The EPO – Lost in Regard to Translations?

Thorsten Bausch (Hoffmann Eitle) · Tuesday, May 14th, 2024

All in all, the EPO can rightly be proud of the high quality of the translations it currently offers to its users. Many of my clients have been using the EPO’s translation services when (part of) a hearing was in German or French, and I was constantly advised that they considered the translations excellent and were able to follow the hearing very well.

So it seems that the EPO has a well running system in place, which sounds just like a happy ending to this post.

However, it seems that the EPO management also has a great and well-paid team of internal and external advisers in place who keep telling the management how they could possibly save even more money and run the office “more efficiently”. More than 2 billion EUR in the EPO Treasury Investment Fund (EPOTIF) are clearly not enough. There may always be a gap.

As an Open Letter of the EPO’s Central Staff Committee with Annexes to the Heads of Delegation in the Budget and Finance Committee explains, the present system run by the EPO relies on freelance interpreters who are considered to be employees of the Office for the time they work for the Office. Their conditions of employment put in place since 2002 helped to build a pool of 160 highly qualified interpreters specialised in Patent Law. The EPO management is now proposing to abolish the conditions of employment of interpreters and requests the Budget and Finance Committee for their opinion.

This suggested change may turn out to be quite a spectacular own goal.

Estonia lost 0:1 against Slovenia through an own goal.
The documents annexed to the Staff Committee’s letter speak for themselves and I recommend them for further reading. To put it very briefly, it may very well happen that translators heretofore employed by the EPO must now reduce their availability for the EPO in order not to be classified as bogus self-employed (“schein selbständig”) but as true free-lancers. Moreover, translators will now have to pay full national income taxes, which means that they would have to charge the EPO significantly more than in the past. To anticipate this development, the EPO already proposed an increase by 40% of the interpreters’ daily rates – but even this, according to the translators, would be insufficient to compensate the taxation. And, finally, the EPO would have to pay VAT in non-EU countries such as in the United Kingdom and Switzerland where 25% of interpreters are residents.

The EPO Central Staff Committee concludes that the EPO would no longer be competitive in comparison with other international organisations still using a hybrid model such as the EU, UN, WTO and others. In addition, they argue that the vast number of comments from the interpreters would show that neither the legal nor the fiscal issues seem to have been properly considered in the document.

In my view, the EPO would be well advised not to jeopardize its pool of interpreters specialised in Patent Law. A shortage of interpreters with the requisite skill set would ultimately result in risks to the quality of interpretation services for the users of the patent system and a loss of reputation of the EPO. And I am not even convinced that it will really be cheaper for the EPO to change this well running system.

_____________________________

To make sure you do not miss out on regular updates from the Kluwer Patent Blog, please subscribe here.

Kluwer IP Law