

Proposed changes to statutory patent fees





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Summary



Introduction

- 1. The Intellectual Property Office ("the IPO") has reviewed the fees we charge our customers for registering their intellectual property (IP) rights. We consulted designs customers and other interested parties on proposals to change the fees charged for obtaining a registered design, resulting in the introduction of new fees on 1st October 2016.¹ This consultation document focuses on the fees we charge in relation to patent applications.
- 2. The Government has made a manifesto commitment to make the UK the best place in Europe to innovate, patent new ideas and set up and expand a business. To support this manifesto commitment and to respond to increased demand for the IPO's products and services, the IPO is committed to undergoing a major investment programme both in electronic services and increased examination capacity. This investment will, if continued, lead to improved customer services through more online access and faster processing times.
- 3. There are of course costs associated with these significant levels of investment. In addition, statutory fees for patent protection have not changed since April 2010. It is therefore now necessary to review our fee structure to ensure that the fees we charge remain appropriate, enable the IPO to respond to increases in patent demand through recruitment and investment in online services, and support this manifesto commitment.
- 4. The fee changes proposed in this document would require legislative change, because the Patents (Fees) Rules 2007 set out the fees required in relation to patent applications. The earliest date we envisage making any such legislative change is 1 October 2017.

Structure of UK patent fees

- 5. The IPO is a trading fund and as such we must set our fees at levels which enable us to cover any costs we incur. However we also recognise the importance of setting fees at levels which encourage innovative businesses and individuals to access the services we offer and profit from the benefits of patent protection.
- 6. For this reason a major aspect of patent fees is that they are heavily back-end loaded. Application fees and other pre-grant fees are kept relatively low (the current fees payable in order to obtain a granted patent total £230) and the balance of the IPO's costs (approximately £2500 for each granted patent) is recovered from renewal fees paid by customers who keep their patents in force over many years. Typically the IPO only breaks even on any individual patent if it is in force for 15 years or longer.
- 7. This model is common internationally and has many beneficial policy effects. In particular, it ensures the patent system is accessible by reducing the upfront fees and allocating the greatest fees to the most valuable patents through the payment of renewal fees. However, this model carries risks to the IP Office if the back-loading is too extreme as it delays the time in which that Office can recover its costs. Furthermore, the IPO undertakes a considerable amount of work early on in the patent application process, for example in conducting searches. Some businesses use the search results to decide to file outside the UK. If they do not

See https://www.gov.uk/government/news/good-news-for-designers

- proceed with the UK application this results in the IPO receiving no subsequent renewal income to cover the upfront work which has been completed.
- 8. The incentives provided by low upfront fees may also not be as material as they might appear when looked at in isolation, because the upfront costs of patent attorney or other advisers' fees are usually many times that of the IPO's fees.
- 9. Low fees can also have a negative impact on the patent application system by diverting valuable patent examiner resource away from serious, well thought out applications in order to assess speculative, poor-quality applications which are unlikely to result in granted patents or commercial innovations. The need to keep the barriers to the patenting system low therefore needs to be balanced against the need to discourage those applicants who have a minimal likelihood of success.

Rationale for patents fee changes

- 10. Against this background the IPO has been reviewing its fee structure in line with the following objectives:
 - Maintaining an internationally-competitive fee structure, based on modern, high-quality and efficient services for the customer
 - Achieving a modest shift towards prompt cost recovery, whilst continuing to meet the bulk of the IPO costs of granting a patent from renewal fees rather than at the time the work is carried out
 - Maintaining a sustainable income stream on reasonable assumptions to finance its future activities
 - Encouraging good filing practice by applicants
- 11. As noted above, the IPO is committed to undergoing a major investment programme both in electronic services and increased examination capacity. This investment will, if continued, lead to improved customer services through more online access and faster processing times.
- 12. The proposed fee changes set out in this document are intended to ensure a smoother functioning of the patent system with fewer backlogs and greater certainty both for patent holders and interested parties in terms of the patent protection which has been granted. This will allow greater competition and encourage further innovation which together can help foster business growth.
- 13. However, this raises an important wider question, which is the relative importance to users of the IPO's investments in service levels and improvements, when set against the proposed levels of fee increase. It is important, on the one hand, to keep fees at a reasonable level and, on the other, to be able to make the service and delivery improvements which users expect and value.
- 14. Views are welcome on this balance. For example, how significant would any impact of our proposed fee increases be? As well as deterring those applications which have no likelihood of success, would the fee increases risk deterring valuable patent applications? Views are also welcome on the extent to which users feel there is a need for significant improvements in IPO services particularly the availability of digital services.

Maintaining an internationally-competitive fee structure

15. Overall, fees for UK patents are competitive internationally, reflecting an efficient as well as high quality rights-granting organisation. Our patent fees are some of the lowest in the world. We do not intend to change this position, thus ensuring that national protection remains attractive and accessible to innovators, whether based in the UK or elsewhere.

Earlier cost recovery and maintaining a sustainable income stream

- 16. Our fees review has considered whether the cost of each of the services we provide is being sufficiently recovered through the fees we charge. As part of this, we have considered the fee structure for patents and the balance between the initial costs of gaining a patent and the renewal fees we charge for maintaining the granted patent rights.
- 17. As discussed above, it has been a long-standing principle (not just in the UK, but globally) that the up-front fees for applying for patent protection are kept relatively low and that the costs of granting a patent are recovered through the payment of annual renewal fees. We are not proposing to change this principle.
- 18. However, there is a need to ensure that the balance between pre-grant application fees and post-grant renewal fees remains appropriate and to ensure that the IPO is not overly reliant on renewal fees paid at a later date to cover its upfront costs. For this reason we are proposing increases to the application fee and to the fees for requesting search and substantive examination of an application. Whilst the proposed fee increases will result in greater upfront fees, this will still only allow the IPO to recover a maximum of 16% of processing costs at the time of patent grant².
- 19. We envisage that overall there will be a small increase in IPO income, whilst ensuring that the patent system will still be accessible to innovative businesses and individuals.

Encouraging good filing practices

- 20. We also recognise that low fee levels can encourage the filing of poor-quality applications which have not been prepared properly and are highly unlikely to reach grant. Despite efforts to provide information and advice to applicants, the IPO continues to receive a considerable number of applications which are frivolous or of very poor quality and will never result in a granted patent.
- 21. These applications add to the backlog of patent applications awaiting processing, resulting in delays in the time it takes to gain patent protection and potentially impacting on the economic benefits businesses can derive from their patent rights. This delay creates uncertainty around the likely scope of protection to be afforded by the patent once granted, discouraging innovations by interested parties and competitors in that area of technology. This uncertainty and delay can thus hamper further economic growth.

² If proposals 1 to 4 below are adopted.

- 22. The IPO also receives applications which include large numbers of claims and very lengthy descriptions. These may require further patent examiner time to ensure the scope of the patent is clear. Again this diverts resources away from other patent applications awaiting processing, adding to the backlog and length of time it takes to obtain a granted patent.
- 23. We have considered what the likely impact of any fee changes would be on these aspects of customer behaviour.
- 24. Our proposed increase to the initial application fee (proposal 1 below) should encourage customers to stop and consider whether applying for patent protection will be of benefit to them, before they apply. This may save some of our customers the time and money they would otherwise spend on an application with very little chance of success. At the same time, proposals 3 and 4 below will encourage the filing of clear and succinct patent applications.

Summary of proposals

25. An outline of the proposals (the detail will follow from page 7 onwards) is given below:

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.

(See also proposal 4 regarding excess pages)

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.

(See also proposal 3 regarding excess claims)

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 upfront fees than set out in proposals 1-4. An example of one way this might be done is set out on page 12.

Responding to the consultation

- 26. The proposals are likely to affect anyone who is interested in, applies for, or owns patents. We are keen to get responses from as wide a cross-section of our actual and potential customers as possible before we decide how to proceed.
- 27. We would particularly like to know the extent to which the proposals would change the way businesses and individuals make use of our services. We would welcome your views on all of the proposed changes, including any comments on specific aspects of the proposals.
- 28. Please email your responses, including any answers to the questions set out in this document and any other views you may have, to: consultation@ipo.gov.uk. Alternatively, please use the following postal address:

Sarah Barker Intellectual Property Office Concept House Cardiff Road Newport NP10 8QQ

Tel: 01633 814807 Fax: 01633 814491

- Responses are welcomed from any individual, organisation or company. Copies
 of this document, including large print versions, are available from the contact
 address given above.
- 30. Please provide your comments by 6 June 2017.

Consultation principles

31. This consultation is being run in line with the Government's consultation principles, which are available at:

www.cabinetoffice.gov.uk/sites/default/files/resources/Consultation-Principles.pdf

Regulatory impact

32. We have undertaken an assessment of the regulatory impact of the proposed changes as detailed in the impact assessment ("IA") published alongside this consultation document. The IA sets out our initial assessment of the impact the new proposals will have on our users if they are implemented. Please take the time to read the IA and let us have any comments you may have on any aspect of its content. After considering any comments we receive, and if we decide to implement the proposals, the IA will be finalised and will accompany the draft legislation being put forward for Ministerial approval.

Openness/confidentiality

- 33. This is a public consultation, the results or conclusions of which may be published. As such, your response may be made public. If you do not want all or part of your response or name made public, please state this clearly in your response. Any confidentiality disclaimer that may be generated by your organisation's IT system or included as a general statement in your fax cover sheet will be taken to apply only to information in your response for which confidentiality has been requested.
- 34. Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004). If you want other information that you request to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence.
- 35. In view of this, it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. The IPO will process your personal data in accordance with the DPA and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.



Our proposals in detail

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.

(See also proposal 4 regarding excess pages)

- 36. Our fees for filing a patent application are currently among some of the lowest in the world at £30 for paper applications and £20 for electronically-filed applications (provided the application fee is paid at the time of filing).
- 37. The application fee does not have to be paid at the time the application is filed. This, together with the current low level of patent application fees, can encourage the filing of applications which are very unlikely to result in a granted patent. Often these applications are filed not by businesses but by individuals who are convinced they have invented something new, when they have not. Research by the IPO has shown that only 4 to 6% of applications filed by unrepresented individuals actually make it through to grant.
- 38. Such applications can require additional examiner and support staff resources to process and consider the application, with very few applications actually resulting in a granted patent. For example, IPO analysis has shown that in one year over 3000 applications were filed by just 10 individuals only 3 of which resulted in a granted patent. These 3 patents were kept in force for only a few years after grant. Of the 3000 applications, application fees were only received on 51 of those applications. The vast majority were therefore terminated due to the non-payment of the application fee.
- 39. Applications of this type are consequently diverting support staff and examiner resources away from applications which are more likely to result in a granted patent. This contributes to backlogs of applications and delays in processing.
- 40. In light of the above, and to encourage applicants to stop and consider, before they apply, whether patent protection will be of benefit to them, we are proposing to:
 - Increase the standard 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 if the fee is not paid at the time of filing.

- 41. These higher fees, and the introduction of an incentive to pay the application fee upfront, should encourage applicants (both individuals and businesses) to consider in more detail whether patent protection is appropriate before they file their application. In the example described in paragraph 37 above, we hope that these fees would encourage the 10 individuals concerned to only file the 51 applications (or fewer) on which they intended to proceed, rather than all 3000.
- 42. We recognise that the proposals represent a large increase on the current application fee in percentage terms. However even with these proposed increases, our application fees would remain comparative with the fees charged in other countries. The fees would also still only form a small proportion, for most applicants, of the total cost of acquiring patent protection³.
- 43. We therefore believe the application fee will remain modest for those with a serious intention of obtaining a patent and commercialising their invention.

Q1: What effect do you think the proposed changes in the patent application fee would have on the way that businesses or individuals use the patent system to protect their inventions?

Q2: Do you think the greater discount for e-filed patent applications would encourage businesses and individuals to file more patent applications electronically?

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.

(See also proposal 3 regarding excess claims)

- 44. As part of the process of gaining a granted patent, a patent applicant must request that a search of technical documents is undertaken, to determine whether the invention (or anything similar) has been done before. Once the applicant has received the results of this search, they can consider whether or not to proceed with their application. To proceed, they must request a substantive examination, which will determine whether the patent application meets all of the legal requirements for grant of a patent.
- 45. Currently, our fees for search and examination are far below the costs we incur when undertaking this work. As discussed above, we have considered the extent to which we need to reduce our reliance on renewal fees and recover more of our costs earlier in the process. As a result we are proposing modest increases to the search and examination fees.

In practice, attorney fees represent the vast majority of the total cost of applying for a patent. In the financial year 2014/2015, only 24% of applications were filed by applicants who did not use the services of a professional patent attorney or other patent advisor.

46. We propose to increase the search and examination fees by $\mathfrak{L}20$ for e-filed requests and by $\mathfrak{L}30$ for requests made on paper, as summarised in the below table:

	Existing fee		Proposed fee	
	E-filed	Paper	E-filed	Paper
Search fee	£130	£150	£150	£180
Search fee for an international application (UK)	£100	£120	£120	£150
Substantive examination fee	£80	£100	£100	£130

- 47. We recognise that these increases, together with the proposed increase to the initial application fee, will result in greater costs for patent applicants. However, even with these proposed increases, our search and examination fees would still be amongst the lowest in the world, and would still only form a small proportion, for most applicants, of the total cost of acquiring patent protection. We therefore believe that they remain modest for those with a serious intention of obtaining a patent and commercialising their invention.
- 48. Note that the fees summarised in the above table do not include the separate excess claims and excess pages elements which are discussed in proposals 3 and 4 below.

Q3: What effect do you think the proposed changes in the basic fees for search and substantive examination would have on the way that businesses or individuals use the patent system to protect their inventions?

Proposal 3

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

- 49. Patent applications which contain a significant number of claims may require more work by patent examiners and other IPO staff when they are considered and processed. This adds to the time it takes to search and examine the application and can lead to delays in the grant of the patent and delays in the processing of other patent applications. To help reduce these delays, we are considering introducing a pre-grant fee structure to encourage the filing of more succinct applications.
- 50. Firstly, we are proposing the introduction of an excess claims fee of £30 for each claim in excess of the 15th claim.
- 51. Other IP offices operate similar fee structures. For example, the European Patent Office ("EPO") and the United States Patent and Trade Mark Office charge for excess claims in patent applications. In particular, the EPO currently charges an excess claims fee for the 16th and subsequent claims. Introducing a similar system at the IPO would ensure a consistent approach for those customers who file with both us and the EPO.

- 52. Research by the IPO indicates the average number of claims filed is 22. Setting the level at the 16th claim would result in additional fees of £210 on applications with an average number of claims. We recognise the potential financial impact this will have on businesses who are seeking to protect their inventions. However, these fees are intended to encourage applicants to file a more succinct set of claims as part of their application and to weigh up the costs against the potential benefits before filing longer sets of claims.
- 53. Claims can either be filed at the time a patent application is filed or within a later period, which is generally twelve months after the earliest declared priority date. We propose that the fee for any excess claims would be part of the search fee and would therefore be required to be paid in the same timescale as the rest of the search fee (the deadline for paying this is also generally twelve months after the earliest declared priority date). We will adjust Patents Form 9A as necessary. For example applicants could be asked to indicate on the Form the number of claims they are filing (or have already filed), with this number then being used to calculate the appropriate search fee.
- 54. Under rule 31 of the Patents Rules 2007, the applicant can ask for the comptroller's discretion to be exercised to allow them to amend their application before the search report has been issued. If an applicant were to amend the application and introduce further claims in such circumstances, we envisage it would be necessary to recalculate the search fee and for it to be paid in full by the usual deadline.
- 55. It would also seem necessary to charge these fees if the number of claims increases at or during the examination stage. For example, at the EPO, excess claims fees are payable at grant stage if the application contains more than 15 claims at the time of grant and the excess claims fees have not been paid earlier in the process. Although there is currently no fee payable for grant of a UK application, one option could be to introduce a similar requirement prior to grant (noting that section 18(4) of the Patents Act 1977 provides a power to set a fee for grant). An alternative may be to require fees to be paid for any further excess claims as part of the fee for substantive examination.
- 56. Under the EPO's procedures, if the applicant does not pay excess claims fees in due time at grant stage (after a communication under rule 71(3) EPC), the application is deemed to be withdrawn. At present, the consequence of nonpayment of either the search fee or the substantive examination fee in full by the deadline is that the application is treated as having been withdrawn.4 We envisage that the same consequence should flow from a failure to pay the proposed excess claims aspect of any fee within the prescribed period, as the relevant search/ examination/grant fee would not have been fully paid and the application would therefore be treated as having been withdrawn.
- 57. Your comments on these options and any other practical implications of the introduction of an excess claims fee would be welcome. In addition, we would be interested in your comments as to whether setting the bar at the 16th claim may disadvantage certain fields of technology disproportionately.

Q4: What effect do you think the proposed "excess claims fee" would have on the drafting of claims?

Q5: Do you have any comments about how the proposed "excess claims fee" should operate in practical terms?

As set out in sections 15(10)(d) and 18(1) of the Patents Act 1977.

Proposal 4

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

- 58. In line with our proposal to introduce a fee for excess claims, we are also proposing an "excess pages fee". A patent must contain a technical description of the invention in enough detail to allow others to work the invention. As mentioned above, clearly explained and succinctly defined patent applications can reduce the time it takes to process a patent application through to grant which can help in reducing patent backlogs. In addition to this, clearly and succinctly explained patent applications can also help the public to understand the technical details of the invention and the patent protection which is being sought.
- 59. As a way of encouraging the filing of more succinct applications we are proposing a fee of £10 for each additional page of description which is filed over the initial 35 pages.
- 60. Under current patents legislation⁵, a description of the invention must be included at the time of filing (unless a reference to an earlier patent application is filed instead). The application fee may be paid at the time of filing, or within a prescribed period (which is generally twelve months from the earliest declared priority date)6. We propose, therefore, that the fee for any excess pages would form part of the application fee.
- 61. We envisage asking the applicant to indicate on Patents Form 1 or AF1 the number of pages they are filing (or have already filed) with this number then being used to calculate the application fee, including any late payment surcharge if proposal 1 above is implemented.
- An alternative option may be to allow the application to be filed without the relevant excess pages fee, which could then be paid at any time up to the point where a request for search is made. If implemented alongside proposal 3, this would mean the search fee would be made up of a basic search fee plus any excess claims fee and excess pages fee due.
- 63. We propose that there would be no additional charge should the number of pages increase as a result of amendment after a search has issued.
- 64. As with the proposed excess claims fee, the consequence of non-payment of the excess pages fee in due time would be that the application is treated as withdrawn (this follows from the excess pages fee being part of either the application fee or the search fee).

Q6: What effect do you think the proposed "excess pages fee" would have on the drafting of the description?

Q7: Do you have any comments about how the proposed "excess pages fee" should operate in practical terms?

See section 15 of the Patents Act 1977

See rule 22 of the Patents Rules 2007

Alternative proposal

Make a small increase to patent renewal fees, along with smaller increases to the upfront fees than set out in proposals 1-4. An example of one way this might be done is set out below.

- 65. The current fee structure for maintaining a granted patent sees patent renewal fees starting off relatively low in the early stages, with the fees increasing in £20 increments from £70 in year 5 to £210 in year 12. This reflects the fact that businesses are likely to be starting to grow their commercial interests during this period and the patent, or products or processes based upon the invention, may not have reached full economic potential.
- 66. As the patented product or process becomes more commercially successful and the longer the exclusive patent right continues, there is a greater likelihood that the patent owner is commercially successful and is maximising the benefits of their patent rights. The renewal fees for these later years (i.e. years 13 to 20) reflect this and increase by greater amounts each year until the maximum fee of £600 is charged for the last opportunity to renew in year 20.
- 67. Making a small increase to patent renewal fees would be an alternative way to ensure the fees we charge cover our processing costs and continue to provide the IPO with a sustainable income.
- 68. For example, an alternative to taking forward proposals 1-4 alone would be to raise patent renewal fees by £10 for each year they fall due and halve the proposed increases to up-front fees set out in proposals 1-4.
- 69. Renewal fees would then be as shown in the table below.

Patent year	Existing renewal fee	New renewal fee
Year 5	70	80
Year 6	90	100
Year 7	110	120
Year 8	130	140
Year 9	150	160
Year 10	170	180
Year 11	190	200
Year 12	210	220
Year 13	250	260
Year 14	290	300
Year 15	350	360
Year 16	410	420
Year 17	460	470
Year 18	510	520
Year 19	560	570
Year 20	600	610

- 70. Just over half of the patents granted in the UK are renewed up to year 12. For those businesses which continued to renew their patent rights up to year 12, this option would result in a total increase in renewal fees of £80 across the eight years in which renewal fees fall due. For those businesses which renew their patent rights for the maximum 20-year lifetime of a patent, the total increase in renewal fees would be £160.
- 71. Halving the increases to up-front fees set out in proposals 1-4 would result in the fees shown in the table below.

	Existing fee		Proposed fee		
	E-filed	Paper	E-filed	Paper	
Application fee	£20	£30	£40	£60	
Surcharge if application fee is not paid at time of filing	-	-	£10	£15	
Search fee	£130	£150	£140	£165	
Search fee for an international application (UK)	£100	£120	£110	£135	
Substantive examination fee	£80	£100	£90	£115	
Excess claims fee	-	-	£15 per claim for claims over 15		
Excess pages fee	-	-	£5 per additional page over 35 pages		

72. In this scenario it would be possible to gain a granted patent for £270.

Q8: Would you prefer to see changes limited to pre-grant fees (proposals 1-4) or an increase to renewal fees coupled with a smaller increase to pre-grant fees (the alternative proposal)? Please explain why.

Q9: What effect do you think this alternative proposal, to increase renewal fees and make smaller increases to pre-grant fees, would have on the way that businesses or individuals use the patent system to protect their inventions?

Q10: Do you think this approach would have the same effect on filing and prosecution behaviour as the proposals to make larger increases to pre-grant fees alone (as set out in proposals 1-4)?

Summary

- 73. We believe these proposals will help ensure a smoother functioning of the UK patent system. Specifically we believe they will:
 - adjust fee levels to better align the fees we charge with processing costs, to reflect more closely the work that we undertake to deal with particular types of applications and requests.
 - continue to provide the IPO with a sustainable income, while at the same time continuing to be structured in a way which provides an internationally competitive fee structure and which makes the patent system accessible and encourages the appropriate use of the IP system as a way of promoting and supporting innovation.
 - adjust customer behaviour to encourage the filing of clearer and better defined applications whilst discouraging the filing of applications with very little chance of success.

Q11: What effect overall do you think the proposed changes in fees would have on businesses and individuals who wish to protect their patent rights? Do you think the proposed changes would have a disproportionate effect on any particular type of applicant? As well as deterring those applications which have no likelihood of success, would the fee increases risk deterring valuable patent applications?

Q12: The IPO is undergoing a major investment programme both in electronic services and increased examination capacity. This is designed to lead to improved customer services, but contributes to the IPO's need to raise fees. To what extent do you support the payment of higher fees to facilitate investment and improvement? Alternatively, to what extent would you prefer to retain lower fees and delay or limit improvement programmes, including investment in electronic and online services?

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Revised: March 2017

DPS-005703



