



IP TrendMonitor

ANNUAL
STUDY

2021

IP MANAGEMENT

IN A CHANGING

WORK ENVIRONMENT



Legend



Asks people to choose one answer from a list of answer choices.



Lets people select multiple answers from a list of answer choices.



Asks respondents to compare items to each other by placing them in order of preference.

The sum of the individual numbers does not always add up to 100% or exceeds 100% due to rounding.

For multiple choice questions, the total number of answer choices selected for a question can be greater than the number of respondents that answered the question.

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About 2021's study

This year's study focuses on the impact of the COVID-19 pandemic on people's work and working culture, based on the responses of a survey undertaken at the end of 2020. Many of the questions address how work has transformed and how long the changes are likely to last. We also asked respondents to make some predictions about how their activity will be affected over the next few years.

Additionally, we included some questions following up on topics addressed in previous editions of the IP Trend Monitor study: digitalization and automation / AI. The purpose is to examine how views on these topics have changed in the past year.



About the survey and respondents

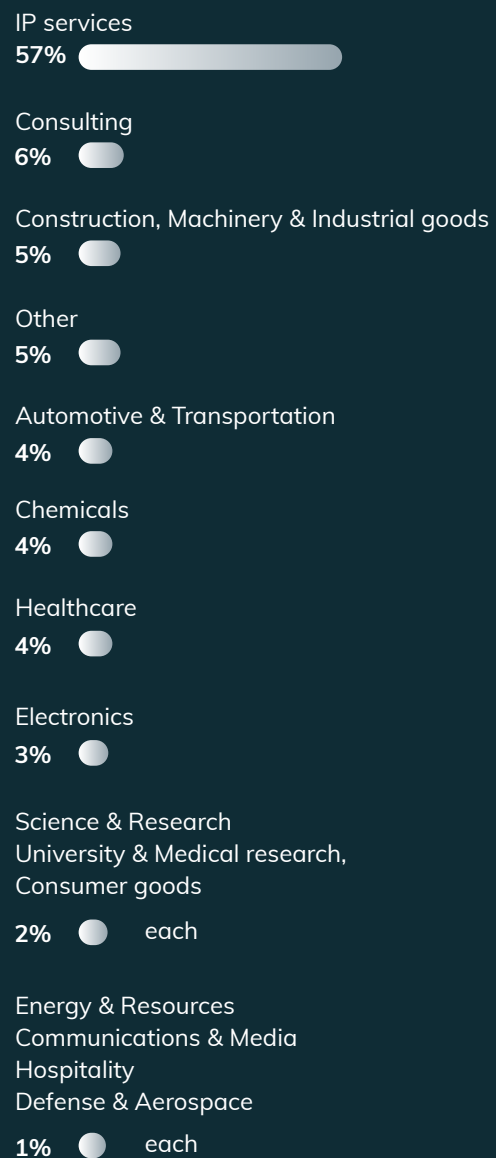
IP Trend Monitor is an annual survey established by the Denemeyer Group to investigate current topics in Intellectual Property (IP) management. There are more than 400 members of the IP Trend Monitor panel, representing the full range of IP practitioners (lawyers, attorneys, consultants, IP counsel, inventors and scientists) from all areas of the industry – large corporations, small and medium-sized enterprises, law firms, IP service providers and IP offices.

Nearly 100 participants responded the IP Trend Monitor questions issued last year. Of these, 39% identified themselves as being in law firms and 38% in patent / trademark firms, while 20% are in large corporations, 18% work for IP service providers and 6% in SMEs. One respondent works in an IP office and one in a scientific organization.

Asked to select from a range of options the category that best describes the industry they primarily work in, the majority (57%) of respondents said IP services. The remaining responses were distributed across various sectors, with consulting, construction, machinery and industrial goods, automotive and transportation, chemicals, healthcare and electronics being the most popular.



Which of the following categories best describes the industry you primarily work in?



SINGLE CHOICE
 QUESTION

Participants were also questioned about their role in their organization, and 40% said management level compared to 37% who answered legal experts, 10% C-suite and 8% administration of IPRs, while 5% responded other. The additional responses included consulting, patent intelligence and software.

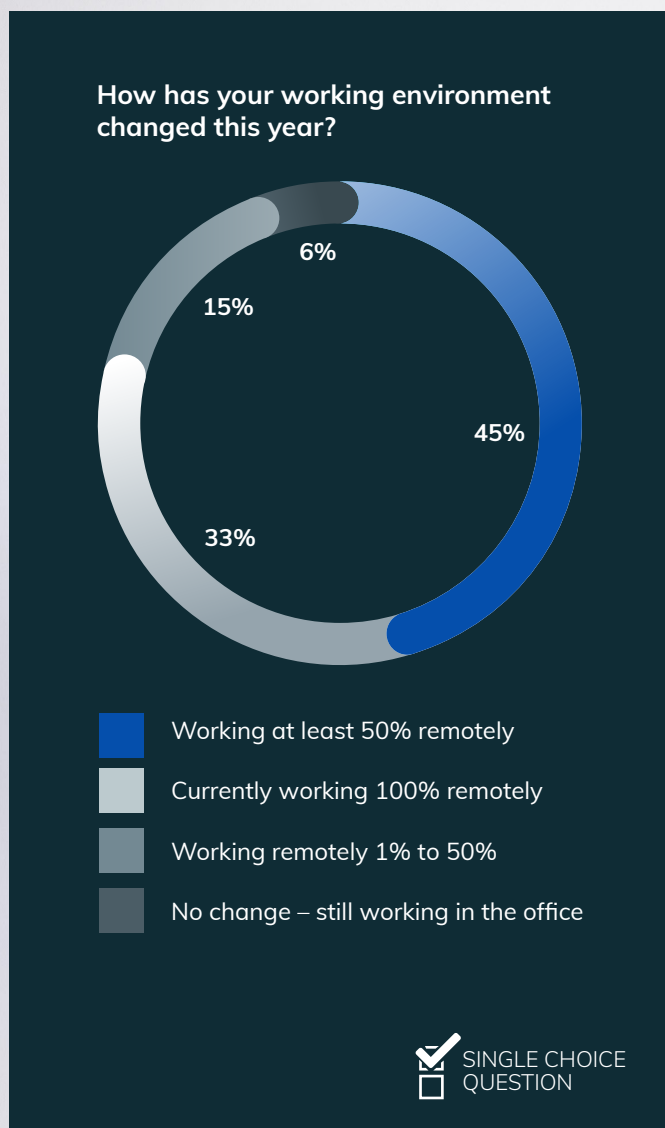
When it comes to the region(s) that they have responsibility for, the respondents are most focused on Europe and North America. In a multiple choice question, Europe-EU was ticked by nearly two-thirds of participants, while Europe (non-EU) and North America were covered by just under a third each. The proportion of respondents who identified both EU and Europe (non-EU) was somewhat higher than in the previous survey. By comparison, the percentage that checked regions such as South / Central America (24%), Asia – Greater China (24%) and Asia – other (21%) was slightly lower. Where it is useful to do so, we analyze some of the findings in the study according to these geographical categories.



IP and the pandemic

The COVID-19 pandemic has disrupted life and business throughout the world in the past year, and Intellectual Property is no exception. Working from home, videoconference meetings and virtual hearings at courts and IP offices are now normal for many IP practitioners – and likely to remain so for some time, possibly forever.

In this year's IP Trend Monitor study, we reveal how our respondents' work has been affected by the pandemic, the impact on their workload and their concerns and expectations for the next few years. The changes are already dramatic: more than three-quarters of respondents (78%) say they are now working at least 50% or even 100% remotely. By contrast, just 6% are still working entirely in the office. The long-term implications of such changes, including productivity, business relations and mental health, are only just starting to be explored.



The overall trend is consistent across specialisms and working environments. However, it is notable that respondents in law firms are more likely to be working remotely than those in corporations – perhaps reflecting the greater flexibility in their roles. 82% of law firm respondents are working at least 50% or even 100% remotely, compared to 71% of those in corporations, and just 18% of those in law firms say they are working less than 50% of the time remotely or not at all, compared to 30% of those in corporations.

The change is evident in public bodies as well as private offices: many patent offices introduced remote working for examiners and other staff for at least part of the pandemic. The European Patent Office recently announced that all oral proceedings in examination and opposition would be held online by default until September 2021 at the earliest. Courts in many countries have also switched to online or hybrid hearings. The Patents Court in London has even live-streamed some cases for any interested parties to watch. In the United States, the first-ever virtual Supreme Court oral hearing was in a trademark case, *USPTO v. Booking.com*, in May 2020.

It is remarkable how quickly many workers have adapted to the new environment and its challenges. Innovative companies found that R&D was disrupted with laboratories and offices closed for long periods over the past year. As the kind of collaboration that drives successful research has proved impossible, some scientists and engineers have had to switch to paper-based research. This may have generated different approaches to innovation and creativity, particularly for high-tech start-ups who are especially agile. Moreover, many companies have changed their output focus, for example, developing medical equipment or services: engineers have built ventilators, fashion houses have produced protective clothing and beverage and cosmetics companies have distributed hand sanitizers.



How work is affected

The responses from IP practitioners who took part in the IP Trend Monitor survey 2020 indicate that the biggest challenges of remote working are in what might be called the soft aspects of business, rather than the hard ones. That is the difficulty of effectively communicating with other people and building / working as a team, rather than technical or administrative issues.

What are the challenges of remote working in the IP area?

- 74%** Lack of social contact with colleagues / clients
- 69%** Lack of face-to-face meetings
- 52%** Reduced communication with colleagues / clients
- 50%** The difficulty of providing training / team building
- 43%** Challenging environment – lack of facilities / distractions (e.g., children / pets)
- 31%** Connectivity
- 30%** Reduced access to IP files / resources
- 23%** Security concerns regarding IT systems
- 20%** Lack of support (IT, HR, administrative etc.)
- 8%** Other



The top four challenges, all identified by at least 50% of respondents, are “lack of social contact with colleagues / clients,” “lack of face-to-face meetings,” “reduced communication with colleagues / clients” and “difficulty providing training / team building.”

By contrast, just 20% of respondents said that “lack of HR, IT or other administrative support” was challenging. Only 23% identified “security concerns,” and just 30% said “reduced access to IP files / resources.”





However, the challenges are slightly different for legal experts compared to management-level participants. While both rank “lack of social contact” and “lack of face-to-face meetings” as the top two challenges, these score more highly among management level respondents (82% and 71% of responses, respectively, compared to 67% and 61% for legal experts). In most categories of work, the answers from both groups are similar, except for “reduced access to IP files / resources,” which is identified as a challenge by 50% of legal experts but only 21% of management level. Perhaps management does not fully understand the practical difficulties that legal experts face day-to-day?

A number of respondents also added comments to this section highlighting particular challenges they are facing, including “additional difficulties in recruiting process,” “difficulty to disconnect for many employees resulting in a higher workload for everyone,” “difficulty to examine physical samples or pieces of evidence” and “back pain due to uncomfortable installation of table / chair at home and lack of a large screen.”

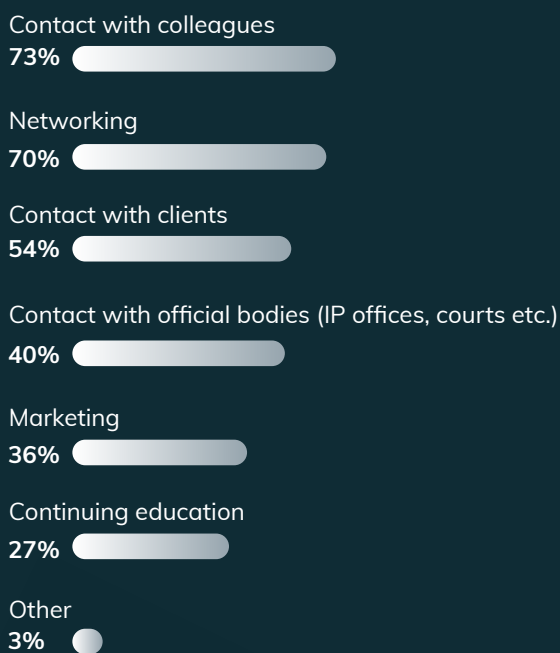
These findings suggest that people working in IP have done an excellent job setting up the structures for remote working (equipment, software and tools), probably thanks to business continuity plans that many firms have put in place in recent years. However, it is much harder to adapt to the social consequences. As lockdowns continue, we will likely see more initiatives to address these challenges, such as virtual conferences with one-to-one and group networking, happy hours and quizzes, online team building and training sessions and possibly even dedicated HR initiatives to support staff with counseling or mental / physical health activities.

This question will be worth revisiting in the IP Trend Monitor’s future editions to see how workers are adapting and whether they develop and use new tools to improve communication and networking.

What will be different in the future?

When asked which aspects of their business are likely to change due to the new work environment, respondents are most likely to select “contact with colleagues,” “networking” and “communication with clients.” They are less likely to choose “marketing” or “continuing education,” possibly because these are longer-term activities affected less immediately by the pandemic.

Which aspects of your business are likely to change as a result of the new work environment?



 MULTIPLE CHOICE QUESTION

These overall trends support the findings mentioned in the previous chapter about the biggest challenges and demonstrate the importance of soft skills, such as collaborating with colleagues and reaching out to existing or potential clients. They suggest that if, as many expect, working from home continues for many people even after the pandemic, then new ways of communicating will need to be developed. Some of the IP associations are leading the way in this respect. For example, the International Trademark Association’s annual and leadership meetings, held entirely online in November 2020, included features such as the ability to arrange private client meetings, a virtual exhibition hall, speed networking and skills-based social activities such as wine tasting and yoga.

It should be added for completeness that a very small number of respondents in the survey do not believe any aspects of the business will change as a result of the new work environment. One even replied: “Nothing will change. We will go back to normal in 12 months.” However, given its low representation in the survey, this is probably a minority view.



Productivity and the pandemic

One of the big questions about working from home is what impact it has on productivity. Economists continue to debate whether office workers are more productive when freed from daily commutes and the distractions of water-cooler gossip, or less so due to suboptimal working conditions, lack of interaction with colleagues and the distractions of family, pets and household tasks.



This discussion is likely to continue over the coming months, as companies and firms have to decide how and when to return to offices. Some high-profile companies such as Aviva and Twitter have already announced that workers will be allowed to work from home permanently, while others such as Google are considering a hybrid model in the future. Such decisions will clearly be affected by factors including the nature of the role, location and industry sector.

IP Trend Monitor's feedback is fascinating in this respect. Three-quarters of respondents think that workers are more productive or there is no difference when working remotely. Just 16% think they are "slightly less productive," and only 5% say "significantly less productive." The findings are most clear among respondents in law firms: 62% think IP specialists are either substantially more productive or slightly more productive, whereas 42% of those in corporations believe there is "no difference." Just 46% of corporate respondents think workers are more productive.

These findings suggest that even once lockdowns are lifted and normal working is possible again, it may be attractive for many IP practitioners in law firms to continue working remotely. That probably also reflects the international nature of IP work: it may be easier for many practitioners to liaise with colleagues and clients in other time zones when working flexibly. Of course, that will ultimately deliver benefits for firms, such as reduced spending on office rent and facilities management.



Impact on workload

When asked what the impact of the pandemic has been on their workload, more than half of respondents say it has led to either “slightly more work” or “significantly more work,” compared to just 21% who say it has led to “slightly or significantly less work,” with about a quarter saying there is “no difference.” Nevertheless, there are some variations when responses from practitioners in different fields are compared.

Respondents in law firms have in general seen a more significant impact on their workload: 37% report “significantly more work,” compared to just 13% of those in corporations, whereas 33% of those in corporations answer “no difference,” compared to only 18% in law firms.

What has been the impact of the COVID-19 pandemic on your workload?

Significantly more work
37%

Slightly more work
24%

No difference
18%

Slightly less work
16%

Significantly less work
5%

Law firms

Slightly more work
33%

No difference
33%

Slightly less work
17%

Significantly more work
13%

Significantly less work
4%

Corporations (large)
and SMEs

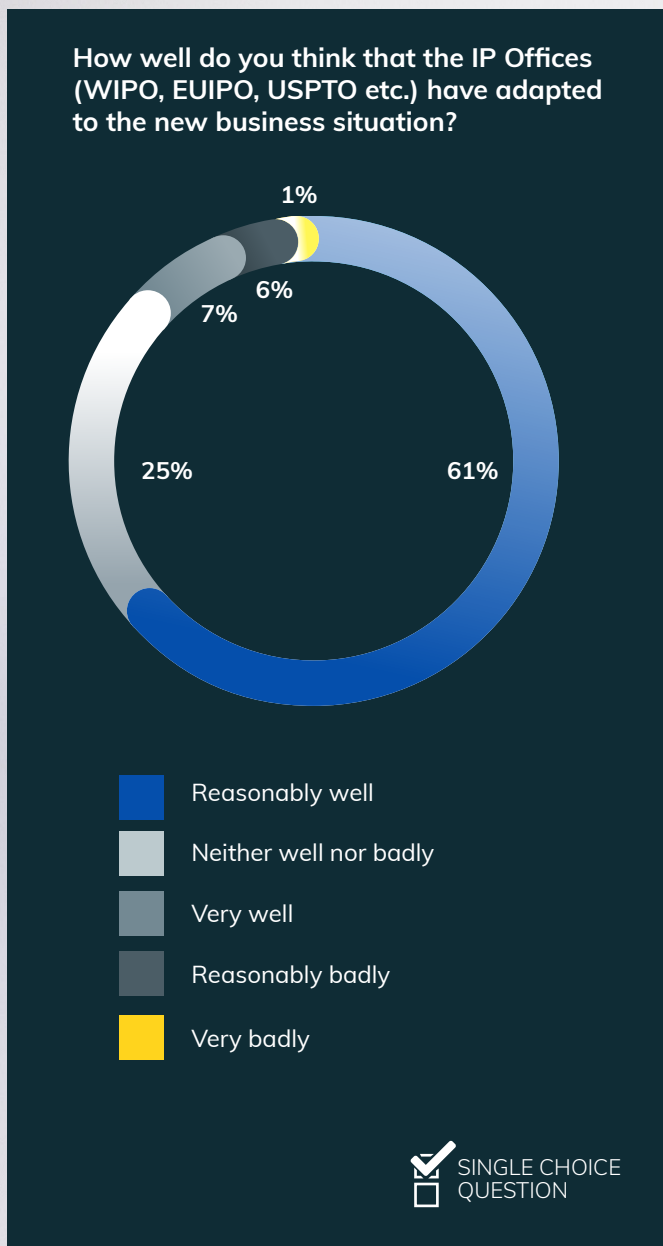


How are IP offices doing?

IP Offices have had to rapidly change their work in response to lockdowns, which was incredibly challenging given that deadlines dictate so many IP administrative tasks. At the peak of the pandemic in 2020, many offices extended time limits or relaxed rules about means of communication to support applicants.

Meanwhile, they also had to review their own systems and procedures to enable remote working, even in sensitive areas such as patent and design examination.

On the whole, respondents in the IP Trend Monitor survey think offices have done a good job. While only 7% say they have done “very well,” a further 61% believe they have done “reasonably well,” and only 7% think they have done “reasonably or very badly.”



It is useful to break down the results by the region participants work in as this indicates how various IP offices are viewed. 67% of participants who are responsible for North America say IP offices have done either “reasonably well or very well,” as do 68% for Europe and 65% for Northeast Asia, but only 58% for Asia – Greater China. The slightly lower figure for Greater China may indicate the challenges there in terms of the sheer volume and growth in applications and actions before the office.



What does the future hold?

While measures to reduce the spread of the virus, improved treatments and above all, the distribution of vaccines promise an end to the pandemic within this year, responses to our survey suggest that its impact will continue to be felt for some time.

We asked respondents to rank seven trends in order of importance, and 28% put the “impact of the pandemic” as number one. This is exceeded only by the “impact of technology,” which is ranked first by 33% of respondents. In third place is “budget restrictions” (ranked first by 24%), which may be indirectly related to the pandemic.

When all the rankings are added up and weighted, these three categories each have an average score of over 5.0. By contrast, other factors (harmonization, geopolitical developments, corporate social responsibility and sustainability) were viewed as much less important.

The scores for “promotion of corporate social responsibility” (a weighted score of 2.72 and mentioned as the most crucial issue by just 1% of respondents) and “promotion of sustainability” (a score of 2.64, with no respondents placing it as the most critical issue and only 4% naming it as the second most important) are most striking. Is IP work not affected by current debates about climate change and corporate behavior, or are these issues being neglected by IP practitioners, who are more engaged with immediate concerns?

Which of the following are likely to influence IP work in the coming five years?

	Score
Impact of technology (including digitalization and AI)	5.50
Budget restrictions	5.17
Pandemic and associated disruption	5.08
Harmonization of law and practice	3.70
Geopolitical developments – changes in trade and policy	3.39
Promotion of corporate social responsibility	2.72
Promotion of sustainability	2.64


RANKING




How jobs will change

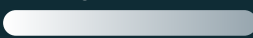
This year's study, based on the final responses given in the 2020 survey, reveals that work is likely to be different in some fundamental ways. Asked how they expect their jobs will change in the next few years, more than two-thirds of respondents predict they will have fewer face-to-face meetings, do less business travel and work more from home.

How do you expect your job to change in the next few years?

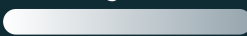
Face-to-face meetings will be less common

72% 


I will be doing less travel for business

71% 

I will be working from home more

68% 

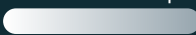
Training will be conducted remotely

56% 

More official proceedings will be held remotely

54% 

Marketing and thought leadership will become more important

39% 

Overall workload will go up

34% 

Overall workload will go down

11% 



A slightly smaller proportion predicts that training will be conducted remotely and that a greater number of official proceedings will be held remotely. In a new environment, where physical meetings are less common and harder to arrange, it might be expected that more effort will have to go into marketing and thought leadership. However, fewer than half of respondents endorse this view – just 39% expect that marketing and thought leadership would become more important.

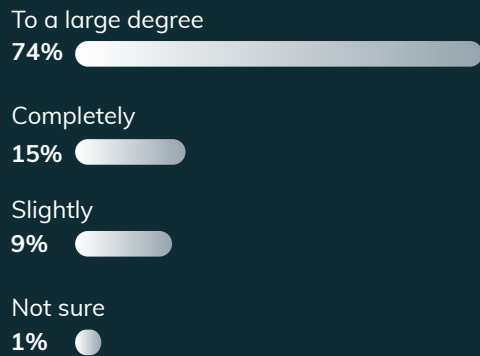
Overall, more respondents (34%) expect their workload to go up than expect it to go down (11%). This could be seen as an optimistic position – an indication that work is expected to grow – but it could also be a sign that the new ways of working are expected to be more burdensome. As one respondent said: *“My team and I will be able to cover more revenue than before, but we will need IT infrastructure and the freedom to develop and focus on that business.”* Another respondent predicted that the risk of sick leave would increase as team members become overworked. Perhaps the answer to this question, and the key takeaway from this year’s study, is best summed up by one participant in the survey who predicted that *“A high degree of adaptability will be required.”*



Impact of digitalization

How will digitalization affect IP management? When we asked this question in the 2018 edition of IP Trend Monitor, 16% of respondents answered “completely,” while 71% said “to a large degree” and 13% said “slightly.” None said, “not at all.”

Based on recent developments, digitalization will change IP management:



SINGLE CHOICE QUESTION

What is most significant to note today is that despite the upheavals of the intervening time, the views recorded by the surveys have changed remarkably little: the proportion who say “completely” is almost the same (15%), while slightly more say “to a large degree” (74%) and the proportion saying “slightly” declined to 9%. Again, no respondents answered, “not at all.”

The same pattern is evident in response to a question about what impact digitalization will have. The same proportion describes it as a “huge opportunity” today as did in 2018 (40%), while the percentage which describes it as a “game-changer” has increased from 32% to 40%. In the survey conducted at the end of last year, 15% say it is “interesting to watch” compared to 20% in 2018.



Differences in responses

Overall, the responses indicate a widely held view that digitalization will change IP management in broadly positive ways. This is consistent across all respondents, though there are some differences between corporations and law firms: 84% of the former think digitalization will change IP management “to a large degree,” compared to 79% of the latter – although a slightly larger proportion of people in law firms expect it to change IP management completely. Respondents in law firms are somewhat more optimistic about the impact of digitalization, perhaps suggesting the business opportunities it offers them: 81% describe it as either a “game-changer” or a “huge opportunity,” compared to 72% of respondents in corporations.

There are also differences between respondents who define themselves as legal experts and those who are management level: legal experts are more likely to see digitalization as a “huge opportunity” (42%), while management level participants are most likely to describe it as a “game-changer” (41%). Perhaps the benefits of digitalization are harder to perceive and less tangible for those in management roles.

Although the responses are mostly consistent across regions, participants in North America appear less enthusiastic compared to those in other parts of the world. The proportion of participants in each area who think digitalization will change IP management either “to a large degree” or “completely” is 91% in Europe, 88% in Northeast Asia, 87% in Asia – Greater China and 84% in North America. The percentage who think digitalization is a “huge opportunity” or a “game-changer” is 88% in Asia – Greater China, 84% in Europe, 82% in Northeast Asia and 81% in North America.

The fact that so little has changed since we last asked this question in 2018 perhaps suggests that the impact of digitalization has not yet been felt and is still something that is expected to happen sometime in the future.

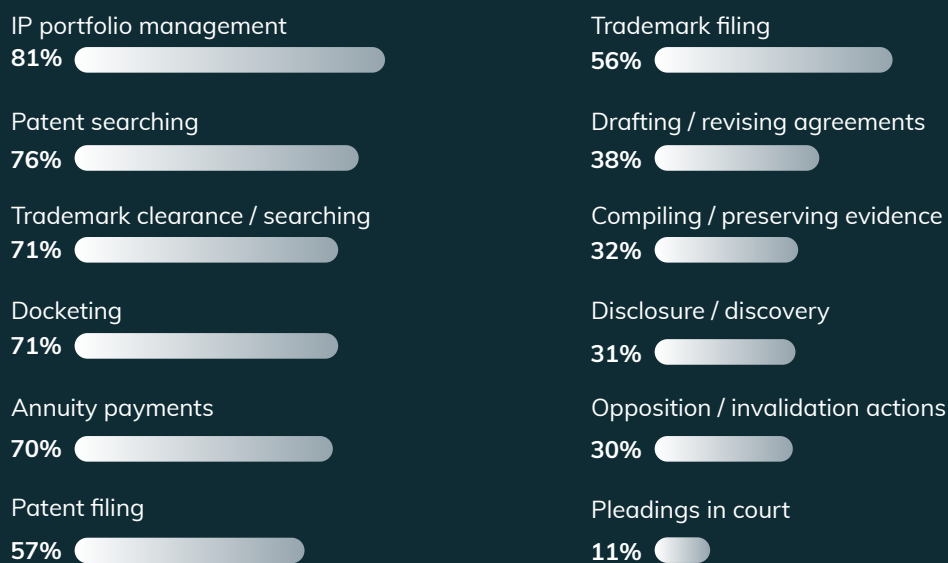


Automation and AI

The previous edition of IP Trend Monitor focused on automation and AI and what these tools mean for IP practice. Some of these questions are revisited in 2020's survey, and there is a good deal of consistency in the views expressed, but also some notable differences.

First, we asked participants what types of work are likely to be affected by automation and AI and, second, how business is likely to be impacted.

What types of work related to IPRs do you think will be affected by automation and AI tools in the foreseeable future?



 MULTIPLE CHOICE QUESTION



The first question generated some interesting findings. Overall, the numbers are broadly higher in 2020 than 2019: in other words, more respondents think that the different categories of IP work will be affected by automation and AI. For instance, in 2019, just four of the 12 categories were checked by more than half of respondents, whereas in 2020, seven categories are. In 2019, the highest score was 77% and the lowest was 7%; in 2020, the highest is 81% and the lowest 11%.

The top answer in both 2019 and 2020 was “IP portfolio management,” identified by 77% of respondents in 2019 and 81% in this edition. “Patent searching” also ranked highly in both surveys (69% in 2019 and 76% in 2020), as did “annuity payments” (64% in 2019 and 70% in 2020). At the other end of the scale, “pleadings in court” remains the area that fewest respondents expect to be affected, though even here, the proportion has increased from 7% to 11%.



There are some mentionable changes when particular categories of work are examined. The proportion of people who checked “trademark clearance / searching” has increased from 58% to 71%, while the figure for “docketing” has increased from 43% to 71%, “patent filing” from 35% to 57% and “trademark filing” from 33% to 56%. These increments suggest that automation and AI tools have started to play a greater role in these types of work since 2019 or that they are expected to do so imminently. For example, the launch of numerous services using image searching and machine learning in the past couple of years has likely impacted people's views about using AI in trademark clearance and searching.

There are some interesting differences when the responses from legal experts and management level are compared. In 10 of the 12 categories, a larger percentage of legal experts than management level believe work will be affected by automation / AI, with the only exceptions being “patent searching” (which is identified by 85% of management level, compared to 64% of legal experts) and “drafting / revising agreements” (checked by 38% of management level, compared to 31% of legal experts).

Impact of AI on IP work

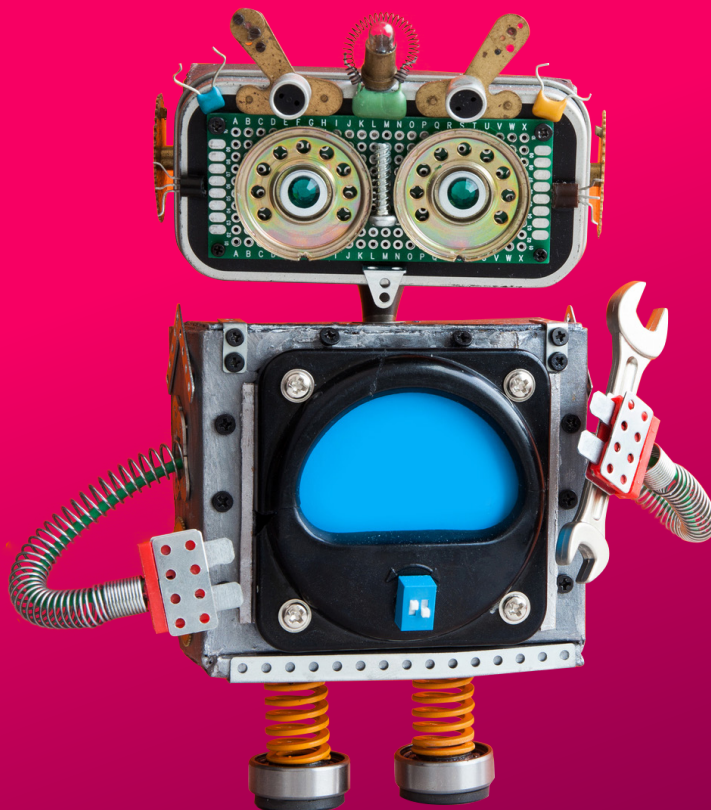
These findings are supported by the responses to the second question on automation and AI, which asked: “What do you expect to be the impact of AI in business?” Respondents were given several options to check. Again, the overall selection figures are higher in 2020 than in 2019, indicating that more people expect AI to impact different areas.

For example:

- In 2019, 66% said “lawyers / attorneys will need to develop new or different skills;” in 2020, this figure increased to 78% (and was the most popular answer)
- In 2019, just 39% said “client interactions will change;” in 2020, 55% hold this view
- In 2019, 47% said firms “will hire more IT / automation specialists” compared to 54% in 2020

Of the seven options, six showed a higher proportion of endorsements in 2020 than 2019, while just one showed no change, namely, 20% of respondents said “firms will hire or retain fewer lawyers / attorneys” in both surveys. This will be reassuring for those working in this area.

The responses from the 2020 survey strongly suggest that automation and AI are already having a significant impact on all areas of IP work and that practitioners recognize this. They may also indicate that just as we all increasingly see the effects of automation and AI in many aspects of our everyday lives, the possibilities these technologies offer for IP work are more evident – and more likely to be accepted by those who work in the field.



Conclusion: Value of digital tools

The IP Trend Monitor study highlights that the effects of the COVID-19 pandemic will likely be felt for years to come. Even once lockdowns have been lifted and vaccines distributed, IP practitioners expect that many things will not return to the way they were before. Remote working, reduced business travel and virtual meetings will become routine.

In this context, it is interesting to revisit the questions about digitalization and automation / AI from the previous editions of IP Trend Monitor and see the development of expectations regarding the impact of new technologies and tools on IP practice. As workloads continue to increase and practitioners have to find new ways of working and communicating, digital tools will become, in many cases, essential to respond to the unique challenges that we face.





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