

## MAIN PROGRAM 09

# Development of Industrial Property Law

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### 09.1 Law of Patents

### 09.2 Law of Trademarks, Industrial Designs and Geographical Indications

### 09.3 Protection of Industrial Property Rights in Global Electronic Commerce

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#### Main objectives:

- ◆ To achieve more rapid, practically beneficial harmonization of key aspects of industrial property law and its administration.
- ◆ To respond in a timely and effective manner to new operational and legal demands confronting industrial property law and administration.
- ◆ To establish a framework for developing rules and principles for the effective protection of industrial property rights in global electronic commerce.

#### **Current situation**

Principles and rules in national and regional industrial property laws and procedures differ from country to country and sometimes require unnecessary formalities. This causes problems to industrial property owners who seek protection in several countries, and to industrial property offices in their worldwide cooperation. In addition to the ongoing harmonization of formalities in the field of patents, other specific demands for harmonization of industrial property norms and procedures have arisen.

Moreover, the advent of large-scale electronic commerce across national borders has created a complex set of challenges for the protection of industrial property rights. The increasing policy-level and legislative focus on industrial property will fuel further demand for WIPO's support in providing legal advice and information concerning industrial property law and WIPO treaties and other forms of agreement in this field.

#### **Strategy for the future**

Given the practical imperative for accelerated development and implementation of certain international harmonized common principles and rules in industrial property law, the future strategy for this main program includes consideration of ways to complement the treaty-based approach, as discussed above in the Introduction (p. vii). If Member States judge it to be in their interests so to proceed, a more flexible approach may be taken towards the harmonization of industrial property principles and rules, and coordination

of administration, so that results can be achieved and applied more rapidly, ensuring earlier practical benefits for administrators and users of the industrial property system.

As an initial step, Standing Committees, made up of all interested WIPO Member States (with, as observers, interested IGOs and NGOs) and taking up the functions previously served by various disparate Committees of Experts, will monitor all activities in the area of international industrial property law, decide priorities, and prepare studies and proposals for improvement. They will also consider the most appropriate mechanism for implementation of such proposals once deliberations have reached the point where the overall contents of an emerging solution have become manifest.

For instance, projects of an essentially administrative nature could culminate in a Memorandum of Understanding (MoU) or similar instrument, rather than a formal treaty; activities aimed at harmonization of national laws may be advanced through the conclusion by the Standing Committee and adoption by the WIPO General Assembly (or another WIPO Assembly), of a resolution recommending that Member States and interested IGOs adopt and implement these principles and rules; and work requiring a rapid, interim result could, pending further agreements, be achieved through the publication of model principles and rules that would be available to any legislator or other authority seeking guidance on how to solve specific problems, similar to WIPO's Model Provisions on Protection Against Unfair Competition.

Each Standing Committee could create one or more Working Groups, meeting in conjunction with the Committee, to draft relevant provisions and documents concerning a particular program activity, for consideration by the Committee. The Standing Committees will present their conclusions to the WIPO General Assembly for consideration and ratification.

**New  
program  
activities**

- ◆ Establishment of a Standing Committee on the Law of Patents, a Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications, and an Advisory Committee on Protection of Industrial Property Rights in Global Electronic Commerce, to monitor all activities in the area of international industrial property law, and related general industrial property issues, prepare studies and proposals for improvement, and consider the most appropriate approach to their adoption and implementation.

**Expected  
results**

- ◆ Faster progress in the harmonization of national and regional industrial property laws and practices, and advancement of the development of industrial property law in order to keep pace with the rapid technological changes and the challenges posed by the global electronic commerce.

## Sub-program 09.1

### Law of Patents

#### Objectives:

- ◆ To harmonize and simplify formalities in national and regional patent procedures.
- ◆ To establish a system for central recording of changes in patents and patent applications.
- ◆ To harmonize rules concerning patent law implications of disclosure of information on the Internet.
- ◆ To establish a system for deposit of DNA sequence listings referred to in patent applications.

**Background** National and regional patent procedures differ from country to country and sometimes require unnecessary formalities, causing problems to patent applicants and owners. In addition to the ongoing harmonization of formalities in the field of patents, specific demands for harmonization of industrial property norms and procedures have arisen in relation to the recordal of DNA sequence listings in patent applications, and the implications for patentability of information disclosed on the Internet. The need for a central recording of changes of patents and patent applications is also felt by interested circles.

**Main activities** Consideration by the Standing Committee on the Law of Patents (and a Working Group set up by this Committee) of current issues including:

- ◆ **Patent Formalities Harmonization:** reviewing the draft Patent Law Treaty and draft Regulations, using, wherever possible, solutions adopted for PCT procedures; preparation for a diplomatic conference, to be preceded by a preparatory meeting dealing with procedural aspects of the conference.
- ◆ **Central Recording of Changes in Patents and Patent Applications:** study of the desirability and feasibility of establishing a central system for the International Bureau to record changes in patents and patent applications with effect for participating industrial property offices.
- ◆ **Disclosure of Technical Information on the Internet and its Impact on Patentability:** study of the desirability and feasibility of harmonizing rules concerning the patent-law implications of disclosure of information on the Internet, such as its impact on patentability, including whether such information has become state of the art even if it was disclosed on the Internet for only a limited time.
- ◆ **Biotechnological Inventions:** consideration of practical questions relating to the patenting of biotechnological inventions, taking into account any conclusions drawn from the deliberations of the Working Group established under sub-program 11.2, in particular the desirability and feasibility of a system for the deposit in a data bank of DNA sequence listings referred to in a patent application, so that a reference in a patent application to the deposited listing would replace the whole contents of the

listing; study of the circumstances in which such data banks would be authorized or obliged to grant access to the listings or to release copies.

Other consultancies and promotion and information activities concerning patents and industrial property in general:

- ◆ 12 months of **consultancies**, including participation of five consultants in a two-day meeting in Geneva.
- ◆ **Staff missions** to visit Governments and to participate in meetings of intergovernmental and non-governmental organizations.
- ◆ In coordination with other programs, **promotion activities** aimed at acceptance of WIPO treaties, resolutions, recommendations and memorandums of understanding concerning international industrial property law.
- ◆ Publications concerning international industrial property law, including updated versions of the *Guide to the Deposit of Microorganisms under the Budapest Treaty*.

#### Expected results

- ◆ Finalization of the draft Patent Law Treaty, and preparations for a diplomatic conference.
- ◆ Clearer practical understanding of the desirability and feasibility of establishing a central recording for changes on patents and patent applications.
- ◆ Clearer practical understanding of the desirability and feasibility of harmonizing rules concerning the impact of disclosures on the Internet on patentability.
- ◆ Clearer practical understanding of the desirability and feasibility of establishing a system for the deposit of DNA sequence listings.

Law of Patents (in thousands of Swiss francs)											
Sub-program 09.1	Official Travel and Fellowships			Contractual Services				Operating Exp.		Equipment and Supplies	
	Staff Missions	Part. Govt Officials	Fellowships	Conferences	Consultants	Publishing	Other	Premises & Maint.	Comm & Other	Supplies & Materials	Furniture & Equipment
<b>Total</b>	<b>1,374</b>	50	745	-	340	230	9	-	-	-	-

## Sub-program 09.2

# Law of Trademarks, Industrial Designs and Geographical Indications

### Objective:

- ◆ To harmonize principles and rules of the law of trademarks, industrial designs and geographical indications.

**Background** Principles and rules of the law of trademarks, industrial designs and geographical indications differ from country to country. This causes problems to owners of trademarks and industrial designs who seek protection in several countries and, in the case of geographical indications, to users of geographical indications whose products are distributed in several countries.

**Main activities** Consideration by the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (and a Working Group set up by this Committee) of current issues including:

- ◆ **Well-Known Marks:** review and finalization of the provisions on the protection of well-known marks prepared before the biennium.
- ◆ **Use of Trademarks on the Internet:** in coordination with activities under sub-program 09.3, study of the desirability and feasibility of harmonizing national rules concerning the circumstances in which use of a trademark on the Internet constitutes use of a trademark or trademark infringement.
- ◆ **Trademark Licensing:** study of the desirability and feasibility of harmonizing rules concerning trademark licensing.
- ◆ **Geographical Indications:** study of the desirability and feasibility of establishing guiding principles on topical issues concerning protection of geographical indications, covering the definition of the subject matter to be protected, whether protection should be based on registration and, if so, the desirable essential features of the registration procedure (including the extent to which applications for registration should be examined), as well as possible solutions for conflicts between trademarks and geographical indications.

Consultancies and promotion and information activities concerning trademarks, industrial designs and geographical indications:

- ◆ 12 months of **consultancies**, and participation of five consultants in a two-day meeting in Geneva.
- ◆ **Staff missions** to visit Governments and to participate in meetings of intergovernmental and non-governmental organizations.

- ◆ Conduct of a **symposium on the international protection of geographical indications** in cooperation with an interested government.
- ◆ **Publication of a volume** with the presentations and a summary of the discussions at the 1997 Eger Symposium on the Protection of Geographical Indications in the Worldwide Context.
- ◆ **Notifications of emblems** of States and intergovernmental organizations under Article 6ter of the Paris Convention and in accordance with the 1995 Agreement between WIPO and the WTO.

#### Expected results

- ◆ If it is found to be appropriate, the adoption of provisions on the protection of well-known marks.
- ◆ If it is found to be appropriate, the publication of provisions on the unauthorized use of trademarks on the Internet.
- ◆ Clearer practical understanding of the desirability and feasibility of harmonizing rules concerning trademark licensing, and of establishing guiding principles on topical issues concerning geographical indications.

Law of Trademarks, Industrial Designs and Geographical Indications (in thousands of Swiss francs)											
Sub-program 09.2	Official Travel and Fellowships			Contractual Services				Operating Exp.		Equipment and Supplies	
	Staff Missions	Part. Govt Officials	Fellowships	Conferences	Consultants	Publishing	Other	Premises & Maint.	Comm & Other	Supplies & Materials	Furniture & Equipment
<b>Total</b>	<b>1,114</b>	72	508	-	297	230	7	-	-	-	-

### Sub-program 09.3

## Protection of Industrial Property Rights in Global Electronic Commerce

#### Objective:

- ◆ To develop common international principles and rules for the effective protection of industrial property rights in global electronic commerce.

**Background** Global electronic commerce, including commerce on the Internet, is growing at an unprecedented rate, and is expected to reach a level of \$100 to \$200 billion by the year 2005. In a medium which channels such an extensive volume of commerce, effective protection of industrial property rights is essential. Information placed into global electronic commerce by a commercial user is immediately accessible, simultaneously, in every country of the world, hence creating a difficult challenge for the current industrial property system, in which rights are enforced on a territorial basis.

The fact that commercial users of global electronic commerce could be subject to the laws and to the courts of many countries simultaneously has serious implications for principles concerning protection of industrial property rights in international commerce. These principles should be re-evaluated in the context of global electronic commerce, and possibilities for international dispute settlement alternatives specifically designed for industrial property disputes in global electronic commerce should be explored.

Consequently, a discussion of the appropriate legal infrastructure within which industrial property rights can be effectively protected in the emerging electronic commerce system needs to be undertaken as a matter of urgency. This study would take into account relevant deliberations of the expert meeting on intellectual property beyond territoriality and any other outcomes under sub-program 11.4. Work under this sub-program would also be coordinated with relevant aspects of sub-program 10.5

### Main activities

- ◆ Exploration of issues concerning protection of industrial property in global electronic commerce, by an Advisory Committee on Protection of Industrial Property Rights in Global Electronic Commerce, made up of WIPO Member States and interested intergovernmental and non-governmental organizations.
- ◆ Studies, with support from consultants, to identify problems and potential solutions for protection of industrial property rights in global electronic commerce, taking into account activities under sub-program 11.4.
- ◆ Cooperation with other international and national institutions, including other international intergovernmental organizations, concerning protection of rights in global electronic commerce.
- ◆ Research into the applicability of current industrial property laws to global electronic commerce; identification of areas where global principles could be developed; and preparation of analyses, reports and recommendations.

### Expected results

- ◆ Greater practical insights into the applicability of current industrial property law to global electronic commerce and possible areas for development of global principles.
- ◆ Clearer practical understanding of the desirability and feasibility of adaptation of existing principles of industrial property protection to the protection of industrial property rights in global electronic commerce.

Protection of Intellectual Property Rights in Global Electronic Commerce (in thousands of Swiss francs)											
Sub-program 09.3	Official Travel and Fellowships			Contractual Services				Operating Exp.		Equipment and Supplies	
	Staff Missions	Part. Govt Officials	Fellowships	Conferences	Consultants	Publishing	Other	Premises & Maint.	Comm & Other	Supplies & Materials	Furniture & Equipment
<b>Total</b>	<b>901</b>	89	69	-	130	383	30	10	50	-	140

## Program Budget Summary

<b>Development of Industrial Property Law</b> (in thousands of Swiss francs)											
	<u>Official Travel and Fellowships</u>			<u>Contractual Services</u>				<u>Operating Exp.</u>		<u>Equipment and Supplies</u>	
	Staff Missions	Part. Govt Officials	Fellowships	Conferences	Consultants	Publishing	Other	Premises & Maint.	Comm & Other	Supplies & Materials	Furniture & Equipment
Sub-program 09.1 <b>1,374</b>	50	745	-	340	230	9	-	-	-	-	-
Sub-program 09.2 <b>1,114</b>	72	508	-	297	230	7	-	-	-	-	-
Sub-program 09.3 <b>901</b>	89	69	-	130	383	30	10	50	-	-	140
<b>Total 3,389</b>	211	1,322	-	767	843	46	10	50	-	-	140

## Staff costs

One Director, one Professional and half a General Service staff are required to implement the new and additional activities relating to the Development of Industrial Property Law.

<b>Posts</b>	<b>1996-97</b>	<b>1998-99</b>	<b>Variation</b>
Directors	2	3	1
Professionals	5	6	1
General Service	6.5	7	0.5
<b>Total</b>	<b>13.5</b>	<b>16</b>	<b>2.5</b>

<b>Staff costs</b> (in thousands of Swiss francs)	<b>Budget 1996-97</b>	<b>Budget 1998-99</b>	<b>Variation</b>
Salaries of regular staff	3,777	4,365	
Salaries of short-term staff	135	180	
Social charges + other personnel costs	1,239	1,431	
<b>Total staff costs</b>	<b>5,151</b>	<b>5,976</b>	<b>16.0%</b>

## Comparative Budget Summary

<b>MAIN PROGRAM 09:</b> <b>Development of Industrial Property Law</b>	(In thousands of Swiss francs)					
	<b>Budget 1996-97</b>	<b>Budget 1998-99</b>	<b>Variation</b>			
			<b>Program</b>		<b>Cost</b>	
			<b>Amount</b>	<b>%</b>	<b>Amount</b>	<b>%</b>
Program Activities	2,508	3,389	801	31.9%	80	3.2%
Staff Costs	5,151	5,976	820	15.9%	5	0.1%
<b>TOTAL</b>	<b>7,659</b>	<b>9,365</b>	<b>1,621</b>	<b>21.2%</b>	<b>85</b>	<b>1.1%</b>



