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SINGLE EUROPEAN PATENT: STIMULATION OF INNOVATIONS IS NOT FOR FREE



In the European Union, the intellectual property rights are pretty costly and administratively burdensome. The price for a patent registration in the whole EU is approx. EUR20,000 and 80% out of it cover the costs of interpretation. For this reason, the European Commission, after the endorsement of the enhanced procedure by the Competitiveness Council, published a proposal for a Single European patent in March

2011. According to the European Commission, the proposed patent should reduce costs and simplify procedures in all participating countries, i.e. in the whole EU excluding Italy and Spain. The advantage of this proposal, beside cheaper patents, would also be the single interpretation. Reduced interpretation costs would be achieved by computer-like interpretations. Nevertheless, the proposal is not for "free" as it can also represent some disadvantages for Czech companies in form of higher number of competitors with patents in the Czech Republic, uncertain legal protection in case of computer-like interpretations and court disputes in foreign languages. The European single patent can be also a threat for those who are not actively interested in it. On the other hand, single patent can be a "stimulus for innovations and an opportunity for those who wish entering foreign markets" according to Antonín Borovka from company LINET s.r.o. These are conclusions of CEBRE debate that took place on 4th Oct. 2012 in the European House in Prague.



From left Antonín Borovka of LINET s.r.o., Michal Havlík of Czech National Group of the International Association for the Protection of Intellectual Property (AIPPI), František Kania of Czech Chamber of Patent Attorneys, Eva Schneiderová of Industrial Property Office, Alena Vlačíhová of CEBRE

No to women quota!



The European Commission was to present its proposal for a Directive on improving the gender balance among non-executive directors of companies listed on stock exchange on 23rd October 2012. Nevertheless the college of Commissioners has decided to postpone the discussion to 14th November. For us it is a good sign that Members of college are aware of potential risks the proposal could have on companies. Chosen approach of the Commission to deal with low representation of women on boards by obligatory quota is not a good step forward according to Czech industry. On the contrary, this approach may be counterproductive. Czech businesses striking with crisis on one hand and lacking employees with right professions on the other hand still (voluntarily) do

support employment of women and development of their potential. Businesses are aware that women represent 45% of active people and 56% of tertiary-educated graduates and do not doubt their important contribution to better competitiveness of companies. The principle of gender equality and workforce diversity is always applied in human resource management in each company. Any profit-oriented company does not choose the persons of the board according to their sex, but according to their qualities and experience. We should therefore rely on auto-regulation and not set up obligations, which are not possible to be fulfilled given to other reasons. Proposed sanctions could hit hard companies already hit by crisis trying to sort out of the recession!

CEBRE was founded in 2002 by the three most important Czech business organizations - Czech Chamber of Commerce, Confederation of Industry of the Czech Republic, Confederation of Employers' and Entrepreneurs' Associations of the Czech Republic with kind support of the Ministry of Industry and Trade via its Trade promotion agency CzechTrade.



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News FLASH

>FOOD WASTE IS NOT WASTED IN THE CZECH REPUBLIC

The EC plans to reduce the food waste by half. Czech commercials say there are several possibilities in the Czech Republic to follow, such as different size of goods packaging, better functioning of logistic centres, respecting temperature chain, and last but not least the possibility to give the goods with expired date of minimum duration to "food banks" that hand it over to those in need.

>SBA ASSESSMENT

According to the EC annual assessment of progress in implementation of the Small Business Act (SBA), all SME indicators for the Czech Republic are still below pre-crisis 2008 levels. The SBA profile of the Czech Republic has improved in Entrepreneurship, Access to finance and Internationalisation, but only scores slightly above average in Skills and innovation.

>CZECH CAREER SCHEME III

The continuity of the Project of National scheme of professions and National Scheme of Qualifications aiming at creation of a catalogue of professions will be ensured. Sectorial Councils, working with all stakeholders (i.e. schools, universities, labour offices), are responsible for defining problems in their sector, aim at their activities and set up relevant provisions.

Single Market Week – 20th Anniversary

Delegation of twenty-two Czech companies arrived to Brussels on 17-18th Oct. to celebrate the Single Market Week. The aim of their visit to EU institutions was to better understand the progress in EU integration and to give a feedback to EU officials and decision-makers regarding barriers to Single Market. Ambitious plan for creation of the Single Market for all Member States where goods, people, services and capital circulate freely was to be reached in 1992. Twenty years later, we think the Single Market has not been completed yet and some old (even new) barriers persist. The Single Market is not static, it is a dynamic process invoked by social, economic and technological progress. Newly appeared barriers require new regulation. Beginning nineties one would not expect that there would be the need to regulate Internet or create the Digital Single Market in the future. Economic and financial crisis has also pointed out how important it is to go deeper in the integration regarding the monetary union and economic governance. The crisis was also an impulse for some Member States to create new protectionist measures that must be fought in the name of the Single Market. The delegation of Czech companies headed by Petr Kužel, President of the Czech Chamber of Commerce had the possibility during their stay in Brussels to talk about the Single Market with H.E. Martin Povejšil, Permanent Representative of the Czech Republic to the EU. According to Czech companies the main problems

lie in burdensome regulation. Less means more! New EU legislation must be really needed. For this reason the impact assessments with specific focus on SMEs must be drafted and SME representative must have the right to be involved in this process. The gold-plating at national level must be avoided and Member States should be obliged to publish the correlation tables on one central website to make clear how the EU legislation was transposed. The companies also require heavy sanctions on Member States for late and bad transposition of EU law. Among existing barriers the companies identified the recognition of professional qualifications, certifications and tests of products. One point they stressed was also the reduction of CO₂ emissions and energy efficiency. The EU should not be the only global player in this sense. If we stay alone, we risk losing our competitiveness in the world!



Czech businesses discuss the future of Single Market Act and eurozone with Jiří Plečičký, Member of Cabinet of Commissioner László Andor.

EESC CORNER: A FORTNIGHT IN THE EESC – BEGINNING OF OCTOBER 2012

Always busy! If not working on an opinion as a rapporteur, I closely follow the points of interest in such earthly issues as European Innovation Partnership in Water and many others. The mentioned above deals with a concise and focused approach to innovation processes, and I have had a number of comments (hopefully) accepted! If the innovation is orchestrated and focused on the most important issues of particular river basins, it can improve water management efficiency as well as access to this, ever scarcer, resource. The most exciting week, in my view, was the first one in October. I managed to organise a critical discussion on energy issues and the transition to the low-carbon economy. The special guest of honour was Professor Vaclav Smil. He is a Distinguished Professor Emeritus in the Faculty of Environment at the University of Manitoba in Winnipeg and a Fellow of the Royal Society of Canada. His interdisciplinary research includes the studies of energy systems (resources, conversions, and impacts), environmental change (particularly global biogeochemical cycles), and the history of technical advances and interactions among energy, environment, food, economy, and population. He is the author of more than thirty books and three

hundred papers on these subjects and has lectured widely in North America, Europe, and Asia. In 2010 he was noted by Foreign Policy magazine as #49 on its list of the 100 most influential thinkers in the world. His incisive remarks on many energy and climate-change policy issues took aback the representatives of the EC and pleased all of us, who call for introducing common sense and basics of physics in this political discussion. In March next year, he will attend the Energy Congress in Prague, and his book "Energy Myths and Reality" will be published in the Czech language! It is a really very topical book nowadays! I do not mention the conference on woodworking industry in the EESC in greater extent: it was focused on maintaining competitiveness of forest industries: very much, a follow-up of my opinion. The thrilling event last week was a visit to the Finnish Olkiluoto nuke: not only, because such an immense project as such, but also because of quite a unique business model in practice: however, it deserves a special, more detailed analysis in one of the next issues!



Josef Zbořil,
Member of EESC,
Group I - Employers

CONFEDERATION OF INDUSTRY CR: COHESION POLICY FOR ALL

Cohesion policy will be one of the key instruments to reach Europe 2020 goals in the period 2014-2020. Therefore, the current decision process on new rules is scrutinised by all stakeholders and the European Commission is often criticized for certain changes in the conditions under which it will be possible to gain support from EU funds. One of them is a proposal to exclude large companies from the possibility to make use of funds for regional investment, which has been criticised both by Confederation of Industry of the Czech Republic (SP ČR) and BUSINESSEUROPE. Radek Špicar, Vice-president of SP ČR responsible for Economic Policy and Competitiveness made this position very clear during a seminar called "Cohesion Policy after 2014: Enabling Companies to Stimulate Growth?" organized by BUSINESSEUROPE in Brussels last month. According to VP Špicar, the financial support from structural funds will be the only source of money for many regions, as there is a lack of investment due to ongoing crisis. Therefore, he sees the distinction between large enterprises and SMEs rather artificial and pointless. As he mentioned, "SMEs and large companies live together in a kind of symbiosis, meaning that if large enterprises are available to use financial support from EU funds, it will help SMEs as well thanks to their interconnection". In addition, structural funds should focus on raising competitiveness of the EU as a whole. And while subsidies are not the main reason to invest in certain region, it can be a minor, but a decisive element that will play an important role in the final decision.



CEBRE CALENDAR:

- CEBRE debate: Schengen area (Prague), 13th Nov., 2012
- CEBRE participate in: First SME Assembly (Nicosia), 15-16th Nov., 2012
- CEBRE debate: Horizon 2020 (Brussels), 27th Nov., 2012
- CEBRE debate: Quality of tertiary education (Prague), 18th Dec., 2012

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CEBRE – Czech Business Representation, protects the interests of the Czech business community in relation to EU institutions, informs Czech businesses about EU legislation affecting them, trains Czech entrepreneurs in Brussels and represents Czech business associations at European business federations. Contact: Czech House, 60 Rue du Trône, 1050 Brussels, Tel: +32 2 502 0766/+32 2 502 8091, e-mail: brussels@cebre.cz, www.cebre.cz