

## LexisNexis® Expert Commentaries

### Laurie Axford on the London Agreement to Reduce Translation Costs for Validating Granted European Patents

The [London Agreement](#) will enter into force on 1 May 2008. It will reduce translation costs for validating granted European Patents by as much as one half, which is a significant cost savings for applicants wishing to validate their granted European patents in several European Community member states. The groundwork for this agreement was laid out during the intergovernmental conference of European Patent Organization member states convened by France in June 1999. Implementation required ratification by eight member countries, including the United Kingdom, Germany and France. However, implementation of the London Agreement was held up by France, since France's former president, Jacques Chirac, believed that the agreement would negatively impact the recognition of French as a "language of science." Fortunately, France's new president, Nicolas Sarkozy, did not share this view, and the agreement was finally ratified by France in January 2008.

**The London Agreement Framework.** The three working languages of the European Patent Office (EPO) are English, German and French. Presently, granted European patent claims are translated into all three of these languages. Additional translation costs depend on the number of EPO member states in which the patent owner wishes to validate the European patent. For a 20 page patent specification validated in ten countries that require translations, the cost might be upwards of \$40,000, which is a significant expense for an individual inventor or a small business entity.

The London Agreement eliminates the requirement for translations of patent specifications at the validation stage in all countries that have signed the Agreement, although translations of the claims may continue to be required. However, the London Agreement is not mandatory for all EPO member states. Accordingly, validations in non-agreement countries will still require full translations.

At present, there are twelve signatories to the London Agreement – Denmark, France, Germany, Iceland, Latvia, Liechtenstein, Monaco, Slovenia, Switzerland, the Netherlands, Sweden, the United Kingdom. Although implementing legislation is still pending in these countries, it is likely that Denmark, Sweden, Iceland and the Netherlands will select English as the designated language. Notably absent are Italy and Spain, which are not expected to sign the Agreement.

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**Agreement History.** The London Agreement was concluded on 17 October 2000 with the aim of reducing post-grant translation costs for European Patents. It was quickly ratified by many member countries, but according to the wording in the agreement, it could not come into force until a minimum of 8 countries had joined, where the 8 needed to include the United Kingdom, Germany and France. Thus, the delay of ratification by France until January 2008 prevented the London Agreement from entering into force, despite the fact that all other requirements had been met.

One of the reasons for the delay was that Jacques Chirac, France's former president, and other high ranking French governmental officials held the belief that if patent applications were not translated into French, then the status of French as a "language of science" would be eroded. According to one anti-agreement blogger on the issue, writer Yves Daoudal, "the agreement will consecrate the supremacy of English to the point of giving it almost a monopoly." The anti-agreement lobby was also led by CNCPI, the patent attorney's organization that will lose considerable income from translation work.

When Nicolas Sarkozy was elected President of France in May of 2007, there was an expectation that the London Agreement would be ratified, since Mr. Sarkozy did not share Mr. Chirac's anti-agreement sentiments. Not surprisingly, on 24 August 2007, a bill authorizing ratification of the London Agreement was adopted by the French Government.

On 26 September 2007, France's National Assembly (the lower house of the French Parliament) met to debate the London Agreement. The debate lasted long into the evening before the law was finally voted upon and adopted by the Assembly. Then, on 9 October 2007, the French Senate (the upper house of the French Parliament) accepted the ratification bill for the London Agreement.

On 18 October 2007, President Sarkozy approved the London Agreement. Lord Triesman said, "This historic decision by the French government demonstrates its commitment to European innovation. It is a fitting conclusion to work on cost reduction which began at the initiative of the French Government with the Paris Ministerial Conference in 1999 and was taken forward in London in 2000."

The last requirement for the London Agreement to enter into force was for the French Government to deposit its ratification with the German authorities. After much speculation about how long it would take them to do so, France carried out this last step in January 2008. The London Agreement now goes into force on the 1<sup>st</sup> day of the 4<sup>th</sup> month after deposit, which is 1 May, 2008.

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**Breakdown of EPC Member States.** The following table lists the post-London Agreement requirements for translation of the Description and Claims at the validation stage:

Country	Description	Claims
France	-	-
Germany	-	-
United Kingdom	-	-
Switzerland/Liechtenstein	-	-
Luxemburg	-	-
Monaco	-	-
Albania**	-	Albanian
Latvia	-	Latvian
Lithuania	-	Lithuanian
Macedonia**	-	Macedonian
Slovenia	-	Slovenian
Croatia	to be decided	Croatian
Denmark	English* or Danish	Danish
Iceland	English* of Icelandic	Icelandic
Ireland	English*	-
Netherlands	English* or Dutch	Dutch
Sweden	English* or Swedish	Swedish
Austria	German*	German*
Belgium	French* or Dutch	French* or Dutch
Bosnia & H.**	Bosnian, Croatian or Serbian	Bosnian, Croatian or Serbian
Bulgaria	Bulgarian	Bulgarian
Cyprus	Greek	Greek
Czech Republic	Czech	Czech
Estonia	Estonian	Estonian
Finland	Finnish	Finnish
Greece	Greek	Greek
Hungary	Hungarian	Hungarian
Italy	Italian	Italian
Norway	Norwegian	Norwegian
Poland	Polish	Polish
Portugal	Portuguese	Portuguese
Romania	Romania	Romania
Serbia (extension state)	Serbian	Serbian

\* A translation need only be filed if it is not already the language of the description as published.

\*\* Extension States

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**The London Agreement Timing.** The London Agreement applies to all patents granted after 1 May 2008. This means that, from now on, the London Agreement will apply to all applications receiving an EPO communication (Rule 51(4)) reporting allowance of the application, since the communication allows four months to respond.

For applications that are close to allowance, such as when an Examination Report is received indicating allowability of claims, applicants may want to delay grant by delaying responses to outstanding Examination Reports and other communications that would hasten grant.

For applications that have already been allowed, grant can be delayed by filing an incomplete response to the Rule 51(4) communication. For example, if a response to the Rule 51(4) communication is filed within the non-extendable deadline of four months from the date of the communication, but translations of the claims into German and French are not included with the response, this will elicit a further communication from the EPO requesting the translations and payment of an additional fee. However, strategies to delay grant should be carefully researched so applications do not inadvertently become abandoned.

**About the Author.** Laurie A. Axford is the leader of the Intellectual Property Prosecution Group at Gordon & Rees LLP. Ms. Axford primarily focuses her practice in the area of intellectual property prosecution and licensing, including complex IP portfolio management, and the establishment of IP strategies for start-up companies.

Axford has prosecuted and managed portfolios covering biotechnology/chemistry inventions in fields such as nanotechnology, polymers, textiles, small molecules and immunochemistry, as well as covering business methods/mechanical devices, such as medical devices, mechanical apparatuses, educational systems and computer implemented business methods.

She is often called upon to assist clients in multi-dimensional strategic patent work, including litigation support, opinion work, post-prosecution proceedings, international oppositions, due diligence and other advanced-level client counseling tasks.

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Ms. Axford is a former director of the San Diego Nucleic Acid Conference, and has served on numerous organizing committees for other scientific and legal conferences. She is also past president of the San Diego Intellectual Property Law Association. She received her B.S. and M.S. from San Diego State University and her J.D. from Thomas Jefferson School of Law.