

Report of the 2014 salary survey of the IP profession

Hosted by Fellows and Associates

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1. Introduction

This report presents data from a salary survey of the Intellectual Property profession which was collected between the 3rd of December 2013 and the 28th of February 2014. The online survey was accessible through a web link, which was promoted on the websites of Fellows and Associates, The Patent Lawyer and CIPA. In addition LinkedIn, Google+ and Twitter were utilised and a press release was launched promoting the survey. An overview of the survey questions and answer options can be found in Appendix I.

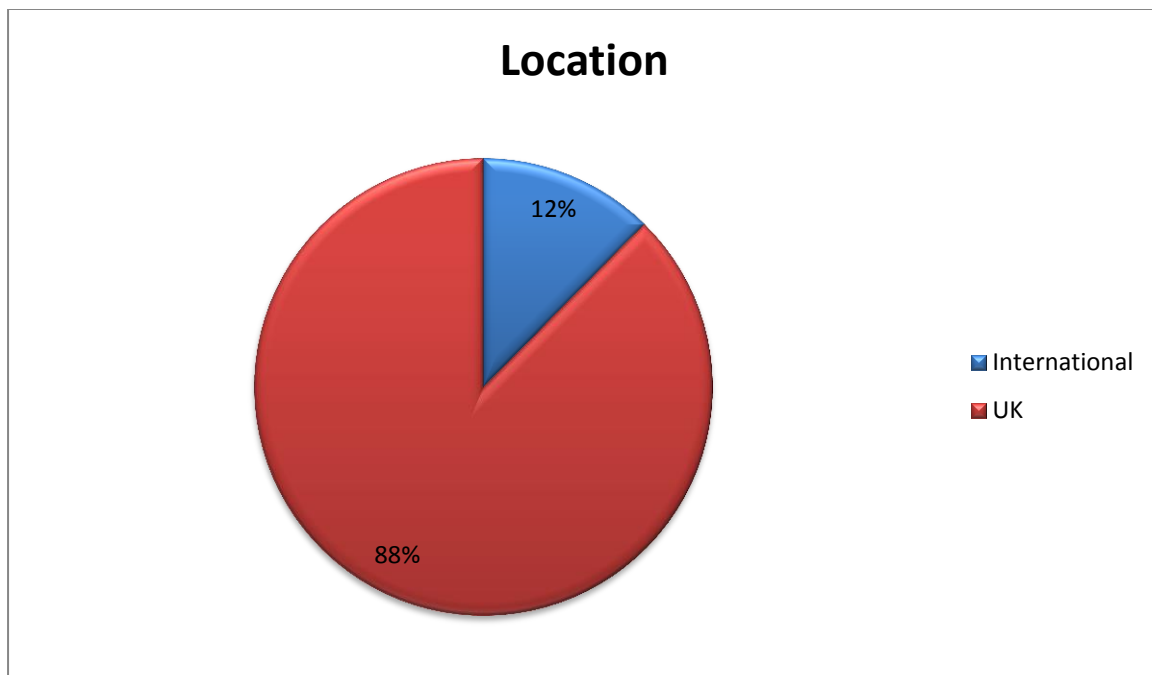
2. The sample

A total of 236 respondents started the survey with a completion rate of 85.6% (an increase of 8% on last year). Respondents quoting their current or desired salary in a currency other than GBP were converted to GBP using XE.com as of 28.02.13 at 23.00 UTC.

A number of respondents abandoned the survey partway through. These were excluded.

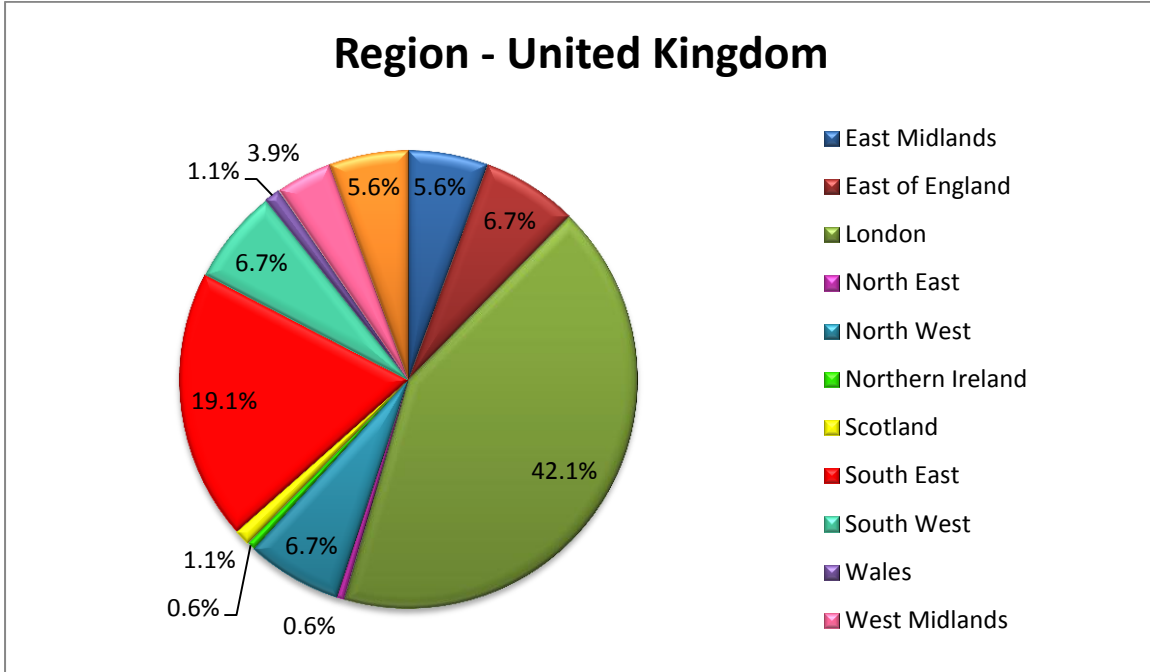
Where respondents provided a university that has subsequently changed its name, the current name has been utilised.

2.1 Location

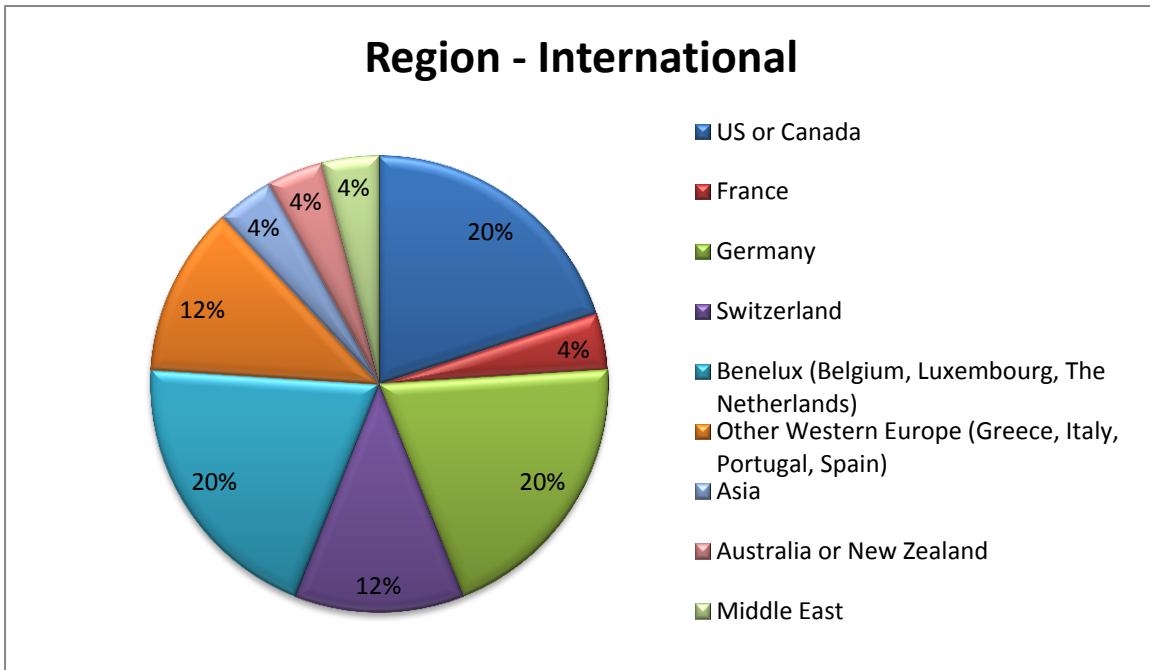


This survey has a high proportion of UK based respondents, an increase of 2% from 86% in 2013.

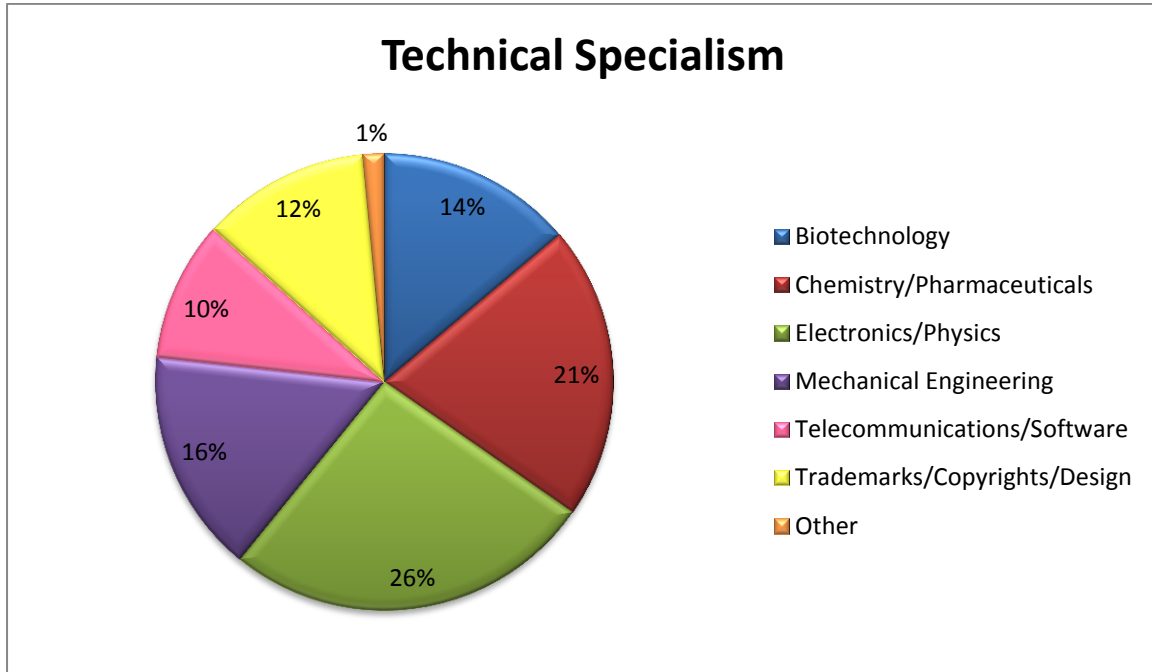
The data was then analysed to show the breakdown of the various UK regions:



International respondents came from the following countries:

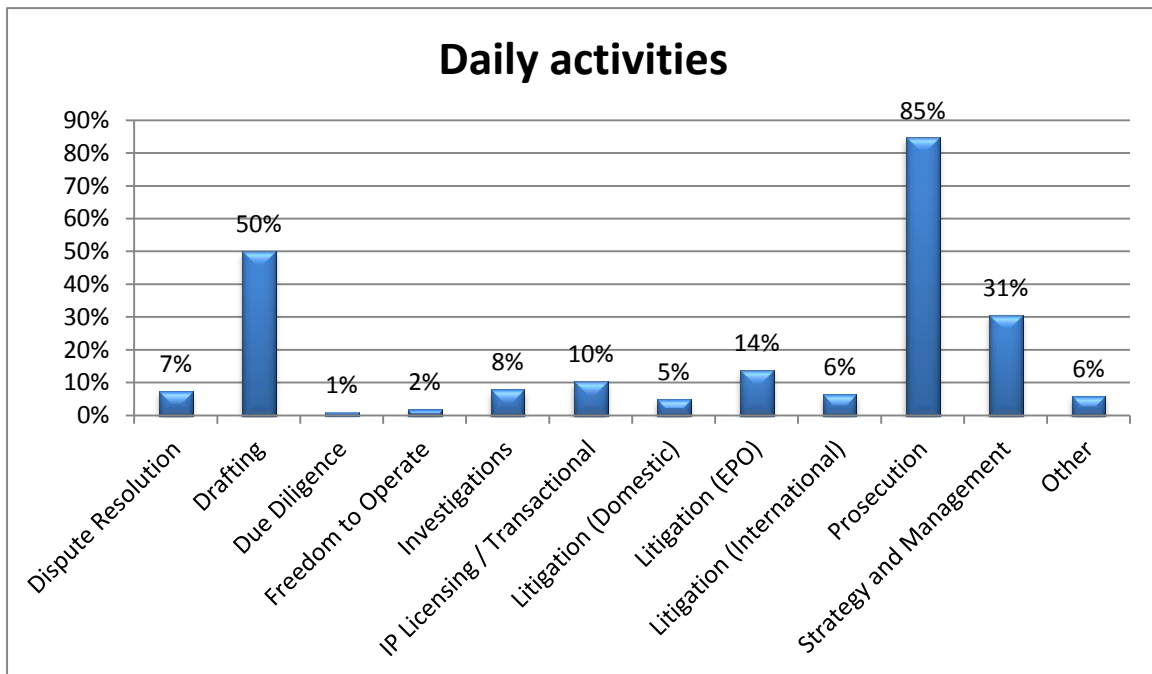


2.2 Technical specialism



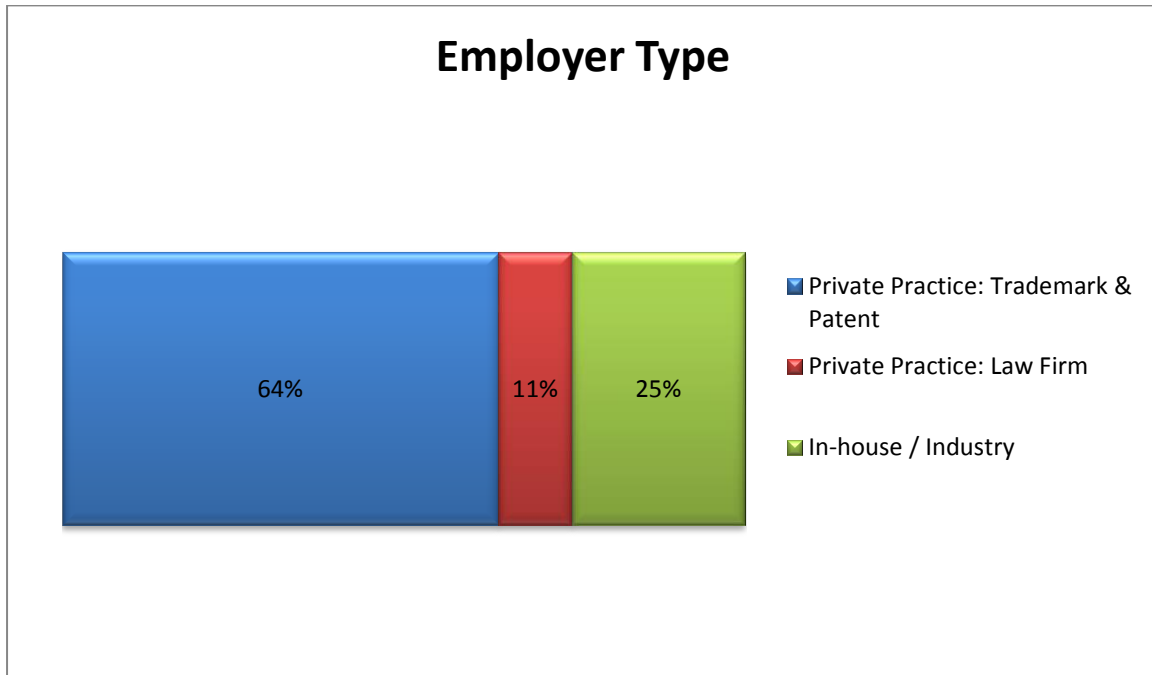
Note: 'Other' included roles such as Management, Video, or a combination of the options offered.

2.3 Daily Activities

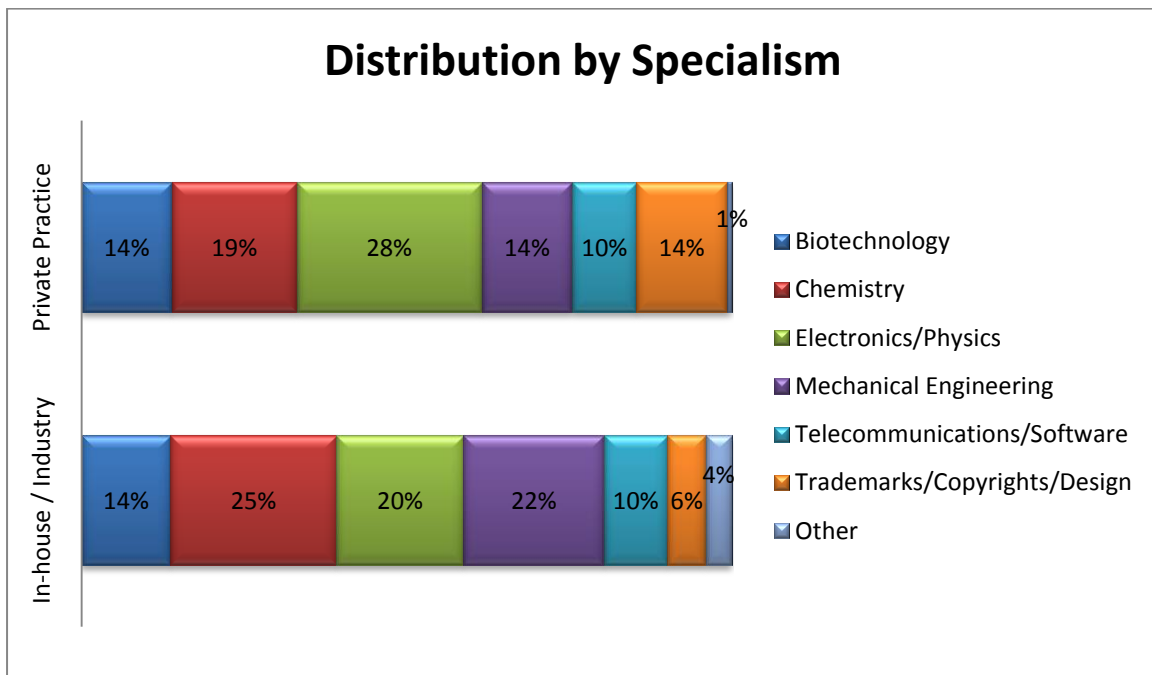


Respondents were able to select more than one answer for this question.

2.4 Employer type



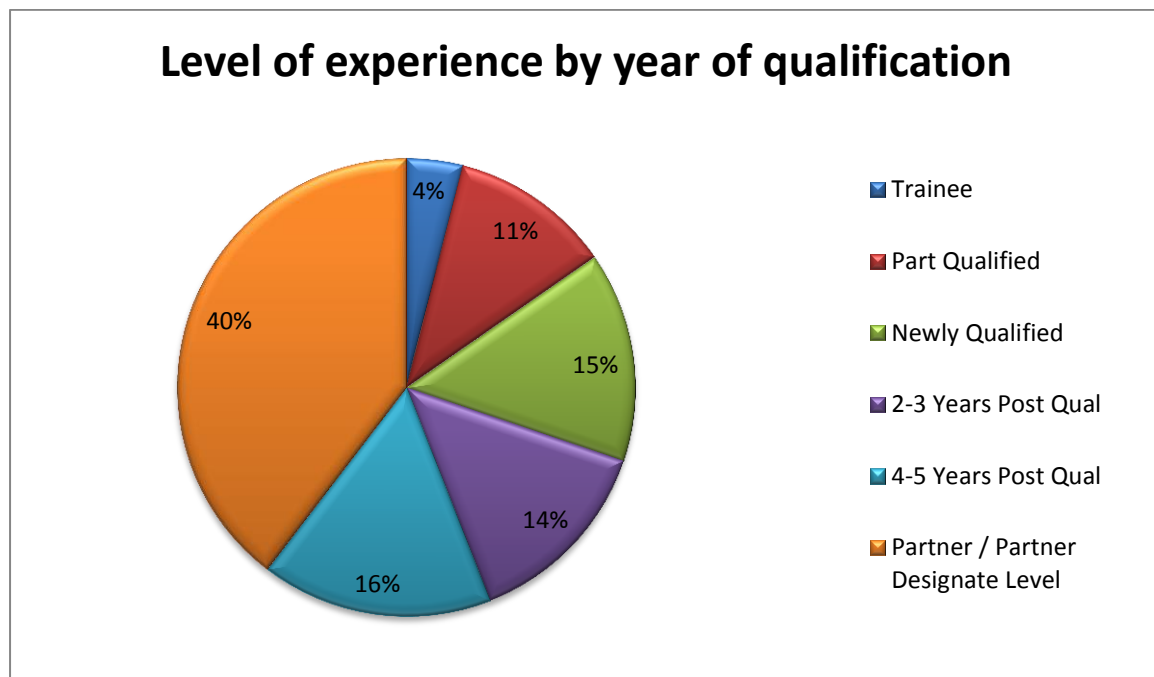
The data was then further analysed to provide the technical specialism by employer type:



2.5 Qualifications

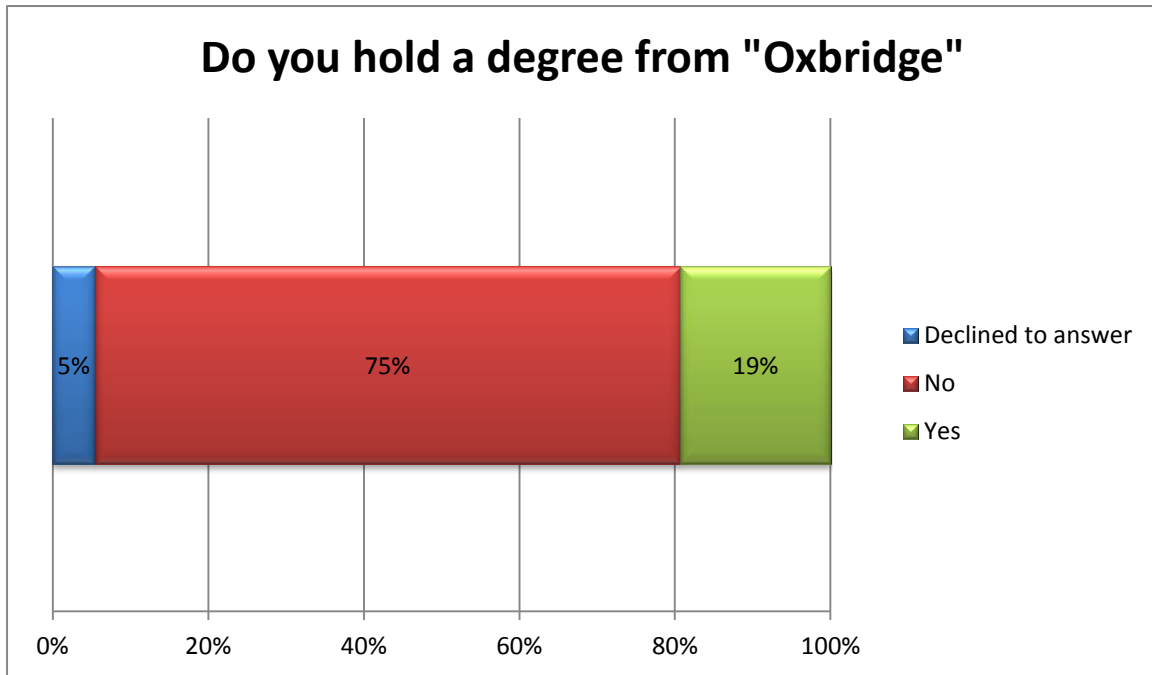
80% of respondents had obtained their first qualification before 2014 (2013: 81%) with 20% of the sample expecting to obtain their first qualification in the future. As the definition of a part qualified attorney varies across firms, and the time it takes to qualify differs between individuals, this report has classified the year in which a respondent qualified as follows:

Category	Year 1st Qualification Obtained
Trainee	2017 or Later
Part Qualified	2015, 2016
Newly Qualified	2013, 2014
2-3 Years Post Qualified	2011, 2012
4-5 Years Post Qualified	2009, 2010
Partner / Partner Designate Level	2008 or Earlier



Most respondents had obtained or are pursuing more than one qualification. 20% hold a single qualification, 68% hold two qualifications, 11% hold three qualifications with 1% holding four.

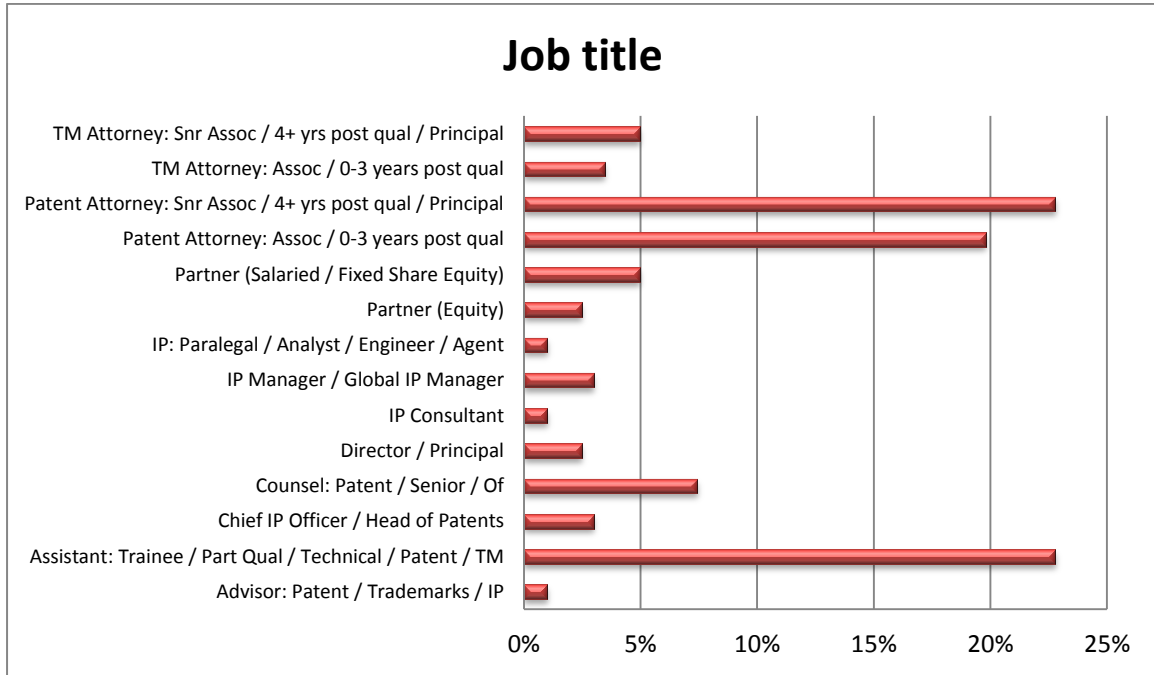
71% of respondents are or plan to dual qualify as both UK Chartered Patent Attorneys (CPA) and European Patent Attorney's (EPA) with 70% of those choosing to qualify in the same year (83% within a year of each other). 36% of respondents also held a PhD.



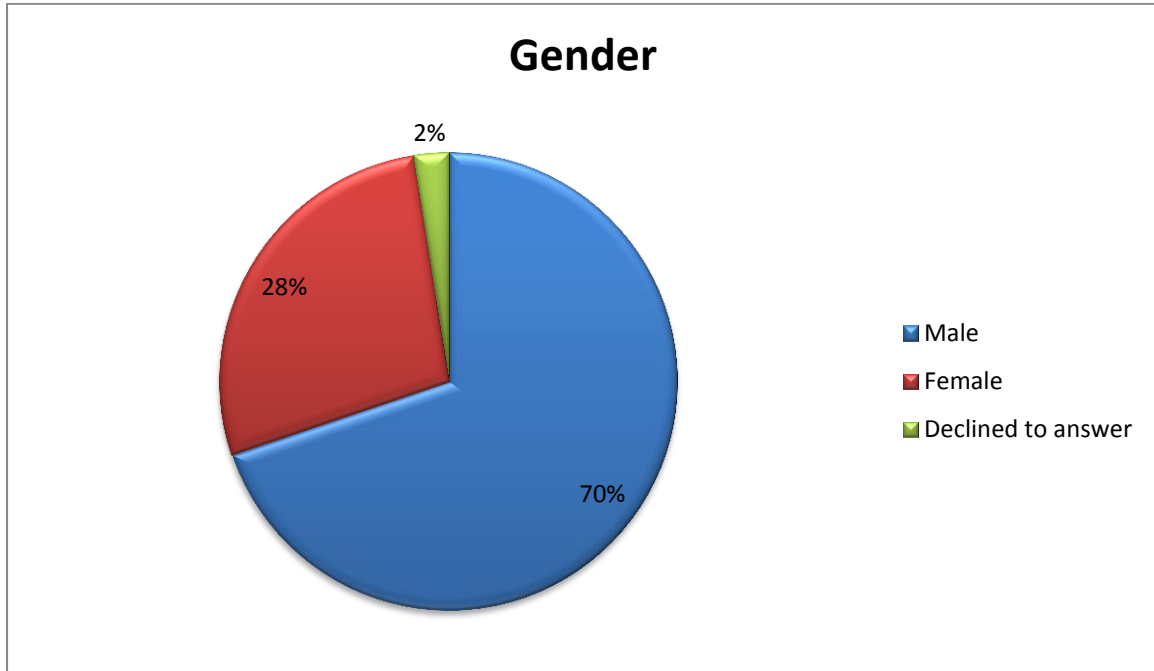
A total of 65 different universities were named within the survey, 16 of which are internationally based. The survey ranked the most commonly attended universities with 53% of respondents achieving their first degree at only 11 universities.

Survey Rank	University
1	University of Oxford
2	University of Bristol
=2	University of Cambridge
4	University of Manchester
5	Imperial College London
6	University College London
7	Durham University
=7	University of Birmingham
=7	University of York
10	University of Leicester
=10	University of Sheffield

2.6 Job title

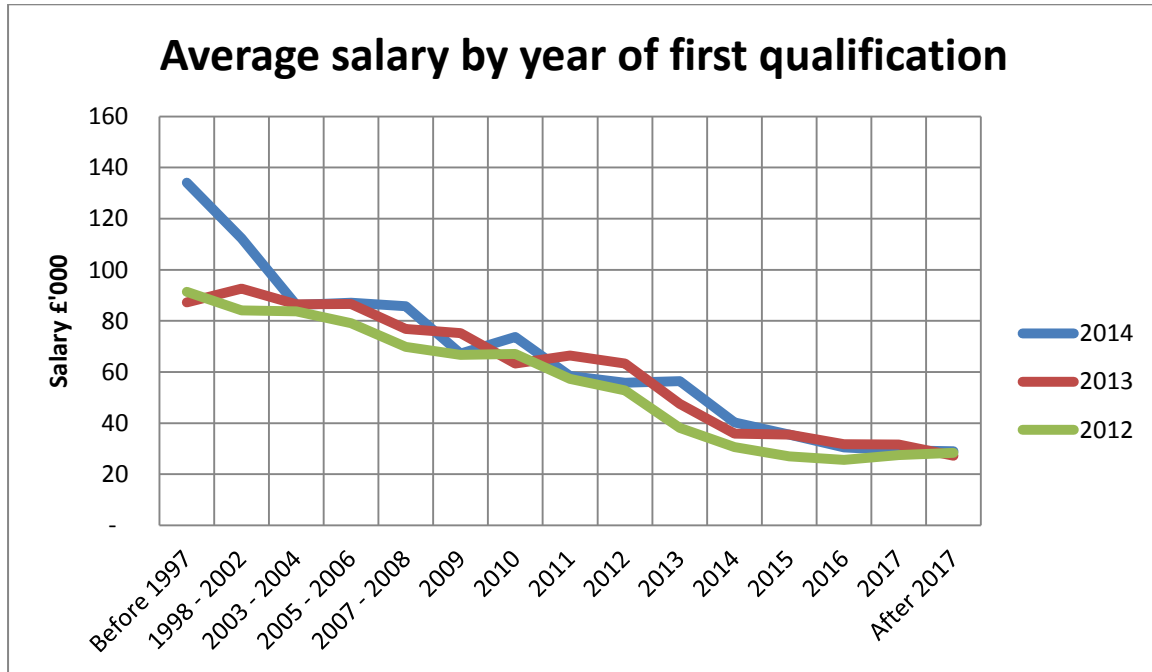


2.7 Gender

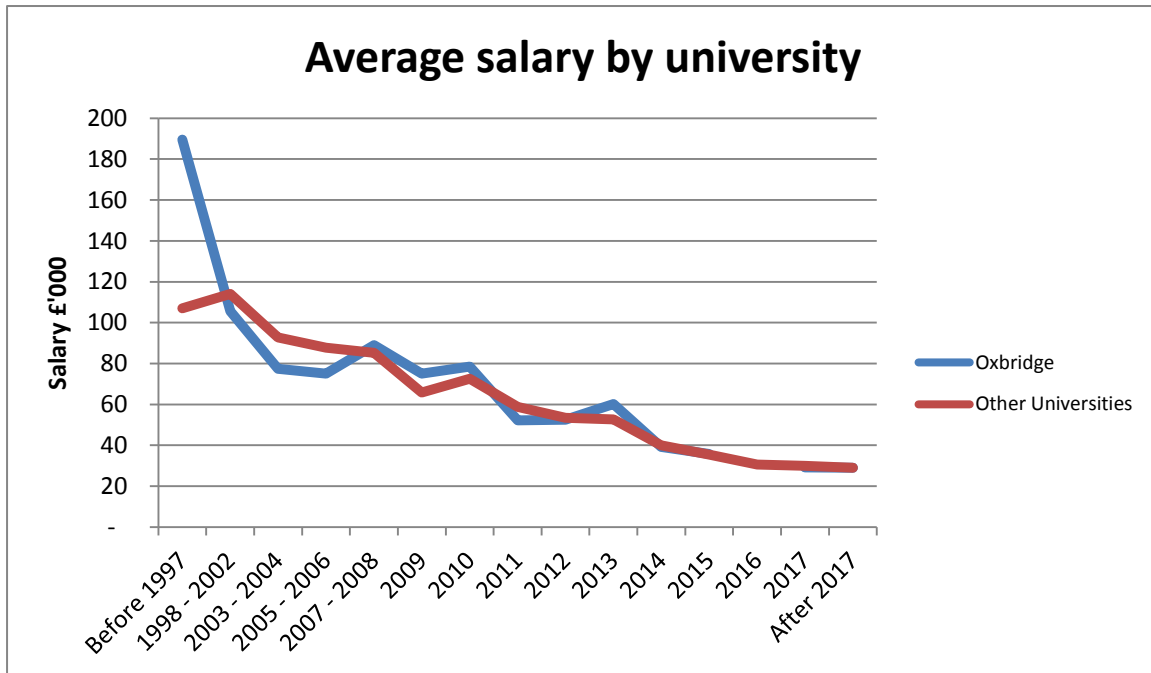


3 Trends identified

3.1 Qualifications

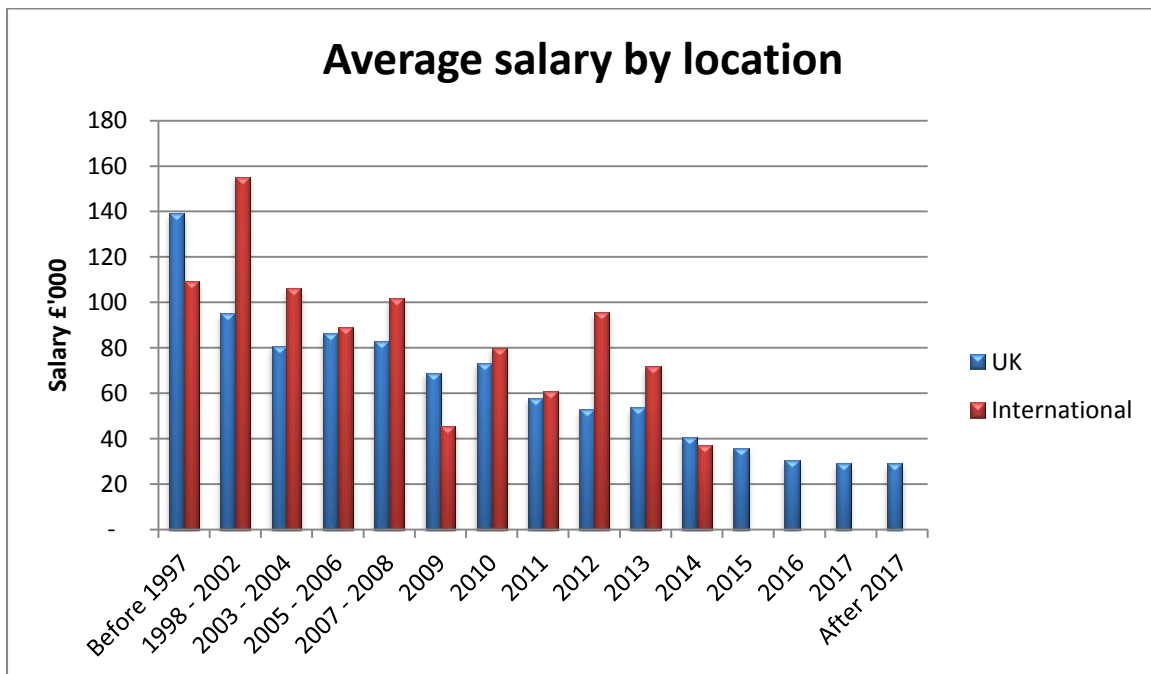


Whilst 2013 saw fairly consistent inflationary increases across the board, 2014 has only seen similar increases for certain levels of qualification/experience. When the recession was first felt many companies chose not to hire graduate trainees. As a result there has been a void of newly qualified attorneys coming through. This has begun to turn around in the last year or so with more movement and as such higher salaries at this level. It is always more expensive for a firm to hire from outside as they have to woo the successful candidate, often competing with a number of other firms and sometimes getting into a bidding war. This accounts for the increase for those qualified in 2013 which relates to newly qualified respondents. Similarly, the increase for those qualified in 2010 relates to those with 3-4 years post qualification experience. This is another key time to move in an IP professional's career. Up until recently we had seen that there was little movement at this level possibly because candidates were concerned with a move during tighter economic times or these candidates were more expensive so less viable to hire for firms who were slowly expanding post recession. The lack of candidates at newly qualified level could also account for this as firms have had to consider alternative options.

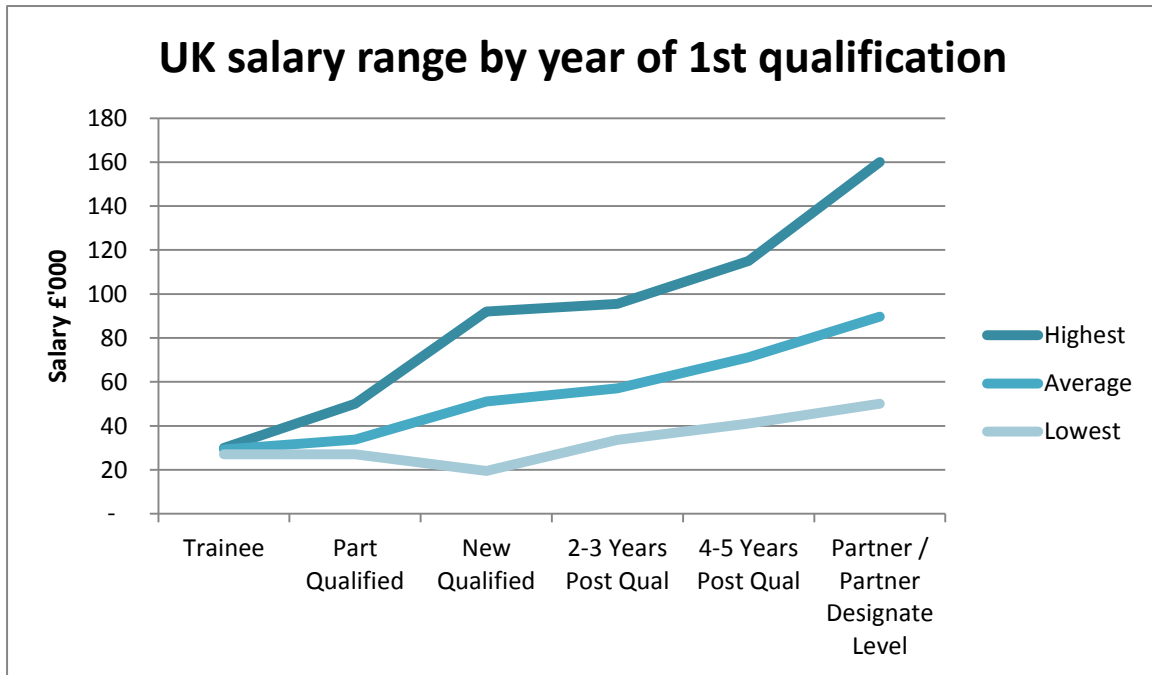


The above graph signals that there is no direct correlation between average salary and the university attended. Certainly for new entrants to the field it appears to be far less of a differentiator than it might have been historically.

3.2 Location



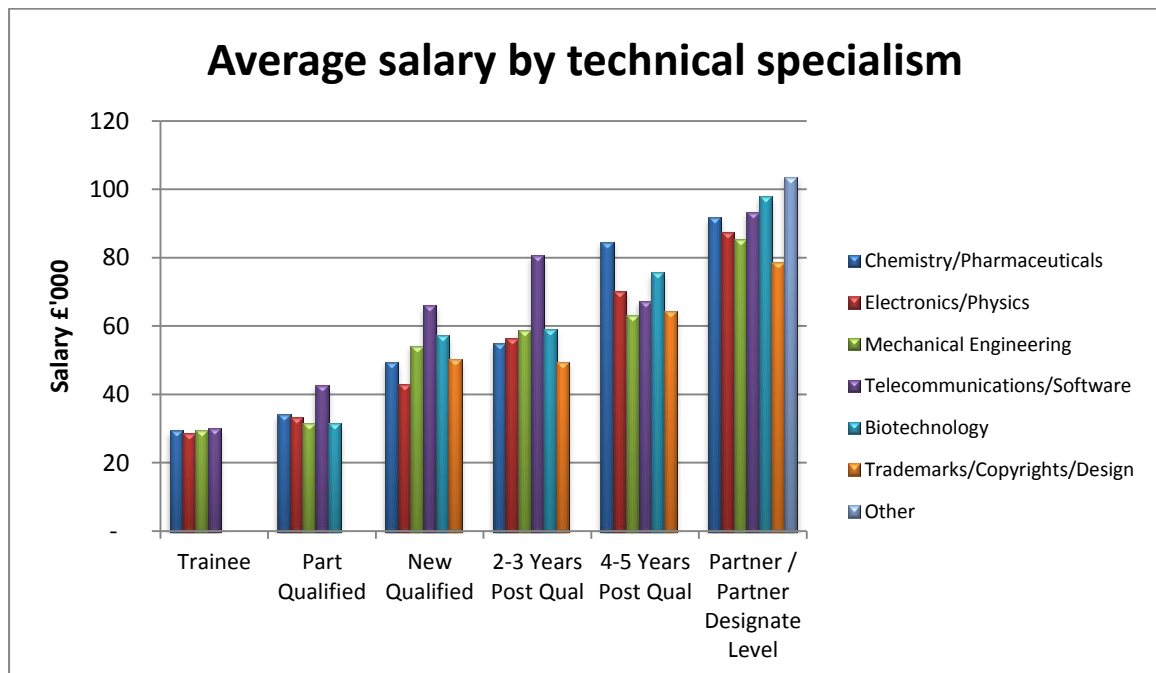
The UK appears to lag behind its international counterparts with regards to base salaries. It is important to recognise that this survey only provides a limited view although it does support the anecdotal evidence Fellows and Associates has gathered over the years.



There were two Partners earning well in excess of £250k which have been removed in order to make the graph above more user friendly. The graph has not been split by region as this data revealed that each region had the same fluctuations as the UK as a whole. The variances shown are likely to be down to the type of qualification held and the respondent's technical specialism. This is supported in graph 3.3 below.

3.3 Technical specialism

Respondents were asked to select the specialism that most closely represented their technical background.



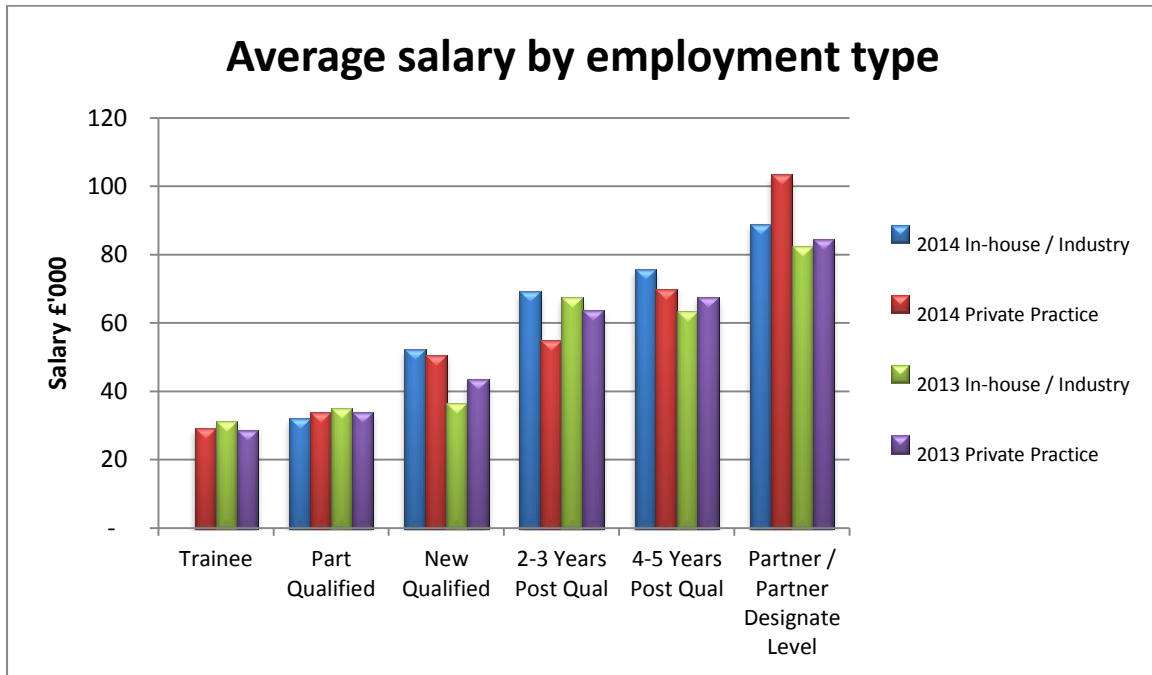
3.4 Salary Guide

Feedback from previous years has indicated the item of most interest is an understanding of one’s market value. This section is not a report on the data specifically but based on a combination of that plus our experience as a recruitment firm, taking into account the current prevailing market conditions and the demand for certain technical backgrounds. There is a difference between the current earnings of an individual (averages shown above) and the expected earnings of an individual if they were to move (see below). As Equity Partner moves are more complex we have excluded these from the table below.

GBP £' 000	Trainee	Part Qualified	New Qualified	2-3 Years Post Qual	4-5 Years Post Qual	Salaried Partner Level
Chemistry/Pharmaceuticals	29 - 30	34 - 38	53 - 60	58 - 66	75 - 85	80 - 110
Electronics/Physics	27 - 30	35 - 40	63 - 67	65 - 75	85 - 95	95 - 125
Mechanical Engineering	29 - 30	34 - 38	60 - 65	64 - 72	75 - 90	80 - 110
Telecommunications/Software	28 - 30	38 - 43	64 - 68	70 - 80	80 - 95	100 - 130
Biotechnology	28 - 30	34 - 38	57 - 62	59 - 64	75 - 85	85 - 120
Trademarks/Copyrights/Design	25 - 30	33 - 37	52 - 60	55 - 62	65 - 80	70 - 100

Currently there is a high demand in the Telecommunications/Software sector, demonstrating that those with the desired skill set can, sometimes, dictate their own salary package and command a far higher price than might be anticipated. The salaries above do not include bonuses. In almost every case firms pay base salaries in line with market with bonuses on top (which can range from as little as £2000 to as much as £25,000 at a newly qualified level). When bonuses are factored in, attorneys can earn a great deal more than their peers at other firms because of a more favourable scheme.

3.5 Employer type



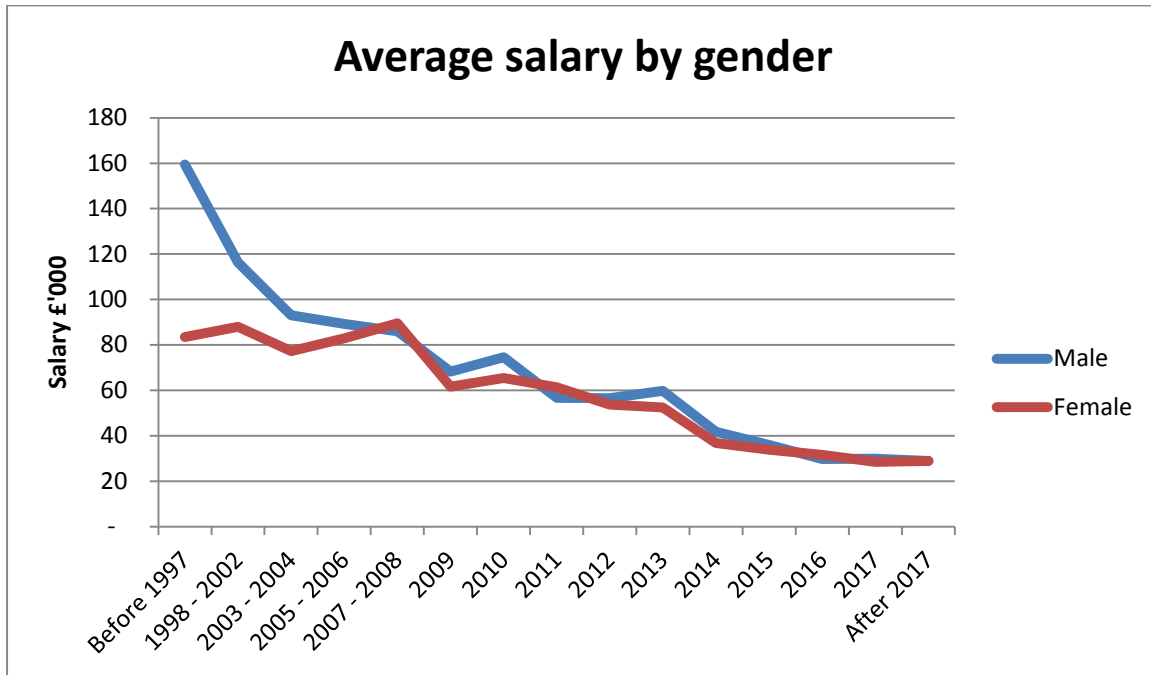
For a third year in a row the data indicates that it is still more lucrative to work in industry once qualified for a few years than it is to work in private practice. However, there is an earnings ceiling within industry that does not exist within private practice once Partnership level is attained (see 3.6 below).

3.6 Earnings above £100k

There were a total of 28 respondents (14% of the population surveyed) who earned more than £100k per annum.

Respondents earning over £100k pa	In-house / Industry	Private Practice: Law Firm	Private Practice: Trademark & Patent
Average Salary	118,000	109,000	175,000
Number of Respondents	10	7	11

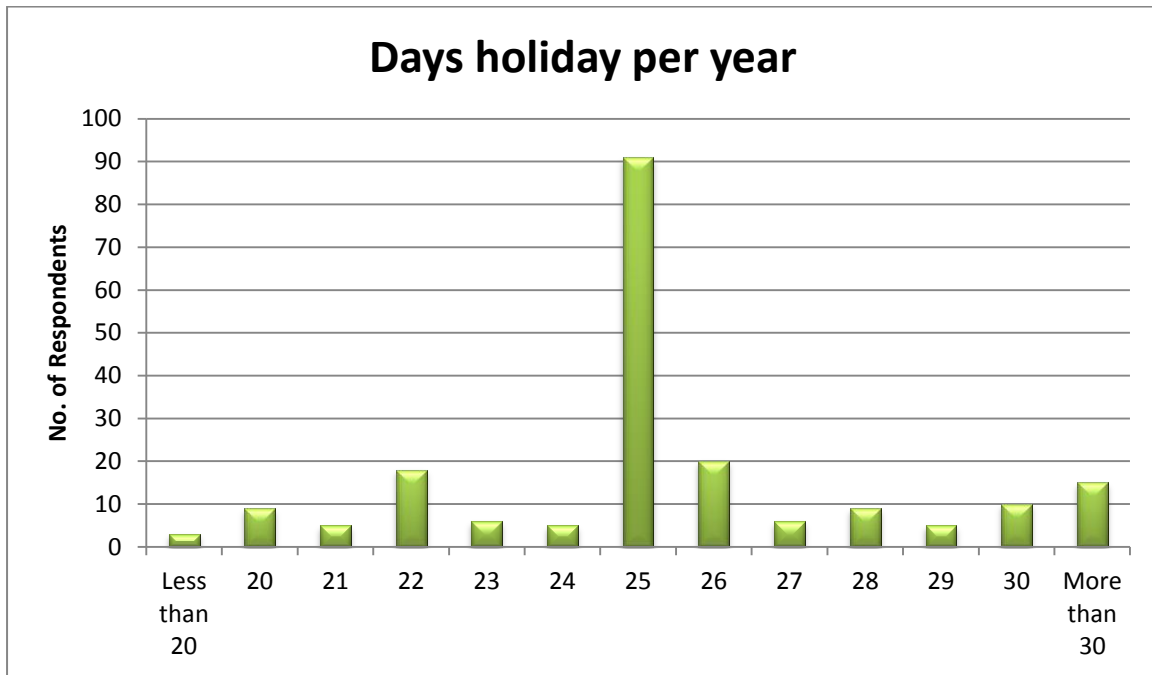
3.7 Gender



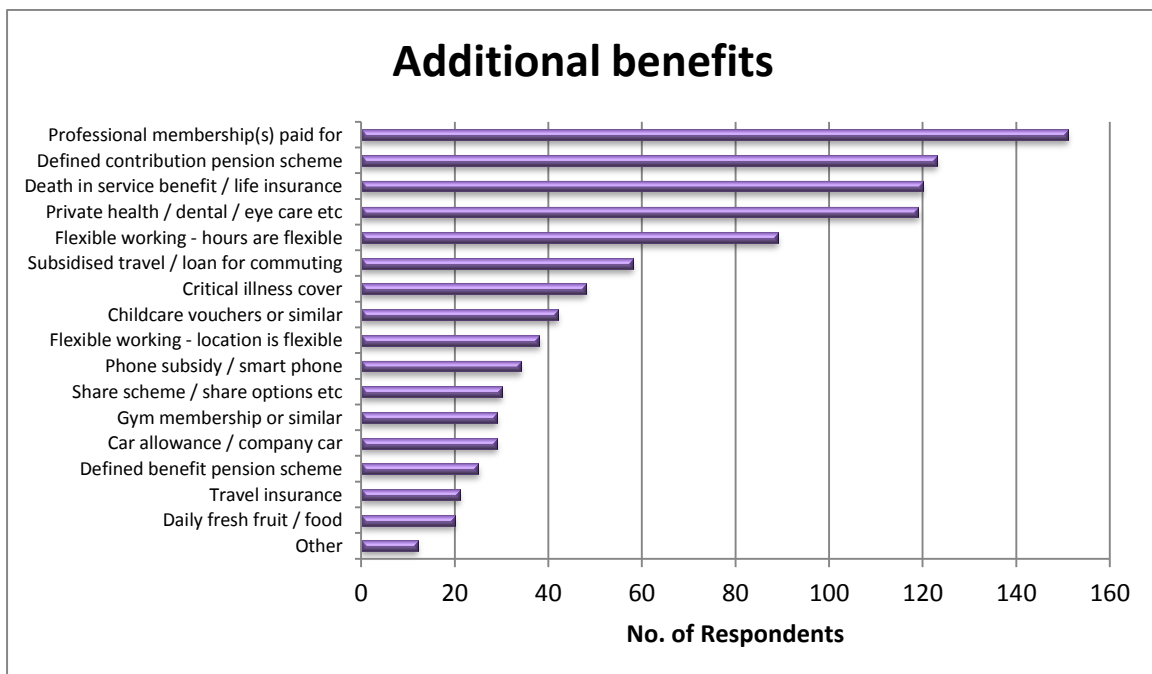
Within the confines of this sample, there is an earnings gap between those of men and their female counterparts, although it is encouraging that the gap is narrower compared to previous years except for the most experienced respondents. It is worth noting that this sample was heavily skewed in favour of male respondents (2.5:1 ratio) and did not include a question about hours of work. Whilst we cannot therefore draw far reaching conclusions about any gender based remuneration discrepancies in the IP profession we can state that for a third year in a row a gap has existed.

3.8 Additional Benefits

70% of respondents receive a bonus amounting to an average of 11.6% of base salaries.



45% of the respondents receive 25 days holiday per year, with 32% receiving more than 25 days annual leave (7% receiving more than 30 days), and 23% receiving less than 25 days.



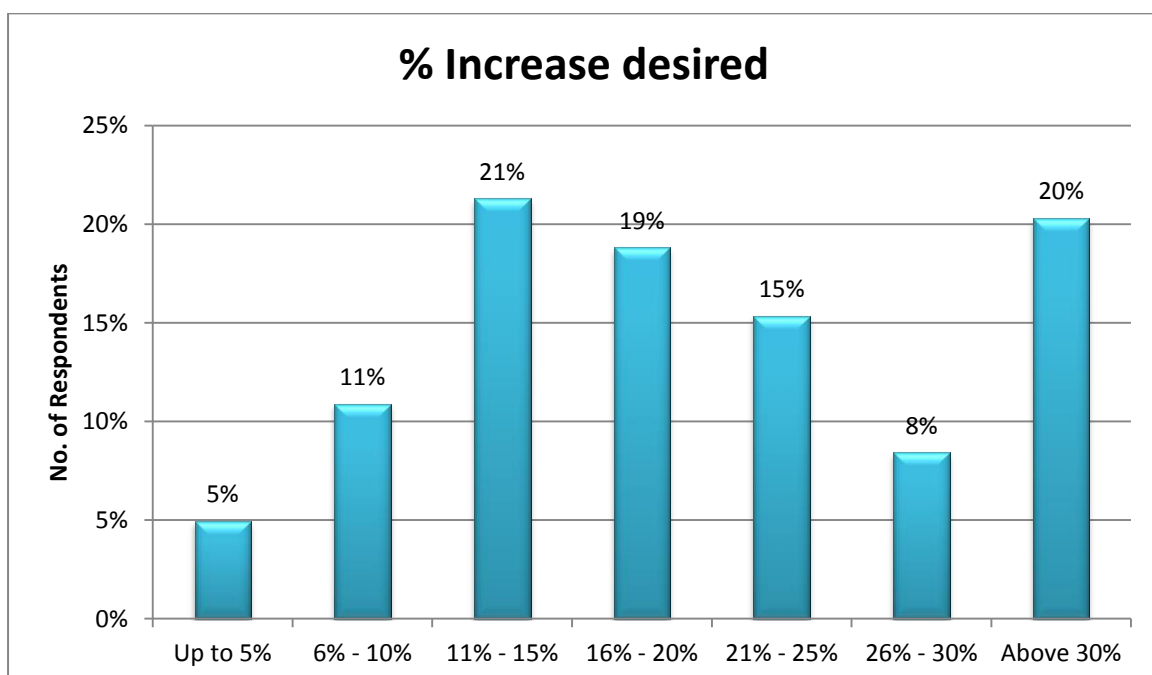
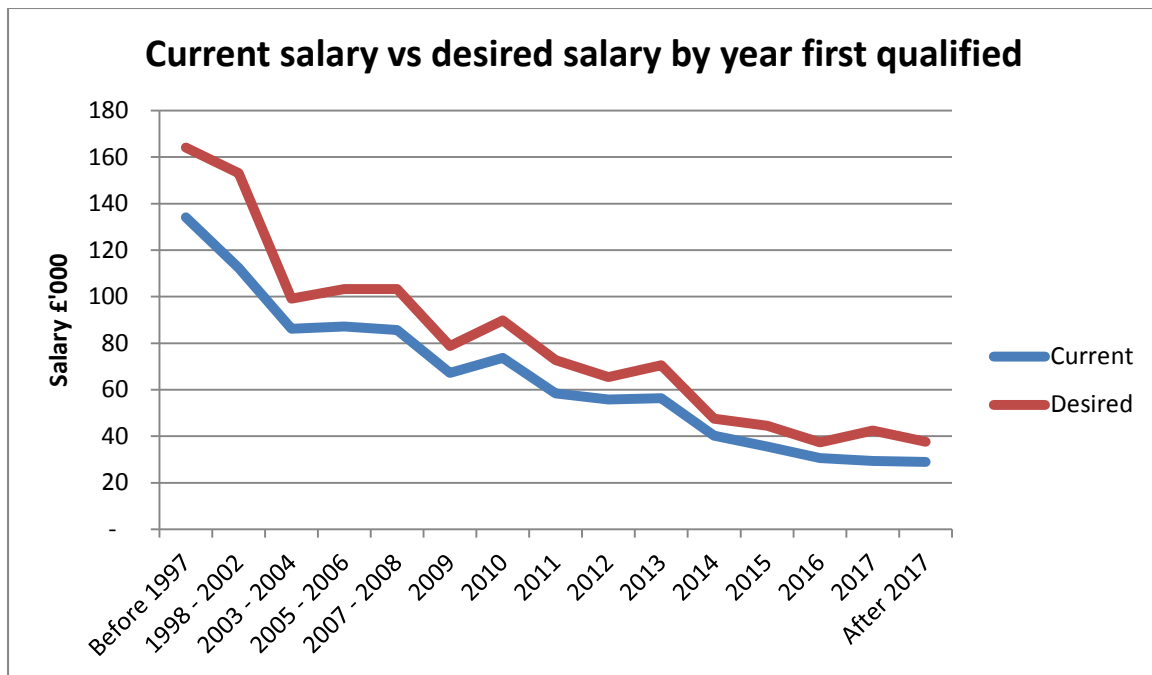
“Other” included: member’s club membership, regional living allowance, holiday purchase scheme, free lunch / lunch vouchers, free flight annually and income cover.

75% of respondents have their professional memberships paid for with 59% receiving private healthcare of some variety as well as life insurance or a death in benefit service. Nearly three quarters (73%) of respondents receive a pension of some sort, of which only a mere 17% have the elevated status of receiving a final salary pension (defined benefit scheme).

4 The future

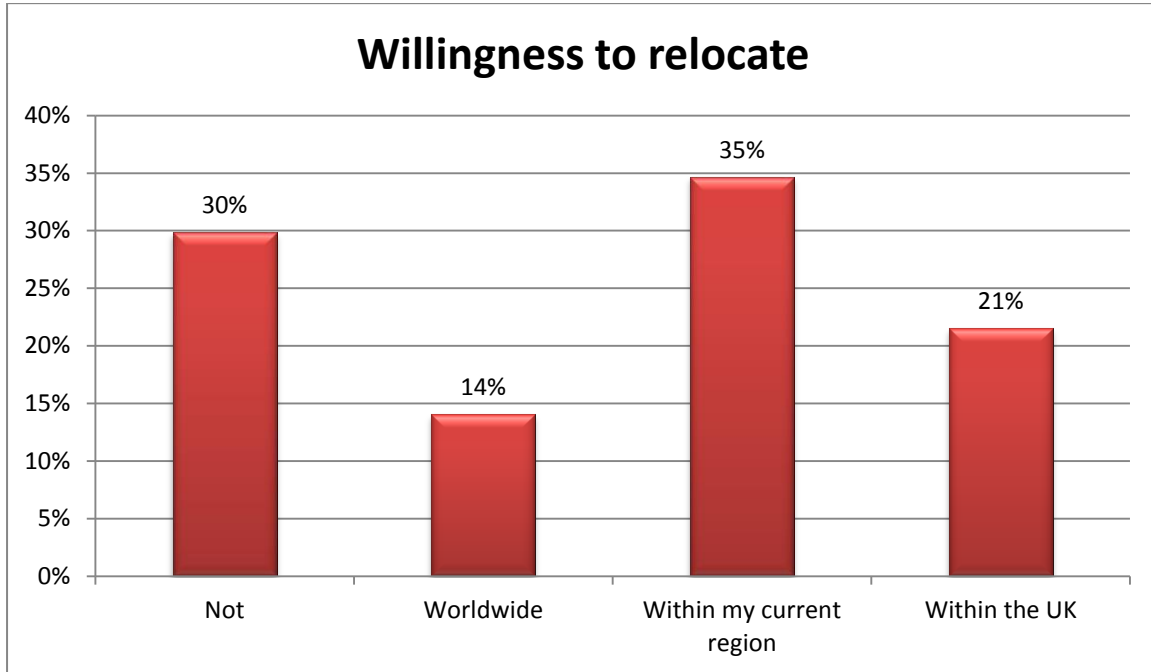
4.1 Desired salary increase

As a general overview, the average salary increase sought is, once again, over 20% of current salary (2014: 22.2%, 2013: 20.2%, and 2012: 24.8%).

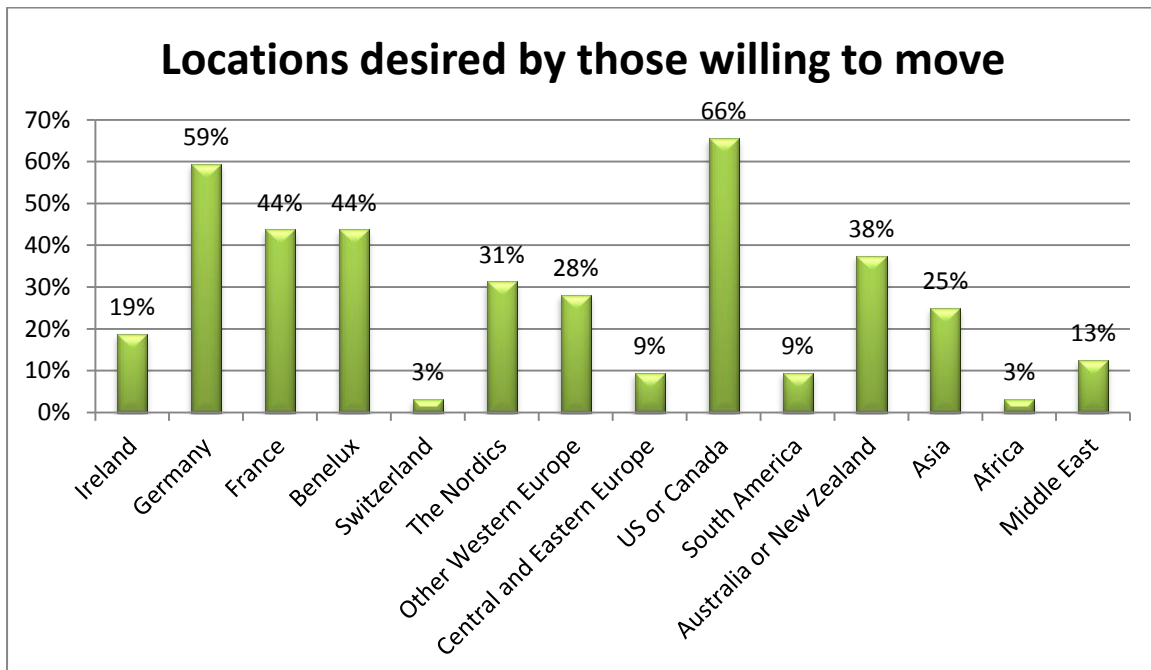


4.2 Willingness to relocate

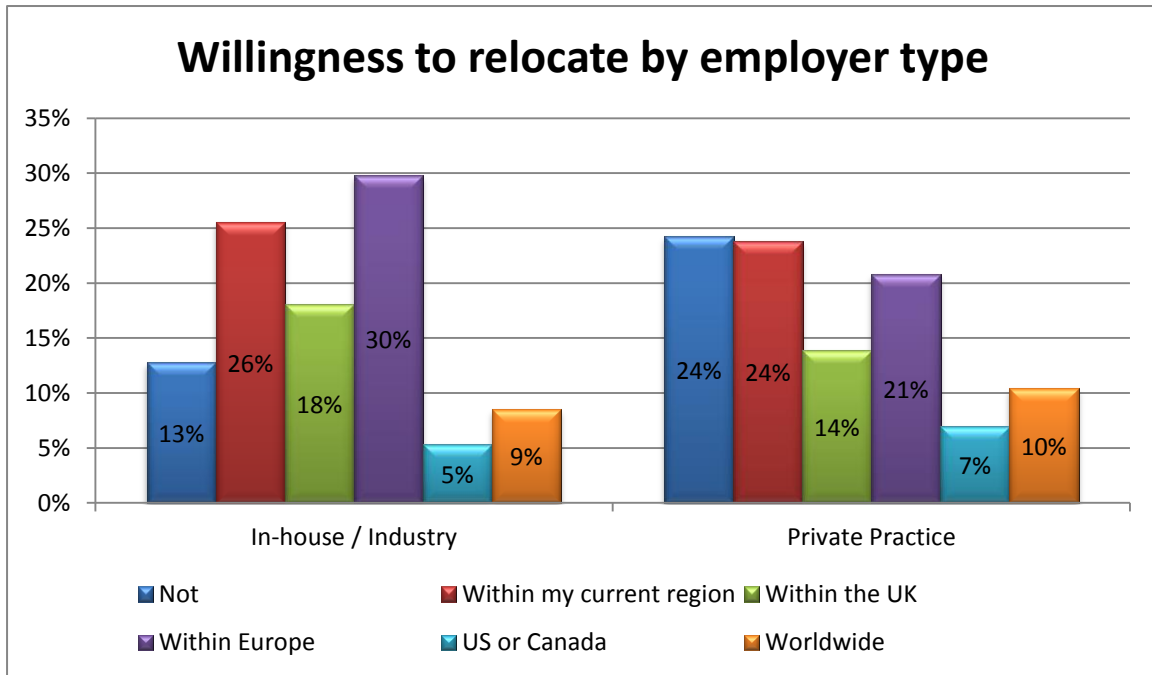
70% (2013: 73% and 2012: 76%) of respondents indicated that they would be willing to relocate to obtain their desired salary. The trend for moving appears to be diminishing. This may be down to the increased flexibility in location worked from that firms are willing to provide.



Some respondents were willing to relocate to a variety of locations whilst some were very specific in the locations they would consider a move to.

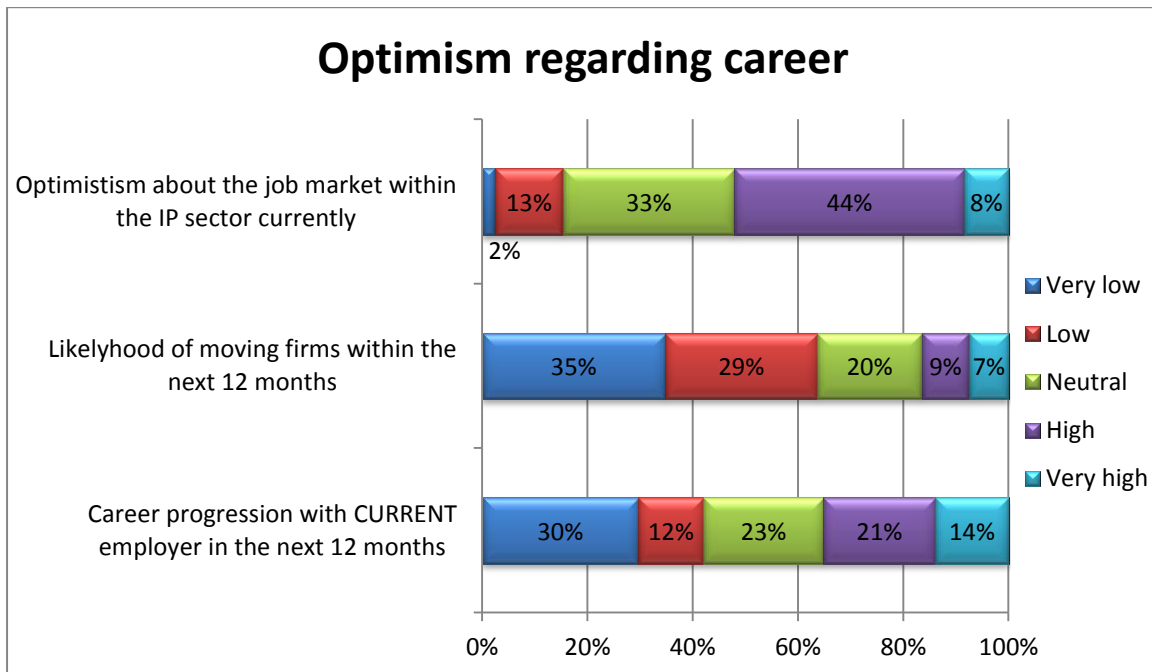


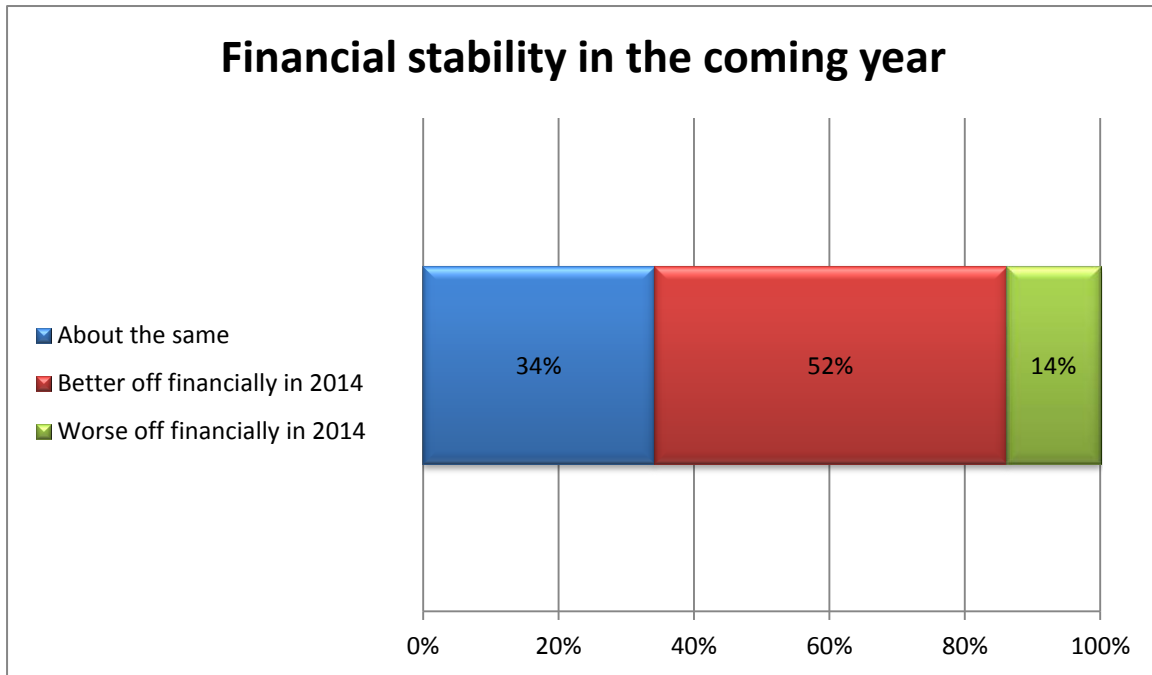
Again this year those working in industry are generally more willing to relocate than those in private practice, most likely due to the remote location of many in-house IP departments.



4.3 Outlook

This year the survey also addressed outlook with questions pertaining to respondent’s optimism regarding their careers within the IP sector in the coming 12 months.





This report was compiled by Michele Fellows, Director and Management Consultant, Fellows and Associates.

We would like to thank everyone who participated in the survey, as well as those who helped to spread the word – in particular The Patent Lawyer Magazine, CIPA and IPKat.

If you should have any questions or comments regarding the salary survey or this report, please do not hesitate to contact Michele at Michele.Fellows@fellowsandassociates.com.

AUTHOR PROFILE

Michele Fellows is a Chartered Management Accountant with over 15 years' experience. She is a founding partner of Fellows and Associates heading up Fellows Business Consulting offering a bespoke service to the Intellectual Property sector. Prior to establishing Fellows and Associates she enjoyed an eventful career that spanned a multitude of countries and jurisdictions with a wide range of companies from large multinational corporations to SMEs and in a variety of industries and sectors.

Fellows Business Consulting can help streamline your financial and business processes; assist with simple or more complex measures to help increase profitability, such as cost reduction and supplier management, systems integration, charging structures and debt collection, business strategy and market offering; assess your recruitment strategy; advise, negotiate and facilitate the buying, selling or merger of private practices or facilitate an office expansion by helping with finding a location, staffing and dealing with local issues.

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For further information please refer to our brochure which can be found at <http://www.fellowsandassociates.com/brochure/>

APPENDIX I

Questions and answer options

- 1) Where are you currently located for work purposes?
 - a) UK
 - b) Ireland
 - c) Germany
 - d) France
 - e) Switzerland
 - f) Benelux (Belgium, Luxembourg, The Netherlands)
 - g) The Nordics (Denmark, Norway, Sweden, Finland, Iceland)
 - h) Other Western Europe (Greece, Italy, Portugal, Spain)
 - i) Other Central, East Central and Eastern Europe (all remaining European countries not listed above)
 - j) US or Canada
 - k) South America
 - l) Australia or New Zealand
 - m) Asia
 - n) Africa
 - o) Middle East
 - p) Other (please specify)

- 2) If you specified you work in the UK for Question 1 then please indicate where in the UK you work.
 - a) London
 - b) East of England
 - c) South East
 - d) South West
 - e) East Midlands
 - f) West Midlands
 - g) North East
 - h) North West
 - i) Yorkshire and the Humber
 - j) Wales
 - k) Scotland
 - l) Northern Ireland
 - m) Channel Islands
 - n) Not applicable

- 3) What is your current job title? Please select the one that MOST CLOSELY fits with your position and experience even if the title differs.
 - a) Advisor: Patent / Trademarks / IP
 - b) Assistant: Trainee / Part Qualified / Technical / Patent / Trademark
 - c) Chief IP Officer / Head of Patents
 - d) Counsel: Patent / Senior / Of
 - e) Director / Principal
 - f) IP Manager / Global IP Manager
 - g) IP Consultant
 - h) IP: Paralegal / Analyst / Engineer / Agent
 - i) Partner (Equity)

- j) Partner (Salaried / Fixed Share Equity)
 - k) Patent Attorney: Associate / 0-3 years post qualified experience
 - l) Patent Attorney: Senior Associate / 4 years plus post qualified experience / Principal
 - m) Trademark Attorney: Associate / 0-3 years post qualified experience
 - n) Trademark Attorney: Senior Associate / 4 years plus post qualified experience / Principal
- 4) What is your main specialism?
- a) Biotechnology
 - b) Chemistry
 - c) Electronics/Physics
 - d) Mechanical Engineering
 - e) Pharmaceuticals
 - f) Telecommunications/Software
 - g) Trademarks/Copyrights/Design
 - h) Other (please specify)
- 5) What do you spend the majority of your time working on? Please select more than one option if applicable.
- a) Dispute Resolution
 - b) Drafting
 - c) Investigations
 - d) IP Licensing / Transactional
 - e) Litigation (Domestic)
 - f) Litigation (EPO)
 - g) Litigation (International)
 - h) Prosecution
 - i) Strategy and Management
 - j) Other (please specify)
- 6) Do you work in private practice or industry?
- a) Private Practice: Trademark & Patent
 - b) Private Practice: Law Firm
 - c) In-house / Industry
 - d) Other: Consultancy / Education / Service Provider
- 7) Please indicate which professional qualifications you have achieved (or you are studying towards) and the year you obtained it (or expect to obtain it). Please note for the UK Chartered Patent Attorney qualification please indicate the year you received your results, not the year you sat the exams. Respondents were asked to provide details of the First, Second, Third and Forth qualifications obtained (if applicable) and the year they were each attained. The choice of qualifications was as follows:
- a) Chartered Patent Attorney (UK) – CPA
 - b) European Patent Attorney – EPA
 - c) Registered Trademark Attorney (UK) – RTMA
 - d) Other Patent Qualification – please specify
 - e) Other Trademark Qualification – please specify
 - f) Other Professional Qualification – please specify
- 8) Please indicate the year you started training as a Patent / Trademark Attorney or working within your current field. This question is to understand how many years' relevant experience you have.

- 9) What University did you attend for your degree / under graduate degree?
- 10) Do you have a PhD? If yes, please indicate the University you attended to obtain it.
- 11) Please indicate which of the following currencies you will be using to answer ALL of the financial questions below. We chose these currencies as being the most commonly used and whilst your currency may not be listed we would appreciate it if you could utilise one of these for your answers.
- 12) Please indicate your CURRENT base annual salary (excluding any benefits such as bonuses). For those in part time employment please specify your salary as an annual salary, rather than pro rata (for example: if you earn £30,000 pa for a 3 day week then you would specify £50,000 below as you annualised salary).
- 13) What is the value of your average annual bonus?
- 14) How many days holiday do you receive per year (excluding public holidays)?
- 15) Please indicate ALL the additional benefits you receive:
 - a) Car allowance / company car
 - b) Childcare vouchers / education allowance for children
 - c) Company shares / share scheme / share options / share awards
 - d) Critical illness cover
 - e) Daily fresh fruit
 - f) Death in service benefit / life insurance
 - g) Defined benefit pension scheme (final salary)
 - h) Defined contribution pension scheme
 - i) Flexible working - hours are flexible
 - j) Flexible working - location worked from is flexible
 - k) Member's club membership paid for
 - l) Onsite exercise classes / gym membership
 - m) Phone subsidy / smart phone
 - n) Private health / dental / eye care / insurance
 - o) Professional membership(s) paid for
 - p) Regional living allowance
 - q) Subsidised travelcard / interest free loan for seasonal rail card
 - r) Travel insurance
 - s) Other (please specify)
- 16) Please indicate your DESIRED base annual salary (excluding any benefits such as bonuses) upon your next promotion or upon moving to a new role. For those in part time employment please specify your salary as an annual salary, rather than pro rata (for example: if you wish to earn £30,000 pa for a 3 day week you would indicate £50,000 as your annualised salary).
- 17) Would you be willing to relocate to obtain this salary? Please tick all options that apply.
 - a) No
 - b) Yes, worldwide
 - c) Yes, within my current region
 - d) Yes, within the UK
 - e) Yes, to Ireland

- f) Yes, to Germany
 - g) Yes, to France
 - h) Yes, to Benelux (Belgium, Luxembourg, The Netherlands)
 - i) Yes, to The Nordics (Denmark, Finland, Iceland, Norway, Sweden)
 - j) Yes, to Other Western Europe (Greece, Italy, Portugal, Spain)
 - k) Yes, to other Central, East Central and Eastern Europe (all European countries not listed above)
 - l) Yes, to US or Canada
 - m) Yes, to South America
 - n) Yes, to Australia or New Zealand
 - o) Yes, to Asia
 - p) Yes, to Africa
 - q) Yes, to the Middle East
 - r) Other (please specify)
- 18) How optimistic are you of career progression with your CURRENT employer in the next 12 months? 1 being the least optimistic and 5 being the most.
- 19) How likely are you to move firms within the 12 months? 1 being the least likely and 5 being the most.
- 20) How optimistic are you about the job market within the IP sector currently? 1 being the least optimistic and 5 being the most.
- 21) How do you feel financially about the coming year?
- 22) Please indicate your gender.
- a) Male
 - b) Female
 - c) Prefer not to answer
- 23) What is your age?
- a) 20 - 24
 - b) 25 - 29
 - c) 30 - 34
 - d) 35 - 39
 - e) 40 - 44
 - f) 45 - 49
 - g) 50 - 54
 - h) 55 - 59
 - i) 60 - 64
 - j) 65 - 69
 - k) 70 - 74
 - l) 75 - 79
 - m) Prefer not to answer

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