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New patent system cheaper than anticipated:

Swedish companies predict success for new EU patent

Eight out of ten Swedish companies are firmly convinced that the new "Community Patent" will be a success. That's the result of a recent survey carried out by Awapatent. And Swedish companies don't give much credence to previous scares about the system being too expensive.

On 3 March 2003, after years of protracted negotiations, the EU member states reached agreement on introducing a single, community-wide patent system. The language issue – which has been the major bone of contention – was solved by a compromise that allows a patent application to be filed in one of the EU's working languages (English, French or German), while the actual patent claim (approximately 10 percent of the total text of the application) must still be translated into all of the official EU languages. The compromise has been criticised for not doing enough to reduce the high cost of translation.

"Our survey shows that Swedish companies are, in all essentials, positive to the Community patent," says Stefan Hjelmqwist, marketing manager at Awapatent. "Once they discovered what the new costs would be, 21 out of 27 companies reacted highly positively to the new system, and only three claimed that the solution was too expensive."

One explanation for the criticism levelled at the compromise may well be that the EU Commission has provided misleading information about the cost of submitting a patent application under the new system. New calculations from Awapatent suggest that, in terms of costs, the Community patent measures up favourably against a patent application for the USA.

"Companies will save between 40 and 80 percent on the Community patent compared to what they are paying for the national systems currently in operation in Europe," continues Stefan Hjelmqwist. "This will make the new system only marginally more expensive than the one in the USA, where a patent application costs $\leq 14,400$. Under the new European system the fees will amount to $\leq 17,000 - a$ clear saving in comparison with today's cost of around $\leq 1,000$,"

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Awapatent AB is one of Europe's leading consulting companies in intellectual property rights issues (patents, design registration and trademark protection), IT law and bio-science law. Clients include Swedish and foreign industrial companies. Awapatent has approximately 250 employees and reported sales of SEK 368 million for 2001. The company's head office is in Malmö, Sweden.