

## Further budget cuts expected for 2010

Turmoil in the world economy continues to affect the trademark industry, with organizations slashing costs in a bid to weather the storm.

A survey of corporate counsel at US companies has projected a 4.3% drop in overall spending on external legal advice next year – on top of the 10.8% fall for 2009. “The BTI Premium Practices Forecast 2010: Survey of Corporate Legal Spending” predicts a sharp contraction in a number of practice areas, with IP transactional work reportedly set to shrink by 8.6%.

The World Intellectual Property Organization (WIPO), meanwhile, revealed it is looking to reduce its headcount by over 5% in 2010. Its recently approved budget for the next biennium, 2010/2011, is Sfr9.8 million lower than the current one – a response to the dip experienced in its fee-based income. There has been a significant reduction both in trademark filings via the Madrid system (down approximately 10% in 2009)

and patent filings via the Patent Cooperation Treaty.

Francis Gurry, director general of WIPO, confirmed the financial results for 2009 will be negative, but offset by the positive results in 2008. He predicts that the results for 2010/2011 will be the mirror image of the current cycle. “We’re fortunate in the way the accounting periods have fallen. We’re confident that we can manage the negative impact and not go into deficit. We will maintain a positive result.”

The challenge for WIPO lies in ensuring the cuts do not derail improvements to the organization’s new customer service strategy and structure. Responding to criticisms of administrative delays and inefficiencies, Gurry told *WTR* that he empathized with frustrated users but is addressing the issue: “We have a new performance management system for staff and have completely revised the staff rules and regulations, and adopted a code of ethics.”