Report of the 2020 Salary Survey of the Intellectual Property Profession

fellowsandassociates
recruitment evolution

Report of the 2020 Salary Survey of the IP Profession

Produced by Fellows and Associates

Sponsored by The Patent Lawyer Magazine

In support of IP Inclusive

Table of Contents

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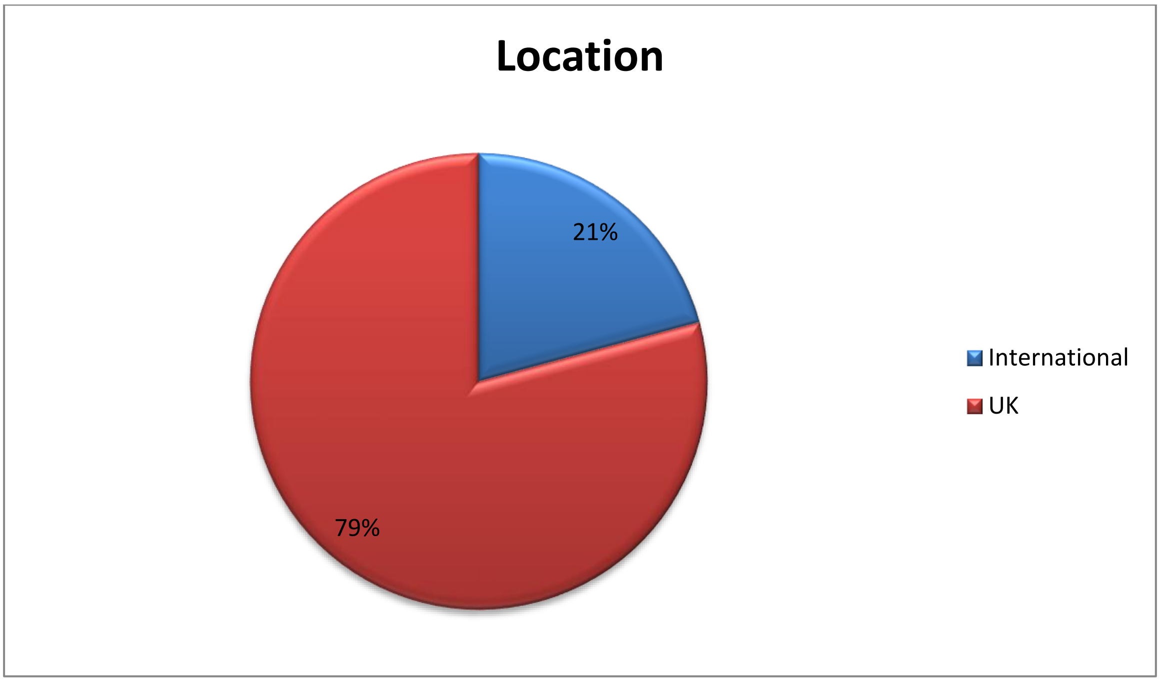
1. Introduction

This report presents data from a salary survey of the intellectual property profession which was collected over a seven week period from the 29th of April May 2020 to the 16th of June 2020. The on line survey was accessible through a weblink, which was promoted on the websites of Fellows and Associates, The Patent Lawyer Magazine and CIPA. In addition, LinkedIn and Twitter were utilised to promote the survey.

2. The Sample

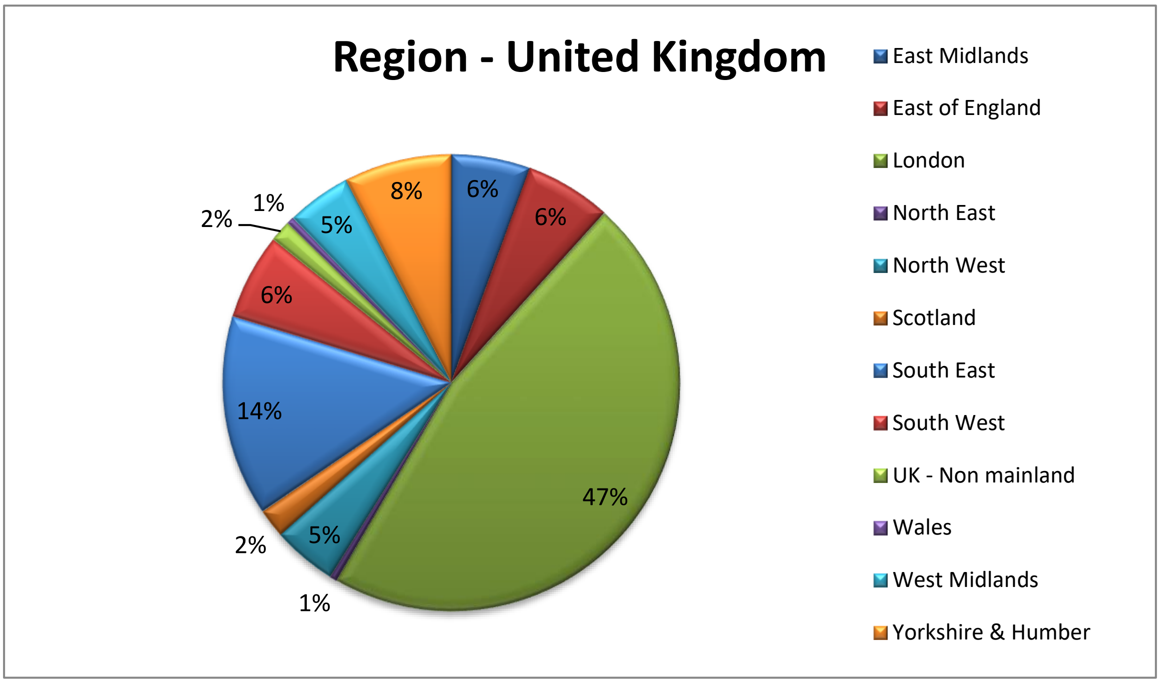
After removing any respondents that failed to complete more than 50% of the survey and those that refrained from including their base salary (the crucial item in a salary survey) a total sample size of 238 remained (a 13% increase on last year). Any financial information quoted by respondents in a currency other than GBP was converted to GBP using XE.com as of 18.06.20 at 5.15pm GMT. Where respondents work part time, their pro rata financial information has been converted to a Full Time Equivalent (FTE). Please note that in order to make the graphs easier to read percentages have been rounded to the nearest whole percent. This rounding may result in percentages appearing to total 99% or 101%. At a more detailed level, not shown here, these all total 100%.

2.1 Location



Graph 2.1.1

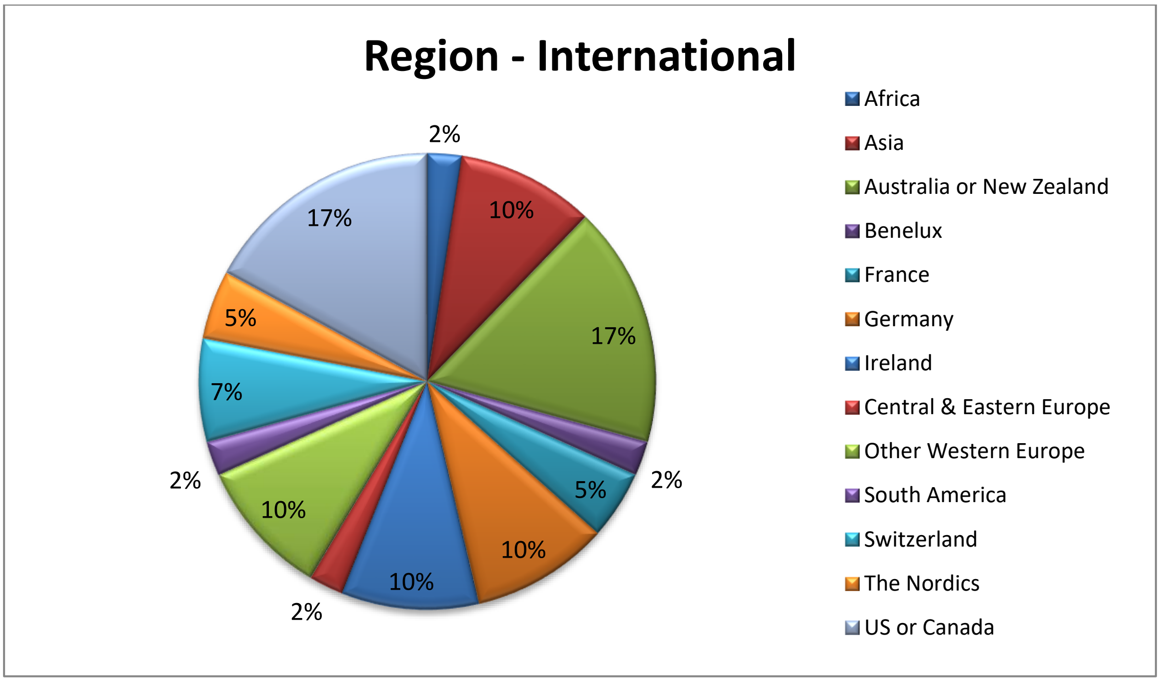
The data was then analysed to show the breakdown of the various UK regions:



Graph 2.1.2

We acknowledge the colours in the above graph can be a challenge to differentiate. Please read in a clockwise direction from the "12 o'clock" position to assist.

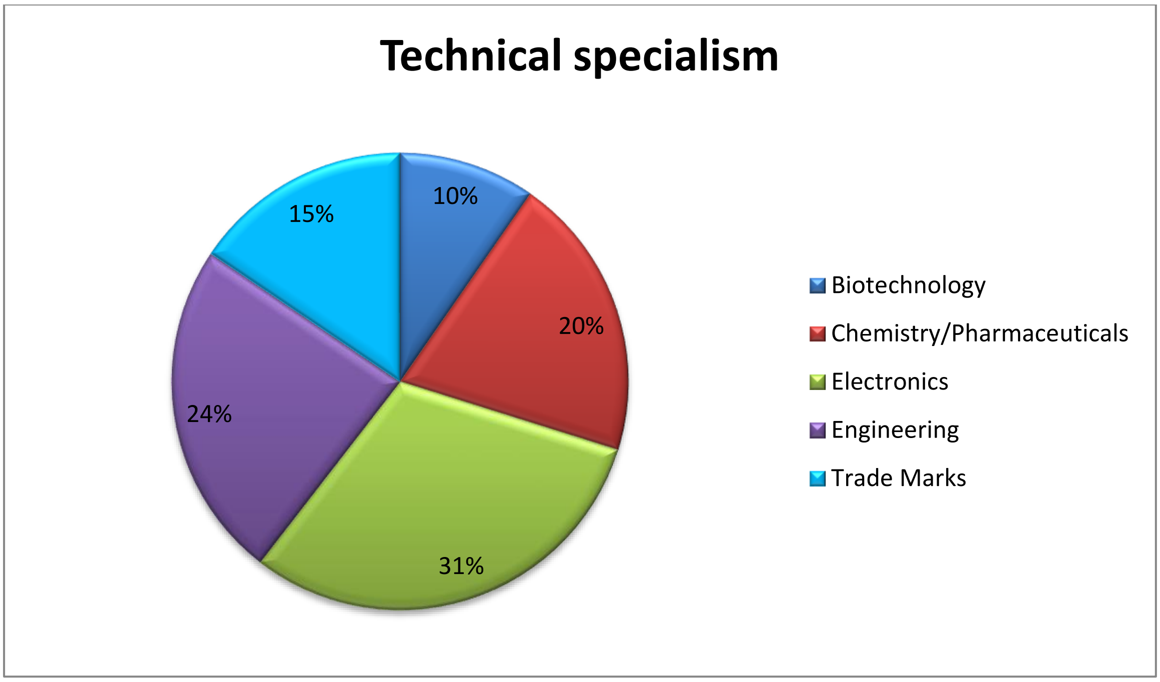
International respondents came from the following regions:



Graph 2.1.3

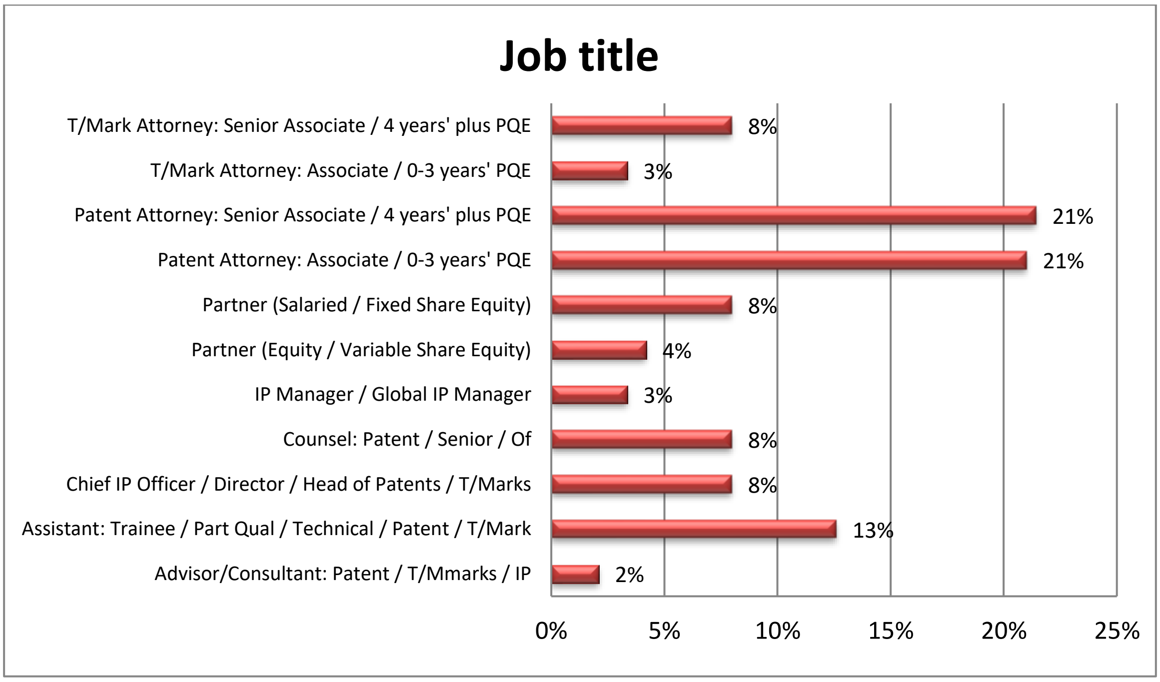
2.2 Technical specialism and title

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



Graph 2.2.1

Participants were asked to select an option from a list that most closely matched their title.



Graph 2.2.2

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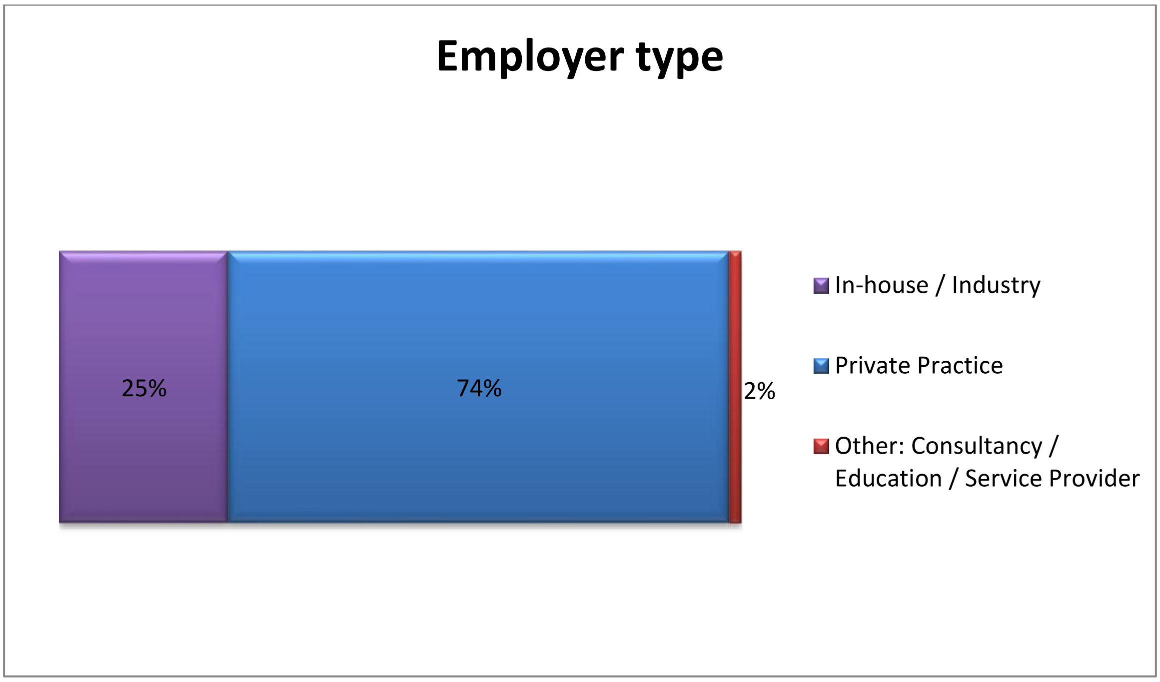
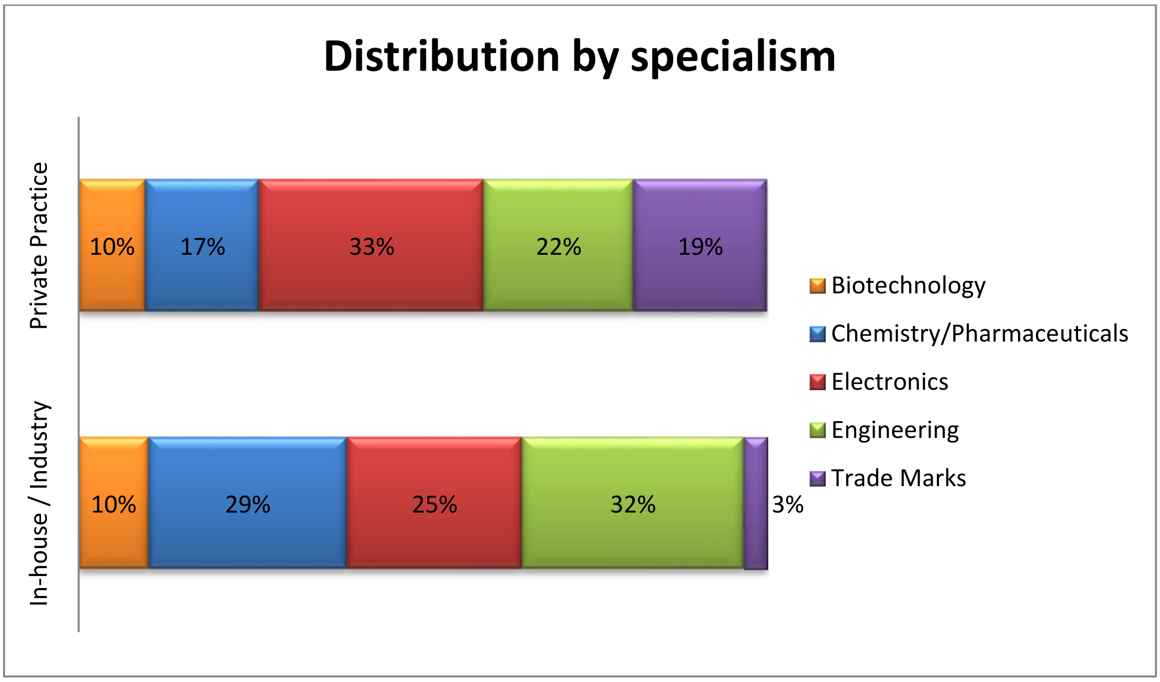
2.3 Employer type



Graph 2.3.1

This is very similar to previous years. Additionally, 93% of respondents were employed, with just 7% being self-employed. The data was then further analysed to provide the technical specialism by employer type.



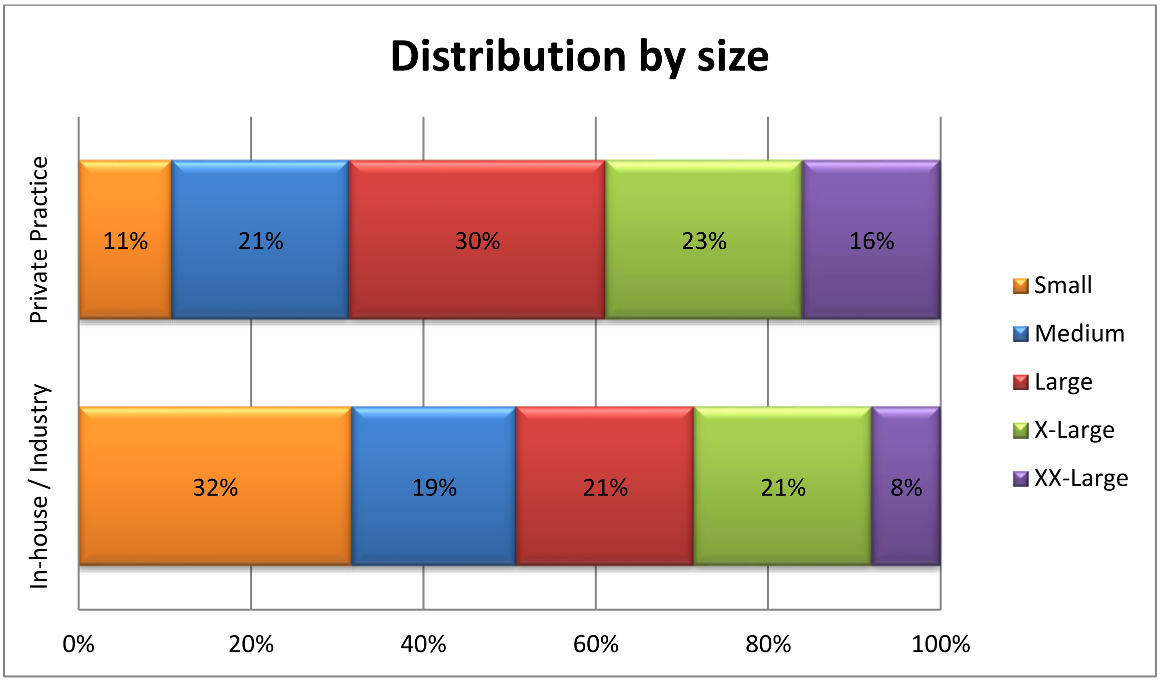
Graph 2.3.2

The "Other: Consultancy / Education / Service Provider" respondents were 25% in electronics, 25% trade marks and 50% chemistry / pharmaceuticals.

This year we have taken a look at the size of firm a respondent is employed by or is a Partner in.

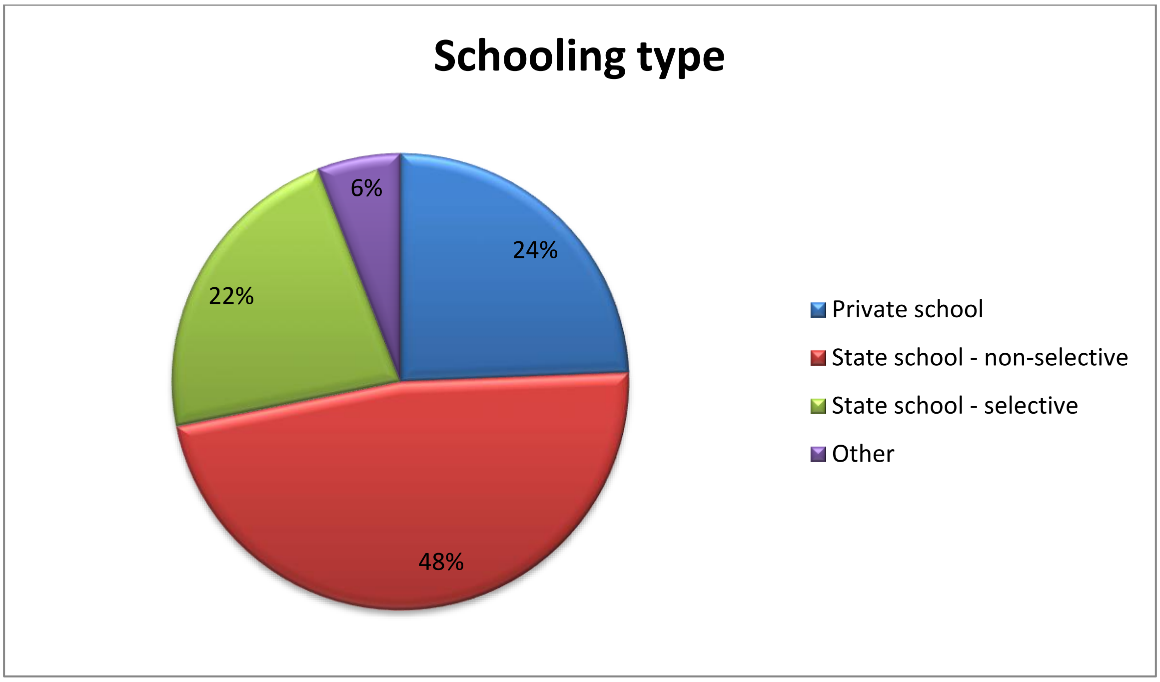
Organisation size categorisation		
	In-house	**Private**
Small	Under 5 employees	Under 10 fee earners
Medium	6 - 10 employees	11 - 50 fee earners
Large	11 - 20 employees	51 - 100 fee earners
X-Large	21 - 50 employees	101 - 200 fee earners
XX-Large	Over 50 employees	Over 200 fee earners

Graph 2.3.3



Graph 2.3.4

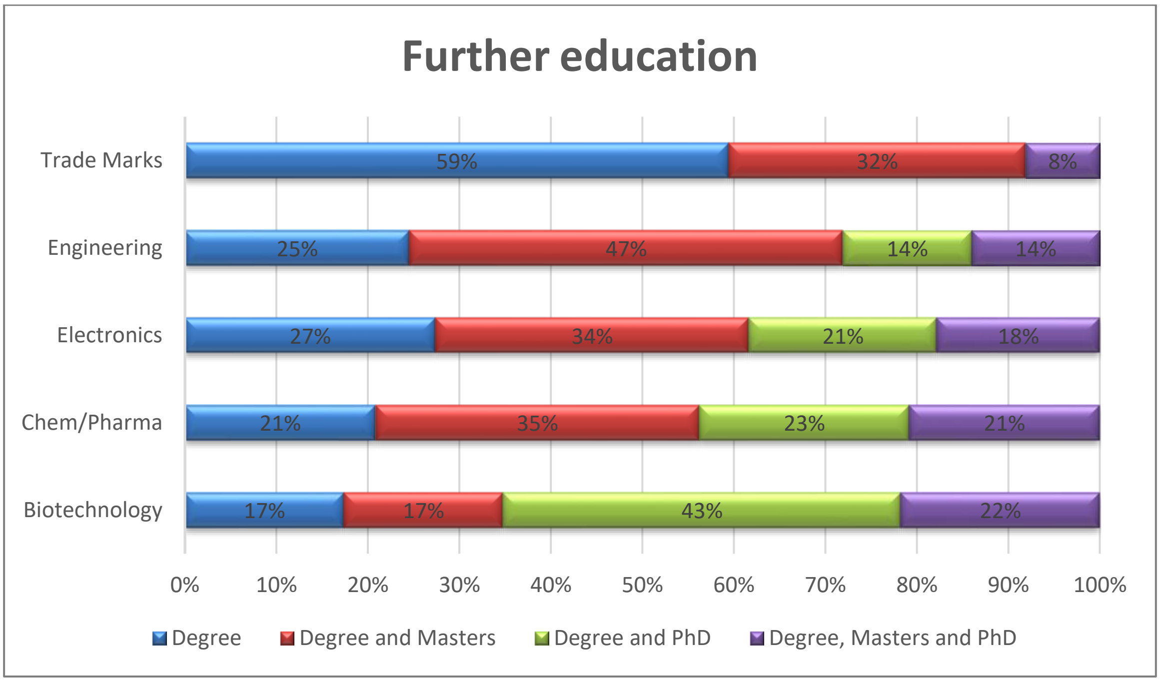
2.4 Education



Graph 2.4.1

Notes: Other is where respondents have benefitted from a combination of the above schooling types, including home education.

We did review schooling at a specialism level but this did not provide any further significant insight.



Graph 2.4.2

At a total level 16% have a degree, Masters and PhD, 18% a degree and PhD only, 36% a degree and Masters only and 29% a degree only. This is very similar to last year.

Top 9 universities attended			
Ranking	**Degree**	**Masters**	**PhD**
1st	University of Cambridge	Queen Mary, University of London	University of Oxford
2nd	University of Oxford	University of Cambridge	University of Cambridge
3rd	University of Manchester	University of Oxford	Imperial College London' University of Nottingham, University of Warwick
4th	Durham University	Imperial College London	
5th	University of Bristol, University of Nottingham	Durham University, University of Manchester	
6th			King's College London, The University of Sheffield, University College London,
7th	University College London, University of Leeds	University of Leeds	
8th		University of Nottingham	
9th	The University of Edinburgh, The University of Sheffield		Brunel University London, Newcastle University, University of Leeds, University of Liverpool, University of Southampton, University of Strathclyde

Graph 2.4.3

Note: There were a significant number of universities ranked equally for 10th place so we chose to disclose the top 9 only.

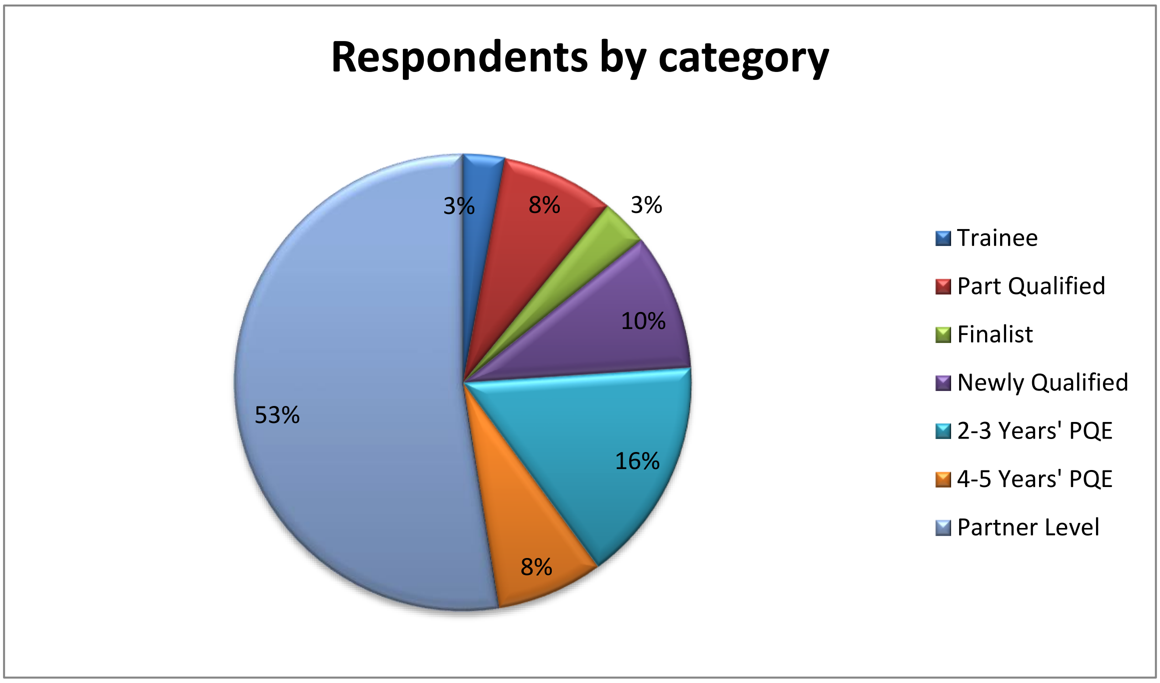
University representation			
	Degree	**Masters**	**PhD**
Attended Oxford / Cambridge	15%	17%	29%
Attended one of the top 9 universities	43%	69%	67%
No. of different universities attended	95	54	41

Graph 2.4.4

2.5 Qualifications

This report has classified the year in which a respondent obtained their first qualification, considering their title as well, as per the below categories. As the definition of a part qualified attorney varies across firms, and the time it takes to qualify differs between individuals, those not yet qualified have been classified according to the number and type of papers they have sat. This year we have also added in a category for Finalist. Those without qualifications but holding senior positions have been deemed qualified by experience and placed within an appropriate category based on their salary and our recruitment experience for similar positions. **Please note ALL references to Trainee, Part Qualified, Finalist, Newly Qualified etc. within this report are per the qualification table below.**

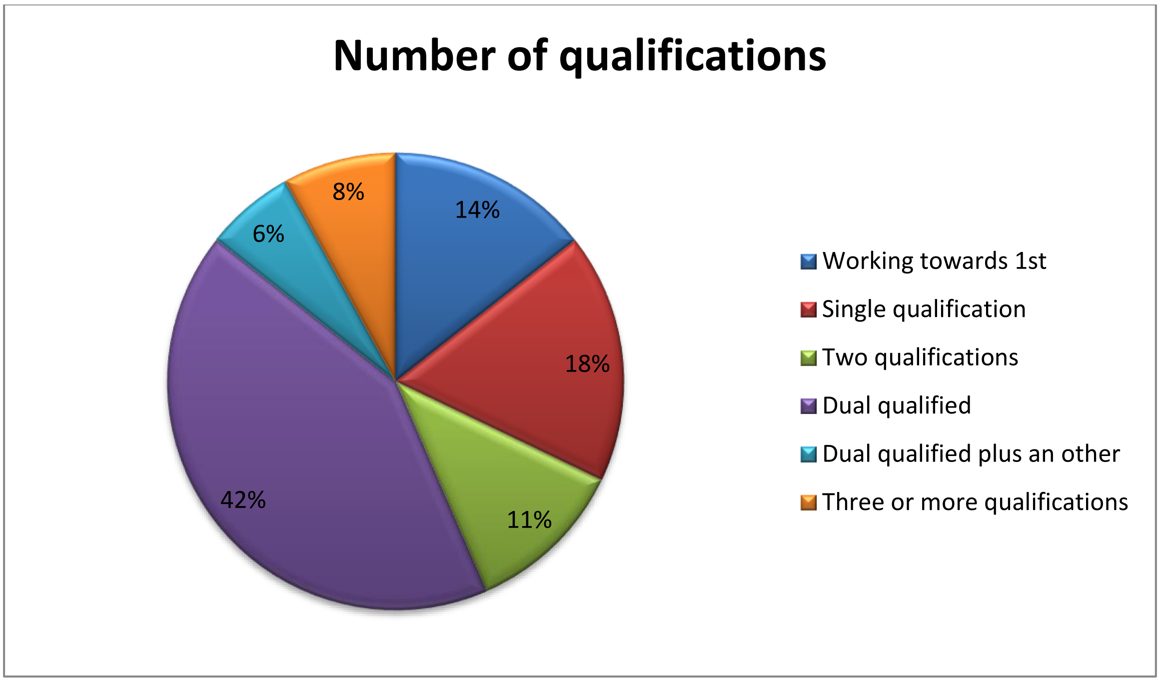
Category	Year 1st Qualification Obtained / Papers Sat
Trainee	No papers sat as yet
Part Qualified	1-2 UK papers and / or the pre EQE
Finalist	3 UK papers and / or 2 EQEs
Newly Qualified	2019, 2020
2-3 Years' PQE	2017, 2018
4-5 Years' PQE	2015, 2016
Partner Level	2014 or earlier



Graph 2.5.1

85% of this year's respondents were fully qualified, with 15% still working towards their first qualification.

This year we have once more taken a look at the number of qualifications the respondents hold.

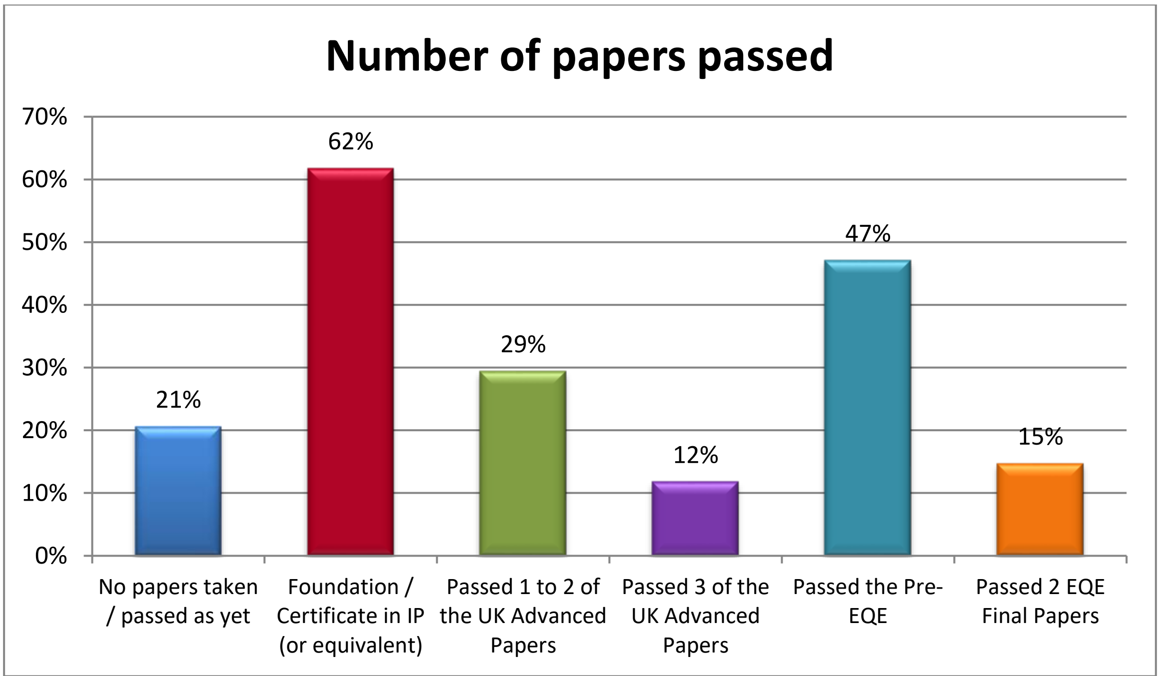


Graph 2.5.2

Note: Dual qualified refers specifically to those holding both the Chartered Patent Attorney (UK) and Chartered Trade Mark Attorney (UK) qualifications

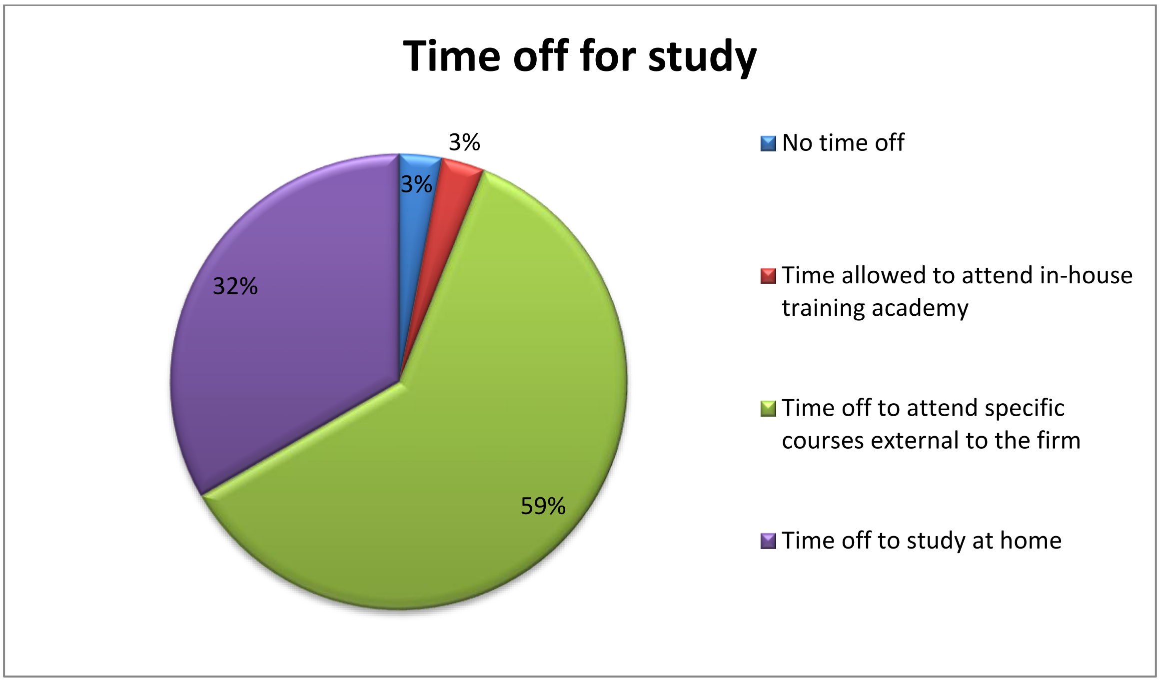
2.6 Trainees

A further improvement this year is a closer look at those currently working towards their first qualification.

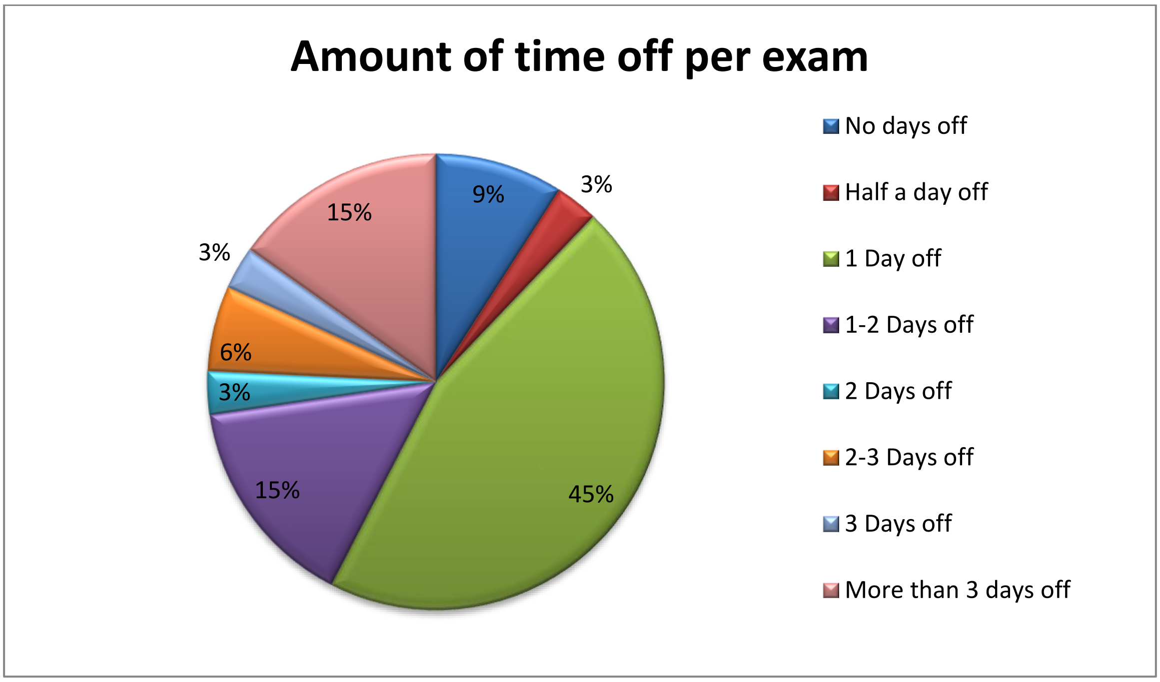


Graph 2.6.1

86% of respondents had between 76% and 100% of their exams funded by the employer with 11% receiving no funding at all. 3% preferred not to answer that question.

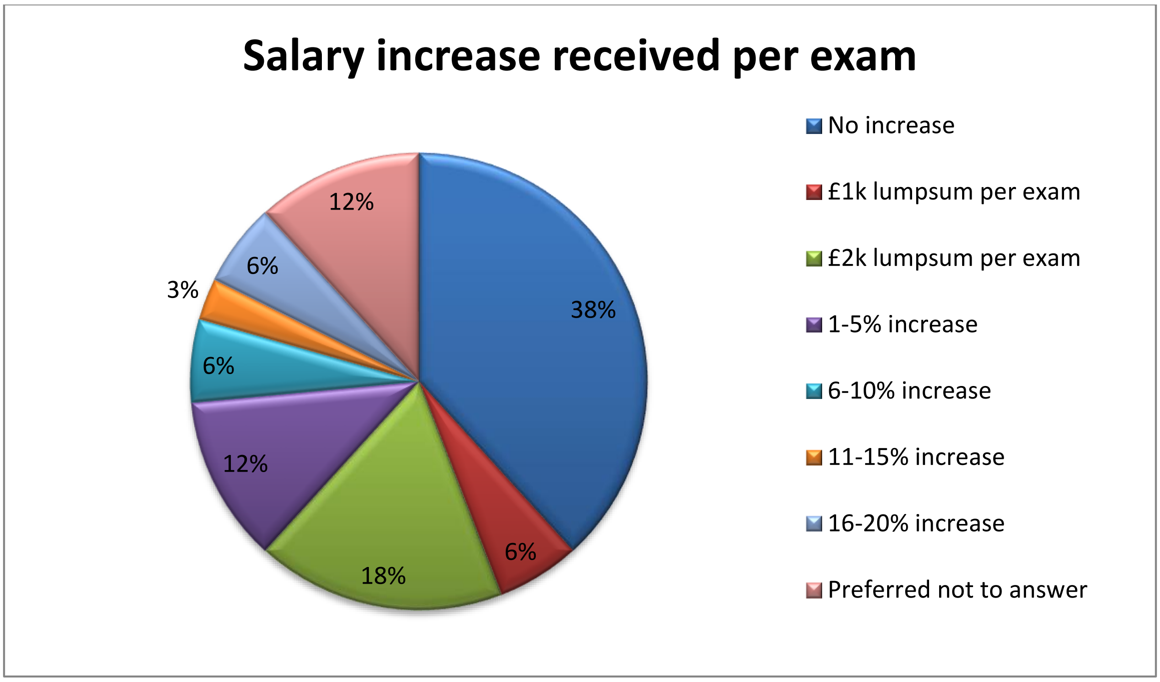


Graph 2.6.2



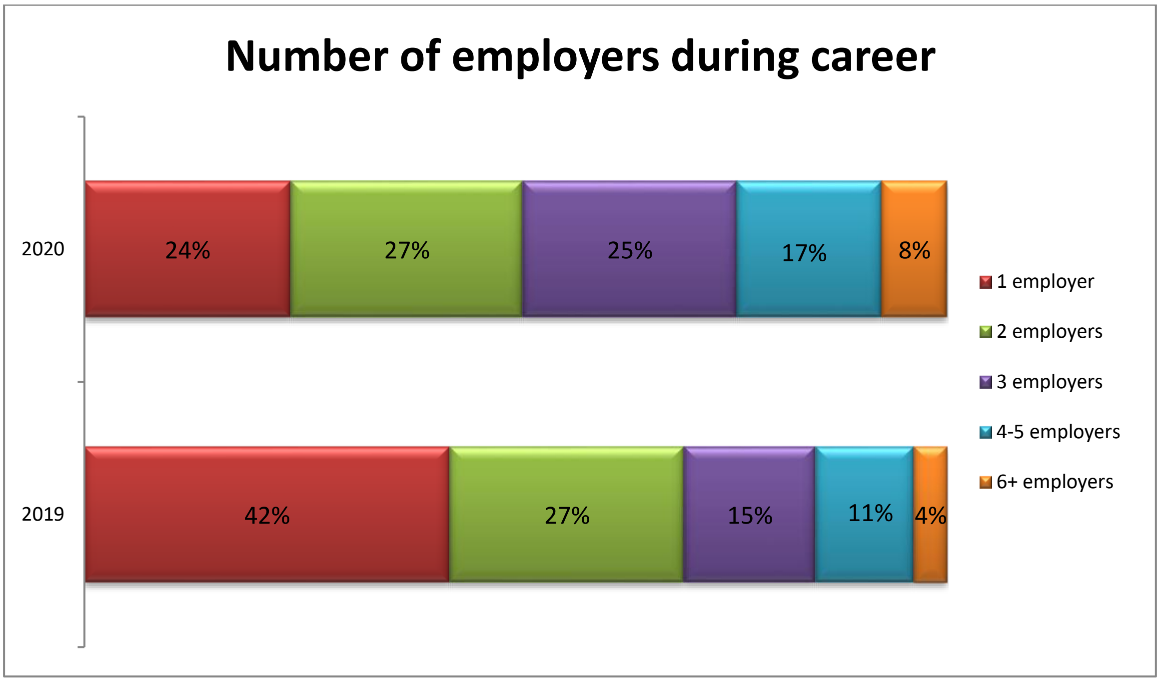
Graph 2.6.3

A few respondents, 15%, (2019: 37%) are fortunate enough to receive a salary increase after passing each exam they sit and a further 44% (2019: 46%) receive a salary increase after passing certain exams only.



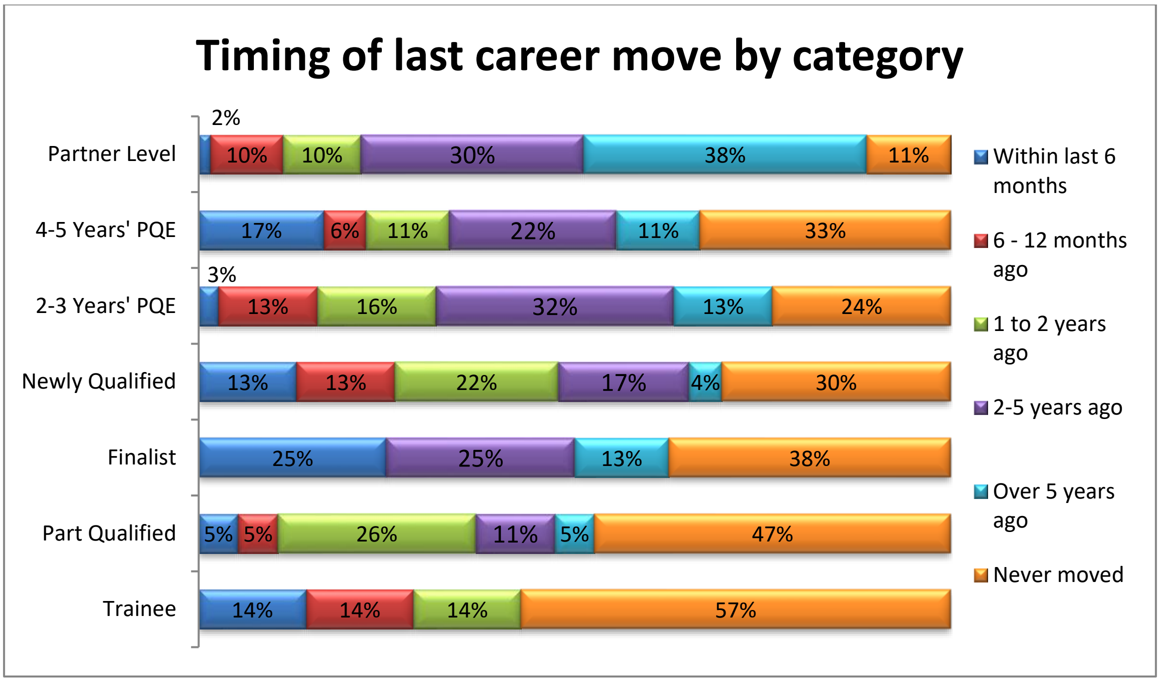
Graph 2.6.4

2.7 Working environment



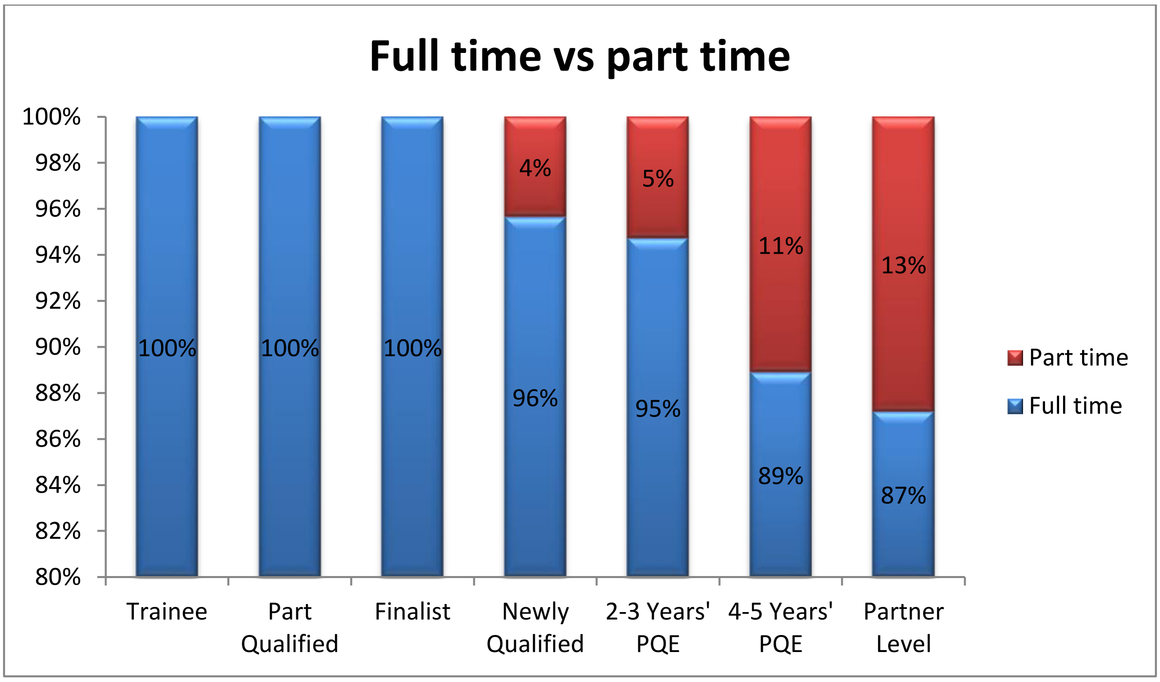
Graph 2.7.1

Those with more experience (4-5 years' post qualified or Partner / Partner Designate level) are most likely to have had a greater number of employers in their career, as they have had more time in the profession, evidenced by the fact that they represent 89% of those with 4 or more employers.



Graph 2.7.2

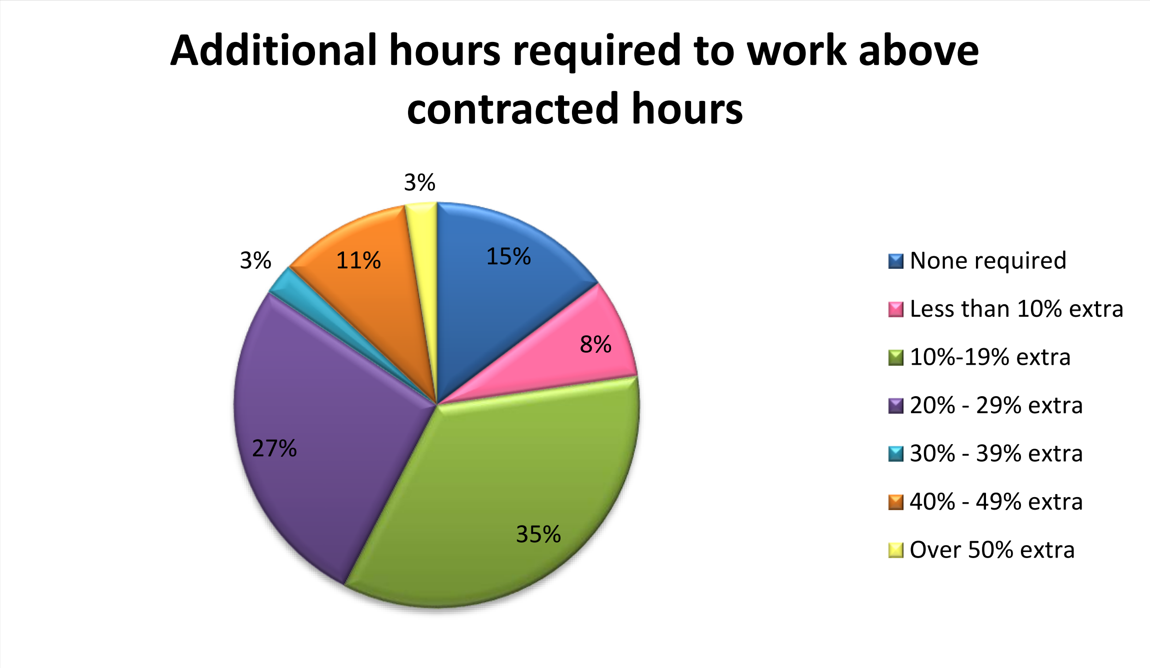
Career moves within the preceding 2 years has increased again to 29% (25% for 2019, 22% for 2018), only 50% of which has been at the senior end of the market with those with 4-5 years' plus post qualified experience. A further 32% of the moves were by respondents that are newly qualified or 2-3 years' PQE.



Graph 2.7.3

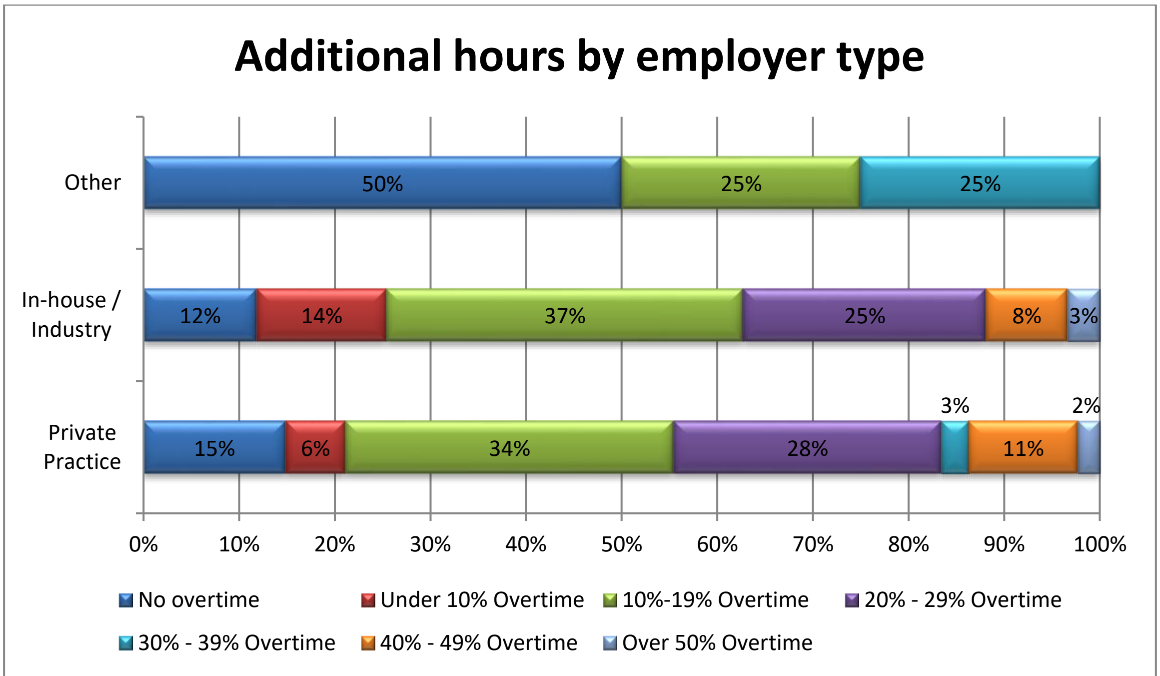
Of those working part time 57% were female (2019: 50%, 2018: 71%) and 38% were male (2019: 31%, 2018: 21%). 5% declined to provide their gender.

This year we chose not to look at billable hours but rather the amount of time above contracted hours that respondents spend working in order to meet deadlines and complete workloads.



Graph 2.7.4

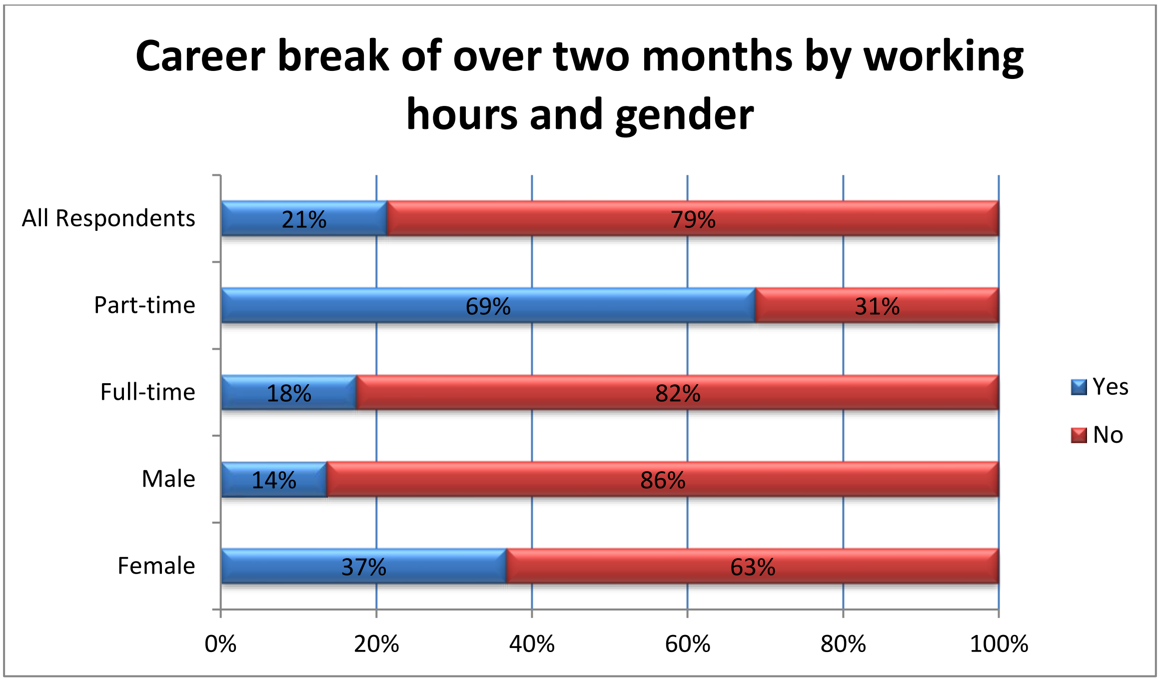
48% of those at Partner level and 4-5 years' PQE worked at least 20% additional hours and were the only respondents to work over 50% more time than they are contracted to. Below we have taken a look at the expectation for overtime by employer type.



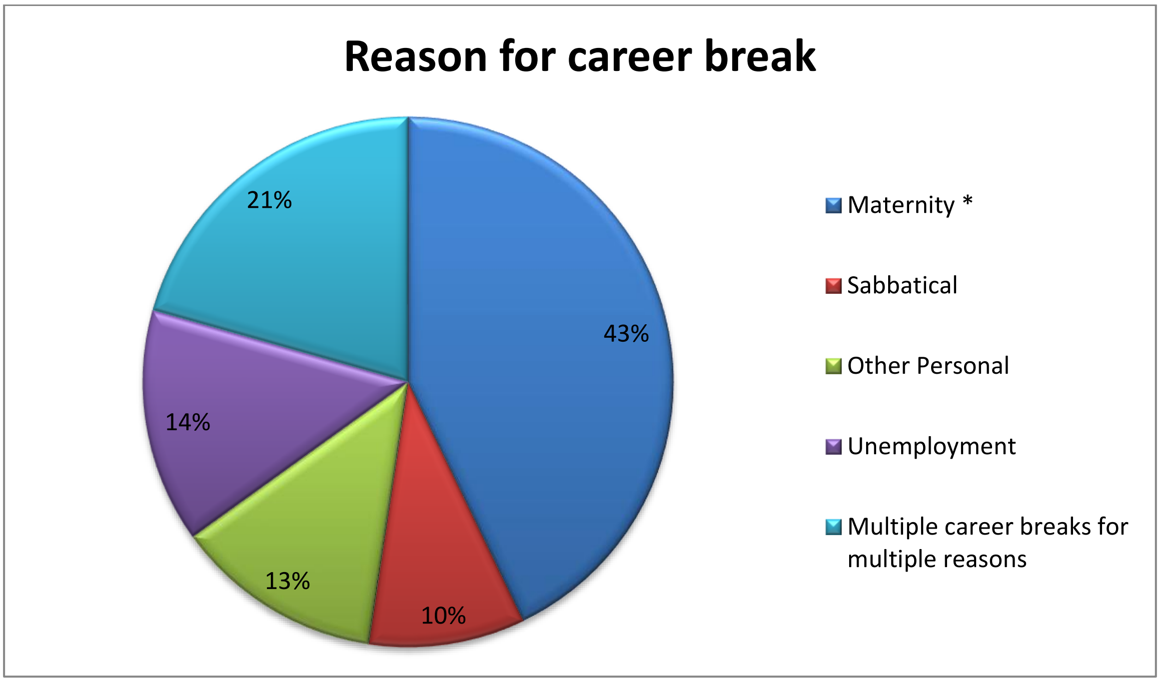
Graph 2.7.5

2.8 Career breaks

Career breaks refer to a break in a respondent's career (for any reason) lasting more than 2 months.

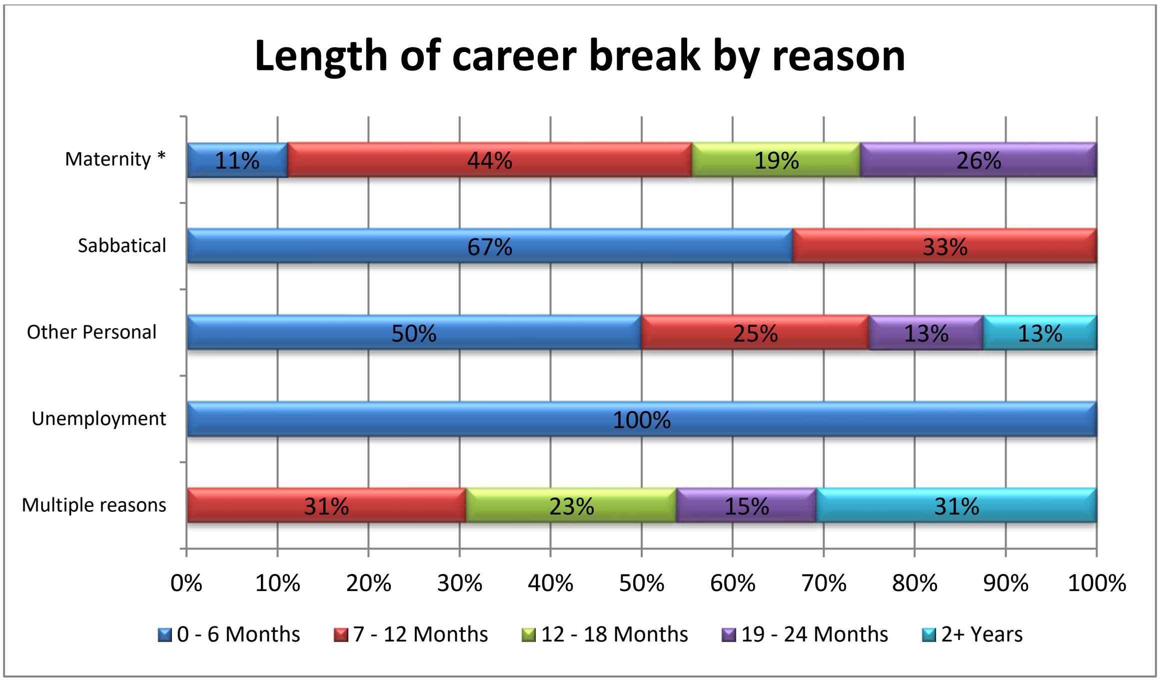


Graph 2.8.1



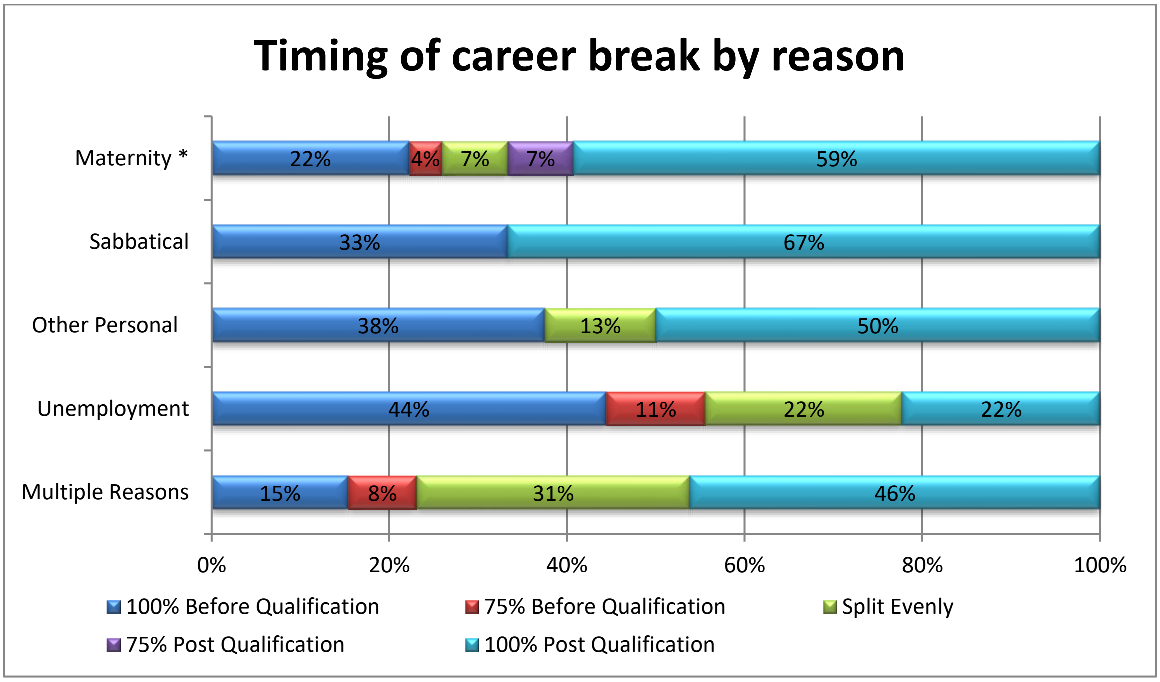
Graph 2.8.2

* Maternity includes Paternity and Adoption



Graph 2.8.3

*** Maternity includes Paternity and Adoption**

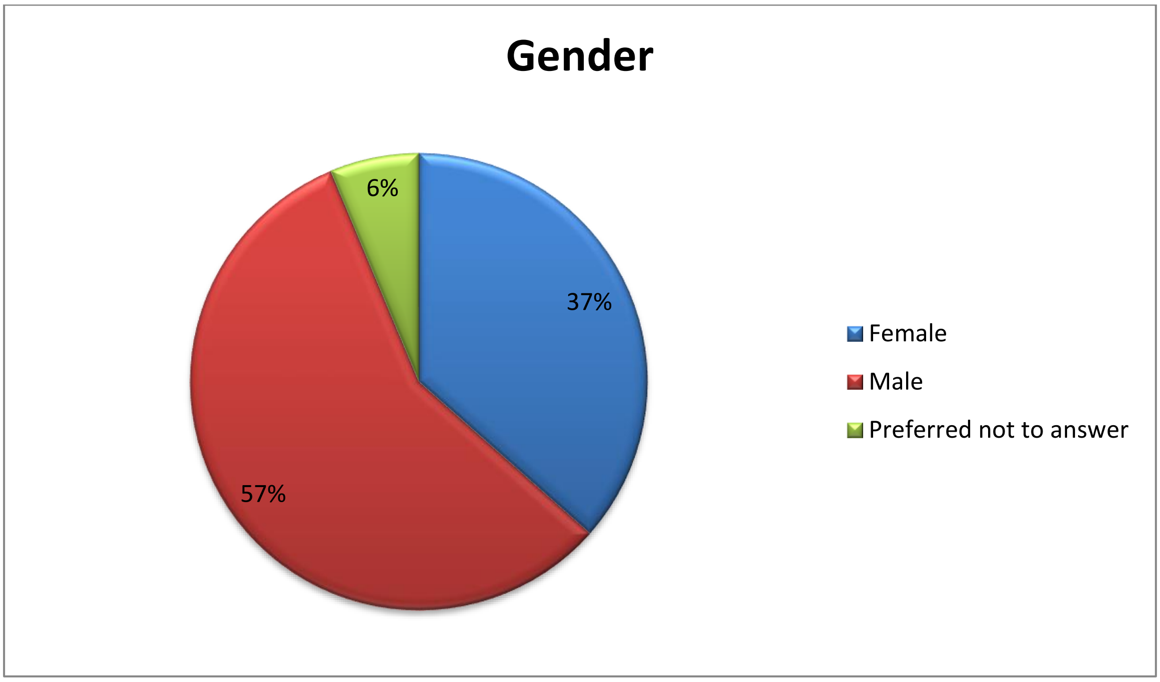


Graph 2.8.4

*** Maternity includes Paternity and Adoption**

Please refer to graph 3.7.2 below to see the impact a career break may have had on earnings.

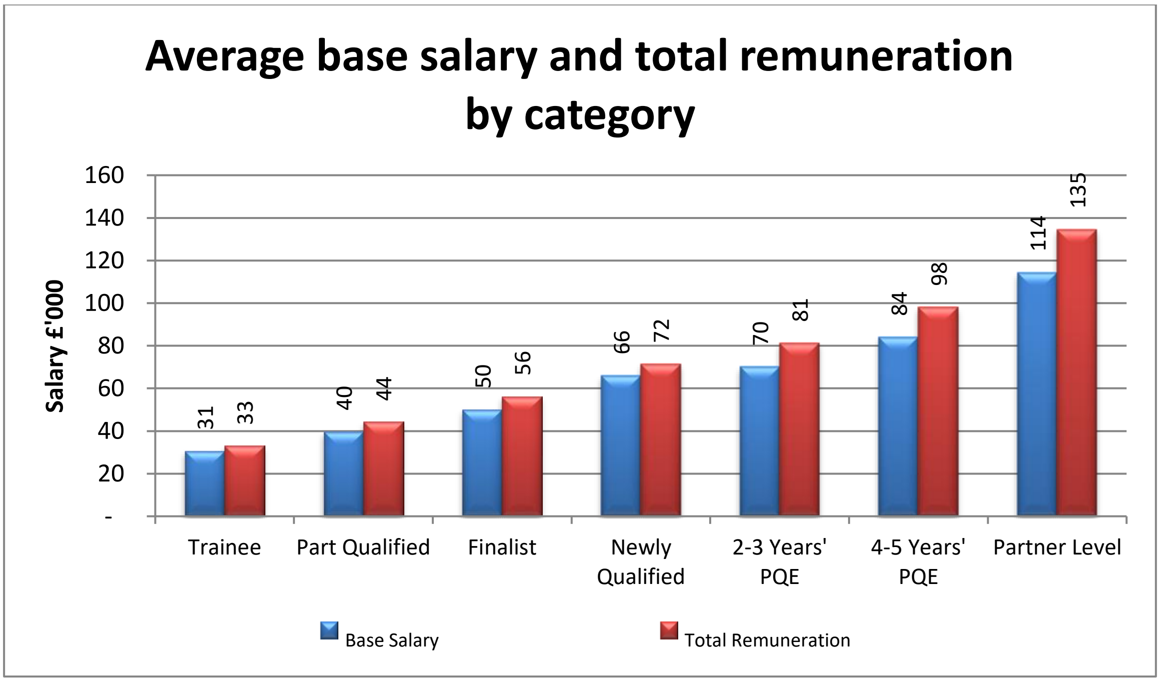
2.9 Gender



Graph 2.9.1

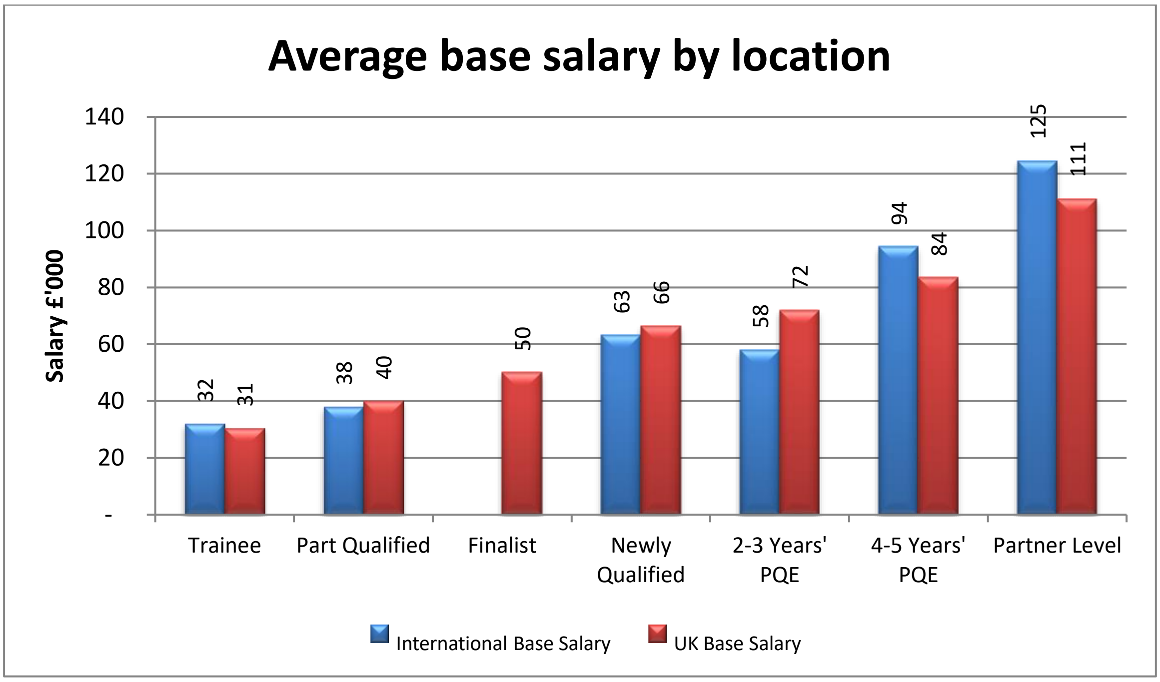
3 Salary Information

3.1 Qualifications



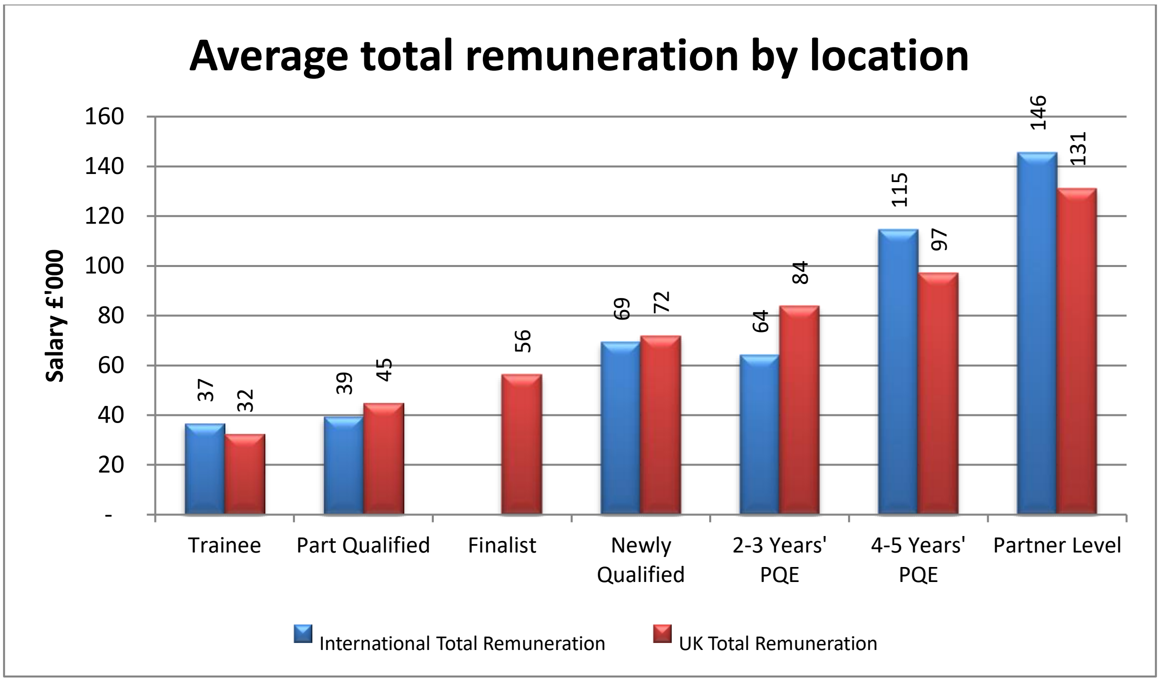
Graph 3.1.1

3.2 Location

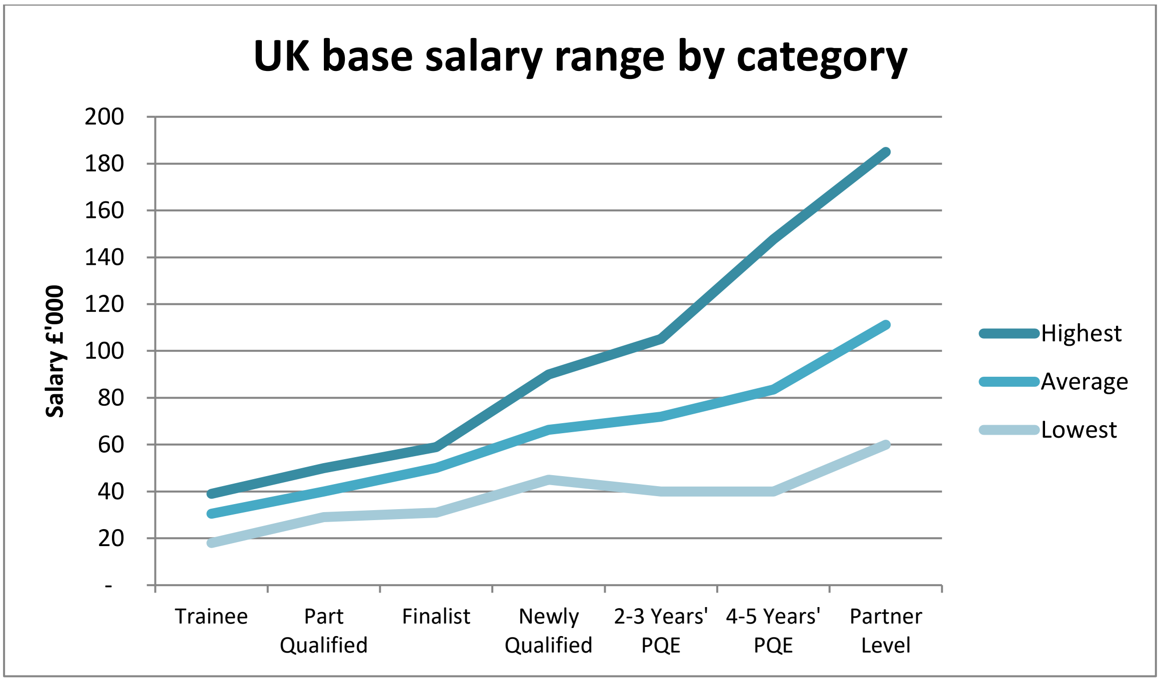


Graph 3.2.1

Discrepancies between international and UK respondents are harder to quantify this year. This is because the respondents come from a diverse spread of locales such as Switzerland where salaries tend to be significantly higher as well as other economies where the salaries are considerably less than the UK. Added into this is the particularly volatile currency situation as a result of the COVID-19 pandemic where the Swiss Franc (CHF) has strengthened by 7.4% against Sterling (GBP) for the rate used to convert salaries last year and this, while the Indian Rupee (INR) weakened by 6.6% and the South African Rand (ZAR) weakened by 17.4%.



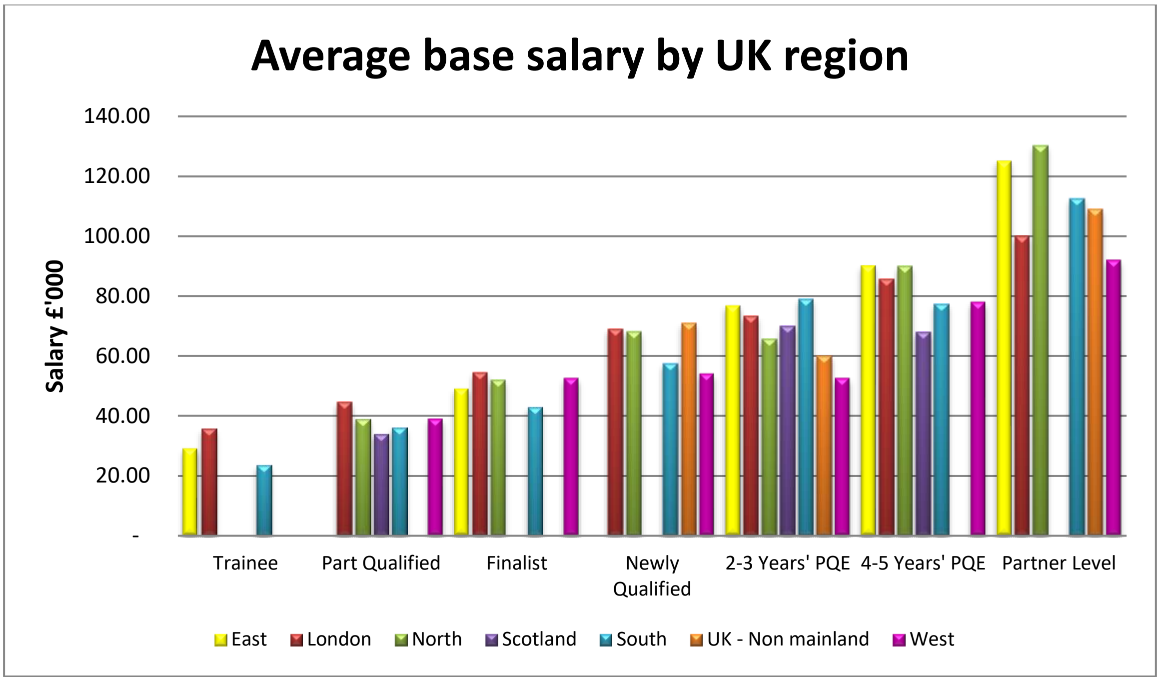
Graph 3.2.2



Graph 3.2.3

Note: There were three equity Partners earning in well in excess of £350k that have been excluded from the Highest bracket to make the graph more reader friendly.

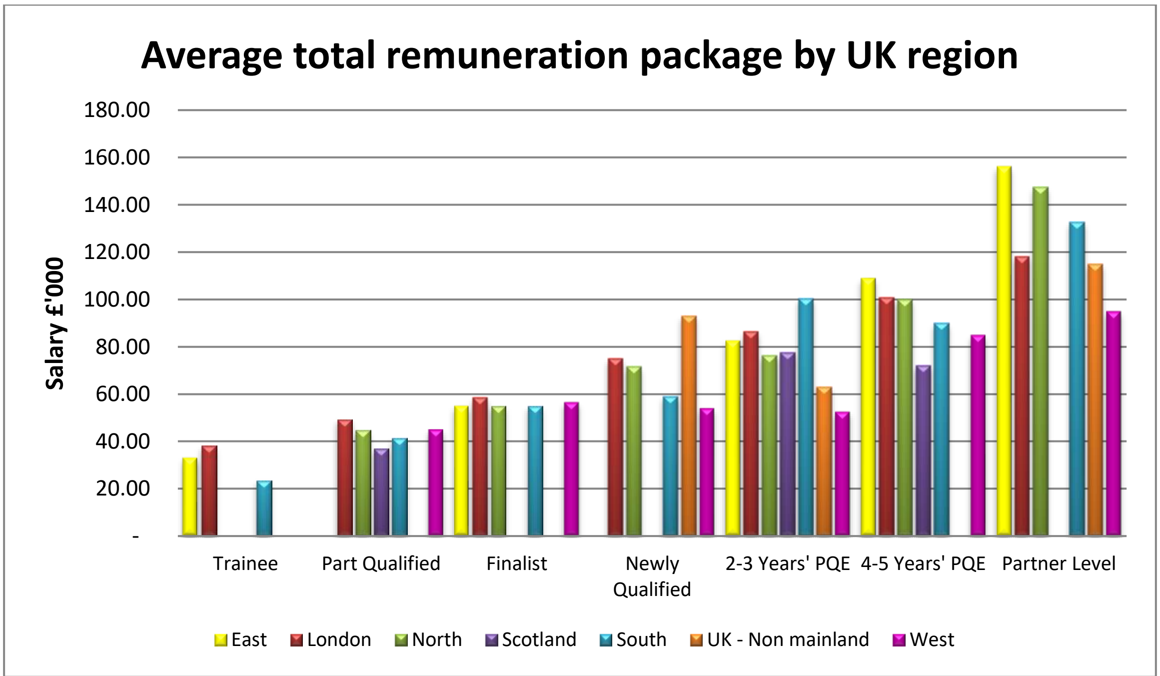
Please bear in mind that not all respondents at the Partner level are actual Partners. Many at Partner level, especially those at the lower end of the salary spectrum are in in-house positions. Furthermore, those that are Partners will often take a small(er) base salary and the majority of their remuneration is through a share of the profits.



Graph 3.2.4

Notes: UK – Non mainland includes Channel Islands and Northern Ireland

There are wide variations across all categories and locations with no one region tending to have higher salaries than another in all areas. However, we did note that the West does feature more regularly at the lower end of the bracket compared to other regions. This is by no means an absolute and we would propose most deviations are as a result of technical specialism and employment type rather than location. See graphs 3.3.1, 3.3.2, 3.3.3 and 3.4.1.



Graph 3.2.5

Notes: UK – Non mainland includes Channel Islands and Northern Ireland

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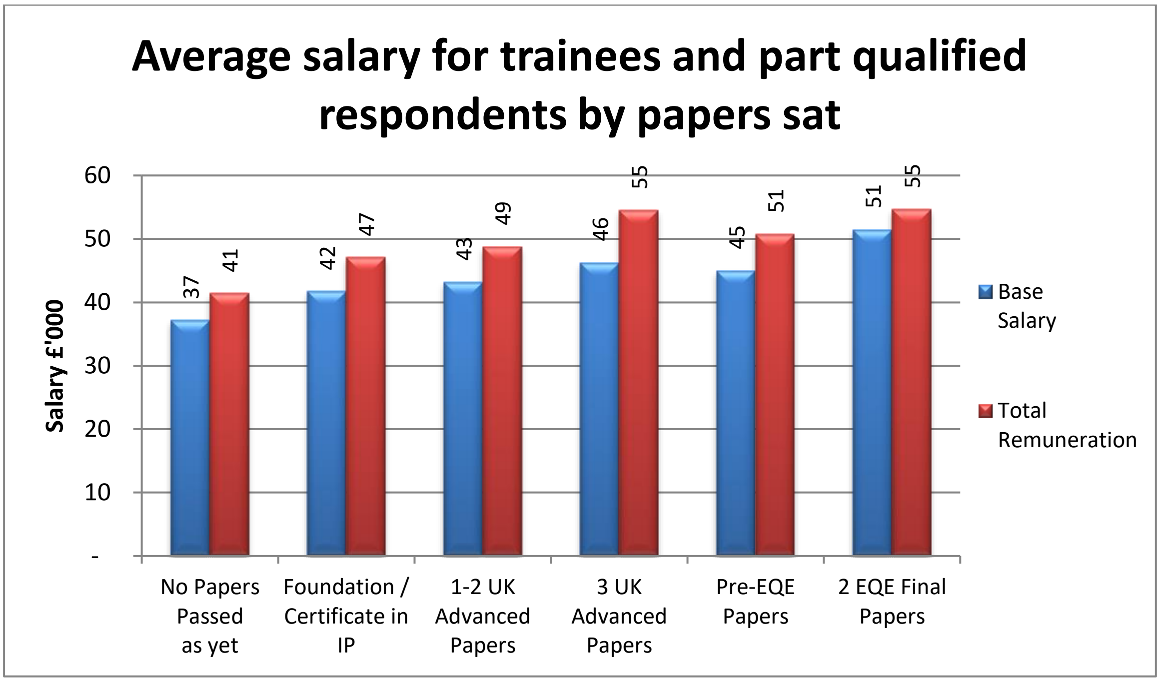
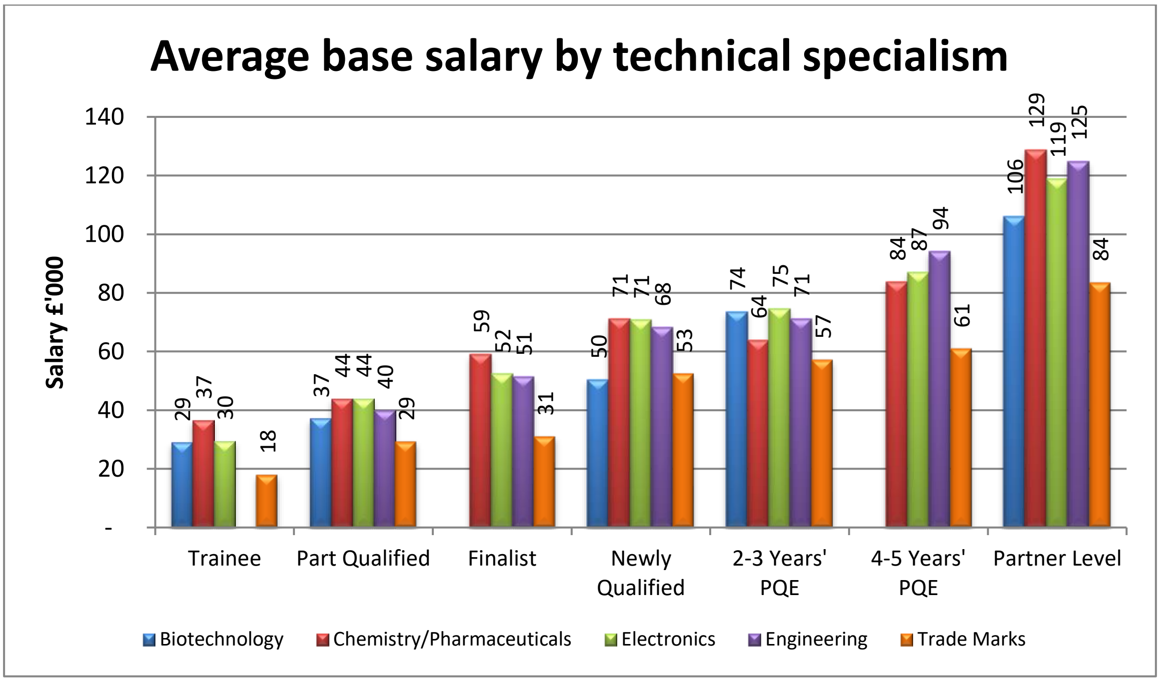


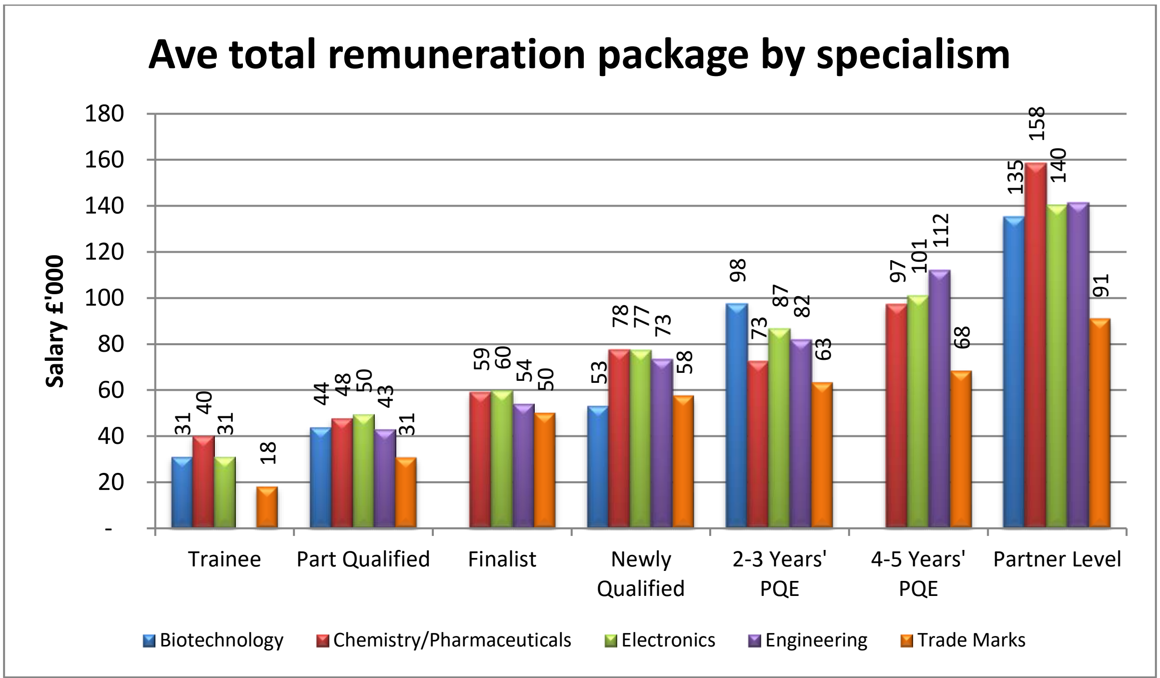
Graph 3.2.6

3.3 Technical specialism

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



Graph 3.3.1



Graph 3.3.2

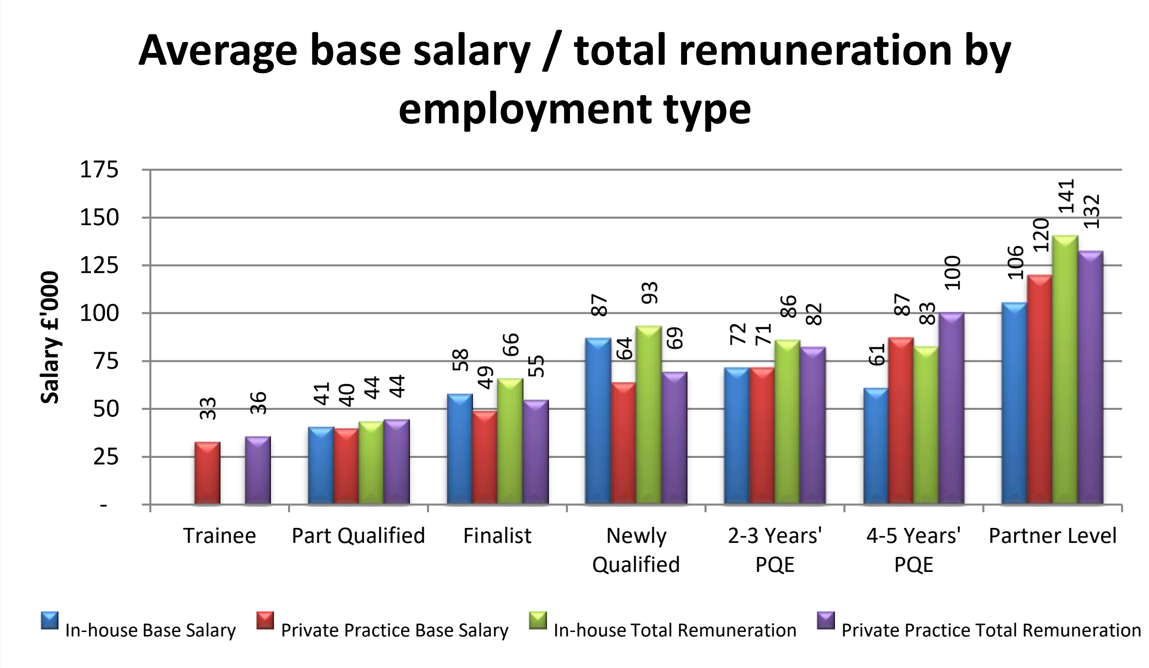
For easy reference we have also depicted the above graphs in table form (see 3.3.3).

Average salary by specialism (total remuneration package)

GBP £'000	Trainee	Part Qualified	Finalist	Newly Qualified	2-3 Years' PQE	4-5 Years' PQE	Partner Level
Biotechnology	29.0 (31.0)	37.2 (43.9)		50.4 (53.2)	73.5 (97.5)		106.1 (135.3)
Chem/Pharma	36.5 (40.1)	44.0 (47.8)	59.0 (59.0)	71.2 (77.6)	64.0 (72.5)	83.8 (97.2)	128.8 (158.4)
Electronics	29.5 (31.0)	44.0 (49.5)	52.3 (59.7)	70.8 (77.4)	74.5 (86.6)	87.0 (100.9)	118.9 (140.3)
Engineering		40.1 (42.9)	51.3 (54.0)	68.2 (73.5)	71.2 (82.0)	94.1 (112.1)	124.7 (141.3)
Trade Marks	18.0 (18.0)	29.3 (30.8)	31.0 (50.0)	52.5 (57.5)	57.3 (63.3)	61.0 (68.3)	83.5 (91.0)

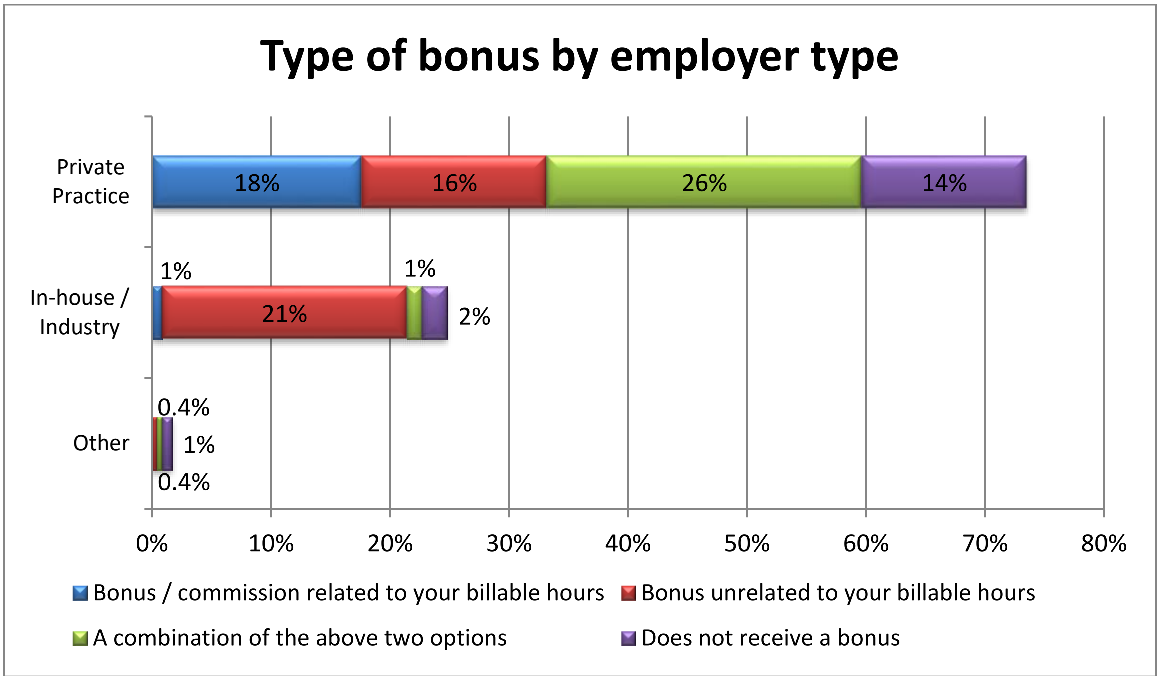
Graph 3.3.3

3.4 Employer type

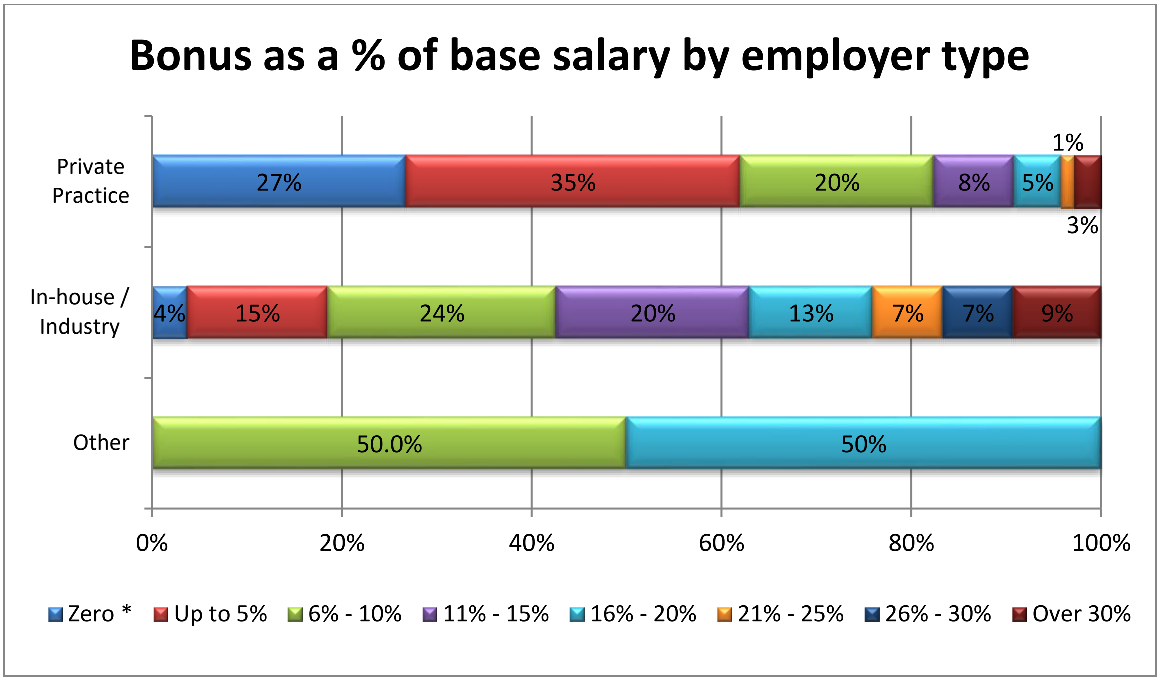


Graph 3.4.1

We have chosen not to show those that selected Other: Consultancy / Education / Service Provider within the survey as there were only limited respondents and these roles are usually unique to the individual circumstance and cannot be considered in general terms. This data supports our understanding of the market whereby it is more financially rewarding to be in an in-house position earlier in your career, certainly once total remuneration is taken into account.



Graph 3.4.2



Graph 3.4.3

Notes: Zero * refers to those that did not receive a bonus, or received a notional bonus when they would receive a larger bonus under normal circumstances. It does not refer to those that do not usually receive a bonus at all.

There is a significant proportion that have not received a bonus this year when they would typically receive a bonus under normal circumstances. There is no definite reference to a cause, however, one can hypothesise that the COVID-19 pandemic is causing employers to take a more cautious approach. Within in-house positions, 100% of those not receiving a bonus have theirs tied to company performance and other objectives rather than billable hours. Whilst for private practice this accounted for 60% of those not receiving a bonus this year.

3.5 Salary guide

These figures are based on anecdotal evidence and informed deliberation from positions Fellows and Associates have recently recruited, and not on data collected from survey respondents. As such this section gives an impression of a candidate's market value, looking not at the current earnings of an individual (averages shown above), but at the salary an individual is likely to achieve when moving positions (see below).

Salary range achievable on moving positions							
GBP £' 000	**Trainee**	**Part Qualified**	**Finalist**	**Newly Qualified**	**2-3 Years' Post Qualified**	**4-5 Years' Post Qualified**	**Partner/ Partner Designate**
Patent Attorney	30-35	38-45	52-58	65-70	70-80	85-115	115-150
Trade Mark Attorney			40	50-55	65-58	75-110	110-140

Graph 3.5.1

We have left the 'Trainee' and 'Part Qualified' Trade Mark Attorney sections blank as movement at this level continues to be relatively infrequent, resulting in it being difficult to get an accurate gauge.

3.6 Earnings above £150k

A total of 16 respondents (6.7% of the population surveyed) earned a base salary of £150k or more per annum.

Respondents earning a base salary £150k and over per annum				
	In-house / Industry		Private Practice	
	UK	International	UK	International
Average base salary	168,000		272,000	225,000
Total remuneration	250,000		285,000	247,000
No. of respondents	3		7	6

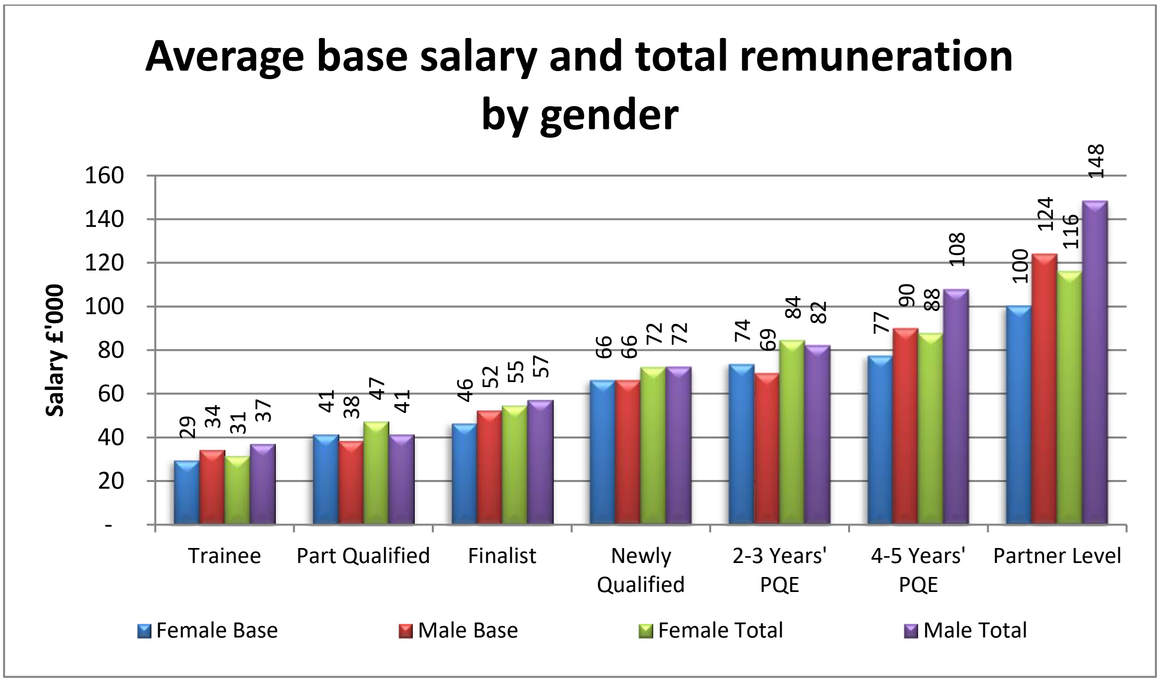
Graph 3.6.1

A further 19 respondents (35 in total) did not earn a base salary in excess of £150k however, their total remuneration package was in excess of £150k (a total of 14.7% of the population surveyed).

Respondents with a base salary under £150k but total remuneration over £150k per annum				
	In-house / Industry		Private Practice	
	UK	International	UK	International
Average base salary	122,000	138,000	134,000	141,000
Total remuneration	185,000	207,000	169,000	173,000
No. of respondents	7	4	5	3

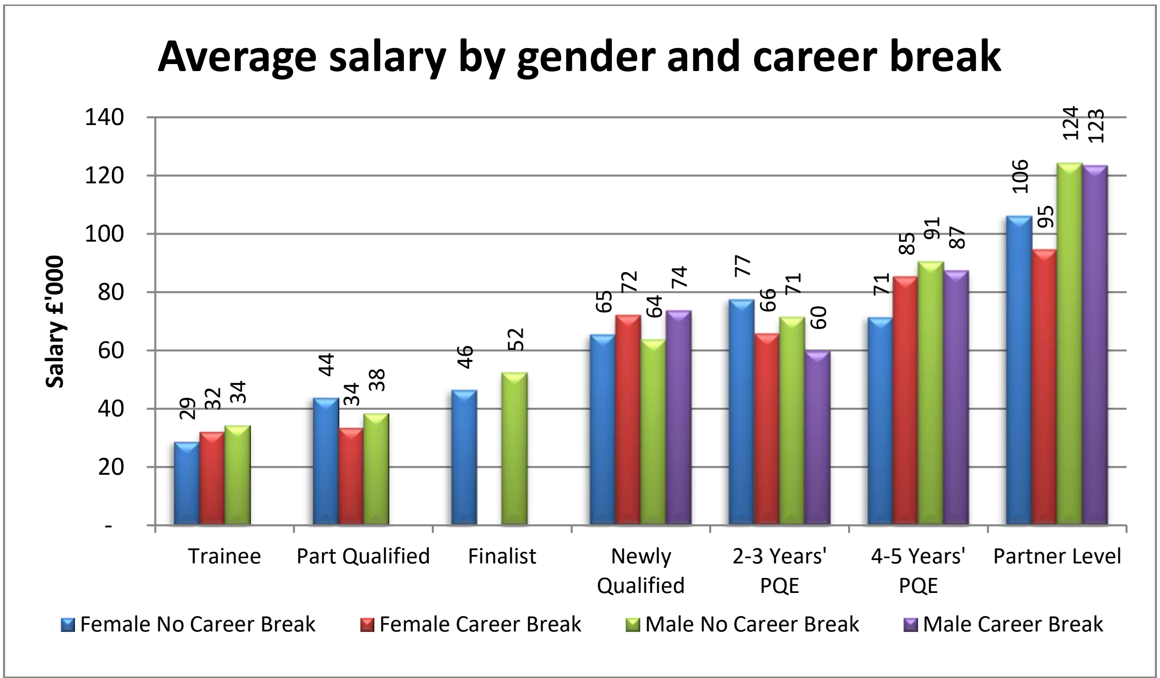
Graph 3.6.2

3.7 Gender and career breaks



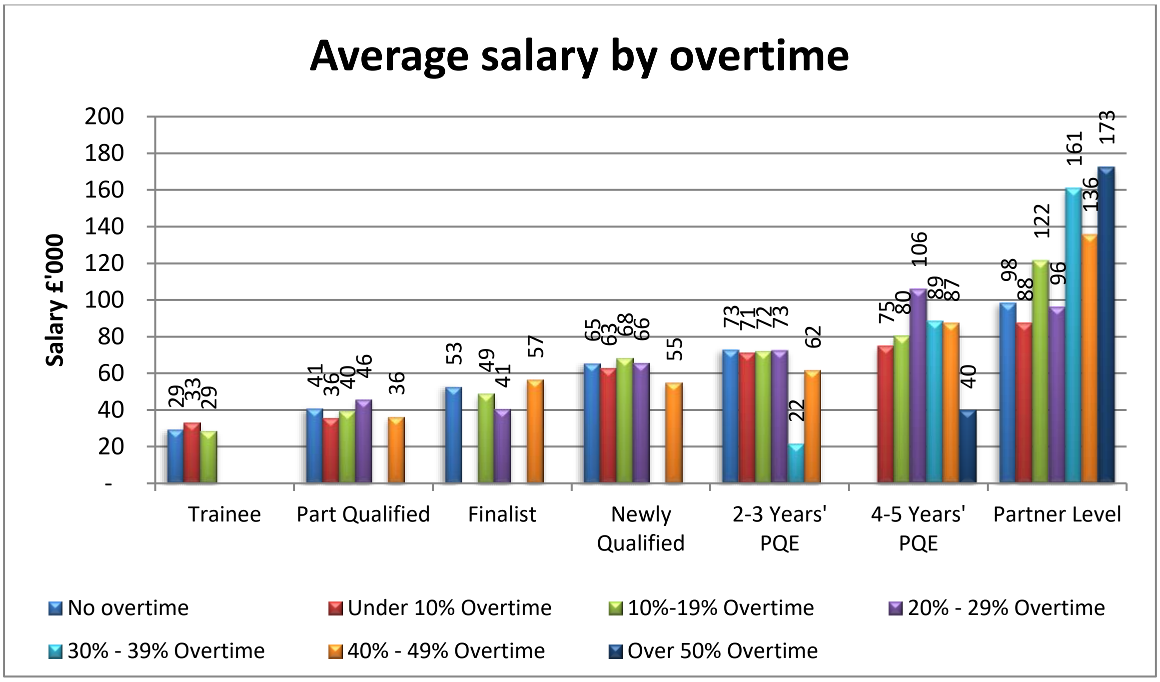
Graph 3.7.1

The graph represents 94% of the respondents as 6% declined to answer the question of gender.



Graph 3.7.2

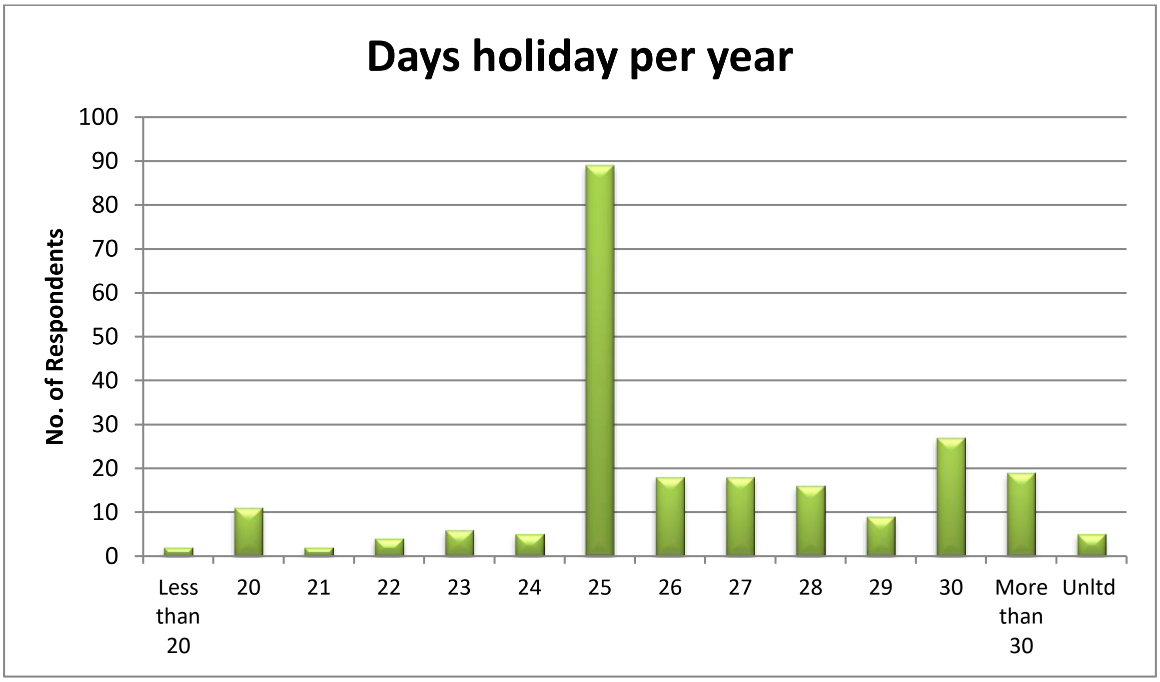
For women, the impact on their career does not strictly correlate to a career break at all levels and once would need to consider each individual's circumstances. Men, on the other hand tend to wait until later in their career to take a break but, again, there is no consistent trend from which to draw conclusions.



Graph 3.7.3

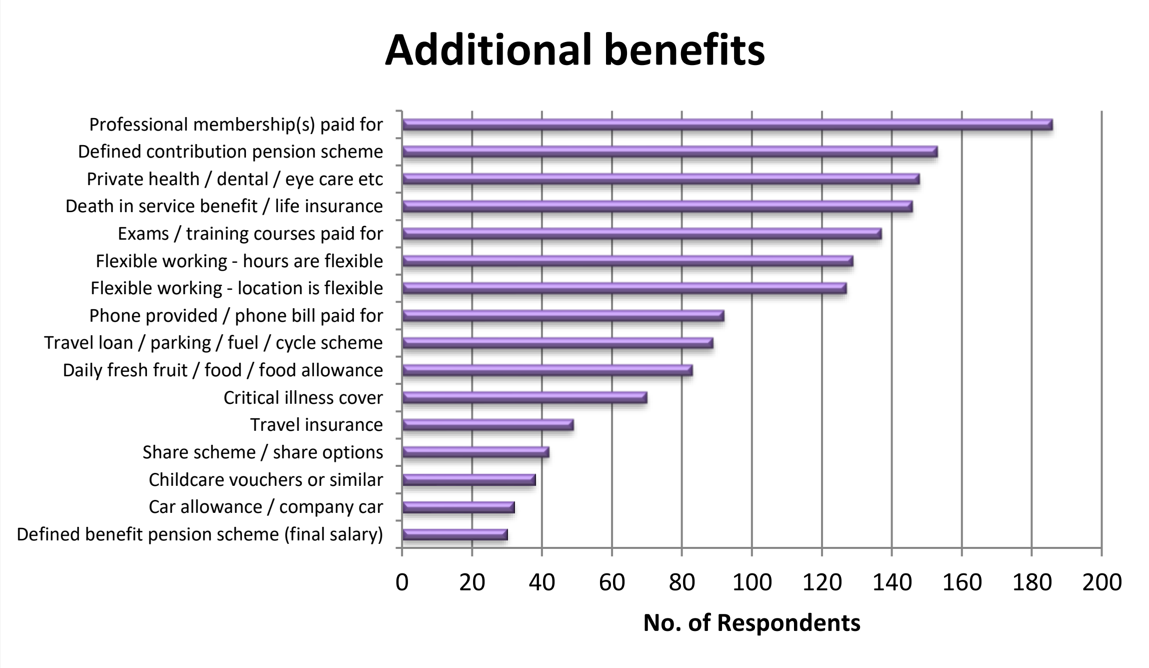
The anomalies of unusually low base salaries were from in-house positions and/or Trade Marks.

3.8 Additional benefits



Graph 3.8.1

37% of the respondents receive 25 days holiday per year, with 47% receiving more than 25 days annual leave (8% receiving more than 30 days), and 13% receiving less than 25 days.



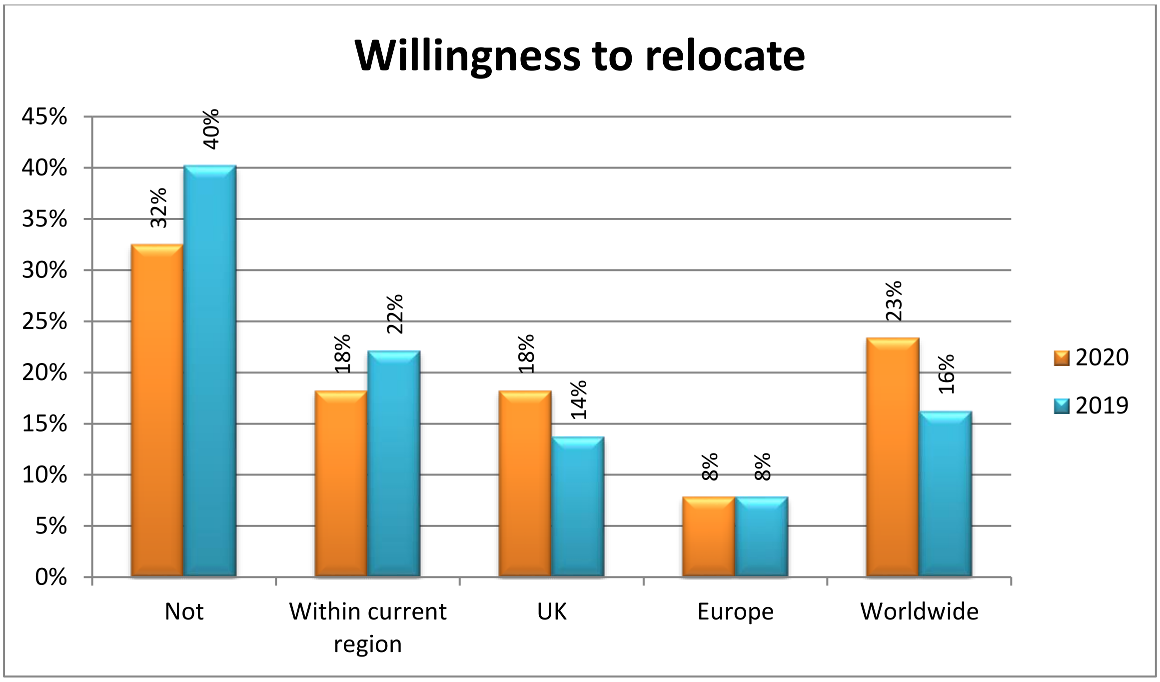
Graph 3.8.2

78% of respondents have their professional memberships paid for with 62% receiving private healthcare, as well as 61% receiving life insurance or a death in service benefit.

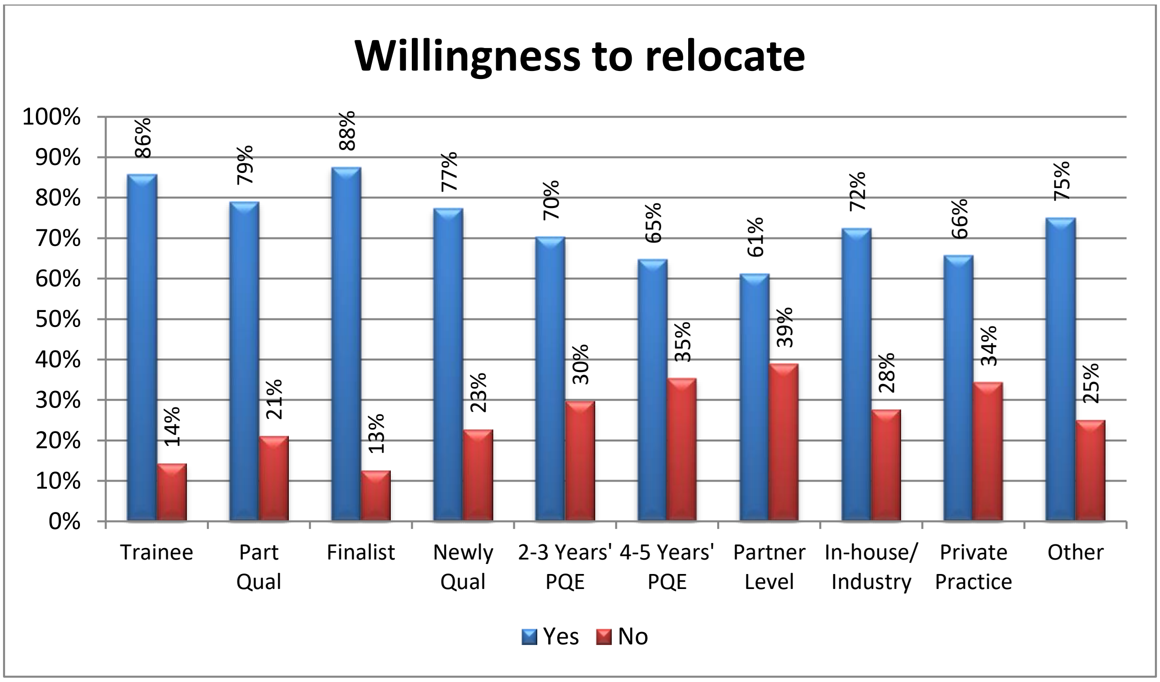
4 The Future

4.1 Willingness to relocate

The willingness of respondents to relocate has increased again this year to 67.5% (2019: 59.8%, 2018: 53.1%) which is in contrast to the period before that where such interest diminished consistently year after year. There is also substantial increase in the willingness to move internationally. Given the timing of the survey (in the midst of the COVID-19 pandemic) we believe this will have contributed to the overall appetite to move.



Graph 4.1.1

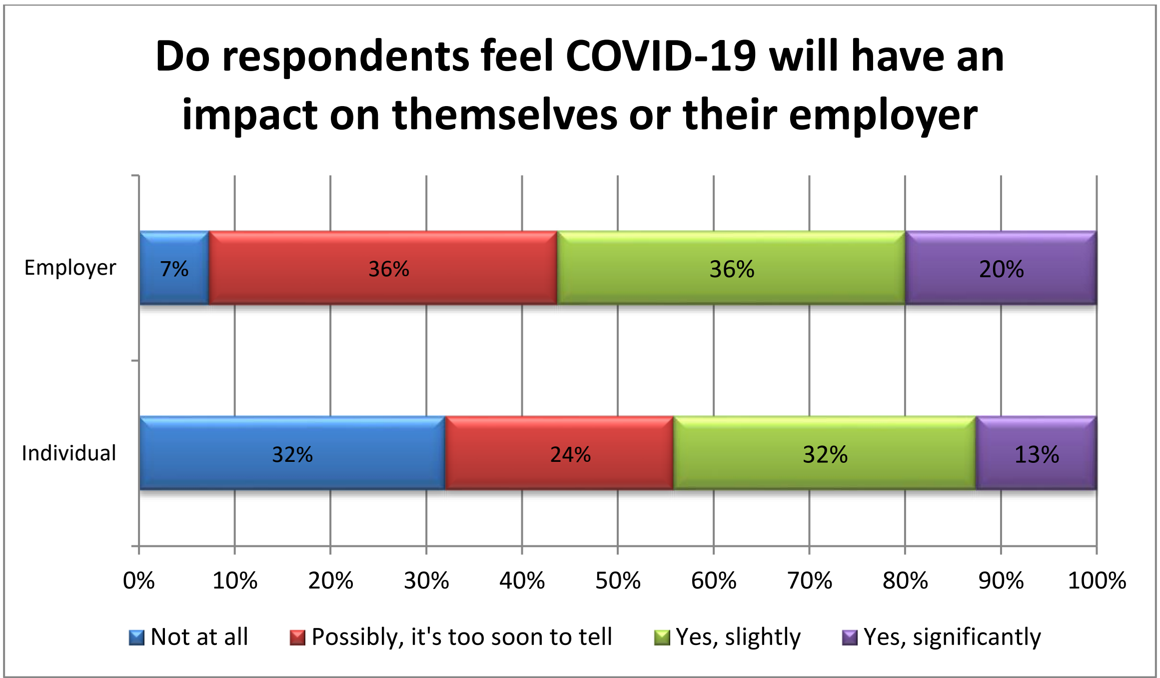


Graph 4.1.2

Those in more senior positions (Partner level and 4-5 Years' PQE) are the least inclined to move, although this is relative given that the vast majority would be willing to relocate. Whilst those at the earlier stages of their careers are very receptive to moving in order to advance, particularly in light of the COVID-19 pandemic.

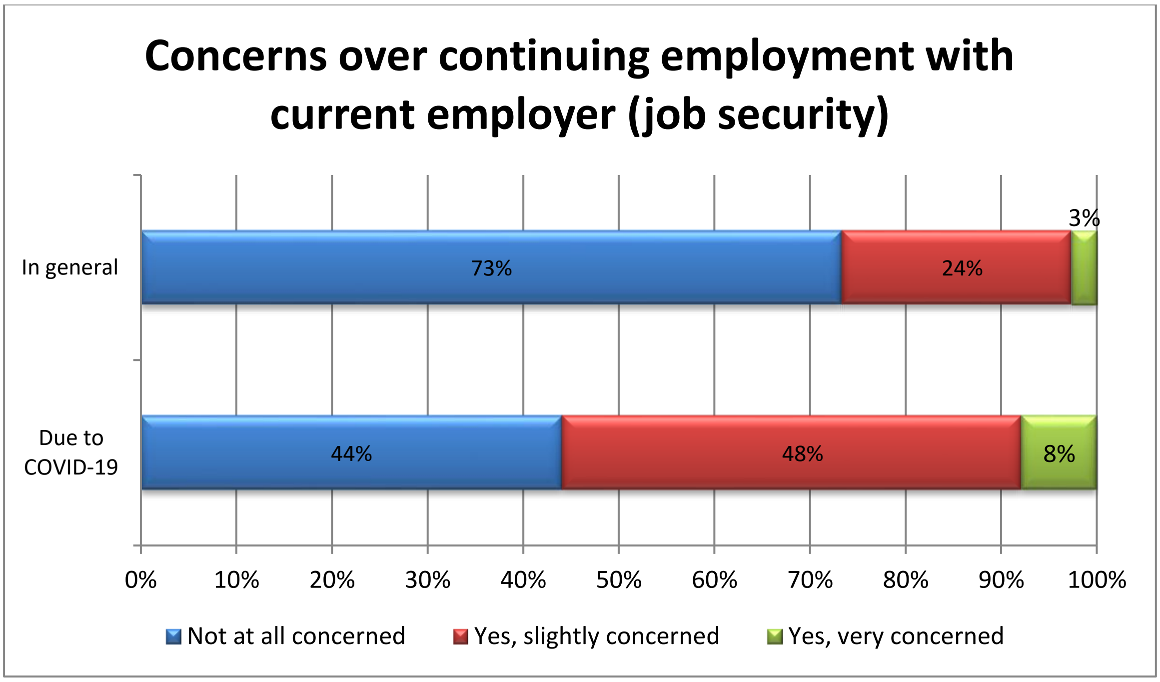
4.2 The impact of the COVID-19 pandemic

At the time of going to market for the data collection phase of this survey the world was gripped in a global pandemic due to COVID-19. We felt it would be prudent to amend some of questions that look at respondent's outlook with regards to their career progression and job security and view these in light of the current climate to see if the impact of the pandemic can already be felt.



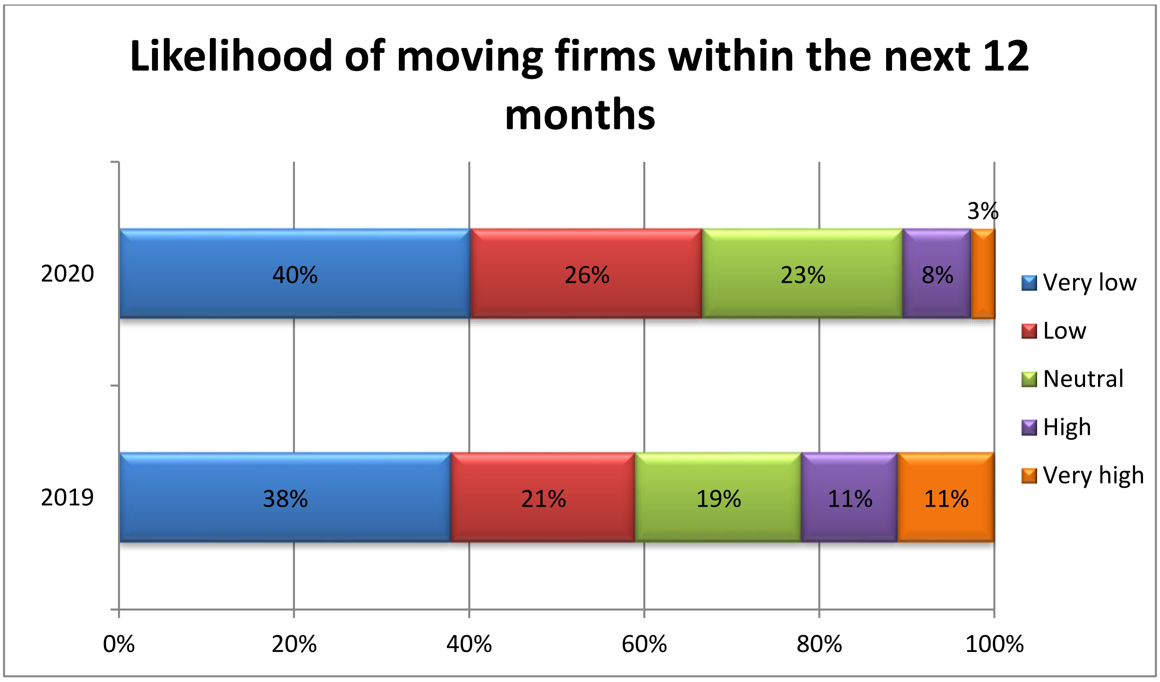
Graph 4.2.1

Where 56% of respondents feel their employer will be impacted by COVID-19, a slightly lower percentage (45%) believe they will feel that impact personally.



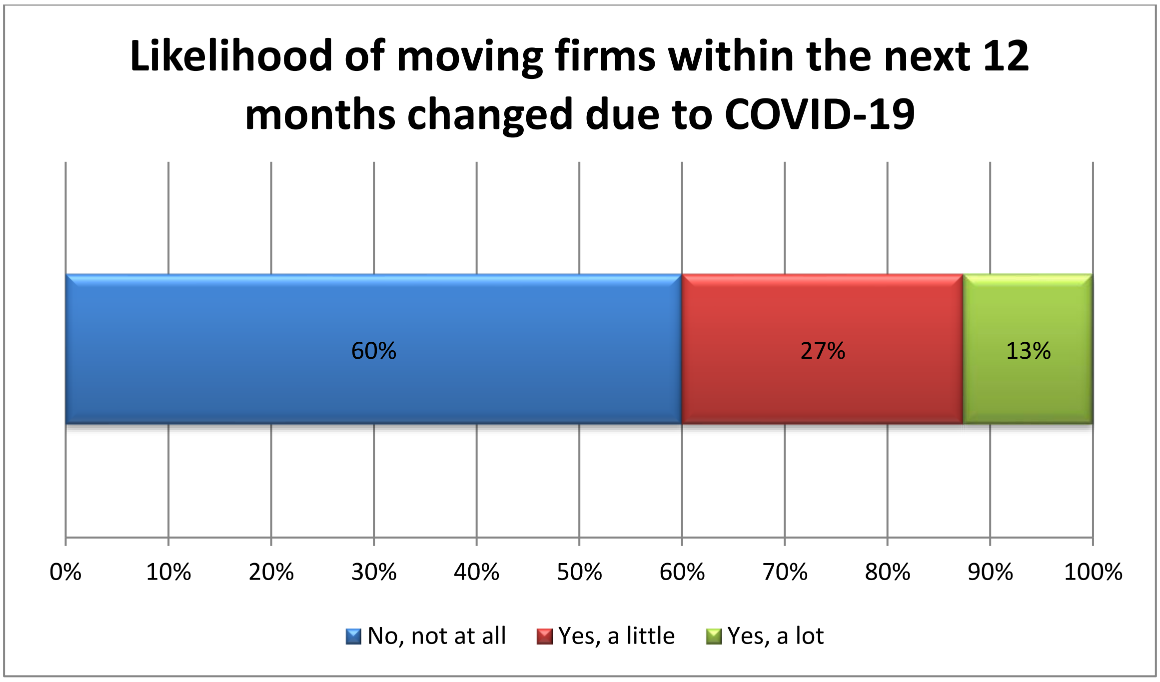
Graph 4.2.2

The question above looked at whether a respondent was concerned over their job security with a firm in general (under normal circumstances) and then as a result of the COVID-19 pandemic. Here we can see that an additional 29% of the respondents' fear for their position in the firm as a result of COVID-19.



Graph 4.2.3

50% fewer respondents have indicated either a high or very high likelihood of moving firms in the next 12 months, compared with 2019. Perhaps more respondents are willing to accommodate any of the frustrations they are experiencing at work a little longer so as not to risk the financial uncertainty of moving whilst the economy recovers from the impact of the pandemic. This is borne out by the graph below where 40% of respondents state that COVID-19 has been a factor as to why they have changed their mind about moving.

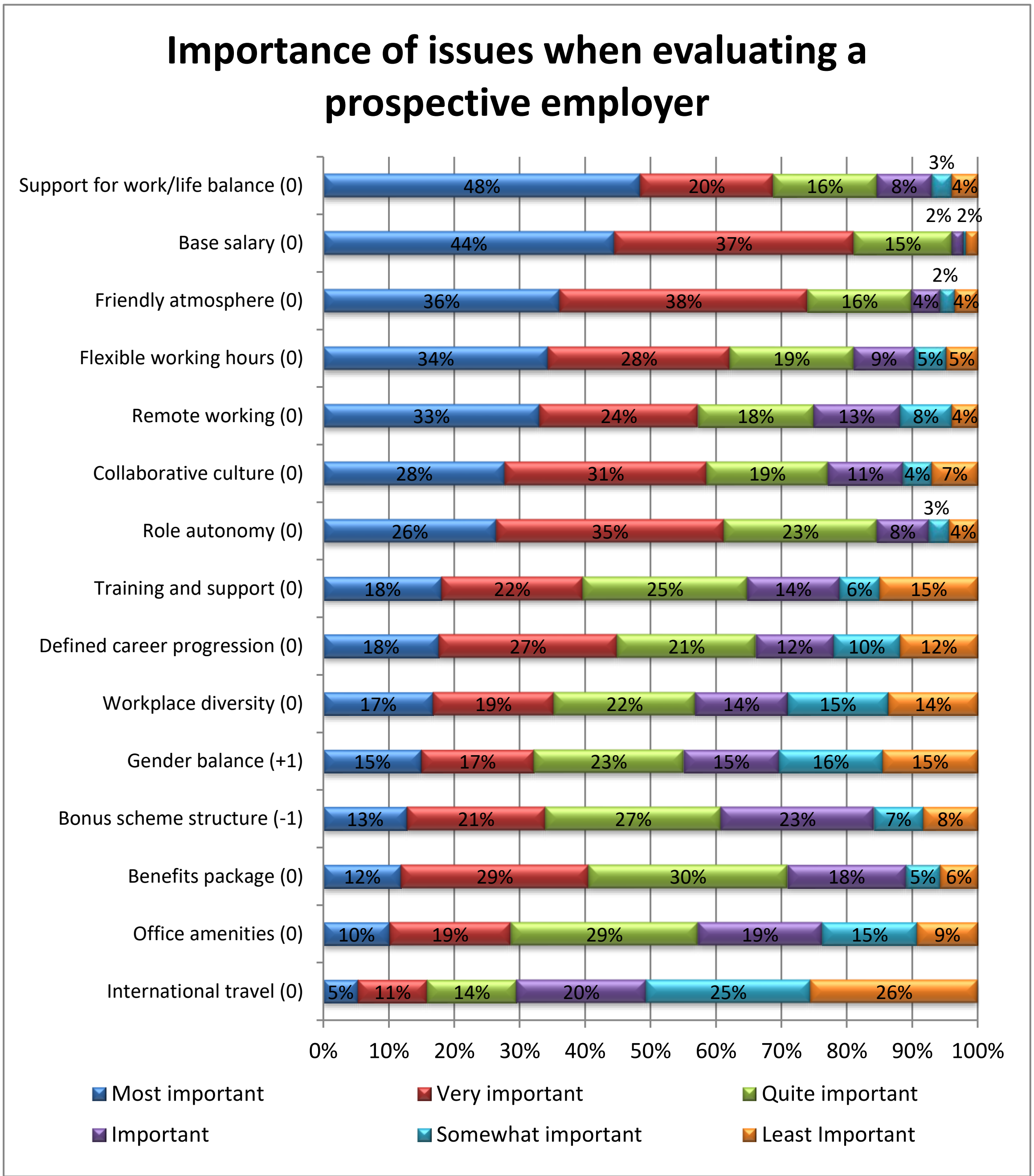


Graph 4.2.4

5 Working Environment

5.1 Prospective employers

We asked respondents to indicate what factors play a role in their evaluation of a prospective employer.

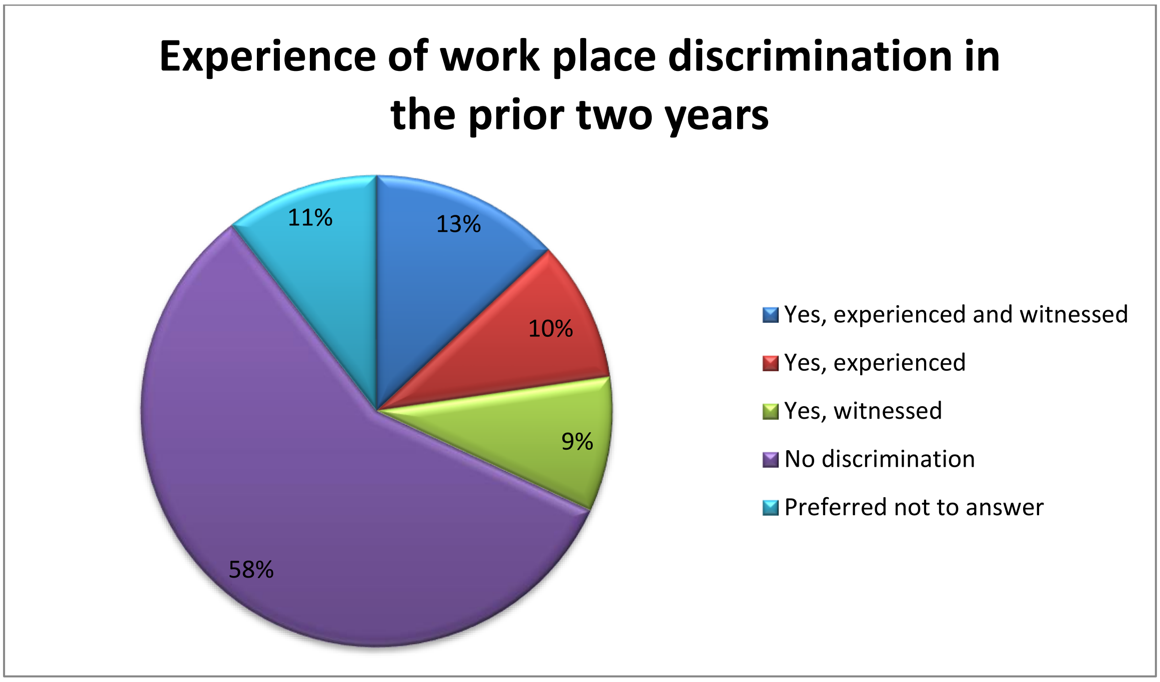


Graph 5.1.1

Note: The number in brackets ( ) refers to the movement in ranking position compared to the 2019 figures

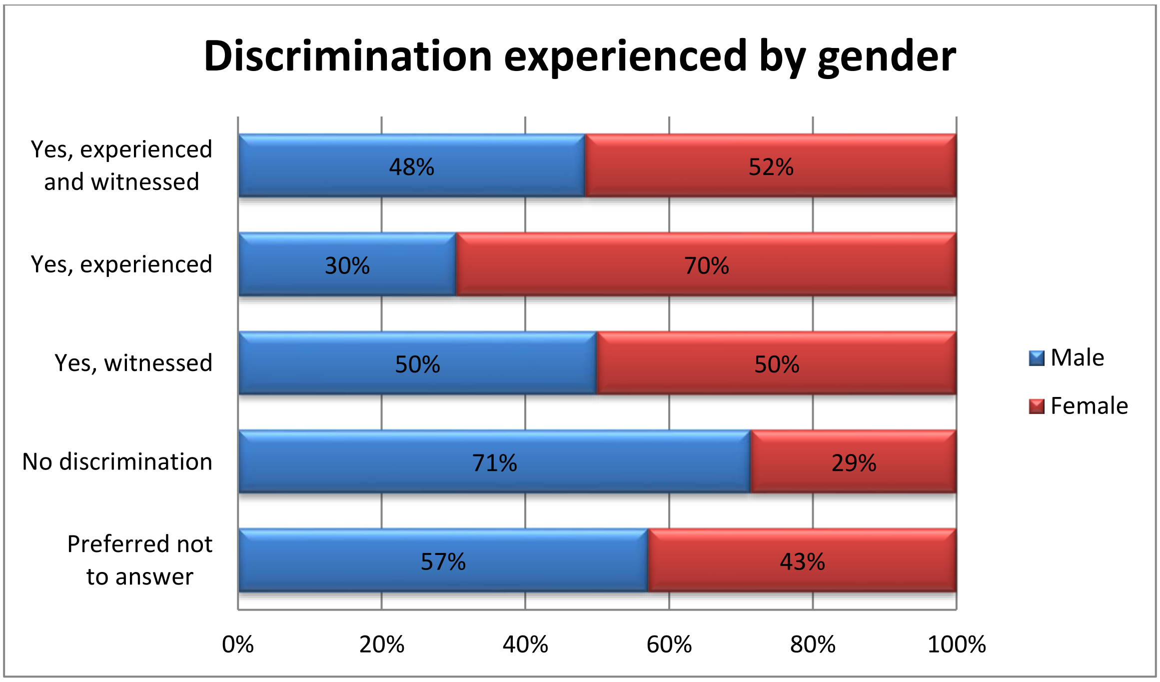
It is interesting to note that there has been almost no change in what employees consider to be the issues of most importance for consideration when evaluating a prospective employer.

5.2 Discrimination

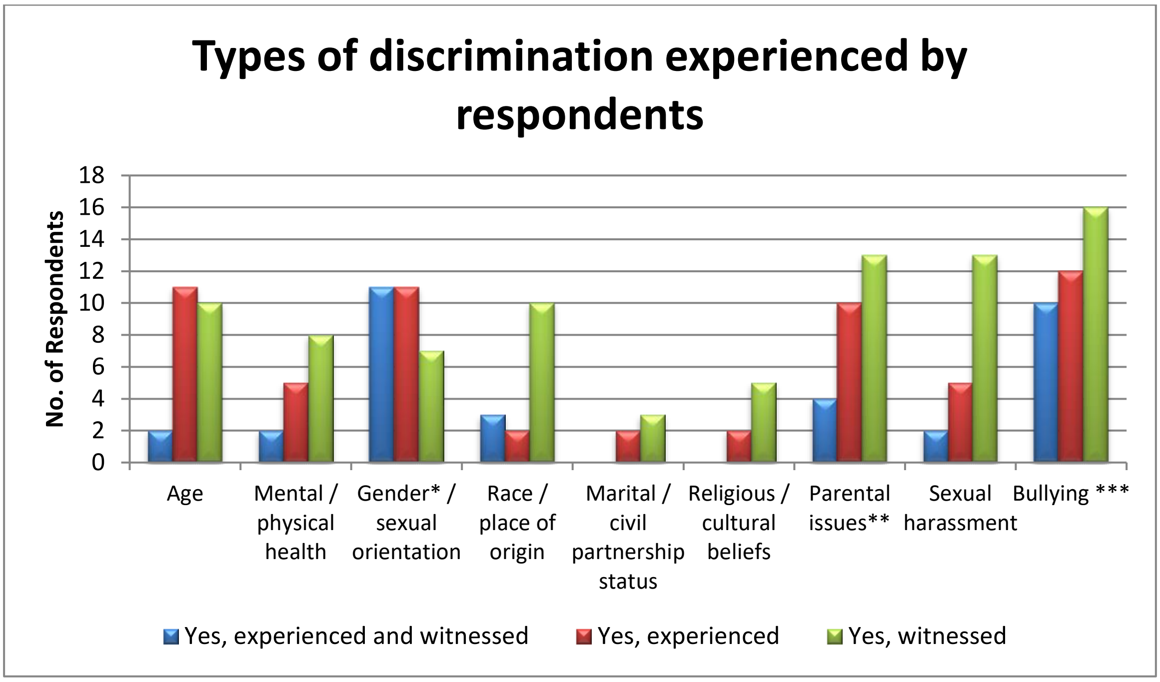


Graph 5.2.1

This year we also asked the question of ethnicity. 13% of respondents identified as being from an ethnic minority, 78% did not and 9% declined to answer. 41% of those identifying as being an ethnic minority had experienced or witnessed discrimination whereas this was only 33% for those not from an ethnic minority.



Graph 5.2.2



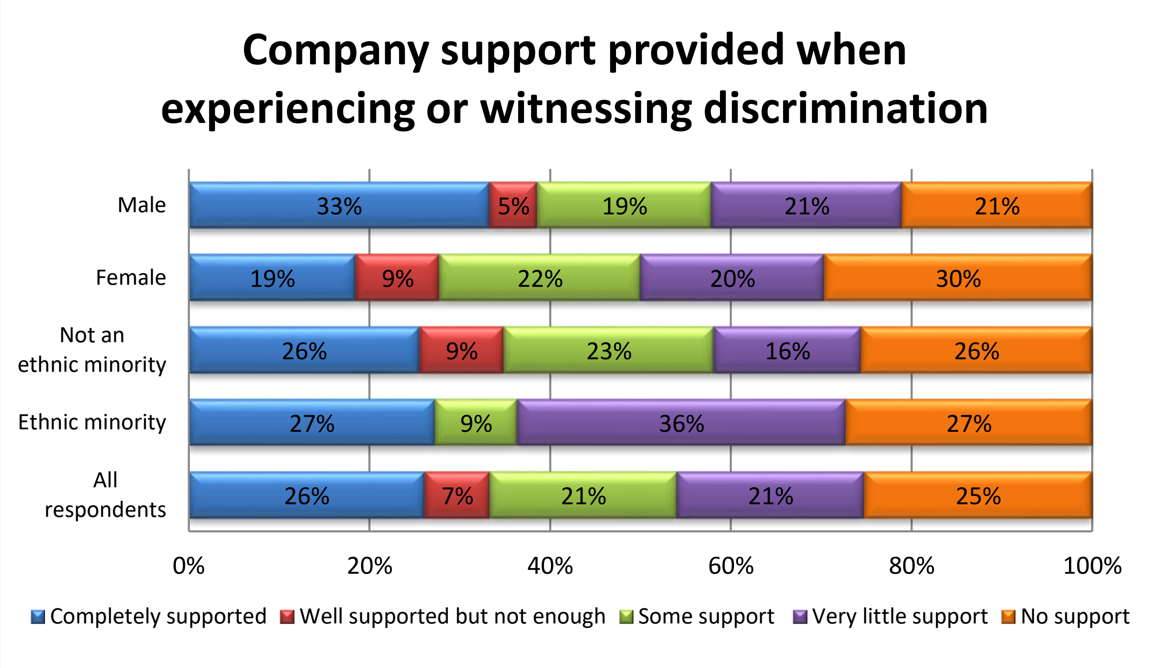
Graph 5.2.3

Note: * Gender includes gender reassignment status, ** Parental issues include pregnancy, maternity, paternity and adoption rights, * Bullying includes any other harassment or discrimination not already mentioned**

Over half (54%) of respondents experiencing discrimination, experienced more than one type of discrimination directed at either themselves or another.

5.3 Support

This year we asked if respondents felt they had been positively supported by their employer when they had experienced and were negatively impacted by discrimination, bullying or harassment.



Graph 5.3.1

It is evident that there is still much progress to be made in this area when 50% of women felt they had received little to no support (42% for men). The results are starker when looking at those from ethnic minority backgrounds with 63% feeling that they had received little to no support versus 46% of those not identifying as an ethnic minority.

For those curious to know whether ethnicity had a bearing on average earnings, we did analyse the data for this information. Whilst there were occasions when those from an ethnic minority did indeed earn less, on average, than their non-ethnic counterparts, there were an equal number of occasions when they earned more. As such no trend could be identified.

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 and CIPA.

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.

COMMENTS

This survey, now in its nineth year is the longest running independent salary survey in the IP industry that we are aware of.

Whilst we acknowledge that there are a number of firms that share their salary information with each other in order to benchmark their own performance, there are many more without access to this information. Moreover, none of that information is available to employees (our candidates) to better enable them to understand their market worth and whether or not their employer is recognising their abilities.

For us, the most important aspect of this survey is that the information is gathered directly from employees and provides an unfiltered and unvarnished view of the industry from their perspective. In our opinion, it is this facet that makes the survey useful to so many.

Each year we try and improve upon the previous survey based on any feedback we receive from clients and candidates alike. We include more relevant data and graphs and omit those that perhaps do not offer any additional insight. Any feedback you may have on this, or a past survey, is welcomed and can be forwarded to Michele at Michele.Fellows@fellowsandassociates.com.

AUTHOR PROFILE

Michele Fellows is a Chartered Management Accountant with over 20 years' experience. She is a founding partner of Fellows and Associates, heading up Fellows Business Consulting and 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 SME's across a variety of industries and sectors. This includes founding and then running a promotional company in South Africa for 4 years.

Fellows Business Consulting has a proven track record of helping new and small businesses to establish an in-house finance function and training non-financial staff to perform the majority of tasks. Looking for an exit strategy? We can assist you there too, by putting together a prospectus of your company, identifying interested parties and assisting with the negotiations. Fellows Business Consulting can also 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 or advise, negotiate and facilitate the buying, selling or merger of private practices.

We are an attentive and client focussed boutique firm providing a custom solution, tailored to your specific needs. Confidentiality is assured, as discretion and integrity are vital in such a small industry. For further information please refer to our business consulting webpage which can be found at http://www.fellowsandassociates.com/business-consulting

Fellows and Associates would like to thank all respondents as well as everyone who assisted in the promotion of the Salary Survey during the data collection period.

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