



Advancing Industry's View On Intellectual Property Since 1920

EPO Future Fee Structure (SACEPO 2/07)

TMPDF represents the views of a substantial body of major innovative companies in the UK on intellectual property matters¹. Member companies file a significant number of European patent applications and will be directly affected by the proposed future fee structure. The Federation has carefully considered the proposals set out in document SACEPO 2/07 and has the following comments:

General

The document indicates that a purpose of the proposed new structure is to steer applicant behaviour. In the main, European companies need no pressure from the fee structure to prepare patent specifications in as succinct a way as is compatible with legal requirements in the states where the specifications are to be used. Drafting and translation costs are already sufficient deterrents to the creation of unnecessarily verbose specifications.

Use of the fee structure to steer behaviour should apply not only to applicants but also to the EPO. The structure should be such as to encourage the EPO to handle cases expeditiously, but at present it does not. Steadily increasing annual renewal fees during application pendency are unreasonable when the cause of long delay lies with the EPO. There have been many examples of excessive delay by the EPO before issuing an official action. Long delays have occurred even after the EPO has been reminded that an action is overdue. We consider that renewal fees after the fifth year should be abolished (or at the least capped) and should not be on a progressively increasing scale.

Furthermore, we consider that the fee structure should be reconsidered so as to be sensitive to and reflect the problems of some subject matter fields. Some fields necessarily involve longer specifications and more claims, in more categories, than others. Applicants in such fields should not be unreasonably penalised by the new structure. We are ready to discuss further how the fee structure could be made more flexible to allow for the problems of different subject fields.

As discussed below, the new structure is likely to increase average costs to applicants as well as introducing extra costs at an early stage. This will be particularly onerous for small and medium enterprises (SMEs).

Page fees

It seems to us that the main purpose of the proposal that page fees should be paid on filing is to increase revenue flow. It is unreasonable that these fees have to be paid in their entirety in relation to applications that fail to reach grant, so do not have to be printed, or are divided or otherwise significantly

¹ See list of members attached.

reduced in length during prosecution. Arrangement for appropriate refunds in such cases should be provided.

Page fees should not be charged for sequence listings.

Claim fees

We understand the desire to discourage large numbers of claims, but consider that up to 25 claims should be allowed as reasonable and should not attract claim fees. This would allow sufficient scope to draft a reasonable number of claims in different categories. Alternatively, with a lower limit, we see no reason to charge more than one claim fee in respect of corresponding sub-claims in different categories (e.g., product and process). It is necessary for adequate protection in many jurisdictions to include such claims.

While we consider that it is reasonable to introduce a step increase in the claim fee when the number of claims becomes large, e.g., in excess of 50, we consider that it is unreasonable to triple the fee at a first step, and to double it twice more in further steps. One step should be sufficient. Thus, a claim fee of e.g., 50 EUR per claim might apply to the 25th and subsequent claims, with a step increase in the fee at the 50th claim. At the step, the fee could be doubled.

Designation fee

While the explanatory document indicates that European companies would generally benefit from the new flat fee structure, a number of our member companies make no more than 3-5 designations on average and will be seriously disadvantaged by the new flat fee. Those companies that file considerable numbers of applications will face a major increase in their costs. We would prefer that the present designation fee structure should be retained. If the move under EPC 2000 to deem every application as designating all states necessarily involves the same flat fee for all applications, then we consider that the proposed flat fee should be reduced (e.g., to 5 times the present designation fee, say 400 EUR).

Euro-PCT fees

We have no objection to the alignment of Euro direct and Euro PCT fees.

Other points

We have no comments on the other points mentioned in the document (concerning e.g., late payment of renewal fees, refund of search fees, cheque payments, biennial adjustment)

TMPDF October 2007

TMPDF members 2007

AstraZeneca plc
Babcock International Ltd
BAE Systems plc
BP p.l.c.
British Telecommunications plc
British-American Tobacco Co Ltd
BTG plc
Celltech Therapeutics Ltd
Dow Corning Ltd
Dyson Ltd
Eaton BV
ExxonMobil Chemical Ltd
Ford of Europe
Fujitsu Services Ltd
G E Healthcare
GlaxoSmithKline plc
GKN plc
Hewlett-Packard Ltd
IBM UK Ltd
Imperial Chemical Industries Plc
Infineum UK Ltd
Kodak Ltd
Merck Sharp & Dohme Ltd
Microsoft Ltd
Nestlé UK Ltd
Nokia UK Ltd
Pfizer Ltd
NXP Semiconductors Limited
Pilkington plc
Procter & Gamble Ltd
QinetiQ Ltd
Rohm and Haas (UK) Ltd
Rolls-Royce plc
Shell International Ltd
Sony UK Ltd
Syngenta Ltd
The BOC Group plc
UCB Celltech Ltd
Unilever plc
Wyeth Pharmaceuticals
Xerox Ltd