

## Patenting Procedure - Overview and Costs

Before deciding to patent an invention, it is important to understand the procedures and costs that can be involved. This note sets out the typical process together with estimates of the likely costs. Of course, the most appropriate procedure and actual costs can vary significantly from case to case and we can advise specifically on the best approach for you.

### The priority application

The first stage in obtaining patent protection is the drafting and filing of the basic “priority” application. Generally, such an application would be filed in the home territory although for convenience, where we act on behalf of foreign clients the first application is generally a UK application. This application serves to establish a priority date for the invention.

The significance of this priority date is that further patent applications, based on the initial priority application may be filed within a year of the priority date and may claim priority from that first filing. This sets the date in time for identifying whether an invention satisfies the requirements of patentability and is the cut-off date for determining earlier publications/ disclosures (prior art) which are relevant to patentability. The costs are for a typical case, are approximate and are exclusive of VAT.

### Requirements for patentability

The three basic requirements for patentability in most countries of the world are that the invention is novel, inventive and industrially applicable. Novelty and inventiveness are assessed with respect to the prior art, and only prior art which is earlier than the priority date is relevant. Prior art would include publications/disclosures made by the inventor/s and it is for this reason that no disclosure of any sort should be made before a priority date is obtained. The general principle is that once something is in the public domain (by publication for example), this cannot be patented. However, if a patent application has a priority date which is earlier than the disclosure, then patentability should not be affected. Whilst this is a general principle, publications made after obtaining a priority date can sometimes have adverse effects on patentability of an invention if the invention is developed with time and an application to the later development is only filed later. The possibility of filing more than one application is considered overleaf.

## Cost of the priority application

In terms of the costs of preparing such an initial priority application, this depends upon how much work is involved, how much prior literature has to be read etc. Generally, we find that costs are in the region of £3,000 - £6,000. To investigate whether or not the invention may be patented, this would involve comparing the invention against prior literature etc. and this might therefore increase costs to the upper end of the scale depending upon how much literature has been identified, needs to be read, etc.

## Further priority applications

Once the initial priority application is filed, nothing further usually needs to be done until shortly before the expiry of the priority year, twelve months after the filing date of the initial priority application. However, as mentioned above, in certain cases where the invention changes with time or inventive modifications are developed it is advisable to file further priority documents to these aspects. Again, the costs of this vary, depending upon how much work is involved. However, because the basic application has already been drafted, the costs would generally be much lower. Such additional priority applications would be cognated with the first priority application at the time of international filing. Further applications are, however, the exception rather than the rule.

## International protection

At the expiry of the priority year (calculated from the first priority application if more than one application is filed), a decision needs to be taken as to whether or not to proceed with international filing based on the original priority applications. Various options are open at this point, including filing separate national applications in the countries of interest or possibly a European regional application at the European Patent Office (EPO). A route more commonly adopted is to file an International (PCT) application in which over 100 countries are designated provisionally. A list of countries party to the PCT (International application countries) and the EPC (European application countries) are available from the web links at the end of this document. It is possible to designate the EPO via the PCT. This latter option has the advantage that the major costs associated with national filing may be deferred.

It is common when filing national/international applications to update the specification to describe new developments and experiments that have been performed (unless these developments are already the subject of a second priority application). Thus, the costs of filing an international (PCT) application depends upon how much work is involved in revising the original priority application text, but generally is in the range of about £4,000 - £5,500, which includes the necessary official fees.

**“An alternative to filing an international application is to file a European application plus separate national applications. At present rates, a European application costs about £4,500 - £6,500 to file.”**

An alternative to filing an international (PCT) application is to file a European (EPO) application plus separate national applications. At present rates, a European (EPO) application costs about £4,500 - £6,500 to file. About half of this cost is in respect of the payment of the examination and designation fees, which can normally be delayed until a year after filing.

The costs of filing separate national applications vary from country to country, particularly where translations are required, ranging from about £1,500 (in an English speaking country such as the USA) to about £4,000 (in countries such as Japan and the Scandinavian countries where translation costs are high).

## Proceeding in the UK only

Of course, you may decide at expiry of the priority year not to file any foreign patent applications but merely to continue with the prosecution of your UK application. In this case, a statement of inventorship must be filed within 16 months of your priority date. The application will then be published approximately 18 months from the filing date and this will set a deadline of 6 months from the date of publication for paying the examination fee. The cost of proceeding with a UK patent application is approximately £600 - £1,500, depending on whether the application requires any revision. The only other costs involved will be the attorney time for prosecution and renewal fees as outlined below.

## Progress of an International Application

If the usual route of filing an international application is followed, the International Search Report (ISR) issues generally at about 15 to 17 months from the priority date (i.e. about three to five months after international filing). The ISR issues together with a Written Opinion which contains the Search Examiner's preliminary opinion on the patentability of the invention claimed. At this stage, a decision should be taken whether or not to proceed with the application, based on the documents which have been

uncovered in the search report and the opinion of the International Examiner. The international application is published with the international search report, if available, shortly after 18 months from the priority date. It is important that any further applications for improvements to the basic invention are filed, or at least considered, before the international application is published, as this will be prior art against any later-filed applications.

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## **International Preliminary Examination**

After the International Search Report and Written Opinion have issued, there is the option of filing claim amendments and arguments, with or without a Demand for International Preliminary Examination which costs about £1,800. If no Demand is filed, the Written Opinion is converted into an “International Preliminary Report on Patentability (Chapter I)” (IPRP Ch.I). If a Demand is filed, the claims are reassessed in light of the amendments and/or arguments that are filed with the Demand and the Examiner’s non-binding opinion on the patentability of the application is then expressed in the “International Preliminary Report on Patentability (Chapter II)” (IPRP Ch.II). In view of the fact that a Written Opinion issues with the ISR, many applicants choose not to file a Demand. It can, however, be useful to correspond with a patent Examiner since the opinion expressed in the IPRP can also influence the examination of the application in the national phases (see below).

The costs associated with this stage of the proceedings depend upon whether amendments and/or arguments are filed, and whether a Demand is also filed. The costs will also depend on the severity of the objections raised. Typically the costs of filing amendments and/or arguments would be in the region of £500 - £1,500. If there are no serious objections then of course the costs would be much less.

## **National and regional phases**

The international application is due for entry into the national or regional phases in the designated states at 30 months from the priority date, i.e. 18 months from the international filing date in most countries. The national phase is the stage at which decisions must be made about the states in which to proceed and this is the most costly phase of the international application. In the national phase, separate fees are payable in each of the national Patent Offices in which it is chosen to proceed and these vary from country to country. The fees payable may also depend on the size of the specification, since for all non-English speaking countries a translation needs to be prepared.

The European regional phase costs about £3,500 - £6,000 to enter. The other countries vary from about £1,500 to about £5,000. Australia, New Zealand and Canada are at the lower end of the scale. Japan and the Scandinavian countries are at the upper end. The USA typically costs about £1,500 - £2,500.

## **Progress of the national phase**

After entry into the national/regional phases, the applications are treated as conventional national applications or, in the case of the EPO, as a conventional European application. As mentioned above, the IPRP is non-binding and hence in most countries there is a separate national examination stage. It is difficult to predict whether or not this would take place in the year that the national/regional phase is entered as some countries, especially the Scandinavian countries, have a significant delay. Generally, Australia, New Zealand and the USA examine within the year of national phase entry.

There would also be costs associated with attorney time for the examination and these are of course variable, depending upon the severity of the objections raised. Costs of about £800 - £2,000 are typical in most countries. The US and Japan are however notable exceptions, where the costs of prosecuting applications through examination are very expensive. Generally, Japanese or US costs associated with an official Examination Report are about £2,000 - £5,000. If several Examination Reports are issued, the costs can mount up to be very significant.

## **Progress of the European application**

In the EPO, the Examiner is usually the same Examiner who examined the application in the international phase. Consequently, much of the “work” involved with the examination may have already been done and generally speaking costs can be kept low, unless International

Examination was problematic and many objections remain. In that case costs of around £1,500 - £5,000 or more could be expected, depending on how difficult it is to convince the Examiner to grant the patent.

## Grant procedures

After examination of the application has been completed and the applications have been allowed, most countries have some form of official fee associated with the grant or issue procedure. For example, in the US, an issue fee must be paid and this amounts to about £1,500.

In the EPO, grant costs are very significant as the European application then breaks up into the separate “national phases”. At this stage it is possible to make a selection of the designated European states in which to proceed. Translations account for most of the costs, but these costs have been mitigated recently by the London Agreement, which reduces the need to file translations in some countries. For an English language specification, some countries require no translation at all and several countries now only require a translation of the claims to be filed. Costs vary between the countries and are also dependent on the size of the specification. For countries where no translation is required, the cost of validation is usually in the region of £500 per country. Where translation of the claims only is required the costs are usually around £600-£1,500 per country. Higher costs, usually in the region of £2,000- £6,000 are incurred if a full translation is required. It is not mandatory to validate the patent in every country.

## Renewal fees

Annual renewal fees are also payable in most countries on pending applications, generally speaking from the third year onwards. These vary from country to country, but are typically in the region of a few hundred pounds per application per year. The renewal fees are payable throughout the life of the patent and generally increase as the patent gets older in order to deter patentees from retaining patents in force which they are not commercialising. In most countries, patents expire 20 years from their filing date.

## Links

- [List of PCT member states](#)
- [List of EPC member states](#)

## Further advice

These figures are necessarily approximate and will vary according to the complexity and length of any case. As many of the costs mentioned are incurred overseas, the estimates can also vary significantly with exchange rate variations. More precise estimates for any work should always be sought if required at the appropriate time.

If you would like any further advice please contact us at Dehns using the details below.



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