

Consultation – proposed changes to statutory patent fees

Introduction

The Federation represents IP intensive companies in the United Kingdom - a list of members is attached. Our member companies are extensively involved with IP in Europe and internationally. Not only do our companies own considerable numbers of IP rights, both in Europe and elsewhere, but they are affected by the activities and IP rights of competitors. They may be either plaintiffs or defendants in IP related court actions, here and elsewhere.

The consultation

The IPO launched a consultation on 13 April 2017 seeking views on proposed changes to patents fees. The [consultation document](#) sets out four proposed changes to pre-grant patent application fees, with an alternative proposal involving smaller increases to pre-grant fees in conjunction with small increases to renewal fees, as follows:

Proposal 1

Introduce the following changes to the basic application fee:

- Increase the fee for paper applications from £30 to £90 when the application fee is paid at the time the application is filed.
- Increase the fee for e-filed patent applications from £20 to £60 when the application fee is paid at the time the application is filed.
- Introduce a 25% surcharge on the application fee if the fee is not paid at the time of filing.

Proposal 2

Introduce the following changes to the basic fees for search and substantive examination:

- Increase the fee for requesting a search to £150 for requests filed electronically and to £180 for requests filed on paper.
- Increase the fee for search of an international application (UK) to £120 when requested electronically and to £150 for requests filed on paper.
- Increase the fee for requesting a substantive examination to £100 for those requests filed electronically and to £130 for requests filed on paper.

Proposal 3

Introduce a fee of £30 for each of the 16th and subsequent claims contained in a patent application.

Proposal 4

Introduce a fee of £10 for each additional page of description over the initial 35 pages.

Alternative proposal

Make a small increase to patent renewal fees, along with smaller increases to the up-front fees than set out in proposals 1-4.

Comments may be e-mailed to consultation@ipo.gov.uk by 6 June 2017.

IP Federation response

The UK is an important territory for the protection of intellectual property for all our members. A number of our members file patent applications directly with the UK Intellectual Property Office (UK IPO) and maintain patents granted by the UK IPO. Other members employ the alternative route to UK patent protection via the European Patent Office (EPO). Indeed all members acknowledge that a UK national filing strategy may take on new significance in the context of UPC, even aside from Brexit-related uncertainties.

For applicants seeking patent protection in a relatively small number of European countries, national patent offices such as the UK IPO are a valuable option offering a targeted route to protection without the relatively higher costs of the EPO. It is therefore essential that the UK IPO provides timely, high quality and rigorous search and examination services in order that applicants and third parties are treated fairly and there is a degree of certainty of the validity of granted patents.

We welcome the prospect of further investment in electronic services and appreciate all measures to improve electronic access to patent application documents and document filing. In this regard, we encourage the UK IPO to continue to converge on web-based services for electronic access which will guarantee accessibility to all applicants including those with strong internet security measures in place. We further encourage improved integration with the EPO electronic filing measures through the option of filing at the UK IPO as “office of receipt” via the EPO’s Case Management System (CMS) to avail applicants of the UK security review for EPO CMS filings.

We note the objective to encourage good filing practices and the effect this may have on timeliness at the UK IPO. Some of our members have observed delays in the issuance of UK IPO search reports so changes leading to improvements in timeliness are welcomed.

The consultation specifically asks for views on the balance between further investment in services funded by increased up-front fees and a desire to keep fee levels low. In this regard, we reiterate the key priority for our members: timely, high quality and rigorous search and examination. Accordingly, we acknowledge that a modest proposed increase in the filing, search and examination fees may be appropriate provided these increases lead to improvements targeting this priority. For example: reduction in processing delays by early identification and separate handling of “hopeless” applications; and improvements in quality of searching by supplementing the

existing search databases used by the UK IPO with access to additional databases such as databases for smaller national collections, foreign language documents, and non-patent literature where subscriptions are required. Search quality can be further improved by extending the time spent on a search by an examiner. These improvements to search would lead directly to improvements in the rigor of examination.

Proposal 1

- The proposal to increase paper application fees from £30 to £90 is acceptable to our members.
- The proposal to increase e-filed application fees from £20 to £60 is acceptable as a means for discouraging “frivolous” applications.
- The proposal to introduce a 25% surcharge on the application fee if it is not paid at the time of filing seems fair, further discourages “frivolous” applications and also supports efficient processing of applications.
- It is noted, however, that increases to the application fee cannot dissuade applicants who file patent applications at the UK IPO and never pay the application fee.

Proposal 2

- The proposed increases in the search and examination fees are acceptable provided that improvements to the quality and rigour of search and examination are prioritised.
- We do not anticipate any marked difference in the way businesses use the patent system as a result of the proposed changes to the fees for search and examination, provided that the UK IPO fees remain relatively low in comparison to other Patent Offices.

Proposal 3

The UK IPO currently has no claims fees. The average number of claims filed in UK applications is 22. The proposal to levy claims fees on the 16th and subsequent claims at a rate of £30 per claim therefore introduces a new surcharge of £210 for the average UK patent application. This surcharge amounts to more than double the combined increase to the application, search and examination fees for the average e-filed application. We consider this is excessive.

We therefore encourage the UK IPO to reconsider the proposed claims fee and, at the very least, reconsider the point at which it becomes payable such that the fee is not levied on at least the average application with 22 claims.

Proposal 4

- Many of our members draft applications which are required to be usable - as far as possible - in multiple territories, including territories where a lengthier specification is not penalised. Furthermore, some industries necessarily require more lengthy specifications to provide sufficient disclosure of an invention. For example, in the pharmaceutical and biological fields there can be a requirement to describe

synthesis, structures and pre-clinical/clinical evidence to meet “plausibility” criteria that do not apply in other technical fields.

- The proposal to introduce a £10 fee for each page over 35 pages therefore burdens applicants in some technical fields more than others and is preferably avoided.

Alternative Proposal

Our members do not support any proposal that increases renewal fees since and any such increases affect applicants for both UK and EP-UK patents. Accordingly, we cannot support the alternative proposal.

IP Federation

5 June 2017



IP Federation members 2017

The IP Federation represents the views of UK industry in both IPR policy and practice matters within the EU, the UK and internationally. Its membership comprises the innovative and influential companies listed below. The CBI, although not a member, is represented on the Federation Council, and the Council is supported by a number of leading law firms which attend its meetings as observers. It is listed on the joint Transparency Register of the European Parliament and the Commission with identity No. 83549331760-12.

AGCO Ltd
Airbus
ARM Ltd
AstraZeneca plc
Babcock International Ltd
BAE Systems plc
BP p.l.c.
British Telecommunications plc
British-American Tobacco Co Ltd
BTG plc
Caterpillar U.K. Ltd
Dyson Technology Ltd
Eli Lilly & Co Ltd
Ericsson Limited
ExxonMobil Chemical Europe Inc.
Ford of Europe
GE Healthcare
GKN plc
GlaxoSmithKline plc
Glory Global Solutions Ltd
HP Inc UK Limited
IBM UK Ltd
Infineum UK Ltd
Johnson Matthey PLC
Merck Sharp & Dohme Ltd
NEC Europe
Nokia Technologies (UK) Ltd
Pfizer Ltd
Philips Electronics UK Ltd
Pilkington Group Ltd
Procter & Gamble Ltd
Renishaw plc
Rolls-Royce plc
Shell International Ltd
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