit is conducted to ensure any instances of non-compliance with the ISO framework are identified early and improvements are actioned. A full external audit occurs every three years for IP Australia to maintain certification.</p> <p>This work informs the approach IP Australia will take in 2016-17 to gain certification under the new ISO 2015 standard, maintaining the high quality service and integrity of rights administration our customers expect.</p>

Attachment A – Customer Satisfaction Survey

IP Australia introduced a Customer Intelligence function in order to keep abreast of its customers' changing needs and ensure they are at the centre of the delivery of future products and services. As part of this function, the organisation commissioned Colmar Brunton to assist in designing and delivering a longitudinal customer satisfaction survey to better understand customer attitudes and satisfaction with IP Australia's products and services.

The objectives of this review project were to:

- Explore the customer journey in relation to the person's most recent IP Rights application; including channels used and any challenges or issues experienced;
- Explore overall satisfaction with the process, including the key factors that influenced their overall level of satisfaction with the service experience;
- To explore views on the degree to which their experience matched the commitments IP Australia provides in its Customer Service Charter;
- Based on the findings of the study, provide guidance to IP Australia on development of the Customer Satisfaction survey instrument.

Overall, the most significant influencers of overall satisfaction observed across the interviews emerged as:

- **Sufficient guidance and information for self-filers to manage the IP rights lodgement process (more important for first time lodgers over more experienced self-lodgers)** – there was a sense that IP Australia could do more to cater to the needs of first time lodgers, especially in terms of diagrams, flow-charts and case study examples.
- **The online lodgement system being intuitive and easy to use (or otherwise)** – given the user experience is largely a self-service one via the online channel, the importance of providing a clear, intuitive platform is likely critical in terms of achieving and sustaining high customer satisfaction ratings over time.
- **The quality of interactions with IP staff (for those that reported these)** – either in terms of responding to queries or in engaging in technical discussion regarding the merits or otherwise of the IP rights application itself – it was clear that by and large most participants felt IP staff did everything they could to assist them in their applications or in resolving queries or issues as they arise, which tended to significantly influence overall satisfaction ratings for many.
- **Perceptions of the timeliness of IP Australia responding to queries and processing application** – among IP professionals especially, there is a strong desire for IP Australia to develop systems and practices that acknowledge the time and cost pressures those routinely making IP rights applications are operating under.

IP Australia's customer satisfaction survey was redesigned to build on the key themes above and insights from participant interviews.



Patents



Trade Marks



Designs



Plant Breeder's Rights



2015-16 RPF Performance Infographic

KPI 1 Don't unnecessarily impede the efficient operation of regulated entities



Examination conducted within Customer Service Charter timeframes



months from Patent exam request to first report



weeks from TM application filing to first report



weeks from Designs exam request to first report



weeks from PBR application filing to examination

Compliance against agreed quality levels

Tier 1 ✓

all IP rights met the AQL

Tier 2 ✓

all IP rights met the AQL

Tier 3 ✓

all IP rights met the AQL

KPI 2 Communication is clear, targeted and effective



of professional standards board registrations completed in **15 days**

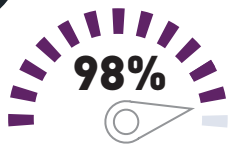
KPI 3 Actions are proportionate to the risk being managed



N/A

no compliance or enforcement role in regard to IP rights once they are granted

KPI 4 Streamlined and co-ordinated compliance monitoring



of attorneys found compliant of their continued professional education requirements



action taken on instance of non-compliance

KPI 5 Open and transparent in dealings



Respond within **20** working days of receiving the correspondence on examination of applications - average **11** days



KPI 6 Actively contribute to the continuous improvement of regulatory frameworks



Regional Patent Examination Training Award for Innovation



9 500 followers across Facebook, Twitter, LinkedIn and YouTube



ISO Certification maintained



YOUR BUSINESS EDGE IP



Source IP IP Toolkit

Launched in 2015-16



Meet with IP Stakeholders Forum every 6 months
Engage with customers
Quality Certification