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Dear Heli

Deferred examination

The IP Federation represents the views of UK Industry in both IP policy and practice matters within the EU, the UK and internationally. Its membership comprises the innovative and influential companies listed at the end of this letter. All our members are extensive users of the European patent, and employ their own in-house patent professionals.

At the 17th meeting of the SACEPO Working Party on Rules (WPR) the EPO announced a modification to its examination procedure to permit deferred examination on applicant request. The announcement was not included in the agenda and was classed as *any other business*. SACEPO members from the epi and BusinessEurope were given weeks to formally consult their members on this controversial modification and to make representations to the EPO. The IP Federation has now consulted its members and makes the following submission.

When the time limit for filing a request for examination was transferred to the Implementing Regulations in EPC 2000, the drafters of the Convention clearly indicated that any change such as the introduction of "*some sort of deferred examination ... would as a matter of course only be made by decision of the Administrative Council, which would guarantee a proper decision-making process*"¹. The IP Federation therefore considers it essential that any proposal for deferred examination must be subject to a transparent and open public consultation and a decision of the Administrative Council. In this regard it is noted that the brevity of the announcement at the 17th SACEPO WPR and the time-limited invitation for comments by SACEPO members does not pay due regard to the significance of the issues surrounding any proposal for deferred examination, or indeed to the expectations of the drafters of the Convention. A deferral of examination must balance the interests of patent applicants, the patent office and the public, and these interests can only be properly considered by such a consultation.

Additionally, the EPO has established practice concentrating on procedural economy and expediency consistent with requirements set out by the Enlarged Board in G7/93. Specifically, these requirements clearly set out that the EPO's interest must be in bringing the examination procedure to a close by issuing a

¹ Basic proposal for the revision of the European Patent Convention, MR/2/00, 13th October 2000, page 99.

decision. This practice can be seen in the current Guidelines for Examination for situations where an EPO Examining Division exercises discretion². The IP Federation therefore considers it essential that a full and transparent analysis of the legality of introducing a lengthy hiatus to the patent application process at the expense of public interest is undertaken.

IP Federation members have differing views on the acceptability of a programme of deferred examination and these would be informed by the EPO's analysis outlined above and shared as part of an EPO user consultation. The importance of this is emphasised because a deferral of examination affects the public interest most of all. It is noted that even a system in which third parties can trigger examination incurs costs for third parties including: a cost of monitoring the publications of the patent office in a relevant technical field to be apprised of information on new patent applications, their content, their search reports and any examination opinions of potential relevance; costs involved in becoming aware of this information, such as the costs of ensuring equitable conduct before other patent offices worldwide in respect of their own patent applications; and the costs of compiling third party observations satisfying any stipulated requirements imposed by the patent office such as to trigger examination, for example a requirement that observations are *substantiated* and *non-anonymous*.

The IP Federation believes the EPO can expect more specific feedback from users and the public in response to a full public consultation and would welcome the proper decision-making process of the Administrative Council balancing all relevant interests in this important issue.

Yours sincerely

James Horgan
President, IP Federation

² See, for example, EPO Guidelines for Examination H-II-2.3, H-II-2.5.1, H-II-2.6, and H-II-2.7.



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
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Babcock International Ltd
BAE Systems plc
BP p.l.c.
British Telecommunications plc
British-American Tobacco Co Ltd
BTG plc
Caterpillar U.K. Ltd
Cummins Ltd.
Dyson Technology Ltd
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Ericsson Limited
ExxonMobil Chemical Europe Inc.
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GE Healthcare
GKN plc
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Glory Global Solutions Ltd
HP Inc UK Limited
IBM UK Ltd
Infineum UK Ltd
Johnson Matthey PLC
Merck Sharp & Dohme Ltd
Microsoft Limited
Nokia Technologies (UK) Limited
NEC Europe
Ocado Group plc
Pfizer Ltd
Philips Electronics UK Ltd
Pilkington Group Ltd
Procter & Gamble Ltd
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