

Results in 2017

Program Highlights 2018

Francis Gurry

Director General

World Intellectual Property Organization (WIPO)

Briefing for Ambassadors

22 March 2018

Agenda

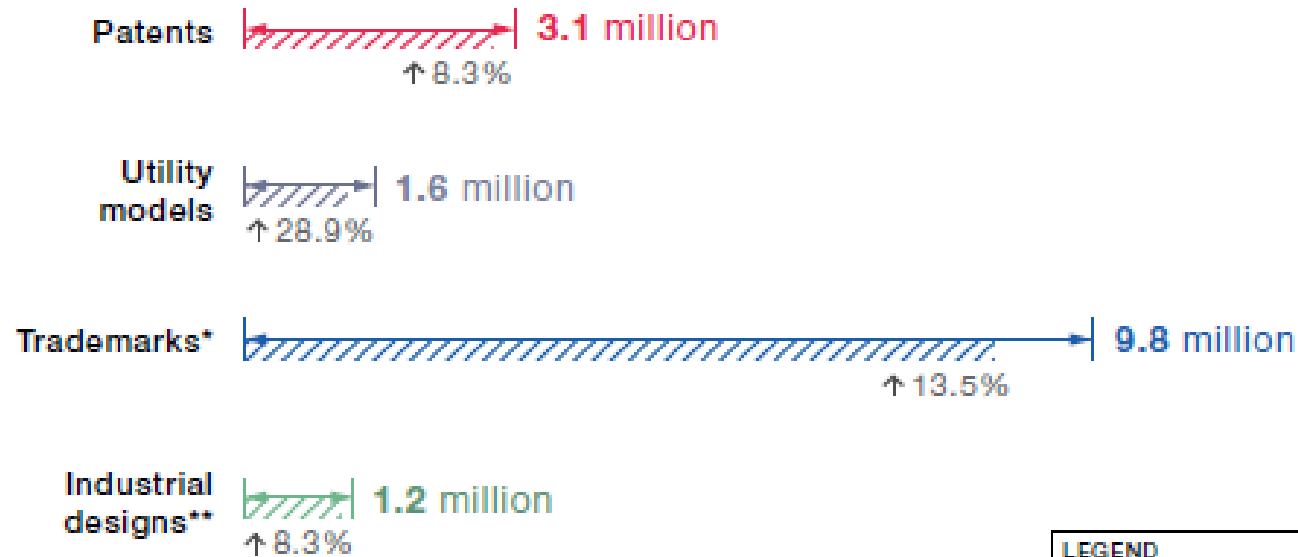
- Global IP Context
- Financial Results 2017 and Outlook
- Operational Results 2017 and Program for 2018
- Other Selected Highlights/Challenges for 2018 and Beyond



Global IP Context

- Demand continues to rise at rates above global economic growth
- Geography of demand continues to shift

Patent and trademark applications have increased for seven years running

1. Total applications and growth in applications



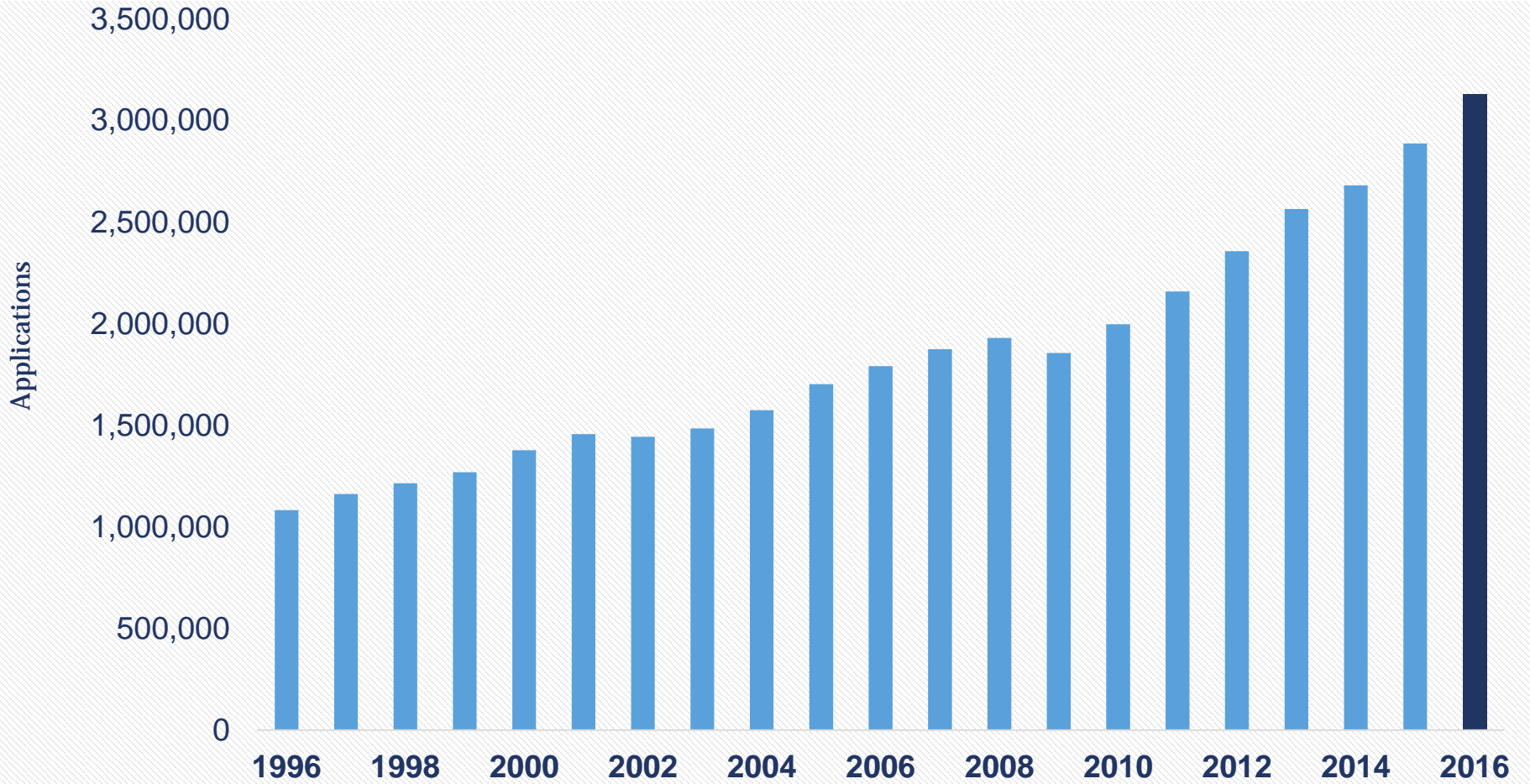
LEGEND	
 2015	 2016

* refers to class count – the total number of goods and services classes specified in trademark applications.

** refers to design count – the total number of designs contained in industrial design applications.

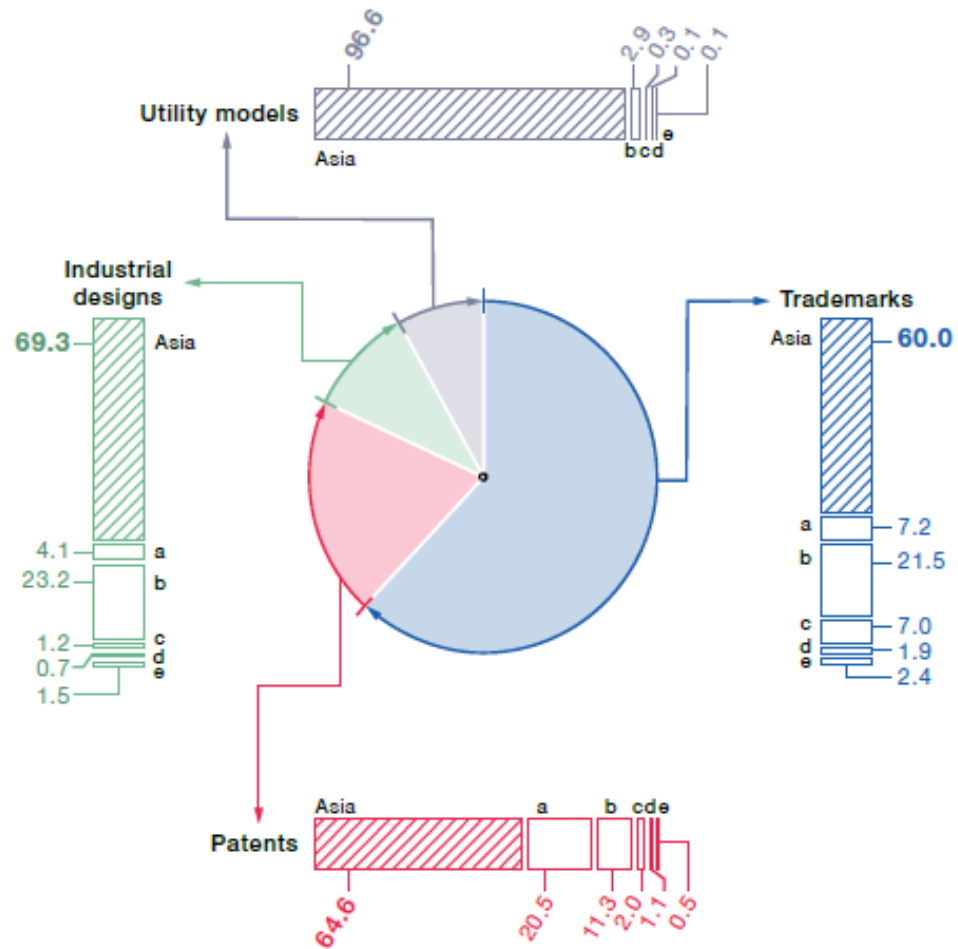
Source: WIPO Statistics Database, September 2017.

3.1 million patent applications worldwide in 2016



Asia led the world in global IP filing activity

2. Percentage shares of IP filing activity by region



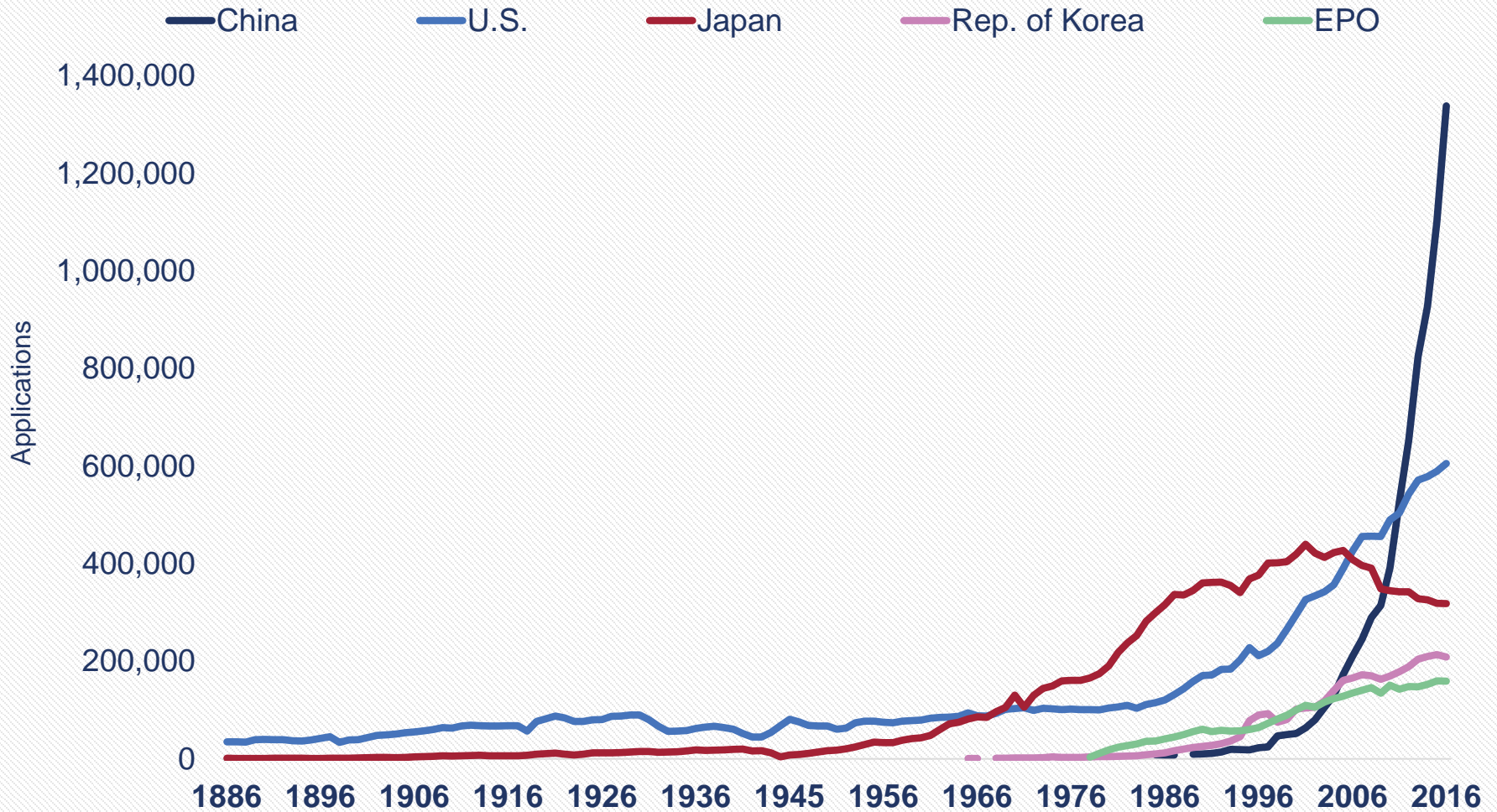
Asia Share 2016

Patents	64.6%
Trademarks	60.0%
Designs	69.3%

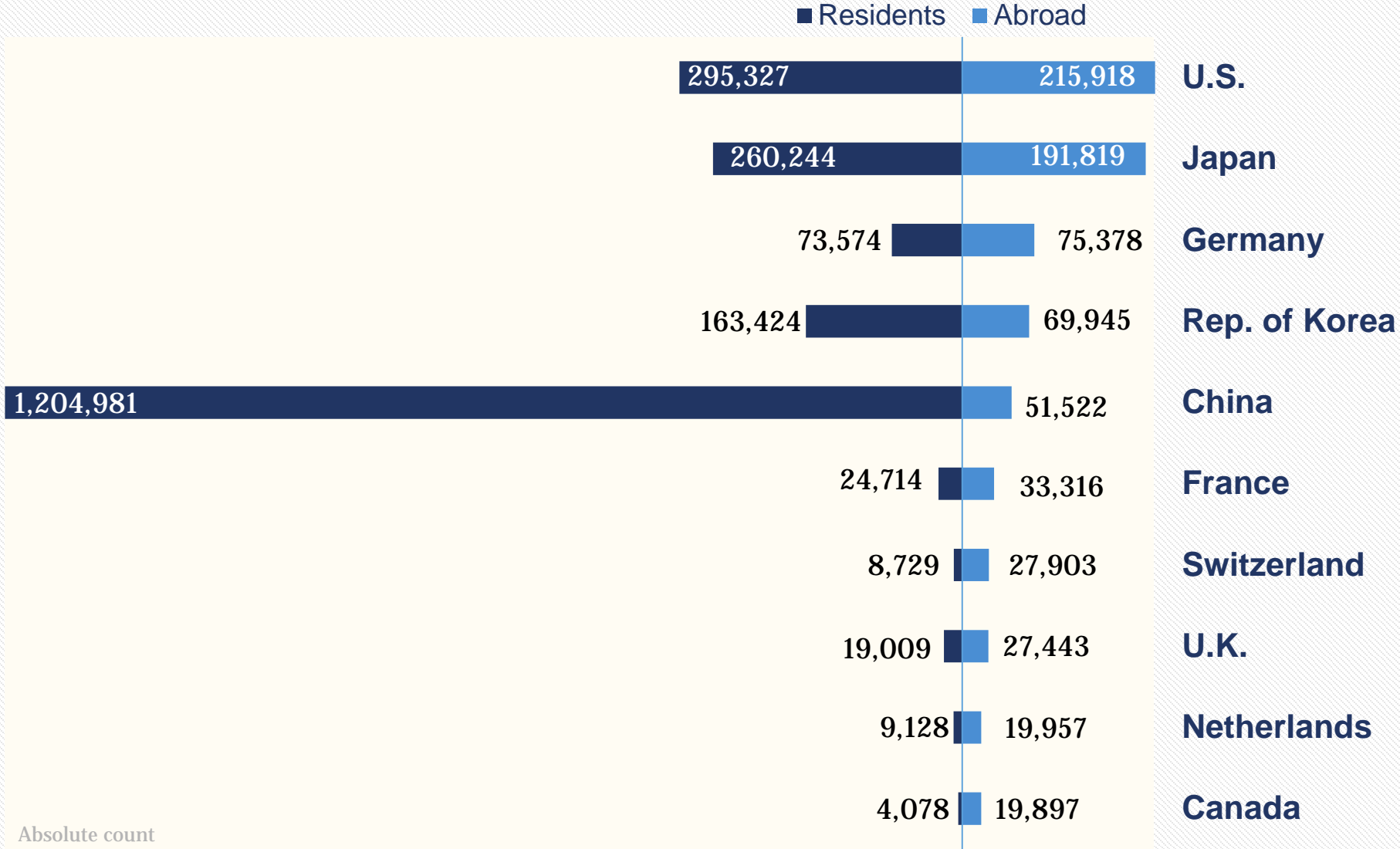
LEGEND

▨ Asia	c Latin America and the Caribbean
a North America	d Oceania
b Europe	e Africa

Distribution of Global Patenting has Shifted in Recent Decades



The U.S. leads in filings abroad



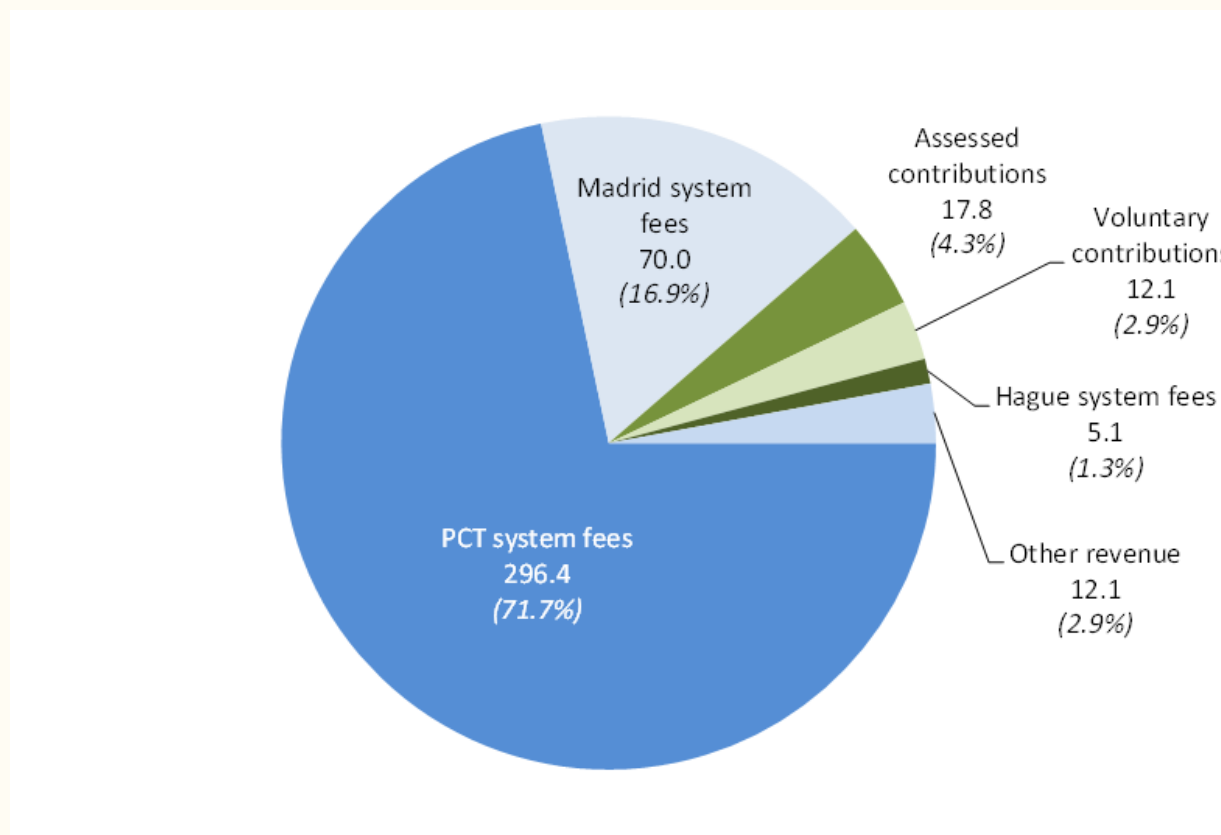
Financial Results 2017

- Overall surplus of CHF 18.6 million
 - 2016: restated surplus CHF 37.3 million
(surplus before restatement amounted to CHF 32 million)
- Revenue CHF 413.5 million
 - +CHF 25.8 million over 2016
- Expenditure CHF 394.9 million
 - +CHF 44.5 million over restated 2016 figures following the implementation of IPSAS 39 “ Employee Benefits”

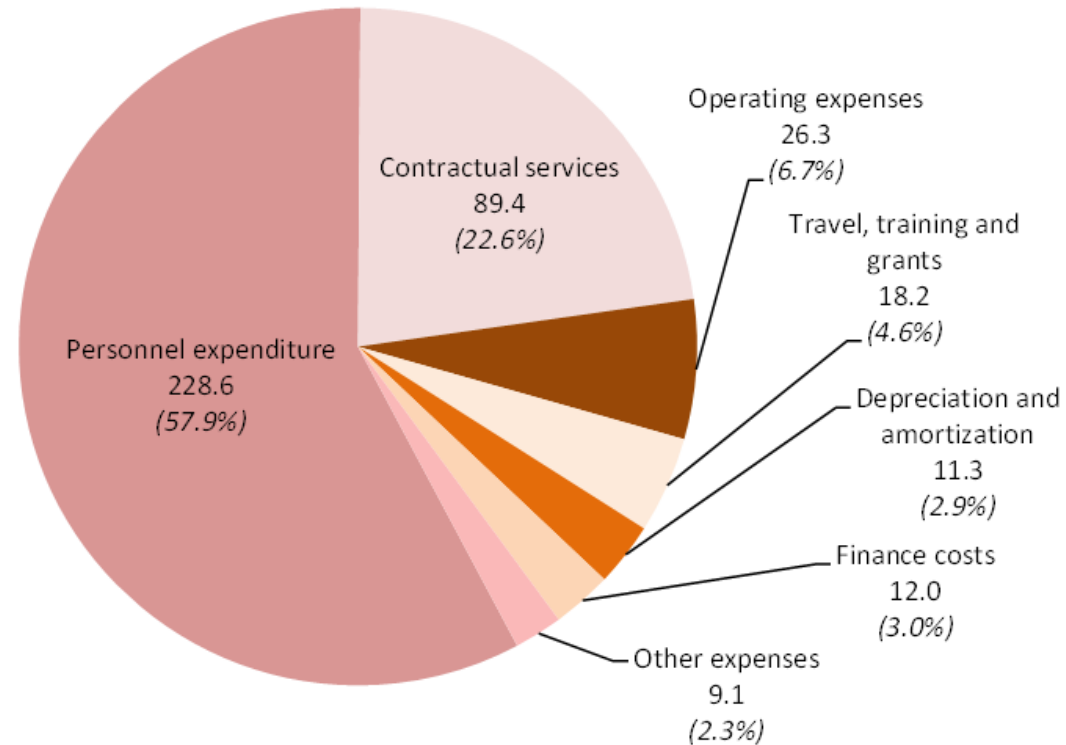
Statement of Financial Performance (in thousands of Swiss francs)

	Note	2017	2016 (restated)
REVENUE	25		
Assessed contributions		17,829	17,337
Voluntary contributions		12,096	10,176
Publications revenue		242	426
Investment revenue		4,337	21
Fees			
PCT system		296,356	290,719
Madrid system		69,952	59,580
Hague system		5,076	4,956
Lisbon system		39	25
Sub-total fees		371,423	355,280
Arbitration and Mediation		1,689	1,641
Other/miscellaneous revenue		5,860	2,832
TOTAL REVENUE		413,476	387,713
EXPENSES	26		
Personnel expenditure		228,594	219,093
Internships and WIPO fellowships		3,853	3,261
Travel, training and grants		18,195	15,810
Contractual services		89,422	74,398
Operating expenses		26,300	21,946
Supplies and materials		3,457	2,039
Furniture and equipment		1,669	172
Depreciation and amortization		11,350	11,424
Finance costs		12,007	2,310
TOTAL EXPENSES		394,847	350,453
SURPLUS/(DEFICIT) FOR THE PERIOD		18,629	37,260

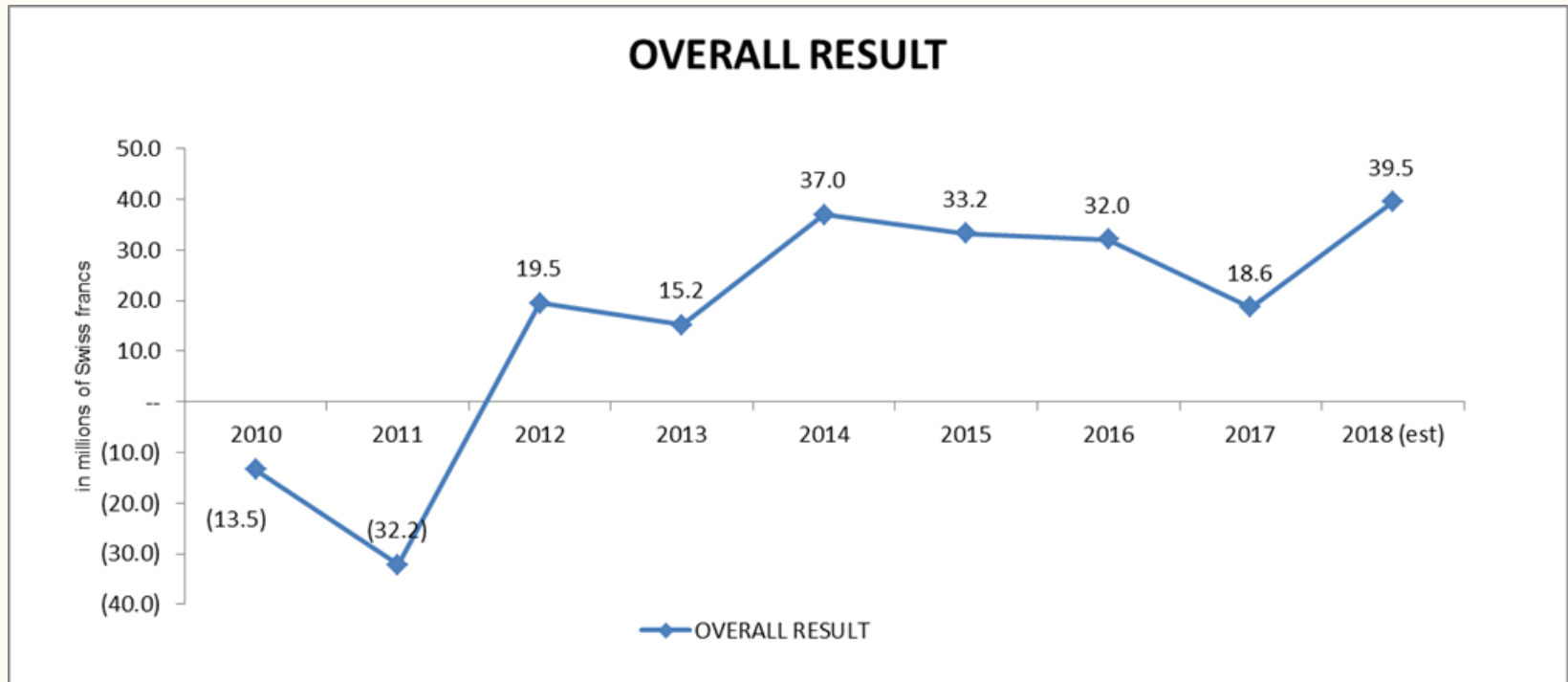
Composition of 2017 Revenue on an IPSAS basis (millions of Swiss francs)



Composition of Expenditure on an IPSAS basis (millions of Swiss francs)



Evolution of Overall Result for Organization

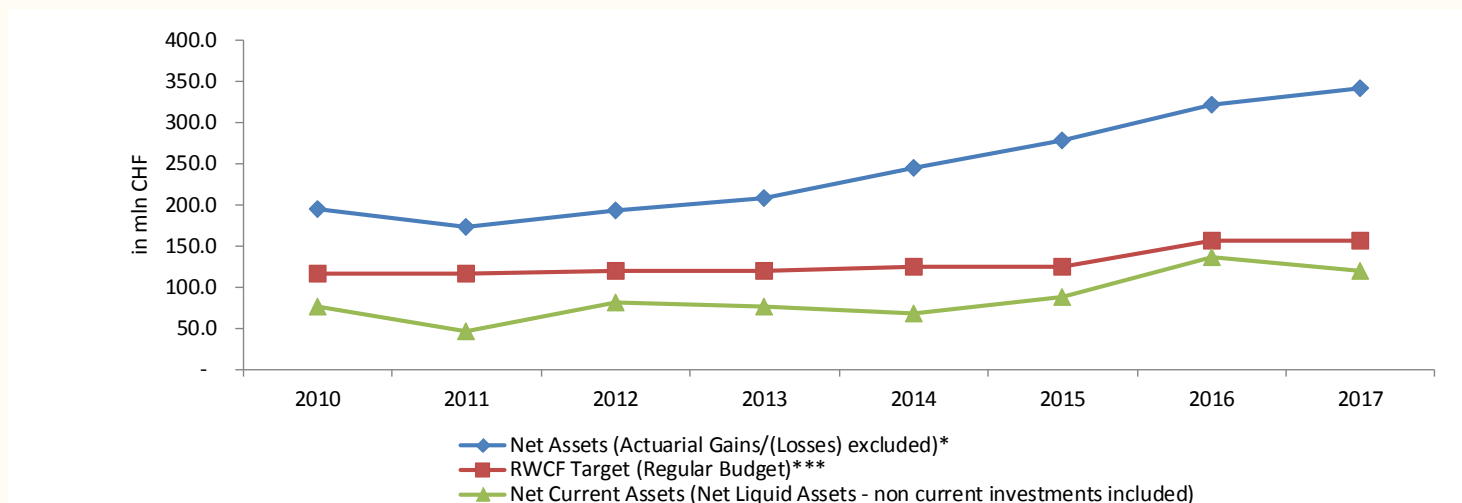


*Note: Following the introduction of IPSAS 39 related to employment benefits, the Financial Statements will restate the 2016 IPSAS adjustment downward by 5.3 million Swiss francs. This will modify the operating result to 40.9 million Swiss francs and the **overall result to 37.3 million Swiss francs for 2016.***

Net Assets

Reserves and Working Capital Funds (RWCF) (in millions of Swiss francs)

	2010	2011	2012	2013	2014	2015	2016	2017
Net Assets (<i>Actuarial Gains/(Losses) excluded</i>)*	194.6	174.2	193.7	208.8	245.8	279.1	322.7	341.4
RWCF Target (Regular Budget)**	116.8	116.8	120.6	120.6	124.7	124.7	157.0	157.0
<i>Difference</i>	77.8	57.4	73.1	88.2	121.0	154.3	165.7	184.4
<i>Actuarial Gains/(Losses)</i>							(173.3)	(138.7)
Total Net Assets**							149.4	202.7
Net Current Assets (<i>Net Liquid Assets - non current investments included</i>)	75.9	47.2	81.4	76.8	68.1	88.4	136.1	119.7
Note: Appropriations already approved, not yet spent						23.7	16.8	11.8



* Net Assets (*Actuarial Gains/(Losses) excluded*) were restated for 2011, 2012 and 2016.

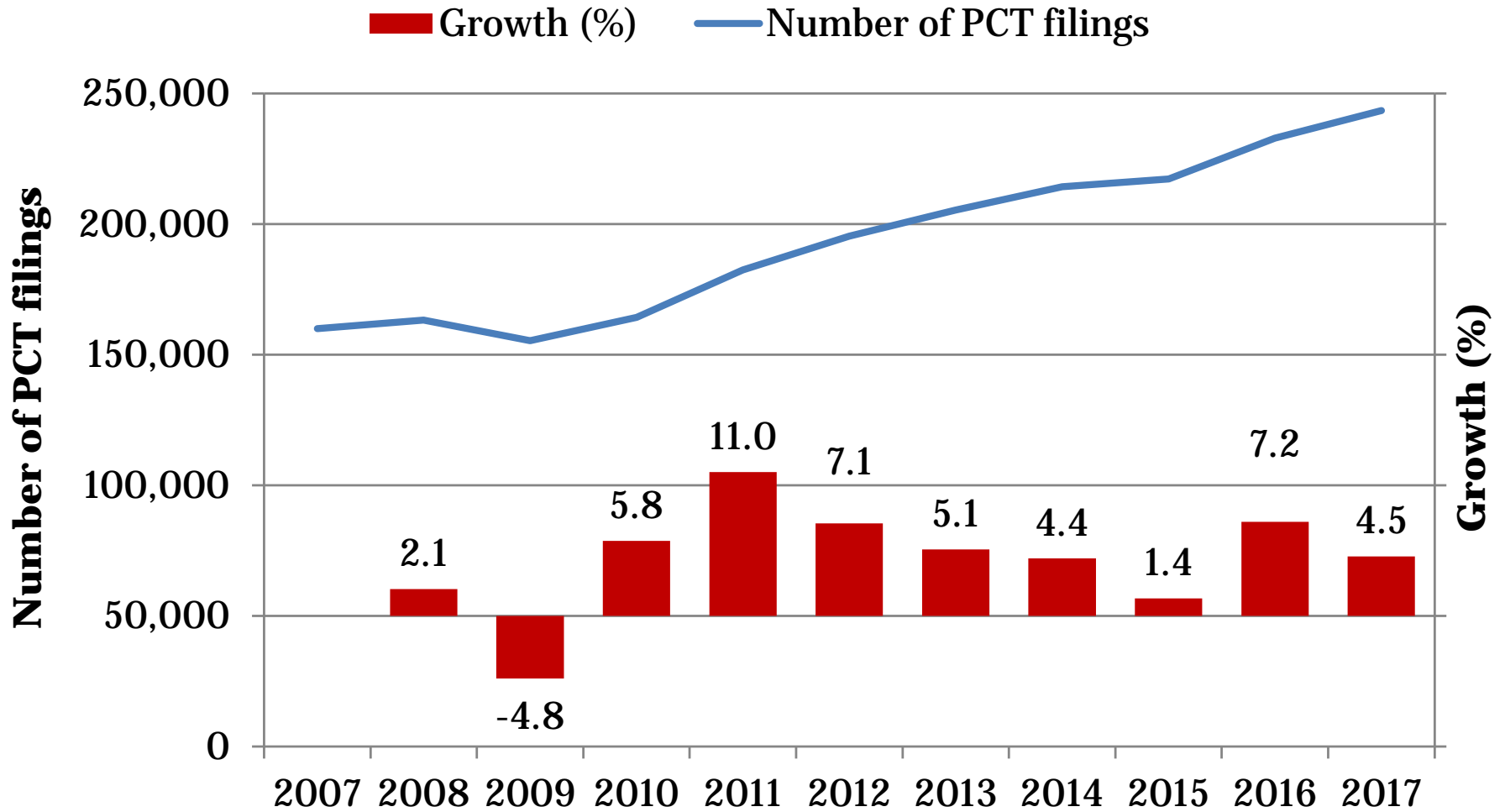
** As per Financial Statements

***RWCF target for 2016/17 is based on the new target percentage for the PCT system (20% versus 15% in earlier periods)

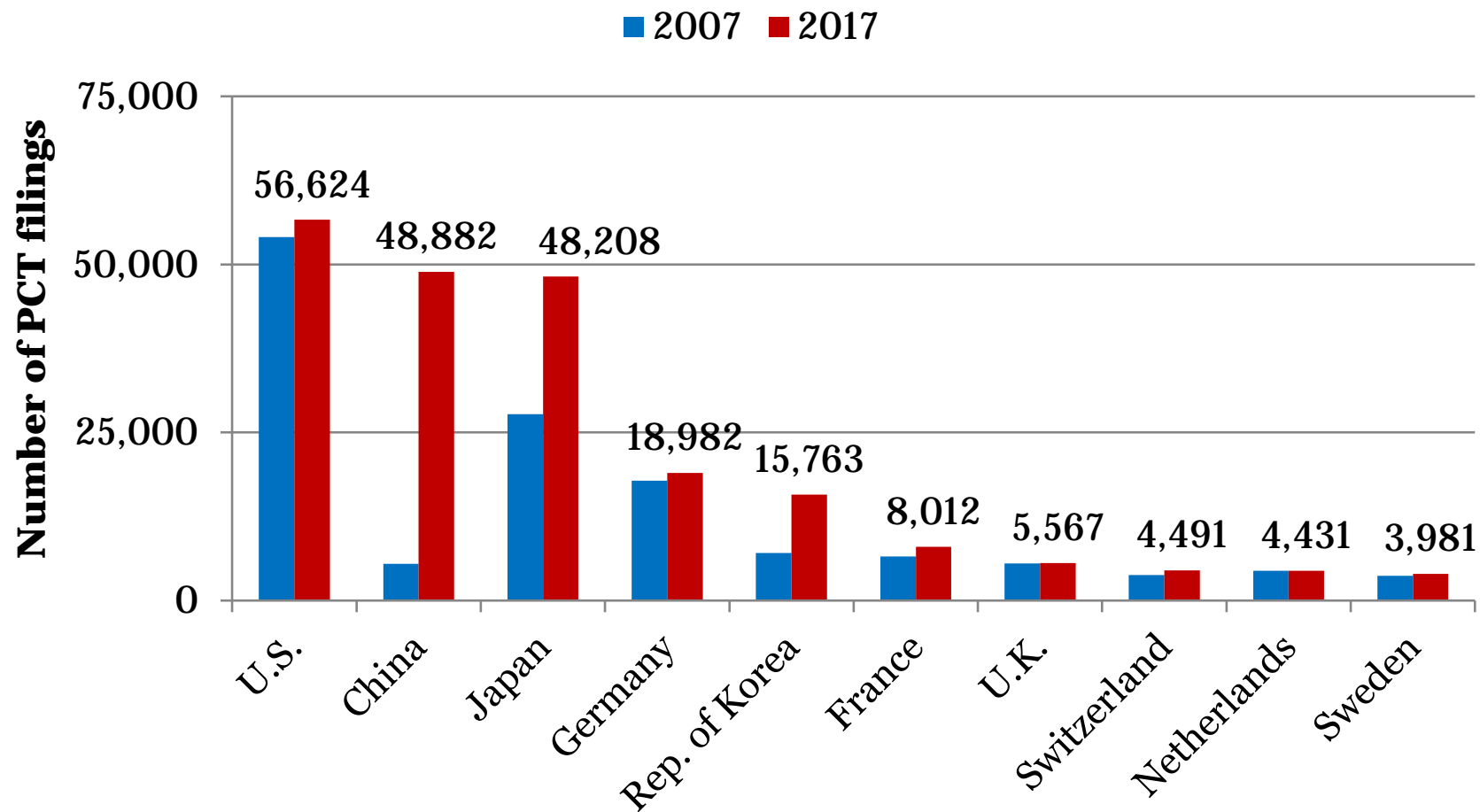
Global IP Systems - 2017

- Significant growth in three major systems
- PCT
 - 243,500 international applications
 - +4.5% over 2016
- Madrid System
 - 56,200 applications
 - +5% over 2016
- Hague System
 - 19,429 designs
 - +3.8% over 2016
- Priorities
 - Extending geographical reach and participation
 - Quality, efficiency and cost-effectiveness of service
 - Comprehensive IT environments

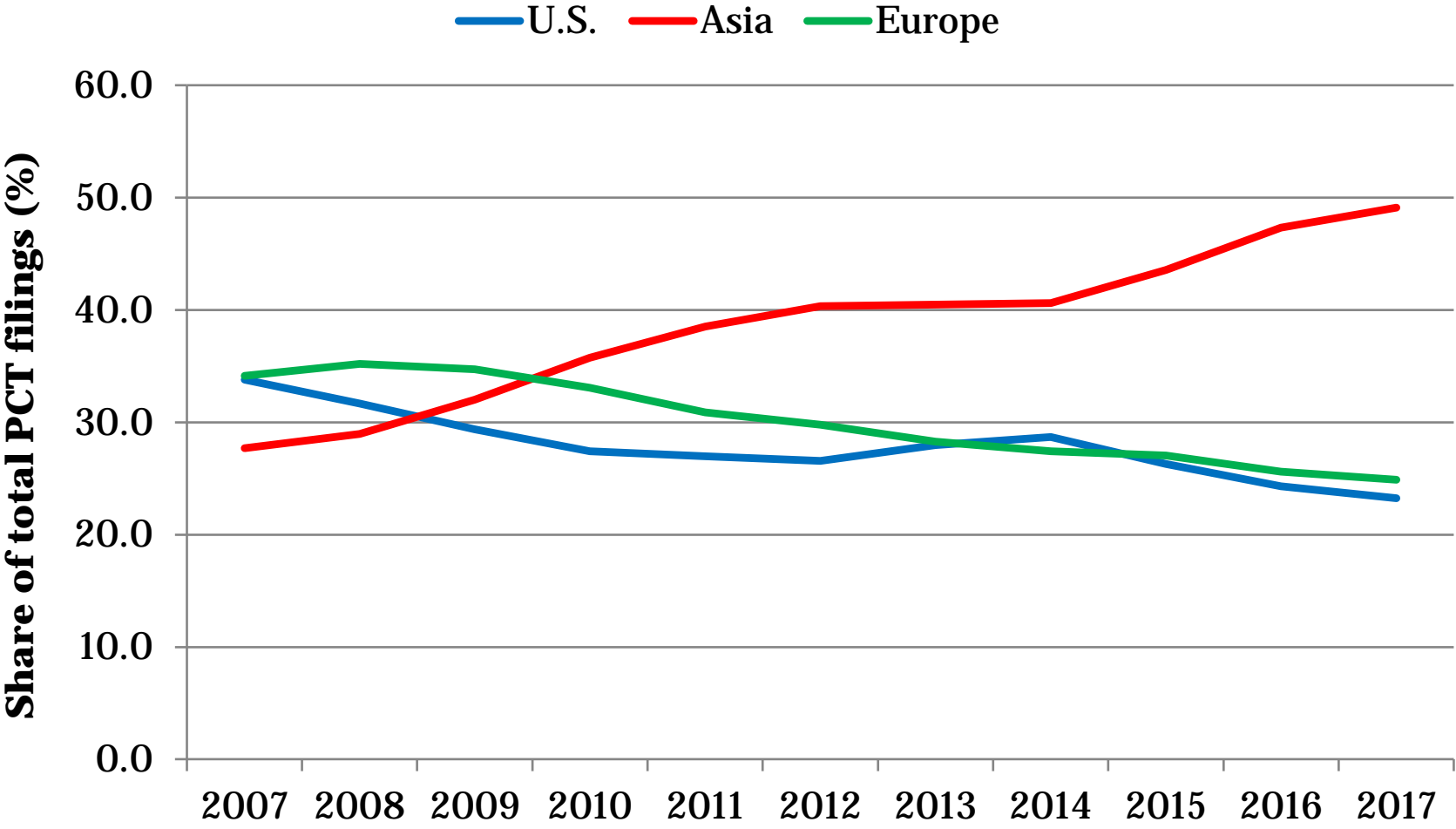
Trend in PCT filings



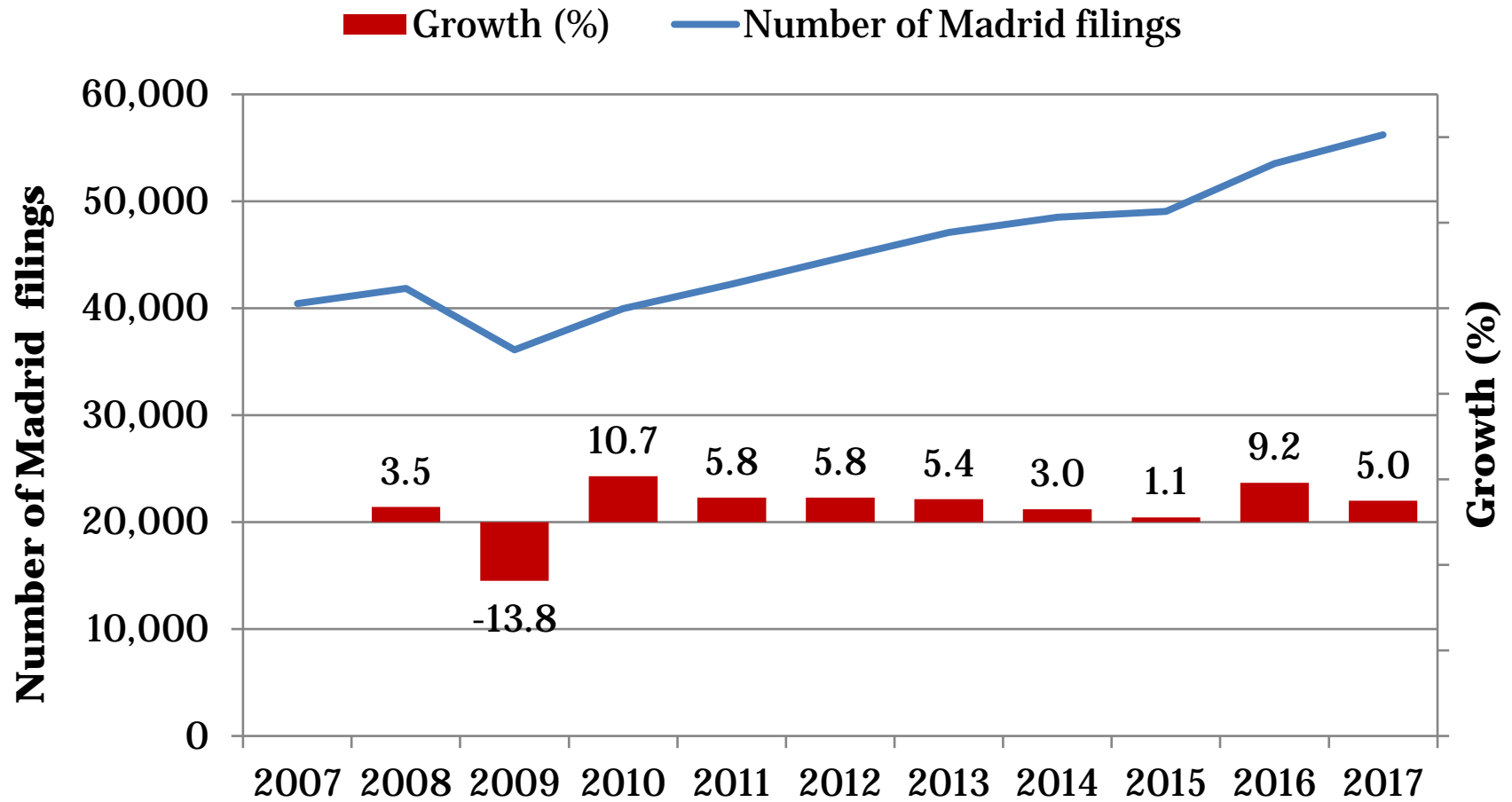
PCT Filings by origin – top 10 origins



Share of PCT filings

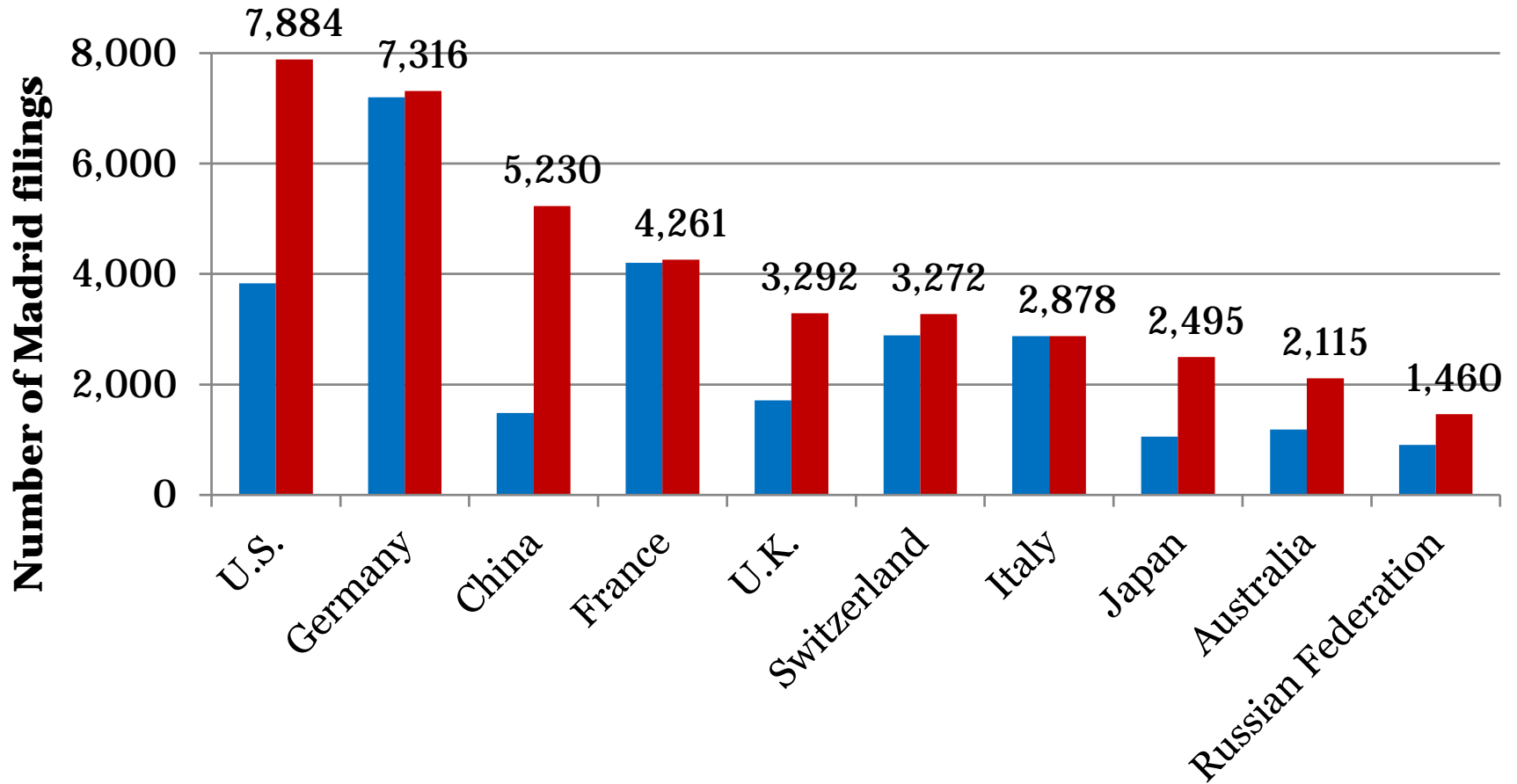


Trend in Madrid applications

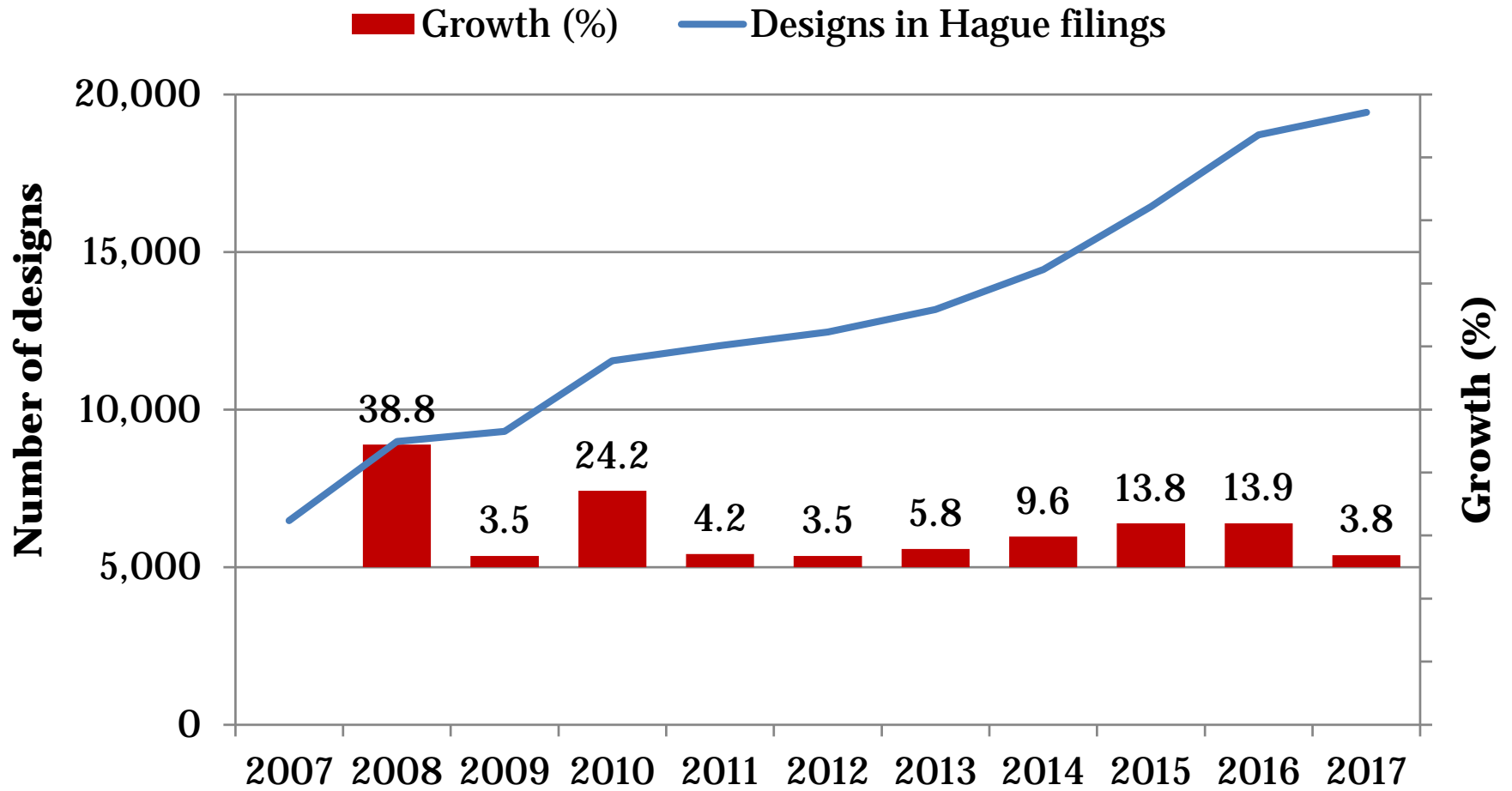


Madrid applications for the top 10 origins

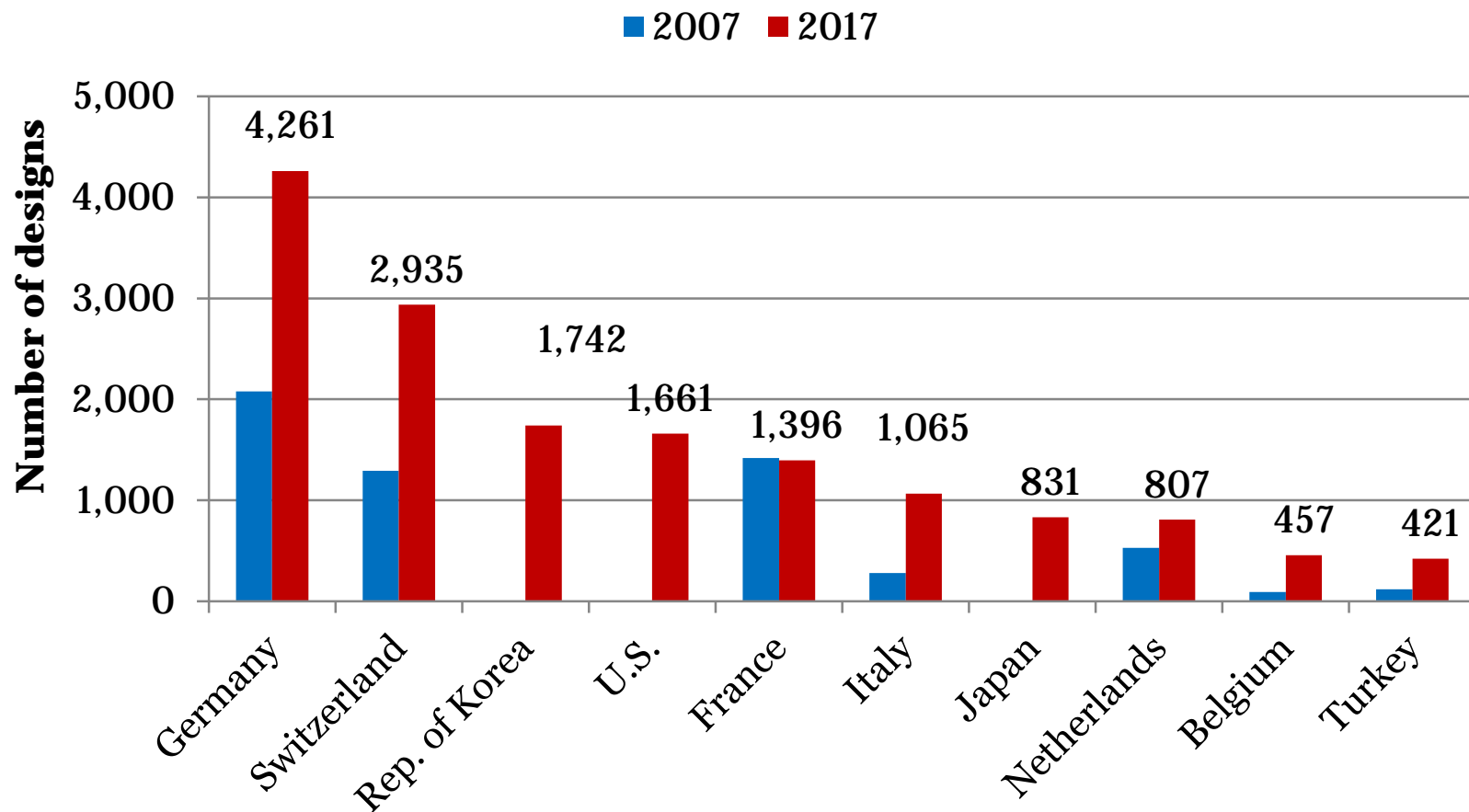
■ 2007 ■ 2017



Trend in Hague applications (# of designs)



Hague applications for the top 10 origins (No. of Designs)

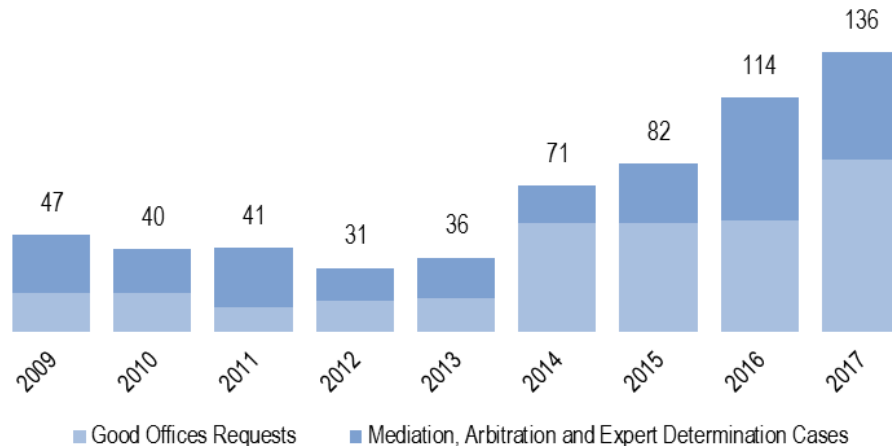


Expanding Use and Geography of Global IP Systems

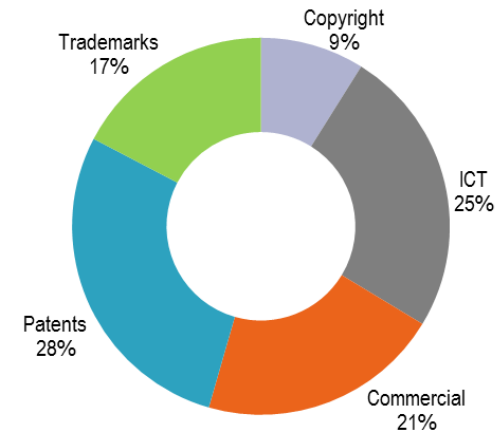
System	2007	2017	Change
PCT			
Applications	160,000	243,500	+52.2%
No of Members	138	152	+10.1%
Madrid			
Applications	40,400	56,200	+39.1%
No of Members	81	100	+23.5%
Hague			
Applications	1,171	5,213	+345.2%
No of Members (Geneva Act)	20	53	+165%

WIPO Arbitration, Mediation and Expert Determination

WIPO Mediation, Arbitration, Expert Determination Cases and Good Offices Requests Filing (2009-2017)



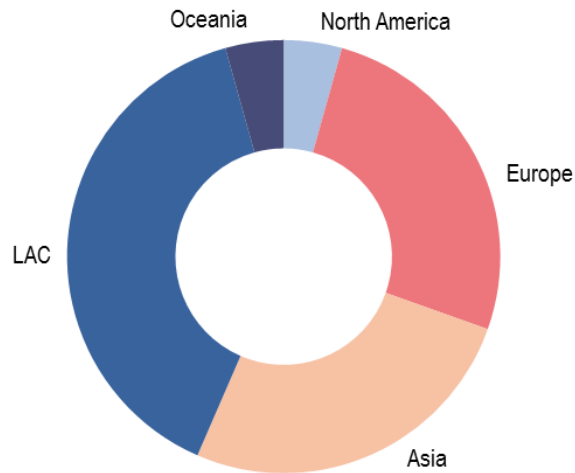
Subject Matter
WIPO Center ADR Disputes
(cumulative through 2017)



- 2017 results
 - 53 arbitration, mediation and expert determination cases
 - Parties from 25 countries (across regions)
 - Additional 83 requests for WIPO 'Good Offices' for existing disputes
- Cumulative total arbitration, mediation and expert determination filing: 535
- Example areas of dispute in 2017: patent licenses, R&D agreements, distribution agreements, software agreements, film co-production agreements and non-disclosure agreements

WIPO Center Collaborations with IP and Copyright Offices

- Increasing collaboration with Member States' intellectual property authorities for promotion and/or integration of alternative dispute resolution options



- IP Office of Singapore
- IP Office of the United Kingdom

2010/2011

- Brazilian National Institute of Industrial Property
- Korea Copyright Commission
- Korea Creative Content Agency

2012/2013

- National Copyright Directorate of Colombia
- Directorate General of IP of Indonesia
- Mexican Institute of Industrial Property
- IP Office of the Philippines
- Spanish Patent and Trademark Office
- United States Patent and Trademark Office

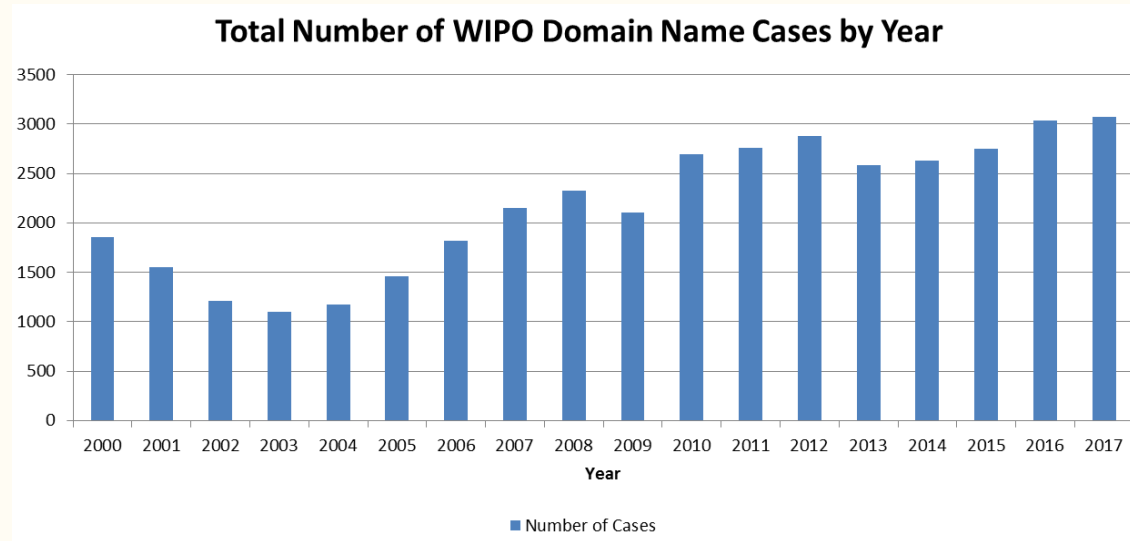
2014/2015

- National Institute of Industrial Property of Argentina*
- IP Australia*
- National Register of Costa Rica*
- Cuban Industrial Property Office*
- National Copyright Office of the Dominican Republic*
- National Center of Registries of El Salvador
- Israel Patent Office*
- Ministry of Culture of the Republic of Lithuania*
- National Directorate of IP of Paraguay
- Patent Office of the Republic of Poland*
- Federal Service for IP of the Russian Federation*
- IP Office of the Republic of Serbia*

2016/2017

* in 2017

WIPO Domain Name Dispute Resolution



- 2017 results
 - Record 3,074 WIPO UDRP-based cases (+1.3%), 6,370 domain names
 - Parties from 112 countries, 298 panelists appointed, 15 languages of proceedings
 - Many cases including allegations of counterfeiting and phishing
 - New gTLD domain names 12% of WIPO 2017 caseload
- Since 1999: 39,000+ WIPO UDRP-based cases for 74,000+ domain names
- 76 ccTLDs designating WIPO dispute resolution
 - 17% of WIPO 2017 caseload
 - 2017 additions: .EU (European Union) and .SE (Sweden)
- All-new edition launched in 2017 of posted WIPO Jurisprudential Overview

Normative Program

- Proposed Design Law Treaty
- IGC
- Broadcasting

Global Databases

- Patentscope
 - 68 million documents (PCT, ARIPO, EAPO, EPO and 51 national patent collections)
 - multilingual search in 14 languages
 - WIPO Translate: neural machine translation using artificial intelligence
 - the most visited WIPO web site with 27,000 visitors per day
- Global Brands Database
 - 34 million records (Madrid, Lisbon, emblems, EUIPO and 38 national TM collections) with a
 - pioneer image-search tool
- Global Designs Database
 - 1.8 million records (Hague, 6 national designs collections)
- WIPO Lex
 - 14,000 national IP laws and regulations and 800 treaties
 - More than 3.7 million users in 2017, an increase of 82% from 2016

Inter-Office Platforms

- Digital Access Service (DAS)
 - Secure exchange of priority documents between IP Offices
 - Meets the requirements of the Paris Convention for certification in a digital environment
 - In service since 2009
 - 17 participating Offices
- Centralized Access to Search and Examination (WIPO CASE)
 - Secure exchange of search and examination information to facilitate work sharing
 - Examiners from participating patent Offices can search and access the dossier information of other Offices
 - In service since 2011
 - 32 participating Offices, including 15 data-providing Offices

Platforms for Development

- Industrial Property Administration System (IPAS)
 - Systems to support the business operations of IP Offices – filing, administration, examination, registration, publication/dissemination of IP information
 - WIPO free of charge software, supplemented by free services of digitization, data capture, quality improvement, workflow optimization
 - In use in **81 IP Offices in all regions**
- WIPO Connect
 - Deployed in 2016
 - Supports the business operations of Collective Management Organizations (CMOs)
 - More widespread deployment in 2017

Platforms for Development (2)

- Technology and Innovation Support Centers (TISCs)
 - Over 700 in 71 national networks in developing and least-developed countries
- Public-Private Partnerships on Access to Information and Knowledge
 - ARDI
 - part of UN partnership “Research4Life” with free/affordable access to 28,000 science and technology books/journals
 - 1,100 institutions actively using ARDI
 - ASPI – free/affordable access to seven commercial patent databases

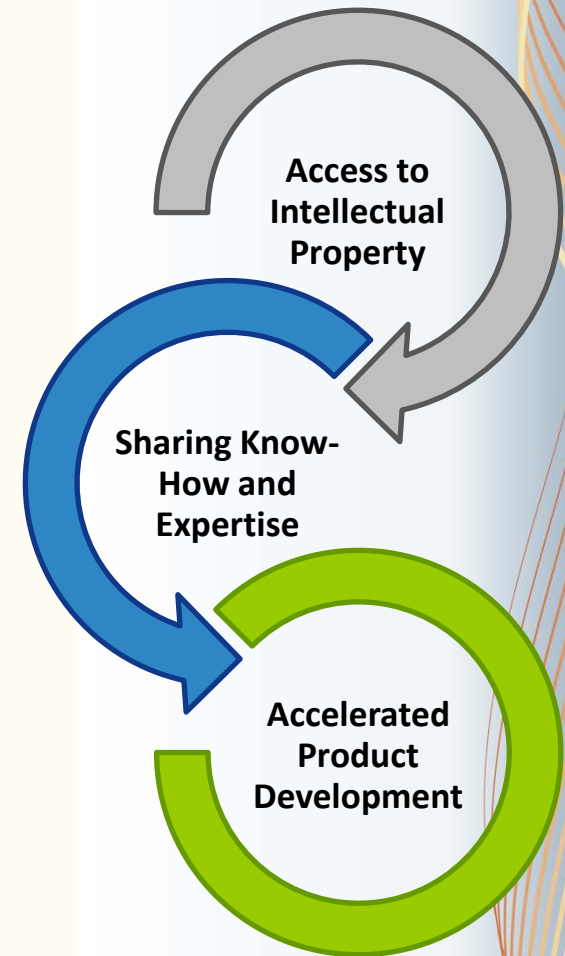
Accessible Books Consortium

- Consortium between authors, publishers, libraries, blind associations
- Functions
 - International (Accessible Format) Book Exchange
 - 29 Authorized Entities (AEs)
 - Catalogue of 400,000 works in 76 languages
 - Inclusive Publishing
 - ABC Charter for Accessible Publishing
 - Capacity Building
 - Capacity building projects in Argentina, Bangladesh, Botswana, India, Nepal, Sri Lanka and Uruguay
 - 4,000 educational titles produced in accessible formats

WIPO Re:Search

Global initiative established to encourage and facilitate the sharing of intellectual property assets to advance **drug, vaccine, and diagnostic** development for **malaria, tuberculosis, and neglected tropical diseases (NTDs)**

Improved global health through innovation that mobilizes intellectual property and the power of private and public sector collaborations.



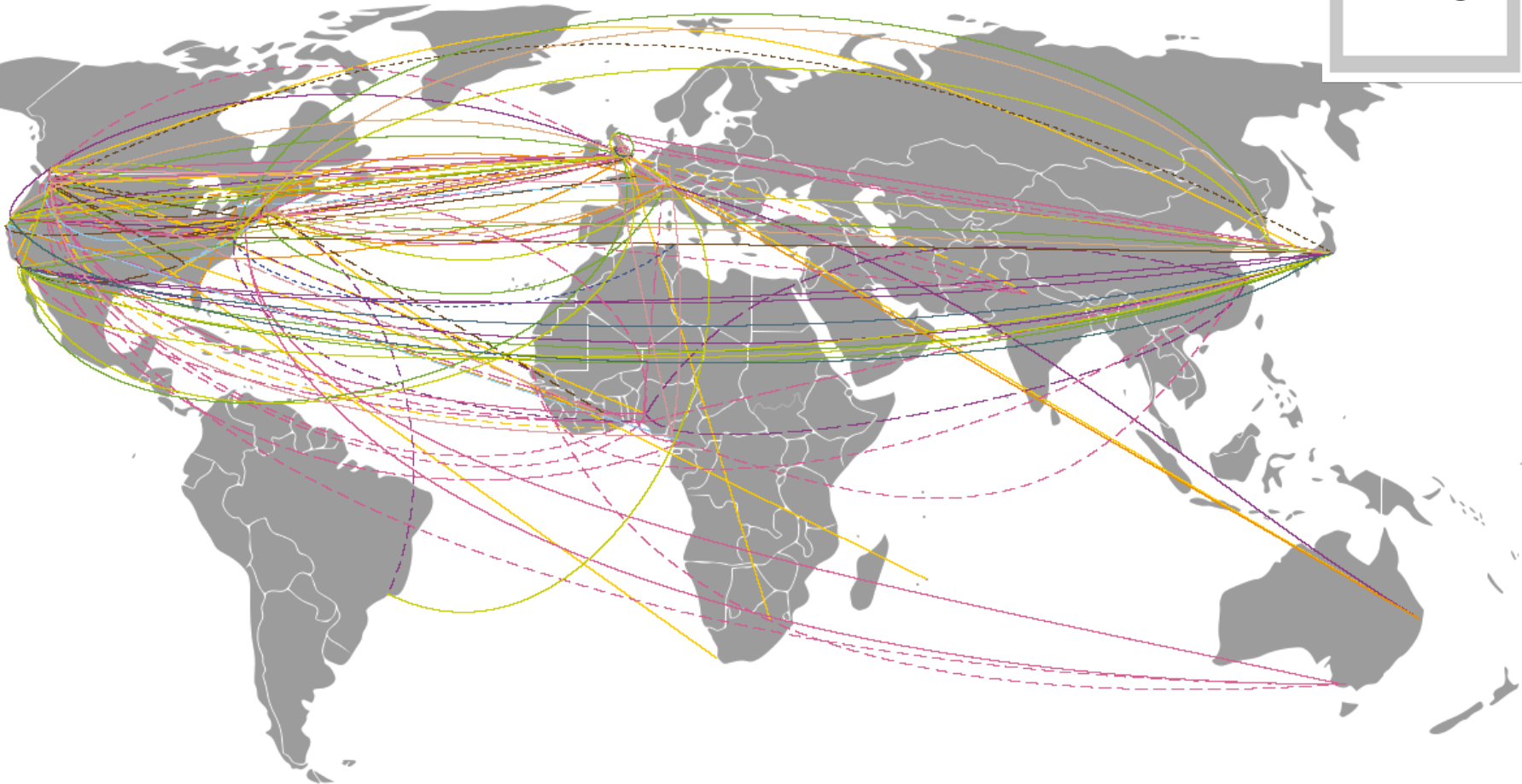
WIPO Re:Search Statistics



Collaborations

Collaborations

125



- | | | |
|---------------------------------|----------------------------------|--------------------|
| — Buruli ulcer | — Neurocysticercosis | — Drug |
| — Chagas disease | — Onchocerciasis | — Diagnostic |
| — Dengue | — Other | — Basic research |
| — Human African trypanosomiasis | — Rabies | — Vaccine/Adjuvant |
| — Leishmaniasis | — Schistosomiasis | |
| — Lymphatic filariasis | — Soil-transmitted helminthiases | |
| — Malaria | — Tuberculosis | |

*Fungal disease, diarrheal disease, RSV, multiple diseases

Current as of March, 2018

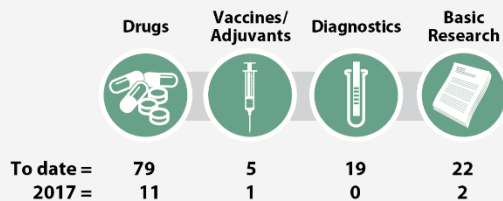
Research Agreements

Collaborations



To date = 125
2017 = 14

Collaborations by Product



Collaborations by Resource Shared



Capacity Building

2017

IP Australia
Funds in Trust

GOAL

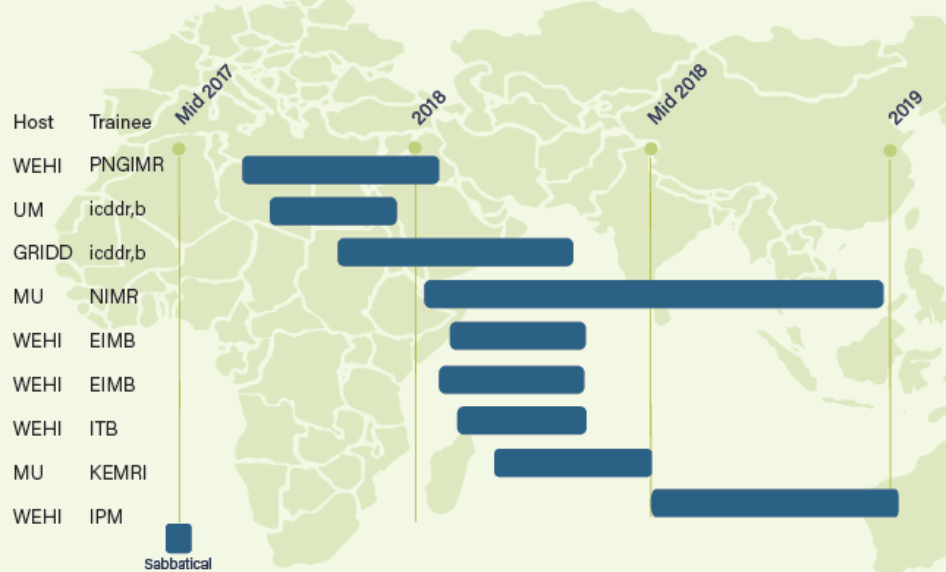
Manage LMIC sabbaticals

In 2016 the Government of Australia contributed funding to WIPO (Funds in Trust 2 [FIT2]) to support the training of East African and Indo-Pacific researchers at Australian research Institutes. In 2017 BVGH matched trainees with host organizations and developed plans for their research projects and training. Nine LMIC scientists were selected to participate, and three sabbaticals were initiated in 2017.

DELIVERED

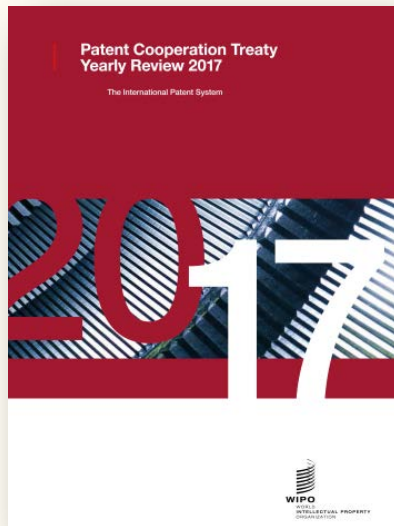
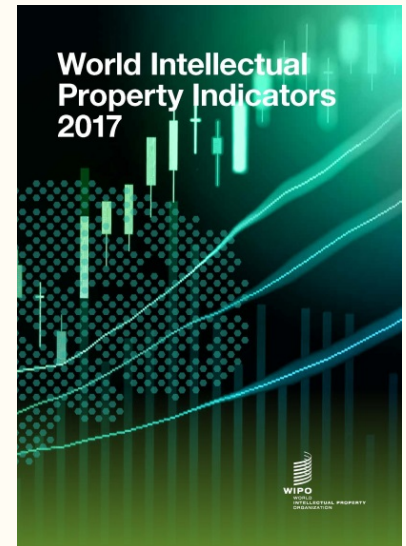
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LMIC sabbaticals coordinated



Statistical Reports

- World Intellectual Property Indicators
 - Published each December for preceding year
 - Reports on IP filings worldwide
- Annual Reports on PCT, Madrid and the Hague Systems
 - Published each April for preceding year



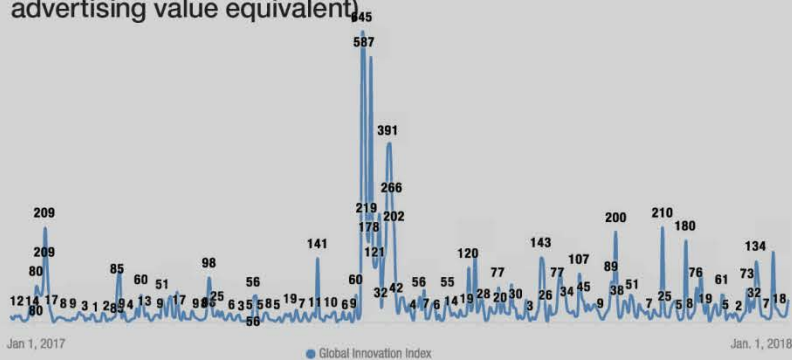
Global Innovation Index

- Published each year in cooperation with INSEAD and Cornell University
- Provides benchmarks for innovation capacity and best practices



Global Innovation Index 2017 – Worldwide Media Pickup

14,000+ media mentions in 2017 – 90% increase year-on-year (CHF111 million advertising value equivalent)

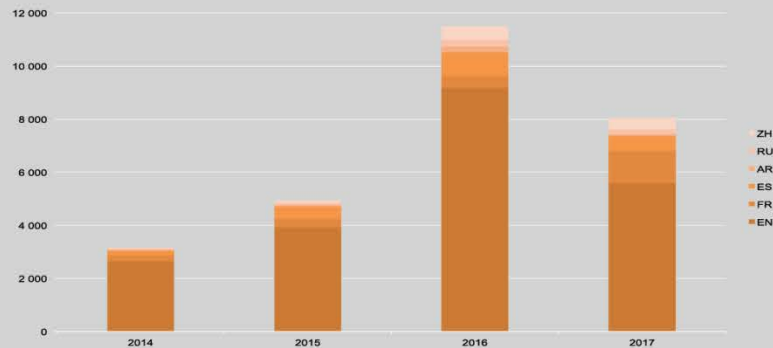


111,000 impressions of GII tweets



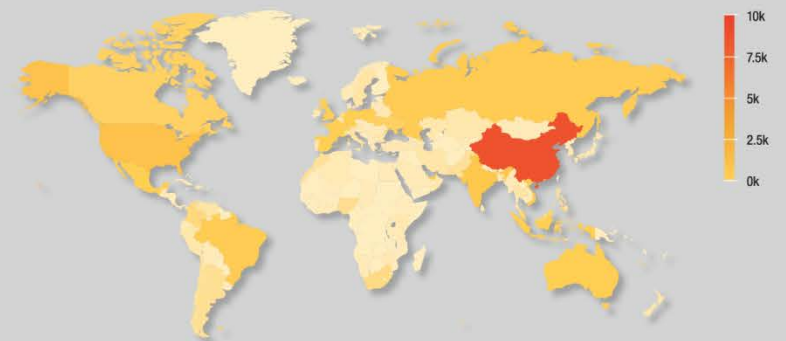
GII Press Release

Pageviews, 2014-17



Source: Google Analytics.

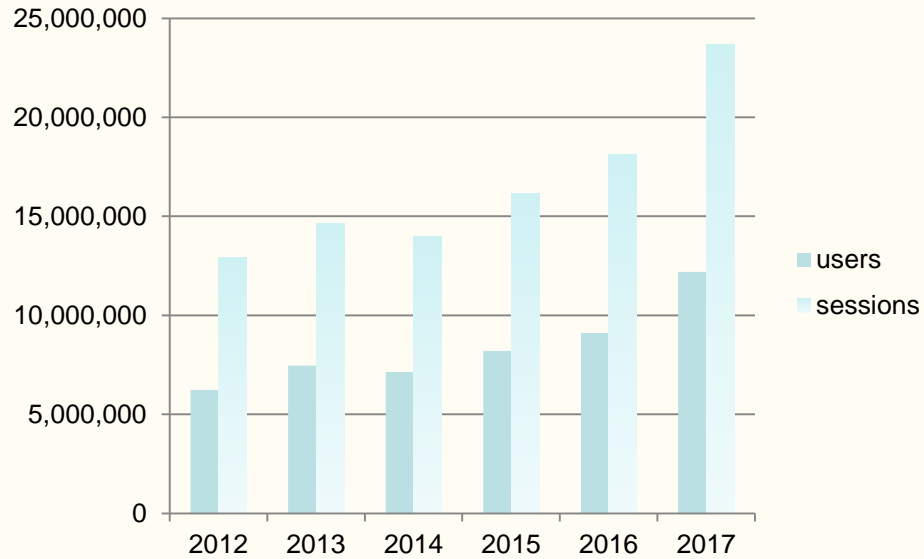
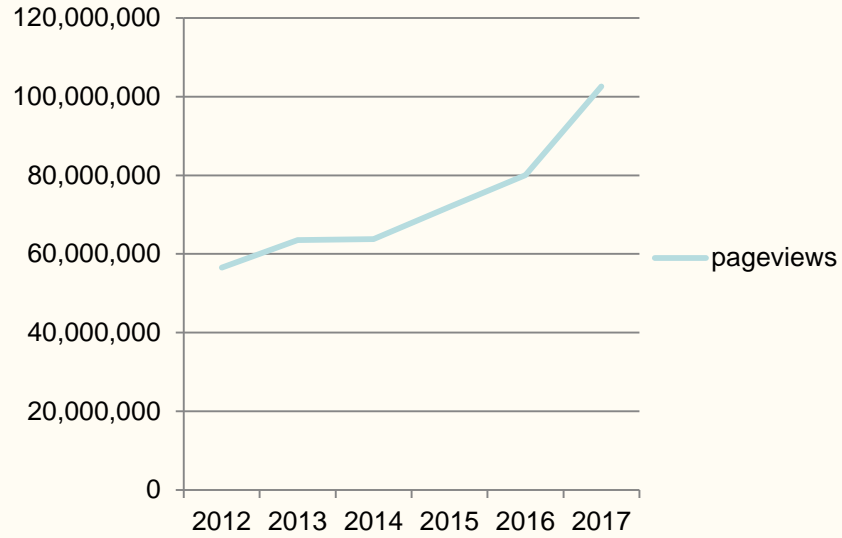
China: 8674 (61%) / USA: 1039 (7%) / India: 788 (6%)



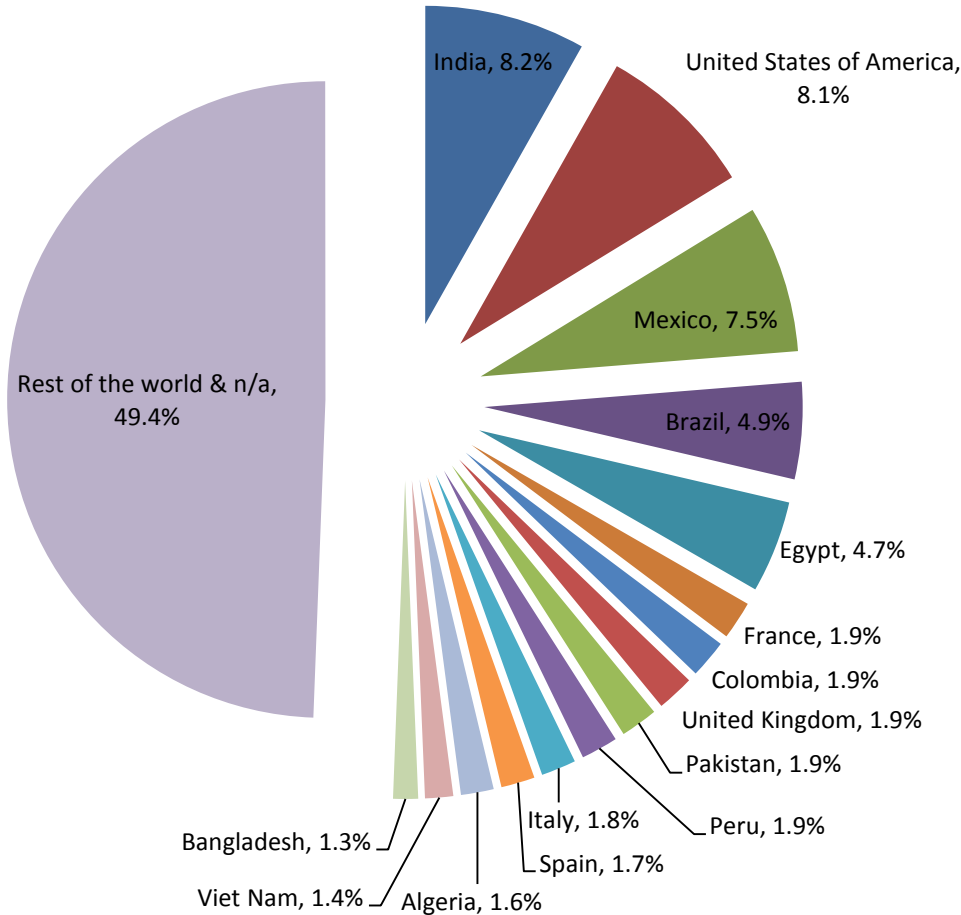
WIPO Academy's Record (1998-2018)

- **518,325 individuals** have followed our distance learning courses since 2001
- **10,412 specialized courses** have been organized with our Member States for over 4,300 government officials since 2000
- **1,595 students** have graduated from our Joint Master's Program since 2003, of whom 695 received scholarships as government officials
- **Five national IP training centers** have been established, and **138 trainers** have been certified.
- **More than 3,355 participants** have taken part in the WIPO Summer Schools since 1998

Communications wipo.int



A global fan base on Facebook



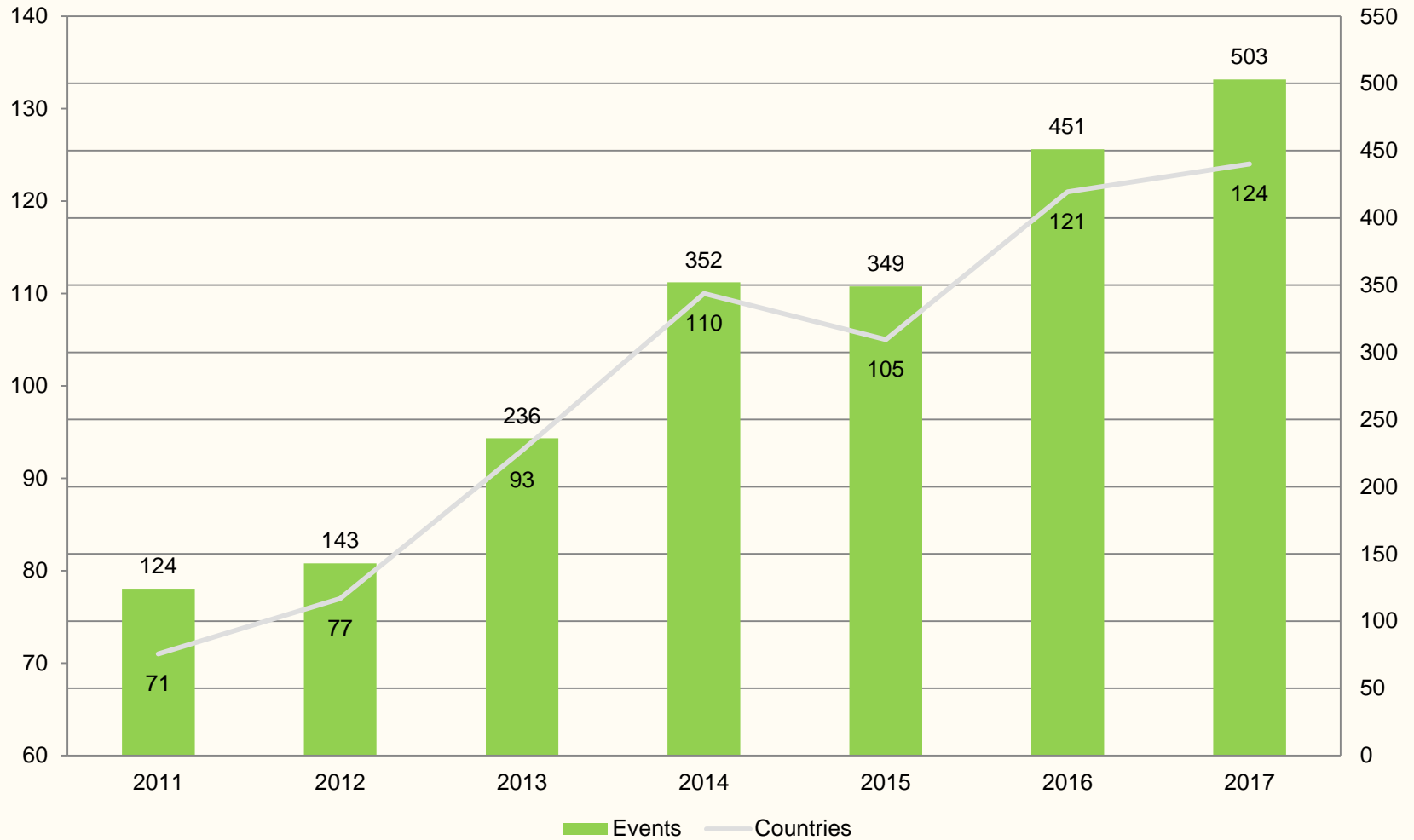
“Likes” of World IP Day Facebook Page.



503 World IP Day celebrations in 124 countries around the world in 2017

World IP Day events over time

Countries (left) and Events (right) Celebrating World IP Day Featured on Events Map



Initiatives and Challenges in 2018

- ❑ Advanced Technology Applications Center (ATAC)
 - Artificial Intelligence (AI) applications
 - In operation
 - WIPO Translate, Classifications, Image Search
 - Under study or development
 - Voice recognition and verbatim reports
 - Customer service
 - Digital tutor (Academy)
 - HR recruitment

- ❑ ICT Strategies and AI for IP Administration, May 2018

- ❑ Tech Trends Report

- ❑ Judicial Administration of IP

Initiatives and Challenges in 2018 (2)

- ❑ Patent Drafting Training and Certification

- ❑ External Offices
 - Establishment of Offices in Algeria and Nigeria
 - Decision on up to four new Offices

- ❑ World IP Day
 - April 26
 - Powering change: Women in innovation and creativity

- ❑ Major IT Transformations
 - Global IP Platform
 - Hague IT Platform
 - Madrid IT Platform

- ❑ SDGs