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Dear Ben

Fast Track Processing of Patents & Trademarks

This response is made on my own behalf and is informed by recent work with young entrepreneurs and students at Cambridge University.

I have many years' continuous experience as a patent agent which just stretches back to before the introduction of the 77 Act. From 1992 to 2005 I practised as a solicitor and from 1989 to 2005 worked within legal practices. Prior to that I worked in traditional agencies and briefly in-house at BT. Although I have experience and competence in many areas of intellectual property including litigation and licensing I have continued to act as an agent throughout that period drafting and prosecuting patent applications for both local and, to a smaller extent, foreign clients. Since 2005 I have practised as Filemot spending a considerable amount of time providing advice either free or at far below the going rate for my level of experience. I also have considerable experience carrying out patent evaluations for prospective investors and freedom to operate analysis for both entrepreneurs and investors.

I am also in contact with a group of over 50 other solo intellectual property practitioners (solicitors and agents) across the country including some overseas. I do not expressly represent their views but I draw attention to this section of the IP practitioner community that is particularly active amongst entrepreneurial businesses. It is not well represented by the professional bodies.

As Lord Triesman said in his address to the CIPA congress, the IP framework is not working optimally. I take seriously the responsibility to make the system improve and focus my efforts specifically on smaller businesses that have potential to grow in order to make an economic impact.

I do not represent patent applicants who are not prepared to make or procure investment to grow their business. I prefer to act for entrepreneurial teams as individual inventors have little prospect of making an economic impact alone.

Patents

When search and examination were separated in 1978, examination was a far more detailed process compared to today's opinion. For some time it has been apparent that permitting the search examiner to introduce his analysis of the search results produces a higher quality product that is of greater utility to applicants. Since the introduction of combined search and examination (CSE) I have recommended it to all my clients. I value the ability to discuss amendments and search results with the

UK IPO examiners. This initial feedback can add considerably to the development of the application for filing within the convention period. Therefore CSE enables IP practitioners to improve quality.

The consultation document states that 20% of applications use CSE. I would expect this to be greater for national originating applications. CSE is very valuable to both entrepreneurs and investors. I believe that it should be available to all without the need for extra fees. Note that I do not object to a fee more proportionate to the cost of the service as long as it applies across the board. **My concern is that serious entrepreneurs who are willing to subject their innovation to public evaluation should not be prejudiced for their integrity. Accordingly, the proposal in paragraph 28 of the consultation that the current practice of automatically conducting a CSE at no extra charge if search and examination are requested to gather would be discontinued, is abhorrent.**

Take Up

The EPO has for some time operated the PACE system where a no fee, no reason, no publicity option has been available. This was taken up by 5.3% in 2006. The EPO is not often used for non-priority applications. National offices, provided they can offer a quality search and examination, are best suited to the initial application. The low take up of this easy entry fast track suggests that a paid for system would have lower take up amongst the properly advised.

Fee levels

If an inflated fee were charged, I would find it more difficult to recommend the proposed fast track to budget-conscious clients. However, given that the present level of official fees is trivial relative to professional fees, it is probable that unrepresented clients would be tempted to enter the fast track. An unrepresented client would be unable to take advantage of the process effectively. The point made in paragraph 36 is valid.

I propose that the fast track should be available only to professional representatives, who would themselves undertake both to their clients and the office to provide the necessary fast track expectations. If a representative was not able to secure co-operation from the applicant after an examination report, he would be obliged to remove the application back to the normal track.

Neither of the fee structures of paragraph 28 is attractive. B is the better option as CSE is a far more efficient process than separate search and examination both for the office and the applicant. In my opinion, demand for CSE by national applicants is a good thing and not something that should be moderated by fees. It should be encouraged.

With a substantial fee supplements are you propose, it seems that a payment is being substituted for reasons. This has the undesirable savour of favouring the rich over the needy.

In a current case which I would like to accelerate, I cannot do so because I do not have sufficient reasons. In fact my reason is that having reviewed and considered the file at the request of the client, it is now inefficient for me to put aside the file for two years while it waits in the queue for examination and then have to rush to deal with it because we will then be close to the end of the acceptance period. Since this client is relatively affluent, I would probably now pay the acceleration fee. Nevertheless, I doubt that the UKIPO will be overwhelmed by demand. I would also expect the current CSE rate to decline because existing users will be peeved at having to pay a penalty.

Ignorance of the existing systems

The media coverage of IP over recent years has raised general awareness. However, despite the UK-IPO's awareness campaigns, it is always possible to conduct surveys of business to show that business is ignorant of this or that aspect of IP. When a partner in a law firm, I paid for research on the ignorance of design protection. When the research was commissioned we knew the outcome. It was simply a peg on which to launch an informative brochure and give it the character of news. In short the

evidence base is often misleading. That which is debated as ignorance of IP is often no more than lack of interest or lack of capacity to retain detailed knowledge. Businesses are overwhelmed with information and have to discard a large proportion of it. In the case of copyright many people are ignorant because they don't want to know about anything that might inhibit their freedom. In the case of the patent system, the volume of detail is overwhelming and it is simply easier to respond to a representative's specific requests for instructions as they arrive.

Therefore although all the inventors at the Ideas 21 meeting said they did not know of the existing acceleration systems, this could be interpreted either that they had never had an opportunity to discover it or that it was a detail they had not retained. If I conducted a survey amongst my clients I think they would all say they did not "know" but in fact they would all have taken advantage of the combined search and exam system and many have UK patents granted within 2 years of the priority date. It would take a careful interrogation to get a reliable result.

Quality compromise

There are very rare cases where accelerated publication is in the best interests of the applicant. It is in the general public interest.

In one very special case, where the application had already been published by a third party in breach of confidence, did I ask for accelerated publication. An applicant requesting accelerated publication really should be taking professional advice. Normal reasons for seeking early examination, such as licensing or investment decisions, seldom require more than early acceptance. If there is an infringement this early

Since as Gowers acknowledges grant earlier than 2 years from first priority date does compromise quality, there is little virtue in offering an applicant a quality-compromised patent and the UK-IPO should not be seeking fees for making such a product available.

Third-party observations

At present, these are rare. The peer to patent project has shown how the Internet could be used to provide a collaborative tool to assist patent examiners. I have been monitoring the project and have recommended it to a number of academic entrepreneurs as a way of facilitating their understanding of the patent system. Participation, however, requires a considerable time investment and this probably explains the small community sizes. Nevertheless third-party observation is a valuable contribution to patent quality and should be encouraged. A mechanism for observations to be filed directly from the UK patents publication enquiry service would be a useful way of encouraging feedback.

I agree with the sentiment at the ideas 21 meeting that three months was the minimum necessary if observations are to be utilised. In the case referred to above where I asked for accelerated publication, there were third-party observations from the party with whom the applicant was in dispute. It was right and efficient that the examiner should have the opportunity to take these into account.

My proposals

The public interest is best served by providing a high quality service for all applicants. The public that have to evaluate patent risk are not well served by long pendency periods and delay. An entrepreneurial company with a dubious patent position is always better off without a final determination. As demonstrated by the "investor" represented at the Ideas 21 meeting, it seems difficult to get across the difference between an allowed application and a pending one. This is consistent with my previous efforts. Therefore most entrepreneurs feel more comfortable with pending applications rather than risking a negative outcome in examination, which they would have to disclose. Therefore the "standard advice" they receive is often that prevarication is best. Since this fits in with the budget pressures that exist at this stage, it is very acceptable advice. Nevertheless, I consider that in the interests of making the IP framework work better, national applicants should be encouraged to use CSE.

Some of the IP awareness budget could usefully be applied to ensuring that angel investors are aware of the usefulness to them of CSE reports so that they ask for them whenever patents are mentioned as an asset of a potential investee.

If I am asked to carry out a patent evaluation for an investor looking at an entrepreneur who has taken the standard advice, I have to do the examination myself and guess what amendments the applicant may make. When the patent application is identical to the priority application and had had no early search report, this is a major task. Investors often balk at the cost and take unnecessary risks, relying on the magic word “patent” in the proposal. Does the UK-IPO have a duty to these “naïve angels”? The UK-IPO does do searches through its search and advisory service for some of the regional development agencies.

If the role of the UK-IPO is to provide balanced support to the UK economy taking account of the interests both of investors and entrepreneurs with patentable technology as well as those without but operating in fields where third parties have long pending applications both in the UK and at the EPO, the best use of its resources is to provide efficient examination for all cases. **Combined search and examination should become the norm and the cost of an extension of time should be an automatic licence of right endorsement.**

Trademarks

The proposal for fast-track trademark application is rather surprising given the current levels of efficiency within the trademark registry. It is likely that naïve unrepresented applicants will be the main users of a fast-track. By contrast to patent fees, official fees for trademarks represent a very considerable proportion of the bill to clients for trademark applications. An inflated fee for the currently proposed modest advantages seems unlikely to attract significant take up.

The current proposal does not suggest any acceleration of the period between acceptance and publication which can represent a significant element of the time taken to registration. **A commitment by the office to publish within a guaranteed period of the application being in order should be included. Fast-track applicants might be asked to waive the opportunity to respond to the search report if there were no other objections to the application.**

There is, I believe, demand among larger brand owners for a fast-track so that brands can be registered in time for a launch without being pending and available to the public for too long so as to risk spoiling the announcement of the new name. Consider, for example, the pre-publicity for the name of the Harry Potter novels provided by the trademark registry. However, the present three-month opposition period is a significant proportion of the time to registration. **If a fast track is really to be introduced then the time prescribed for the purposes of section 38 (2) needs to be reduced too.** A one month period extendable as of right to three months would seem to represent a balance between the applicant’s interest and those of prospective opponents. This would require fast-track applications to be advertised in a separate part of the Journal.

A fast-track examination might be extremely useful for search opinions but even the promised 10 days is likely to dissatisfy most trademark owners who demand instant opinions from their legal advisers. The declaration of intent to use presents problems for this type of use for corroborating opinions. Level of take-up is unlikely to be high for this purpose. However, it does highlight the need for the absolute grounds examination to be of extremely high quality.

Applicants proposing to use a UK registration as the base for an international application filed within the priority period would also be candidates for the fast-track procedure. Again, they would need a shortened opposition period to achieve the desired objective.

In conclusion, I see no benefit of a fast-track procedure that might jeopardize the normal track, unless it can be accompanied by a reduced opposition period and a guaranteed time to publication.

Yours truly,

A handwritten signature in black ink, appearing to read "Barbara Cookson". The signature is written in a cursive, flowing style.

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