

Regulator Assessment: Qualifying Regulatory Provisions

Title of proposal	Amending Patents Forms 21, 28 and 30 and changing the way we process Patent Form 7s
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Date of assessment	28.03.2017
Commencement date	01.09.2016
Origin	Domestic
Does this include implementation of a Cutting Red Tape review?	No
Which areas of the UK will be affected?	All

Brief outline of proposed new or amended regulatory activity

Form 21:

This form is used by applicants to apply to register a change of ownership of a patent or patent application, or to give notice of rights acquired in a patent or in an application for a patent. Previously, for some cases, staff had to contact the applicant to clarify or obtain some of the information that is now requested on the updated form,.

The form has been amended to:

- Make clear what information we need in respect of the transaction to be recorded on the Patents Register – box 5
- Allow the appointment of a new attorney/agent – box 7
- Obtain confirmation of the payment of stamp duty – box 8
- Make it clear who is signing the Form 21 and in what capacity they are signing the form – box 9.

Form 28:

This form is used by the proprietor of a patent to request an entry in the register to show that licences under the patent are available as of right. There is a tear off slip at the bottom of the form which IPO staff use to notify applicants that their Form 28 has been received by the Office.

Before the changes, staff had to re-write the address provided on the tear off slip as the address box did not fit the window on the envelopes we use here at the IPO.

This form has been amended to:

Move the address box featured on the tear off slip at the bottom of the form to the other side of the slip. This is to ensure the address box on the tear off slip fits the window box in the envelopes we use here at the IPO.

Form 30:

This form is used by the proprietor of a patent to cancel an entry in the register that licences under the patent are available as of right. Historically there has been a tear off slip on the bottom of the Form 30 which the IPO returns to the applicant to acknowledge that we have received the form. However, in recent years the Office has stopped returning this slip and instead contacts the applicant by letter to confirm that the application has been received and cancelled.

The form has been amended to:

Remove the tear off notification slip from the bottom of the form as it is no longer used. Instead of using this slip the Office issues a letter to the applicant to inform them that the licence of right on the application has been received and cancelled.

Form 7:

A patents Form 7 is required on most patent applications to inform the Office who the inventors are, and how the applicant derives the right to apply for the patent from these inventors. The Office has always sent copies of the Form 7 to each inventor listed on the form, even though there is no longer any statutory requirement for us to do so.

Our practice has therefore been amended as follows

Since 1 September 2016 the Office has stopped notifying inventors when they have been mentioned in a patent application.

Which type of business will be affected? How many are estimated to be affected?

These changes will affect any businesses that have filed patent applications, or own patents, and have subsequently needed to file these forms. However, the majority of businesses employ in-house lawyers or external patent attorneys to administer their IP rights, including the completing and handling of any of the forms referred to in this assessment. In 2016 the IPO received 14151 Form 21s, 1370 Form 28s, 9 Form 30s and 10329 Form 7s.

The change in practice regarding the Form 7 is likely to affect individuals rather than businesses, although again there is likely to be very minimal impact as previous research shows that the majority of inventors are already fully aware that they have been mentioned in a patent application, and had no use for being notified by the IPO of this fact. Furthermore, the IPO never

notified inventors on applications containing a foreign priority claim so these inventors remain unaffected by this change.

Summary of costs and benefits

Price base year	Implementation date	Duration of policy (years)	Net Present Value	Business Net Present Value	Net cost to business (EANDCB)	BIT score
					0	N/A

Please set out the impact to business clearly with a breakdown of costs and benefits

Form 21:

There is an initial impact on the business to provide additional information when filing the form, e.g. have they paid any stamp duty, are they changing their agent, etc., but this is counterbalanced by the fact that the IPO will no longer need to contact them at a later date in order to process the form. It is estimated that patent attorneys will spend an additional 10 minutes of time reading and completing the new aspects of the form, so at an average wage rate of £30.15 per hour this would mean that in 2016 the change would have cost businesses an additional £71108.78.

However, it is estimated that prior to the form change the IPO needed to contact businesses to obtain information now included on the form on around 20% of applications. Businesses would then have spent around 45 minutes reading our correspondence and responding in writing to the Office. The total cost of responding in this way is estimated to be around £63997.90, which is the amount saved by businesses by including this information in the form.

Therefore we estimate that the total cost to business of these recent changes to the Form 21 to be around £7110.88 p.a.

Form 28:

This change has no impact on businesses who file the form. The change is purely to help the IPO's internal processing of this form. The applicant is required to provide the same information as before and will received the same tear off slip from the IPO.

Form 30:

This change has a slight positive impact on businesses as they no longer have to complete the tear off slip at the bottom of the form. In 2016, we received 9 of these forms so, given that it takes around three minutes for an applicant to complete the tear

off slip, we estimate that we will save businesses or their lawyers/agents around 27 minutes in completing this form each year. Given the wages of the attorney completing this form are likely to again be £30.15 per hour, this change is likely to save businesses around £814.05 p.a.

Change in practice with Form 7:

This change has no discernible impact on businesses. It affects individual inventors, who may (in certain circumstances) have been notified by the IPO that they were identified as inventor on a particular patent application, but will no longer be so notified. Given that we understand inventors took no action as a result of the notification, there is no impact. As far as applicants are concerned, they liaise with inventors over making the application, or the inventor would otherwise be aware e.g. because they are an employee of the applicant or because the inventor chose to assign the rights to the applicant before the patent application was filed. Either way, there is no impact on either the applicant or inventor.

Please provide any additional information (if required) that may assist the RPC to validate the BIT Score

For the reasons given above, the overall cost to business of these adjustments to patents Forms is less than £50k, and so we consider the above changes to have a zero EANDCB.