

Exclusive: Archambeau loses key powers over EUIPO contract row

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The EUIPO management board has suspended some of the executive director's powers after he demanded compensation for the non-renewal of his mandate

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The EUIPO has suspended key administrative powers held by executive director Christian Archambeau, Managing IP can reveal.

Jorma Hanski, chairperson of the EUIPO management board, sent an email to EUIPO staff this morning, March 7, to inform them of the news.

The decision was taken at an extraordinary meeting of the management board yesterday, March 6, after Archambeau filed a claim for compensation over the non-renewal of his contract.

Archambeau is seeking compensation worth €400,000 (\$426,000) in lost earnings and €75,000 in damages, sources with knowledge of the meeting told Managing IP.

The <u>advertised salary</u> for Archambeau's successor is €211,680 per annum.

From now until the end of his term in October, Archambeau will no longer be able to authorise contracts on behalf of the EUIPO and exercise other key powers as a result of the row.

Hanski wrote: "I would like to inform you in line with Article 4(f) of <u>Decision MB-17-01</u> that the management board decided to temporarily suspend the powers of the appointing authority (AIPN) and of the authority authorised to conclude contracts of employment (AACC), delegated by the management board to the executive director.

"The suspension takes effect as of today, 7 March 2023, until the end of executive director's mandate."

The AIPN powers are conferred on the executive director by the management board, in line with the <u>EU staff regulations</u>.

The suspended duties assigned to Archambeau will now be carried out by Hanski until a new executive director is appointed.

Archambeau, a Belgian national, has served as EUIPO executive director since October 2018 but will depart the post later this year.

Last November, a joint meeting of the management board and budget committee voted to remove Archambeau at the end of his contract in October 2023.

At that meeting, Archambeau faced criticism over the slump in EU trademark filings last year and the financial repercussions for national intellectual property offices.

The EUIPO's poorer-than-expected financial performance last year will mean that, under EUIPO rules, the office cannot deliver lucrative <u>offsetting payments</u> to member states in 2024.

These payments compensate member states for the costs of administering the EU trademark system.

There are three known candidates to replace Archambeau as executive director, each with government support – Italy's Andrea Di Carlo, Portugal's João Negrão, and France's Etienne Sanz de Acedo.

A pre-selection panel will interview candidates and submit at least three names for consideration by the management board at its next scheduled meeting in June.

The board's pick is then subject to formal approval by the European Council.

Archambeau declined to comment on this story when contacted by Managing IP.