

WIPO/INV/BEI/02/1/REV

ORIGINAL:English

DATE:May2002



STATEINTELLECTUALPROPERTYOFFICE
THEPEOPLE'SREPUBLICOFCHINA



WORLDINTELLECTUAL
PROPERTYORGANIZATION

**SECONDIINTERNATIONAL FORUMON
CREATIVITYANDINVEN TION – ABETTERFUTUREFOR
HUMANITYINTHE21ST CENTURY**

organizedby
theWorldIntellectualPropertyOrganization(WIPO)

incooperationwith
theStateIntellectualPropertyOffice(SIPO)of
thePeople'sRepublicofChina

Beijing,May23to25,2002

WEALTHCREATI ONTHROUGHINVENTION ,INNOVATIONANDCRE ATIVITY
(PHILOSOPHICAL,HUMA NITARIAN,EMPLOYMENT AND
DEVELOPMENT-RELATEDASPECTS)

SOCIAL,HUMANITARIAN ANDCULTURALASPECT SOFINVENTIONSAND
INNOVATIONSASTHEK EYTOTECNOLOGICAL
ANDSOCIALPROGRESS

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I. INTRODUCTION

1. Intellectual property, with its close companions, skill, creativity and inventiveness, is strengthening its key position in international cooperation and competition. It is the basis of the well-being of industrialized countries, while in my opinion it is the hope for a better future for developing countries; this applies also to countries in transition. The role of these things has grown in the world as the result of such phenomena as globalization, industrialization and technological progress. Because of the constant great changes and growing interest to which it has given rise, the World Intellectual Property Organization (WIPO) has in recent years had to organize several diplomatic conferences and a number of expert level meetings on the subject in addition to its regular activity.

2. WIPO promotes the protection of intellectual property throughout the world by means of intergovernmental cooperation among other things. The main branches of intellectual property are industrial property rights and copyright, as we know. Industrial property rights include inventions, trademarks, service marks, trade names and registered designs. Copyright covers literary, musical and photographic works, while for example, while intellectual property also takes in the rights relating to protection against unfair competition.

3. The cupola of the WIPO headquarters building bears the following inscription: "Human genius is the source of all works of art and invention – these works are the guarantee of a life worthy of men – it is the duty of the State to ensure with diligence the protection of the arts and inventions." Consequently intellectual property, or human capital, is quite a broad concept; it has significant social and individual dimensions of its own. In my opinion, however, it is our duty not only to protect intellectual property but in every way to promote its creation as well as to promote invention, innovation and creativity. For only this will offer a better future for mankind and the various nations. Naturally we also need training and basic research to achieve the best results in this respect.

4. Now that the freezing winds of the Cold War between East and West are gone, the relation between the "rich North" and the "poor South" has become one of the most central future issues on our globe. There is the danger that the gap between the wealthier and the less wealthy countries will also widen in the utilization of knowledge – how, as it will in economic well-being. Increasing skills and the utilization of knowledge – how is however almost the only means for developing countries to create a better future. With time, it is also a guarantee for better results in various basic trades as well as in industry and, for instance, the medical service, social issues and so forth. Many developing countries have made notable achievements in a range of fields and thereby raised their well-being. Unfortunately many others still have a long way to go.

5. WIPO has an extensive and wide Development Cooperation Program that involves dozens of countries and hundreds of projects. This is natural, and significant, as WIPO's largest group of Member States is still the developing countries or countries in transition. Input into development cooperation has also increased constantly, and Finland has itself actively participated in it. Under WIPO's development cooperation Program for the National Board of Patents and Registration of Finland has received scholarship trainees from countries like Argentina, Brunei, Chile, Eritrea, Ghana, India, Nepal, Pakistan, Paraguay, Romania, Sri Lanka, Sudan, the United Republic of Tanzania, Uruguay, Venezuela, Viet Nam and Zimbabwe. To my mind utilization of intellectual property is one of the areas in which a small industrialized country can most effectively help developing countries.

6. Representatives of some developing countries have from time to time stated that their countries gain little if any significant benefit from developing a system for protecting intellectual property. On a more general level, it is occasionally asked why a country should protect for instance foreign inventions, trademarks and copyright. It has been claimed that the system mostly favors foreigners and provides no benefit nationally.

7. In the 1990s, at the invitation of WIPO and the Sri Lankan Government, I was a visiting speaker at a two-week seminar dealing with intellectual property issues. Participants came from about 20 Asian and Pacific region countries. While working as a teacher I myself learned, especially about how difficult it is still for many developing countries to utilize industrial property rights and even to create a functional IPR system. A question often asked was: Why should we in our country protect high-level products that come primarily from industrialized western countries?

8. A good answer to this question was at that time given by the Sri Lankan Minister of Trade and Commerce, Mr. A.R. Munsor, in his address, part of which I shall quote:

First is the moral argument. Because intellectual property is intangible, its misappropriation does not seem to be regarded in the same light as would be the taking, without the owner's consent, of his physical possessions. Yet this should not be so. An inventor or composer may make his living that way. To deprive him of the fruit of his activity is to deprive him of his livelihood.

On a different level, enterprises normally need to make a considerable investment of money, time, manpower and other resources in the inventive process. The end result is of value, often of considerable value. If the invention is to be opened for all to copy, without compensation of any kind to the inventor, investment of further resources in innovation, development and improvement will be curtailed, and opportunities for increasing the technological infrastructure will be diminished. Inventors will then tend to try and keep their processes as trade secrets and, to the extent that they are successful in this, they will never come into the public domain.

However, the protection of Intellectual Property does not only have a moral dimension. There are also sound economic reasons for such protection, whose benefits accrue to the protector as well as to the protected, and to the country as well as the individual.

Those who improve the human condition by their inventive essences should be cherished, rewarded appropriately, and encouraged to continue exercising their special talents. The Patent System does this. It discourages the keeping of trade secrets by providing the inventor with a monopoly of his invention for a limited period in return for full public disclosure of the invention. The length of this period is chosen by the country affording the protection as being sufficient for the inventor to obtain an adequate reward, but not so lengthy as to delay unreasonably the placing of the technology in the public domain. So as well as rewarding and promoting the innovative activity, the Patent System confers a public benefit by making the results of innovative activities available to all the world at an early date.

Developing countries which have a strong patents system protecting foreign inventions would thereby profit in the easy acquisition of foreign technology. The modern technology often needed for the acceleration of the economic development of some of the countries in this region may not be available owing to financial constraints. The

importing country may have no money. In that event, the owner of the technology may be prepared to make an investment in the country, such as by building a factory which will provide local employment opportunities among other benefits. This kind of foreign investment is unlikely to be made if his patents and trademarks are unprotected. He will be extremely unwilling to establish a factory, and train local people in the necessary skills, if the result is that he discloses all the necessary know-how, with the possibility of the technology being misappropriated. Therefore, to attract foreign investment a strong Patent System is absolutely necessary.

It is thus abundantly clear that the intellectual property system provides the climate for stimulating innovative activity, encourages the transfer of technology, and promotes the orderly marketing of goods and services. A strong, modern and efficiently administered system, designed to be relevant to a country's needs, policies and state of development, is an essential tool in the expansion and strengthening of the base of technological and economic development.

9. I have deliberately wanted to quote this Sri Lankan speech, as it reflects an Asian point of view and as we are now in Asia, in China's historic capital, Beijing.

10. Of course, sceptical and even critical addresses have also been heard from developing countries on this matter, but, without the industrial property and copyright system it is very difficult, indeed nearly impossible, for an individual country to become industrialized, or to participate at all in international cooperation and commerce in this area.

11. We must also remember that the Paris and Berne Conventions, among others, have been in force for well over 100 years. Great progress has been made in the fields of technology, economy, science and the arts in all countries with an efficient and continually developing system for protecting intellectual property. Yet we must also take into consideration that the building of these systems generally takes time if we want to achieve real results.

12. To fight physical and mental recession we have to put our trust in human capital and skill. It should be particularly underlined that training and research play a central role in this respect. More jobs are created through inventions, at least in the long term. When diligence in work is added to know-how, we will be able both to drive the recession away and to keep it from coming back in the future. At the same time we are ready to face different challenges. As I stated earlier, intellectual property rights (IPRs) and related issues also occupy a central position in the creation of international trade relations and development cooperation.

13. Today, new ideas and inventions are urgently needed in many different fields and subject areas throughout the world. Environmental protection is one such field. By means of new technology and new methods, endangered life and polluted nature can be protected and taken care of in practice. The human being has always exploited nature and natural resources and always will, but we must, of course, at the same time safeguard the future of the globe and try to prevent ecological catastrophes.

14. Besides environmental protection, there are many other areas where new inventions are badly needed. In medicine it is necessary to find new ways of healing widespread diseases. The growing need for energy in industrialized and now also in developing countries and countries in transition calls for new, better but because of growth increasingly efficient inventions; there is actually a constant need to find new, improved solutions in almost all fields of human activity. We should also keep in mind what a vast volume of intellectual

capital and information is contained in the public patent documentation, which is now increasingly available through electronic systems.

15. In WIPO's publication "Vision and Strategic Direction of the World Intellectual Property Organization," Director General Kamil Idris addresses the present topic, for example, as follows:

According to the trends in wealth creation, the most dynamic economic sectors are those related to intensive knowledge activities, intensive intellectual property activities. These trends are important not only with regard to the future of the protection of intellectual property as strategic macro and micro-economic tool, but also with respect to the nature and type of investment that will need to be enhanced in the near future in order to underpin national development and make intellectual property relevant to the people.

Hand in hand with technological development, intellectual property has become a global issue, because of its increasing relevance to key and critical policy fields such as food security, health, labor, trade, culture and heritage, environment, investment and scientific and technological transformation; particularly as we move into the knowledge-based economy, in which a nation's well-being will depend more and more on its access to and use of the intellectual property system to generate wealth and social good.

Given its increasing global relevance, the intellectual property system cannot continue to evolve as an issue limited in scope and focused mainly on maintaining and developing intellectual property rights protection. The more intellectual property becomes central to economic growth and wealth creation, the greater will be the challenge of developing the international intellectual property system in a way that it be instrumental to social and economic development.

II. CONCLUSION

16. In this presentation, I wanted to stress the basic reasons why intellectual property – cherishing, developing and protecting it – is vital to the success of each nation and each individual. It is a fundamental prerequisite for international exchange, trade and industrial cooperation that benefits all parties in a wide sense, and at the same time a guarantee of a better future for humanity.

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