

Results in 2016

Program Highlights 2017

Francis Gurry

Director General

World Intellectual Property Organization (WIPO)

Briefing for Ambassadors

20 April 2017

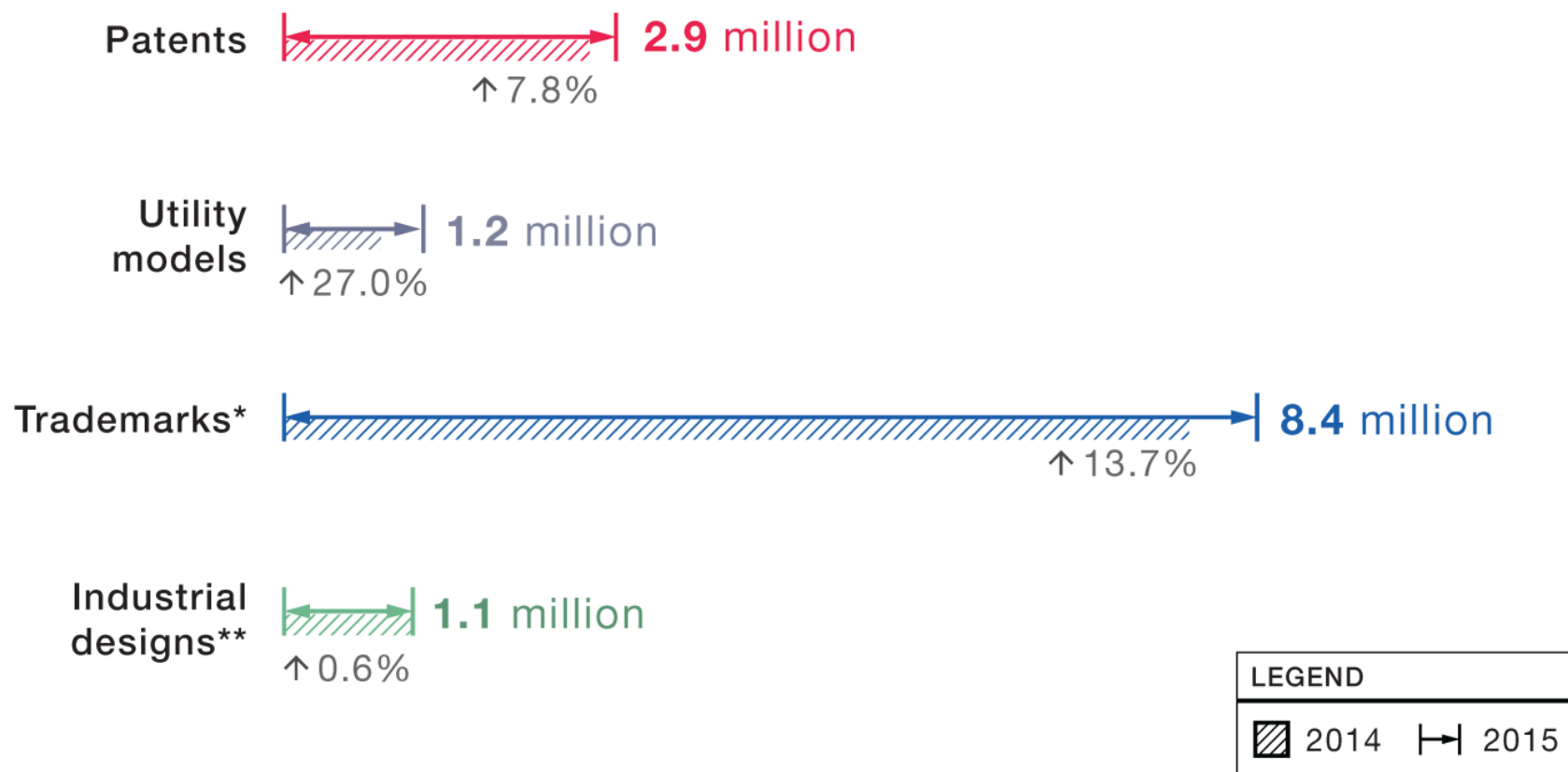
Agenda

- Global IP Context
- Financial Results 2016 and Outlook
- Operational Results 2016 and Program for 2017
 - Global Systems
 - Normative Agenda
 - Infrastructure
 - Development Cooperation
- Other Selected Highlights/Challenges for 2017 and Beyond

Global IP Context

- Demand continues to rise at rates above global economic growth
- Geography of demand continues to shift
- Music industry expands for the first time in nearly 20 years as digital sales rise

Strong growth in demand for IP rights



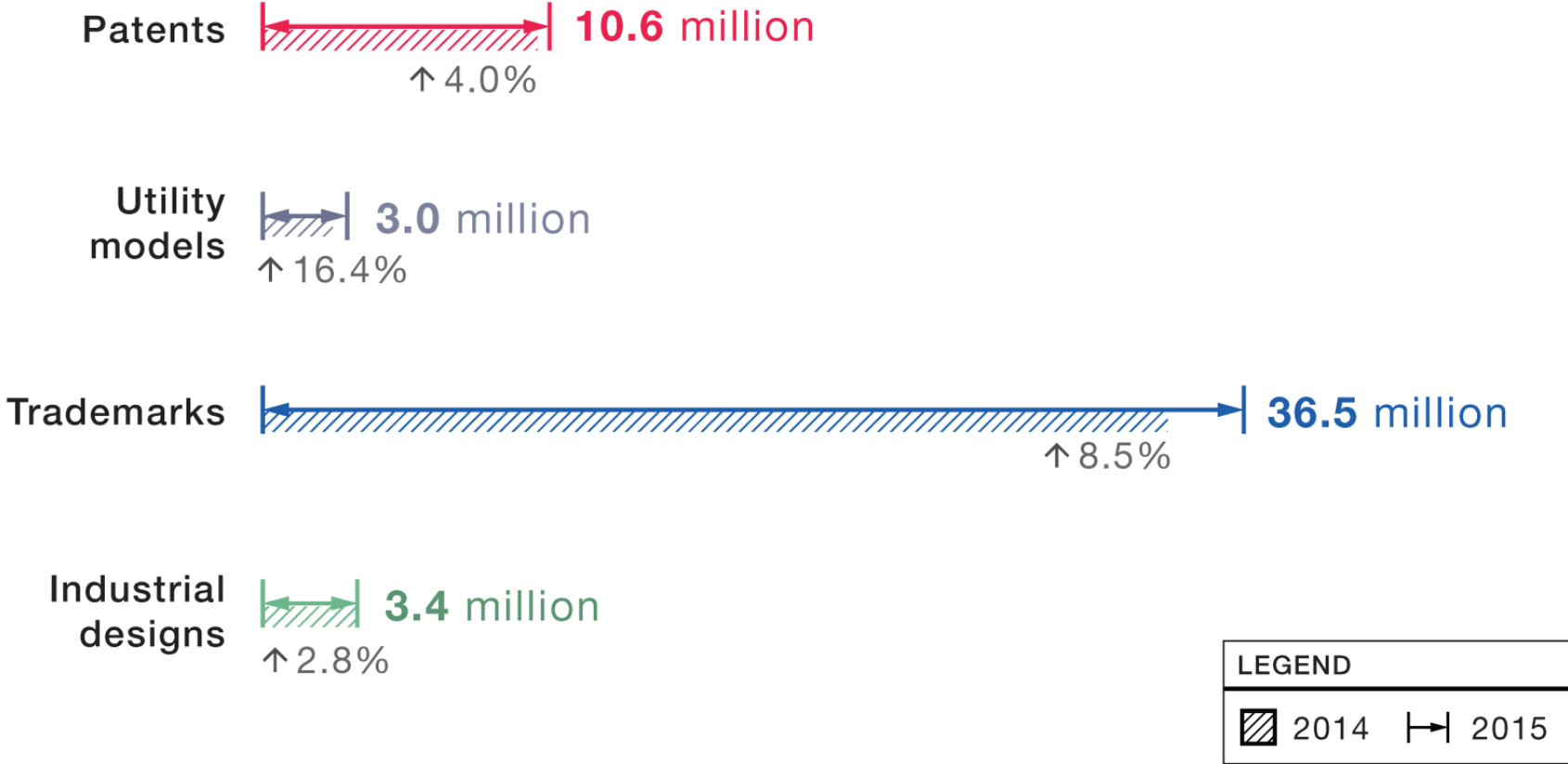
1. Total applications and growth in applications

* 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, October 2016.

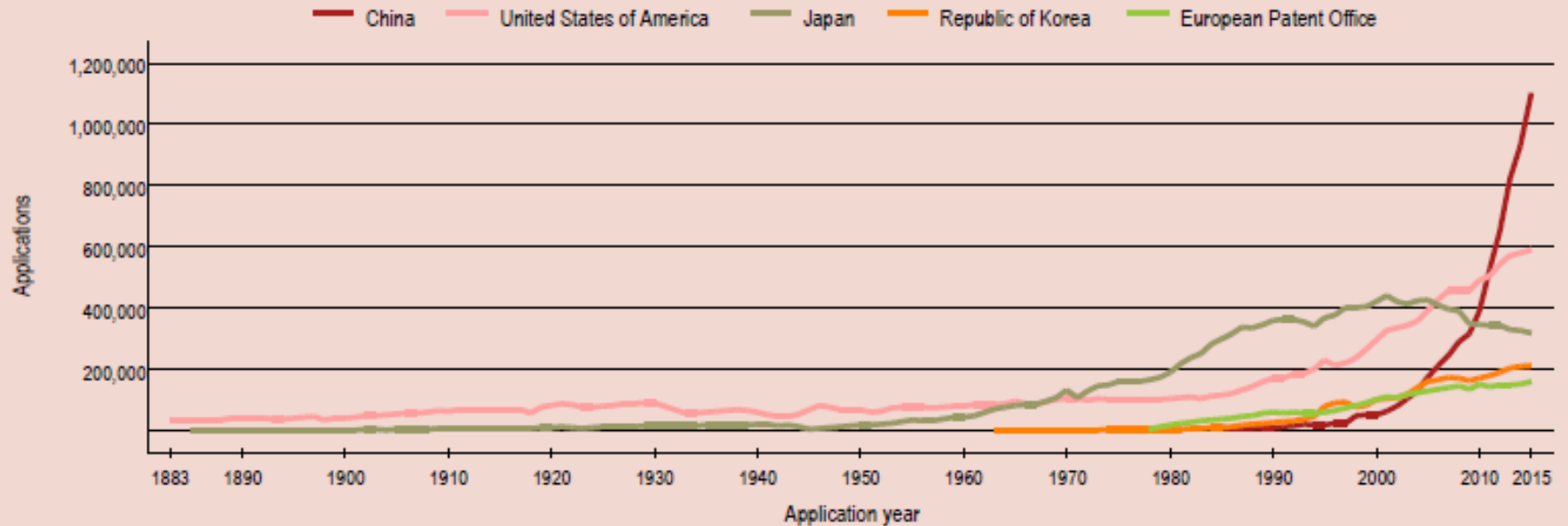
There are now well over 50 million IP rights in force



3. IP rights in force

Source: WIPO Statistics Database, October 2016.

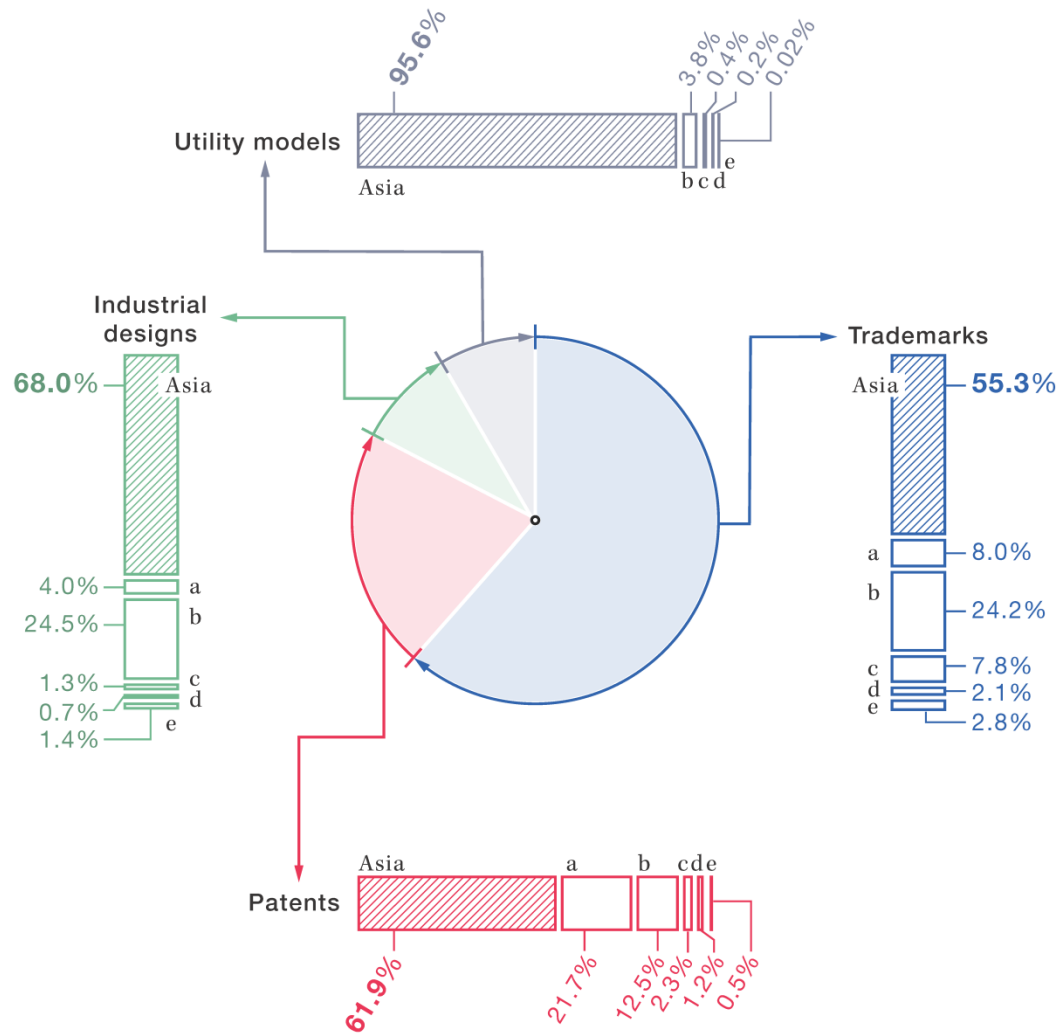
Trend in patent applications for the top five offices



Source: Standard figure A7.

Note: The IP office of the Soviet Union, not represented in this figure, was the leading office in the world in terms of filings from 1964 to 1969. Like the JPO and the USPTO, the office of the Soviet Union saw stable application numbers until the early 1960s, after which it recorded rapid growth in applications filed.

Asia received the bulk of world IP filings in 2015



LEGEND	
▨	Asia
a	North America
b	Europe
c	LAC*
d	Oceania
e	Africa

Music Industry Expansion

- In 2015, global music sales expanded for the first time in nearly 20 years
- Digital sales increased by 10.2% to USD 6.7 billion
- Digital sales accounted for 45% of total revenues, compared to 39% for physical sales
 - Streaming accounted for 43% of digital sales, compared to 45% for downloads
 - 68 million music-service subscribers in 2015 compared to 8 million in 2010
- Music multi-format
 - Vinyl, CDs, downloads, subscription and streaming services

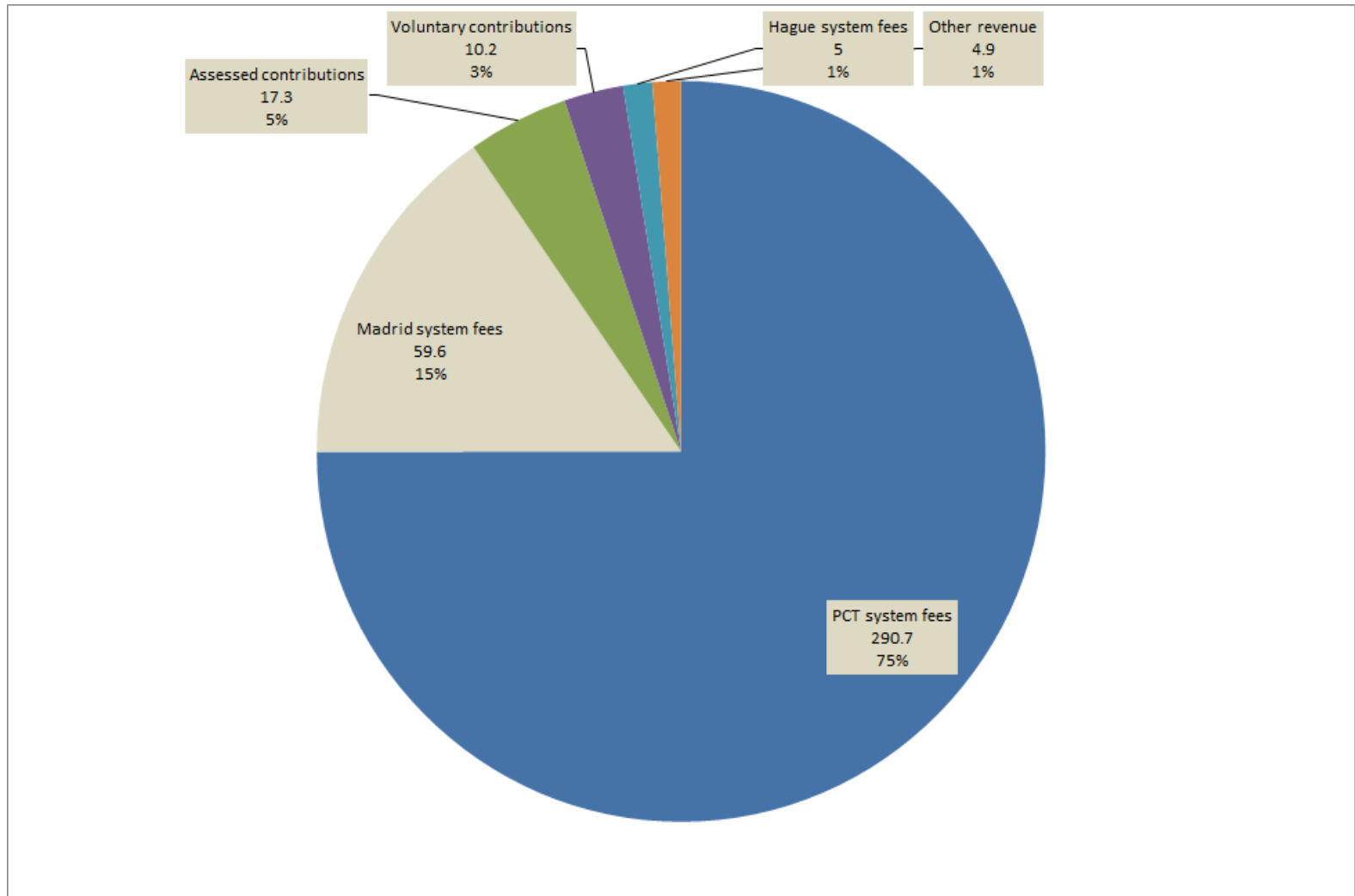
Financial Results 2016

- Overall surplus of CHF 32 million
 - 2015: surplus CHF 33.3 million
- Revenue CHF 387.7 million
 - +CHF 5.8 million over 2015
- Expenditure CHF 355.7 million
 - +CHF 7 million over 2015

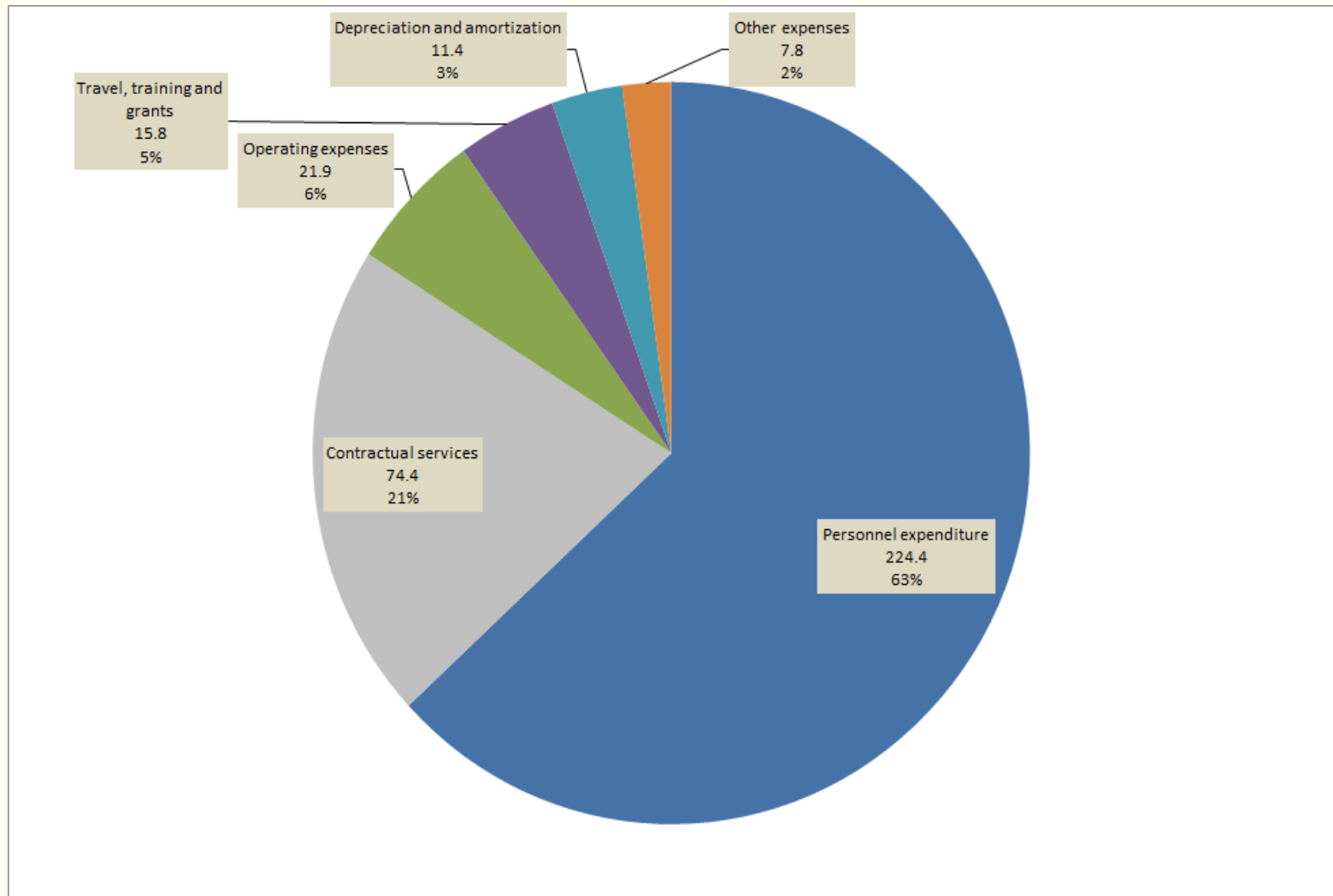
Statement of Financial Performance (in thousands of Swiss francs)

	2016	2015
REVENUE		
Assessed contributions	17,337	17,801
Voluntary contributions	10,176	10,255
Publications revenue	426	487
Investment revenue	21	1,500
Fees		
PCT system	290,719	275,392
Madrid system	59,580	67,925
Hague system	4,956	3,931
Lisbon system	25	17
Sub-total fees	355,280	347,265
Arbitration and Mediation	1,641	1,508
Other/miscellaneous revenue	2,832	3,127
TOTAL REVENUE	387,713	381,943
EXPENSES		
Personnel expenditure	224,353	216,266
Internships and WIPO fellowships	3,261	3,151
Travel, training and grants	15,810	17,394
Contractual services	74,398	72,090
Operating expenses	21,946	21,200
Supplies and materials	2,039	3,583
Furniture and equipment	172	827
Depreciation and amortization	11,424	11,055
Finance costs	2,310	3,107
TOTAL EXPENSES	355,713	348,673
SURPLUS/(DEFICIT) FOR THE YEAR	32,000	33,270

Composition of Revenue

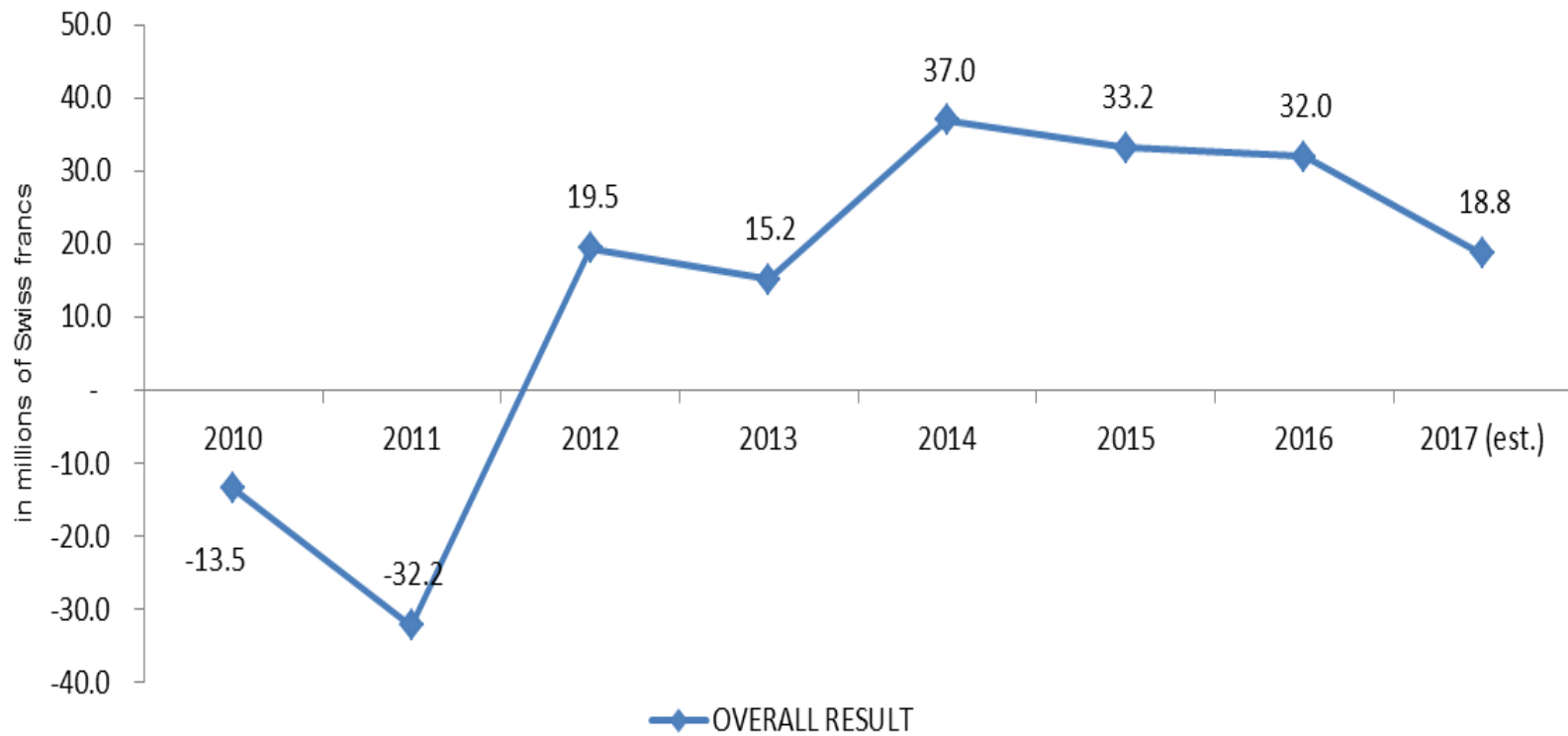


Composition of Expenditure



Evolution of Overall Result for Organization

OVERALL RESULT



Net Assets

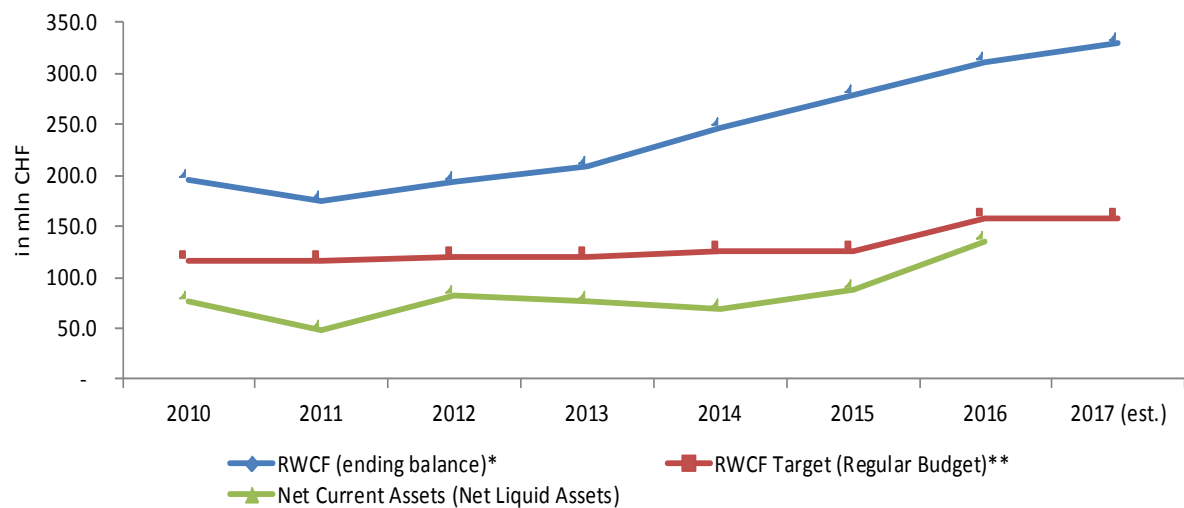
Reserve and Working Capital Funds (RWCF)

(in millions of Swiss francs)

	2010	2011	2012	2013	2014	2015	2016	2017 (est.)
RWCF (ending balance)*	194.6	174.2	193.7	208.8	245.8	279.1	311.3	330.1
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	154.3	173.1
Net Current Assets (Net Liquid Assets)	75.9	47.2	81.4	76.8	68.1	88.4	135.5	
Note: Appropriations already approved, not yet spent						23.7	16.8	

*RWCF was restated for 2011 and 2012.

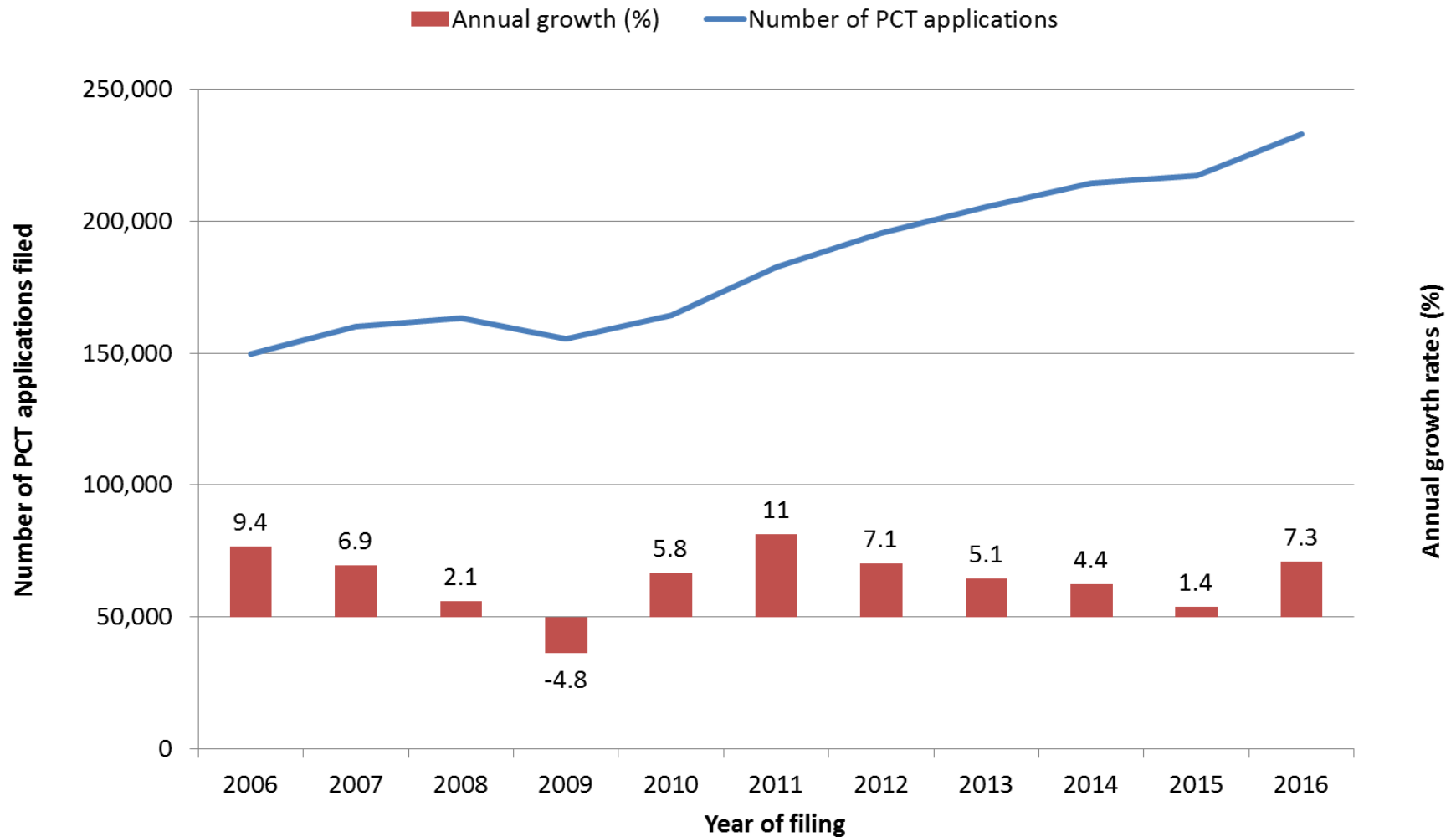
**RWCF target for 2016/17 is based on the new target percentage for the PCT system (20% instead of 15% in earlier periods)



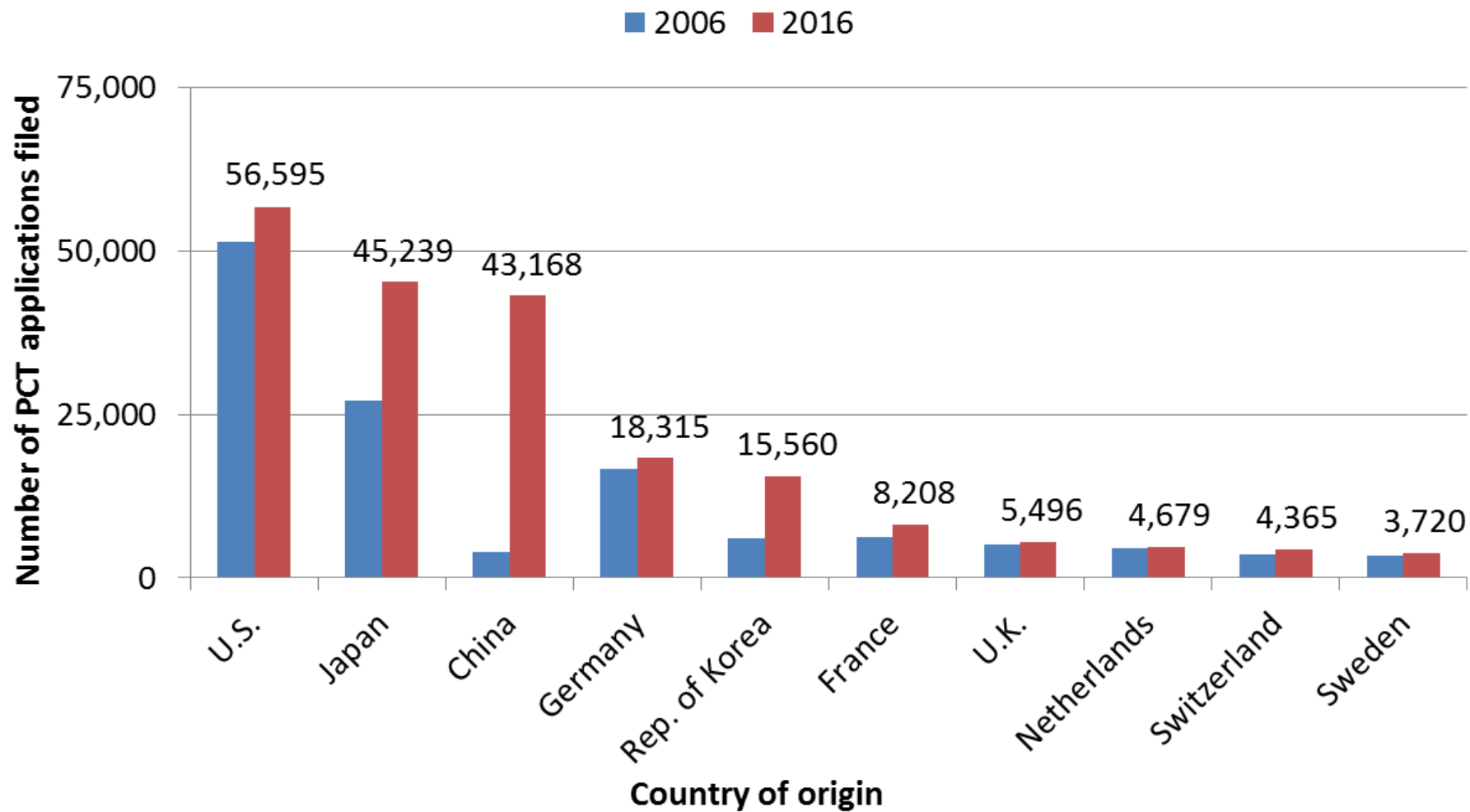
Global IP Systems - 2016

- Significant growth in three major systems
- PCT
 - 233,000 international applications
 - +7.3% over 2015
- Madrid System
 - 52,550 applications
 - +7.2% over 2015
- Hague System
 - 5,562 applications
 - +35.3% over 2015
- Priorities
 - Extending geographical reach and participation
 - Quality, efficiency and cost-effectiveness of service
 - Comprehensive IT environments

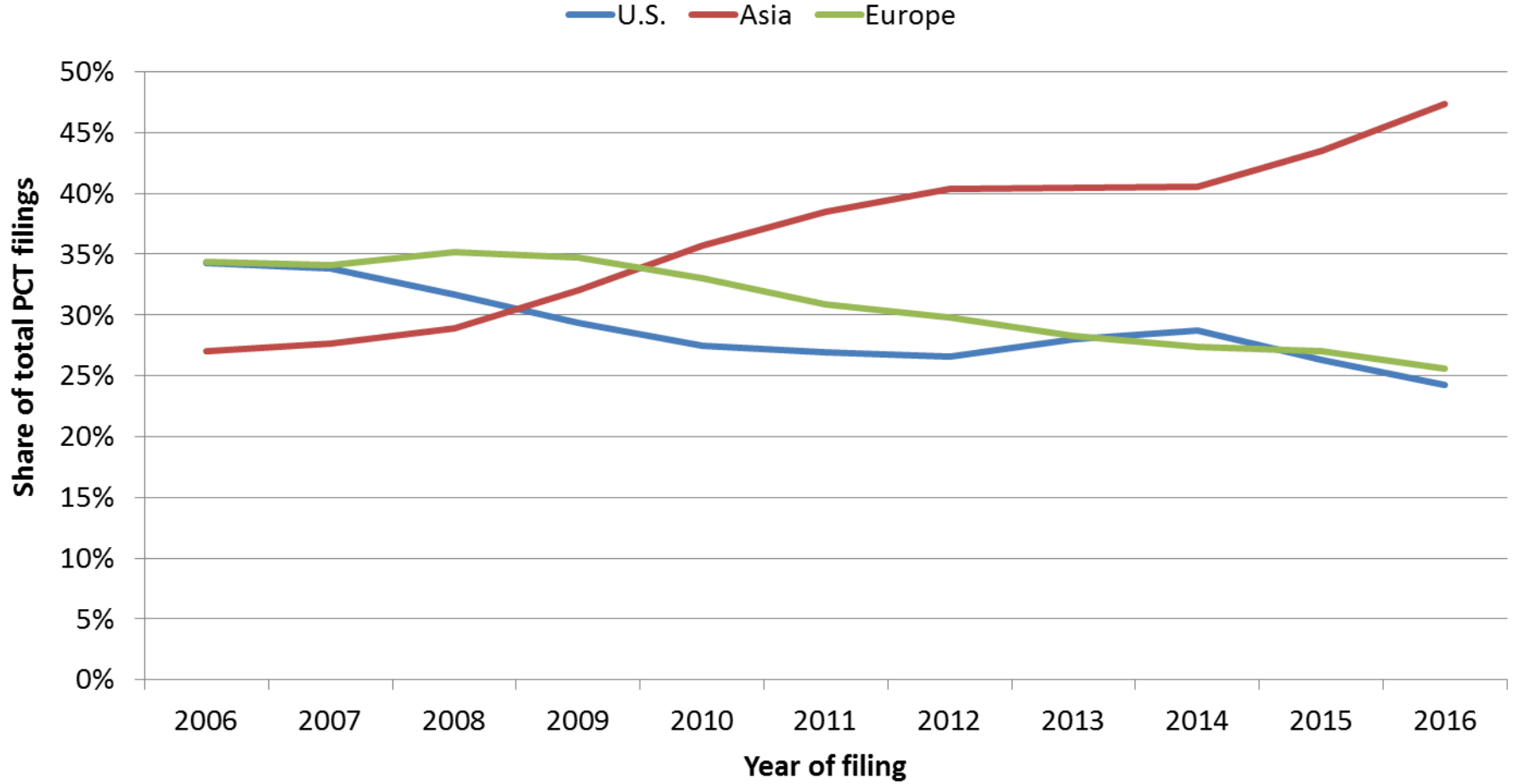
Trend in PCT filings



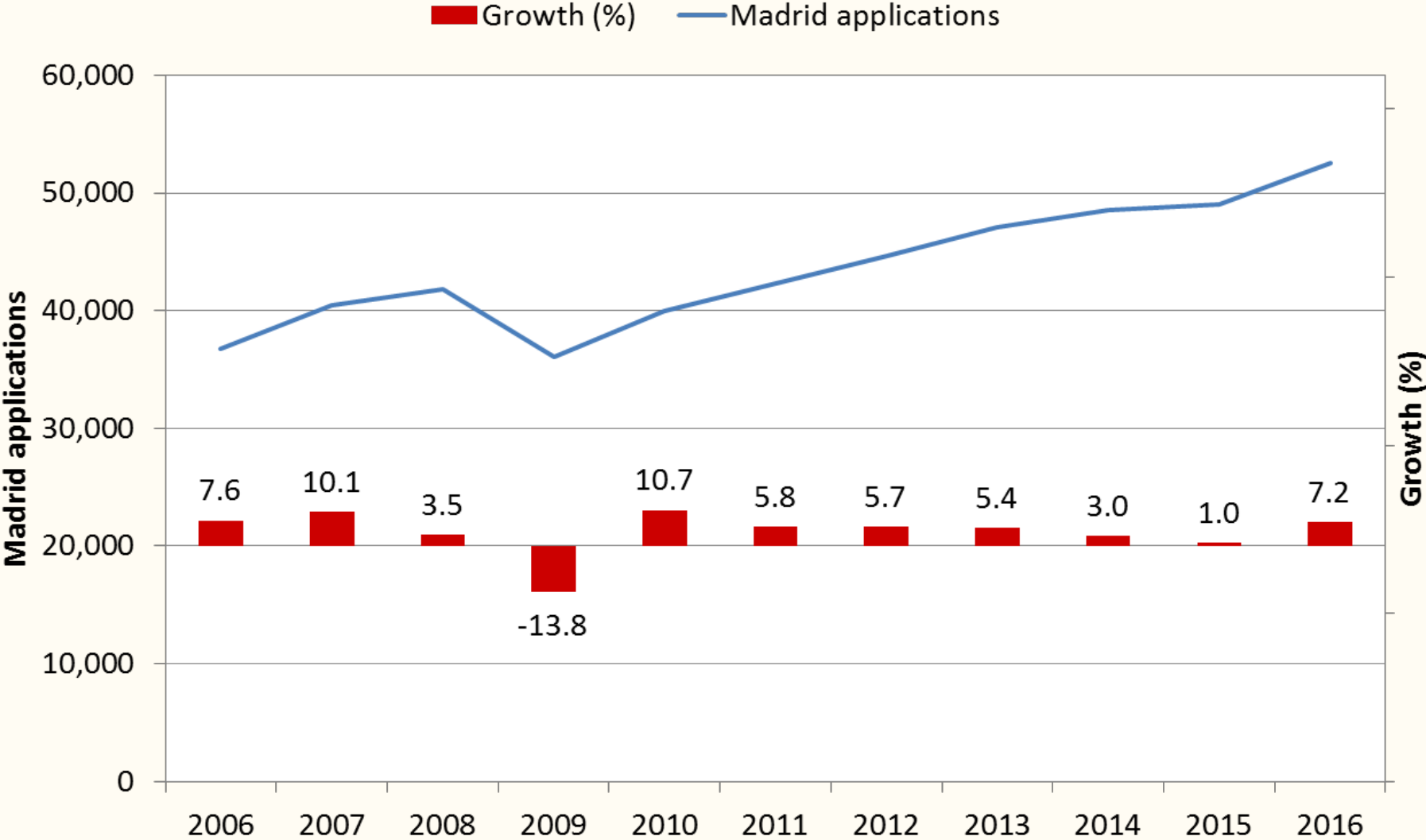
PCT Filings by Origin – Top Origins



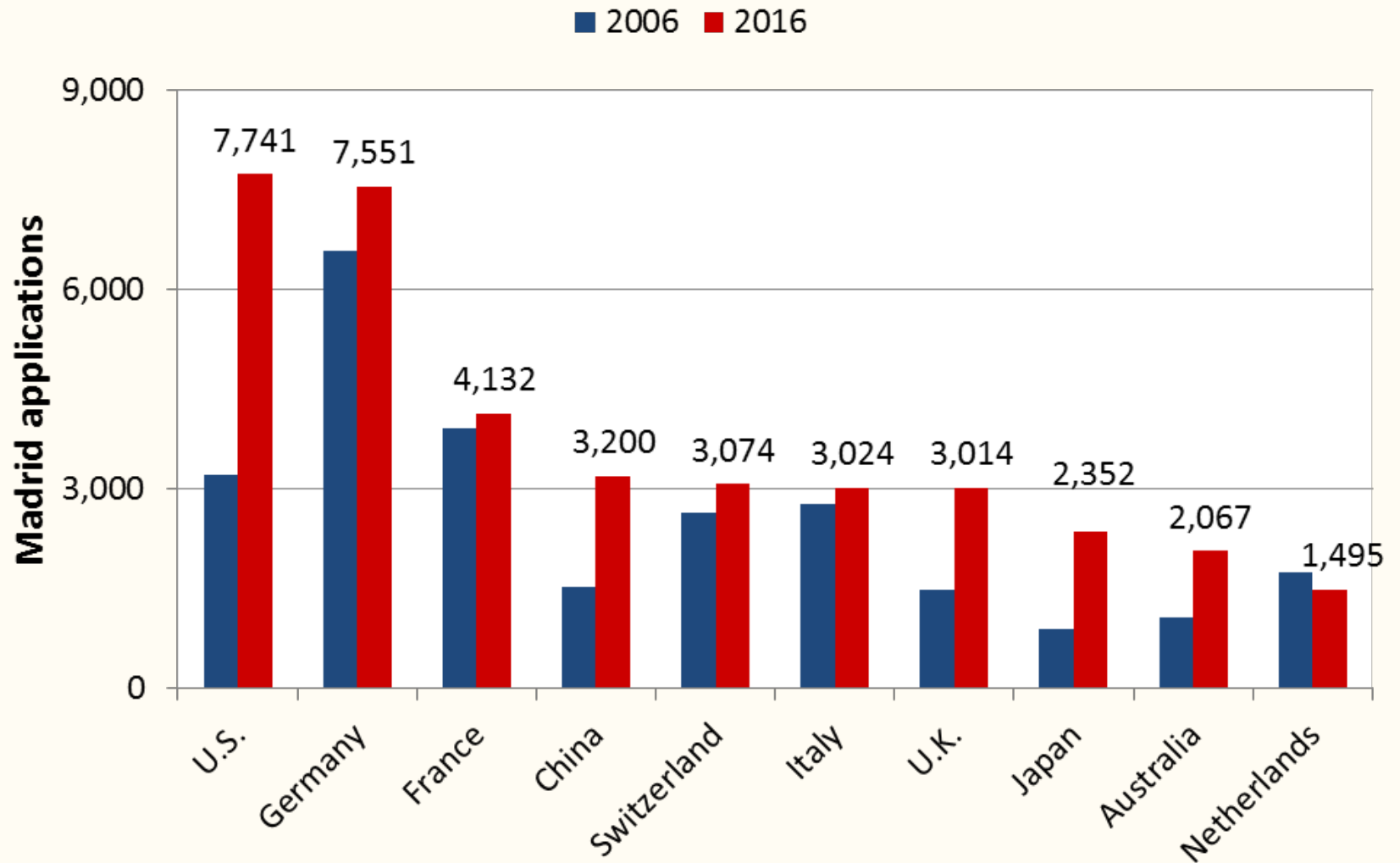
Share of PCT filings



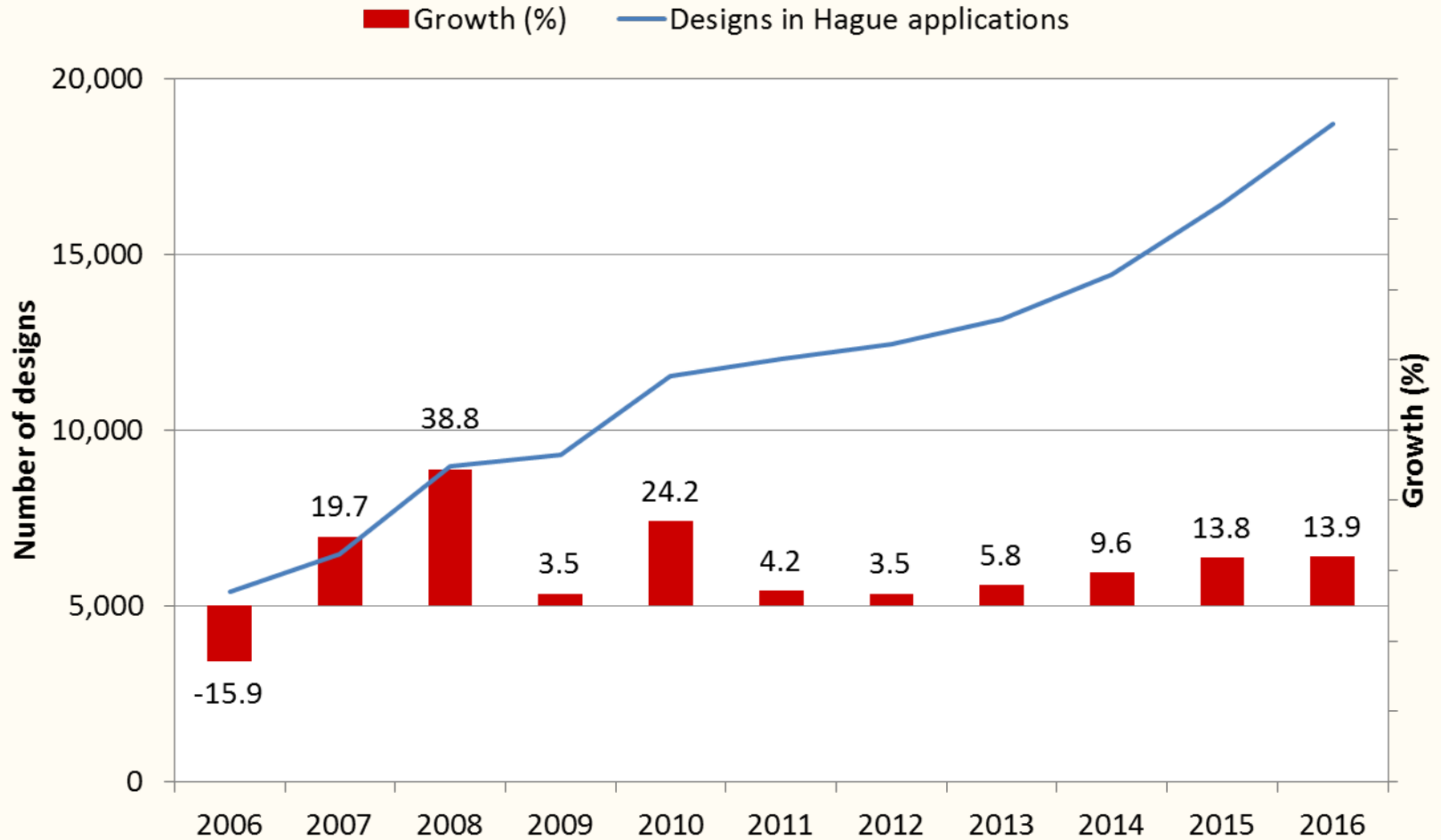
Trend in Madrid applications



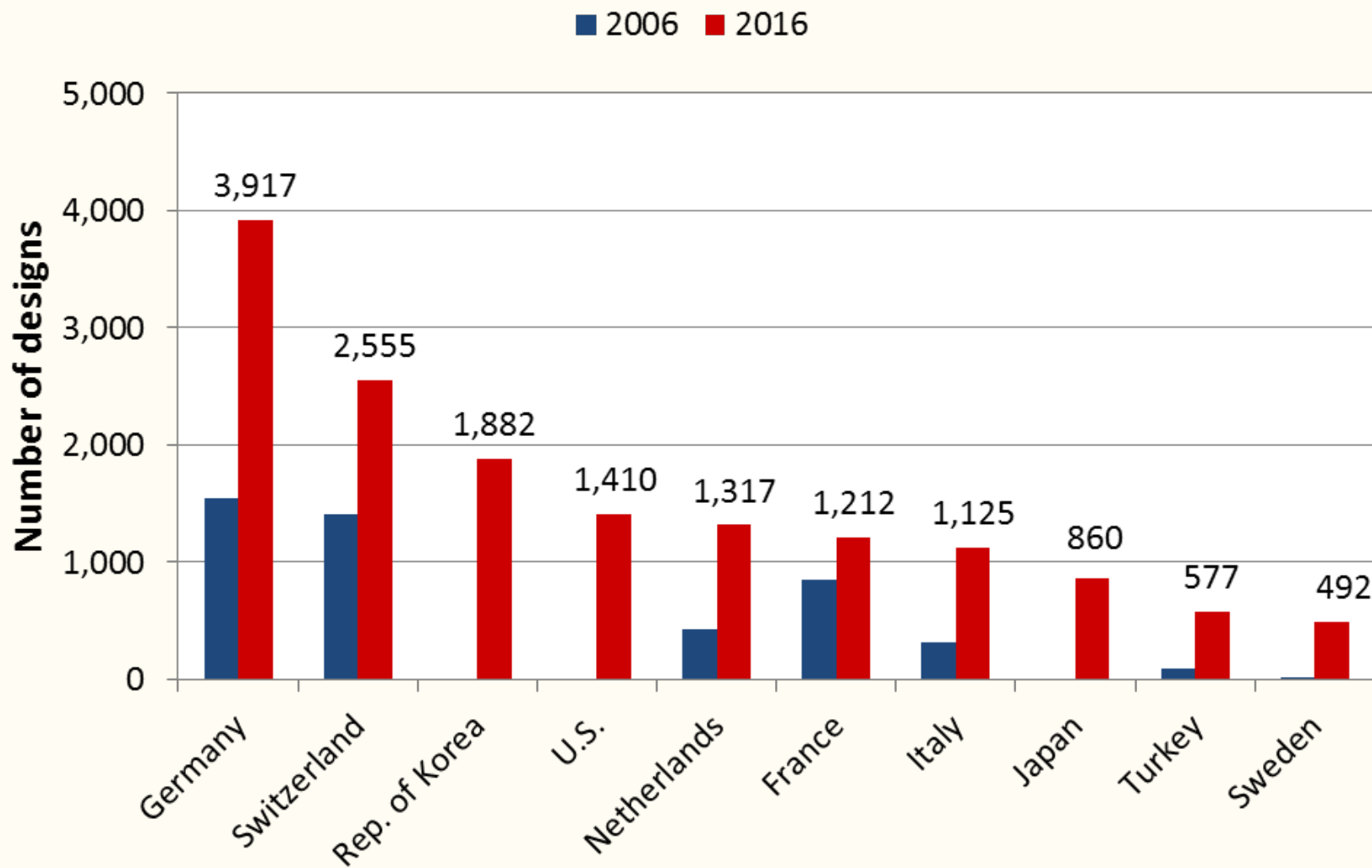
Madrid Applications for the top 10 origins



Trend in Hague applications (No. of Designs)



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



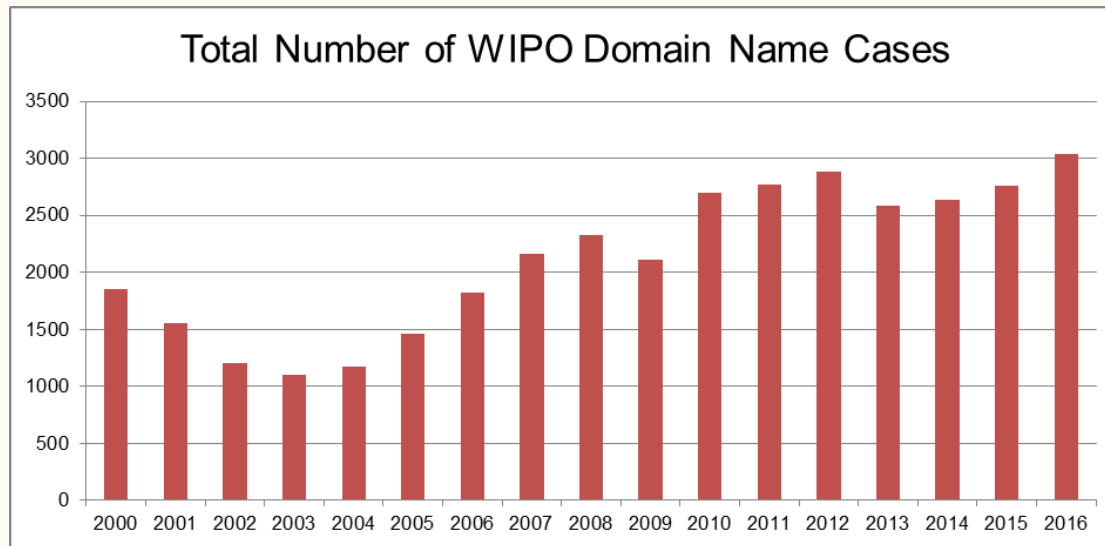
Expanding Use and Geography of Global IP Systems

System	2007	2016	% Change
PCT			
Applications	158,400	233,000	+47.1
No of Members	138	152	+10.1
Madrid			
Applications	39,945	52,550	+31.5
No of Members	81	98	+20.9
Hague			
Applications	1,167	5,562	+290.9
No of Members (Geneva Act)	20	52	+160

WIPO Arbitration and Mediation

- 2016 Results
 - 60 arbitration and mediation cases (filing record)
 - Parties from Australia, Belgium, Brazil, Canada, China, Denmark, France, Germany, Greece, Ireland, Italy, Japan, Netherlands, Singapore, Republic of Korea, Spain, Switzerland, UK, USA
- Cumulative total arbitration and mediation filing: 496 (most were filed in last ten years)
 - Example areas of dispute: patent licenses, software/ICT, R&D and technology transfer agreements, distribution agreements, copyright collecting societies, trademark coexistence agreements
- Increasing collaboration with Member States' IP authorities for promotion and/or integration of alternative dispute resolution options
 - Examples include Australia, Mexico, Philippines, Singapore, Spain, USA

WIPO Domain Name Dispute Resolution



- 2016 Results
 - 3,036 WIPO UDRP-based cases (+10.2%), 5,374 domain names
 - Parties from 109 countries, 303 panelists, 15 languages of proceedings
- Since 1999: 37,000+ WIPO UDRP-based cases re 68,000+ domain names
- Over 1,200 ICANN-approved new gTLDs operational (including some 100 using internationalized scripts)
 - New gTLD domain names 16% of WIPO 2016 case-load
- 74 ccTLDs designating WIPO dispute service

Normative Program

- Proposed Design Law Treaty
- IGC
- Broadcasting

Global Databases

- Patentscope
 - 58 million documents (PCT, ARIPO, EAPO, EPO and 40 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
 - 28 million records (Madrid, Lisbon, emblems, EUIPO and 30 national TM collections) with a
 - pioneer image-search tool
- Global Designs Database
 - 1.7 million records (Hague, 5 national designs collections)
- WIPO Lex
 - 12,000 national IP laws and regulations and 800 treaties
 - More than two million users in 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
 - 11 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
 - 26 participating 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 **517 in 59 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
 - 910 institutions actively using ARDI
 - ASPI – free/affordable access to seven commercial patent databases

Accessible Books Consortium

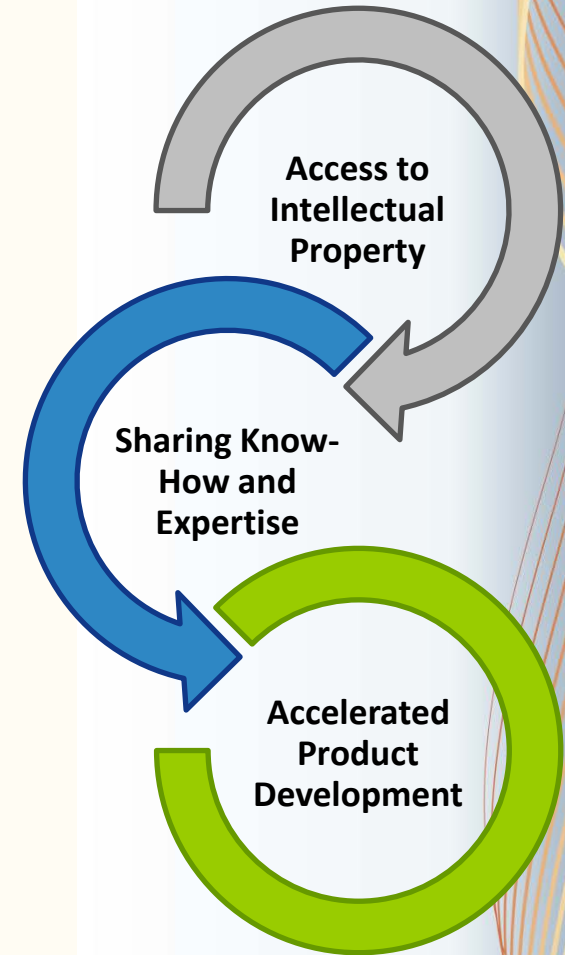
- Consortium between authors, publishers, libraries, blind associations
- Functions
 - International (Accessible Format) Book Exchange
 - 102,000 loans of books in accessible formats to individuals
 - 6,000 files downloaded by 25 Authorized Entities (AEs), resulting in savings to AEs of approximately USD 12 million
 - Inclusive Publishing
 - ABC Charter for Accessible Publishing
 - Capacity Building
 - Capacity building projects in Argentina, Bangladesh, India, Nepal and Sri Lanka

WIPO Re:Search

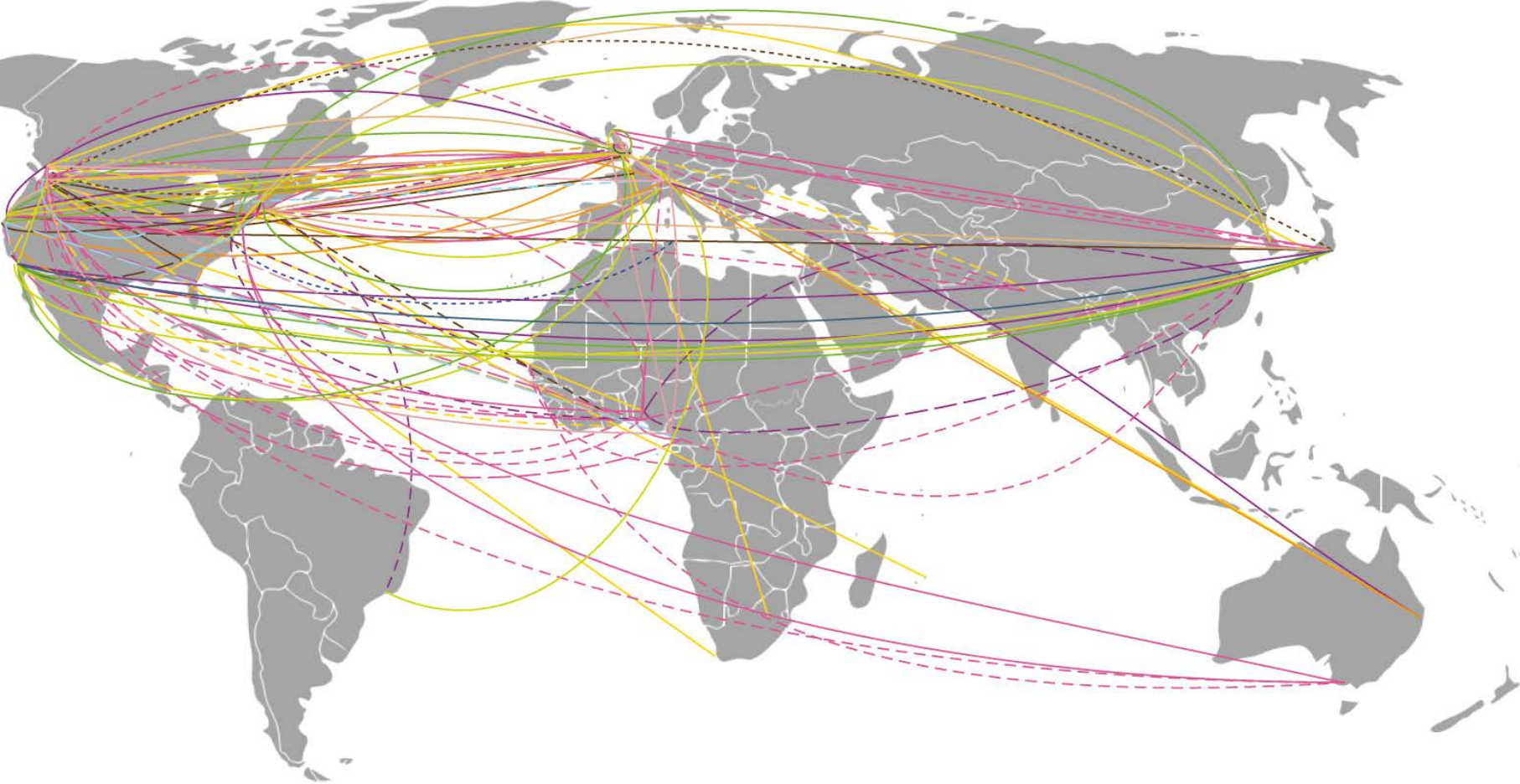
Global initiative established to encourage and facilitate the sharing of intellectual property assets to advance **drug, vaccine, and diagnostic** development for **malaria, tuberculosis, and neglected tropical diseases** (NTDs)

121 members from 31 countries

112 agreements/collaborations, plus capacity building



WIPO Re:Search Collaborations



- | | | |
|-------------------------------------|---------------------------------------|------------------------|
| — Buruli ulcer (2) | — Neurocysticercosis (1) | — Drug (66) |
| — Chagas disease (12) | — Onchocerciasis (5) | — Diagnostic (19) |
| — Dengue (7) | — Other (12)* | — Basic research (23) |
| — Human African trypanosomiasis (7) | — Rabies (1) | — Vaccine/Adjuvant (4) |
| — Leishmaniasis (9) | — Schistosomiasis (12) | |
| — Lymphatic filariasis (2) | — Soil-transmitted helminthiases (11) | |
| — Malaria (36) | — Tuberculosis (17) | |

*Fungal disease, diarrheal disease, RSV, multiple diseases

Current as of March 28, 2017

WIPO Re:Search Collaborations

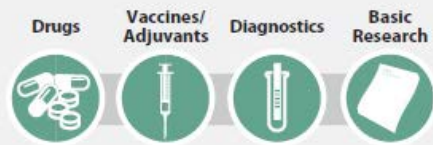
Research Agreements

Collaborations



To date = 108
2016* = 12

Collaborations by Product



	Drugs	Vaccines/ Adjuvants	Diagnostics	Basic Research
To date =	64	4	19	21
2016 =	6	0	2	3

Collaborations by Resource Shared

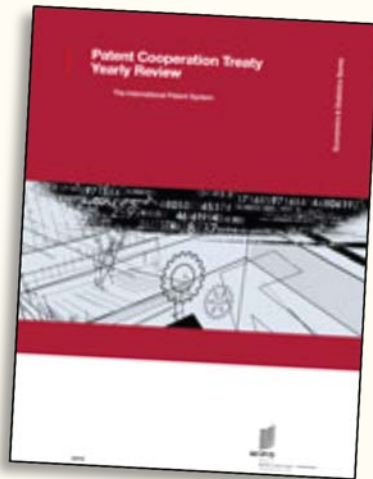
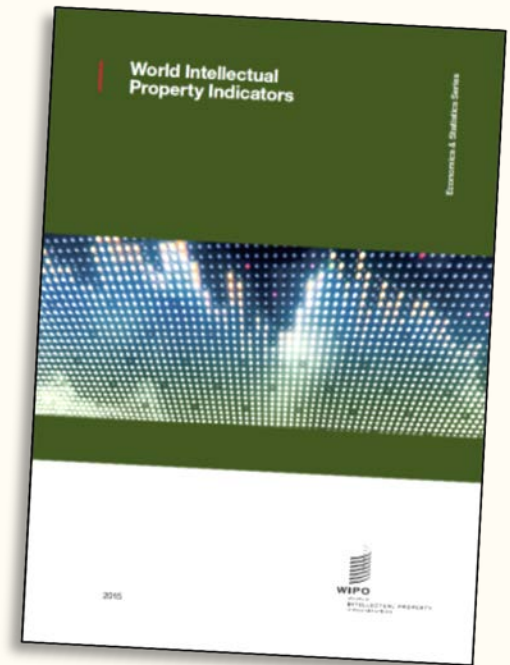


	Compounds	Data/ Reagents	Expertise/ Advice	Samples	Technology/ Assay
To date =	44	16	18	14	16
2016 =	5	1	0	1	4

Source: *BIO Ventures for Global Health
2016 BVGH Partnership Hub Report*

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



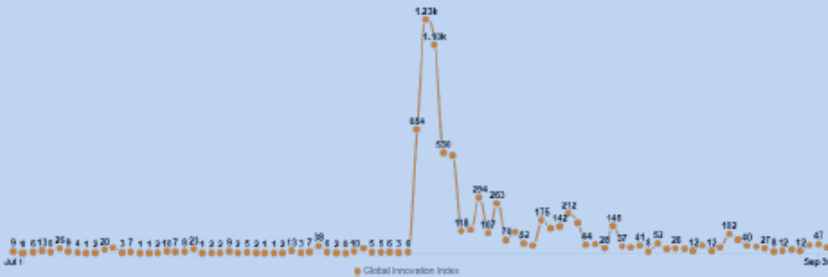
Global Innovation Index

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

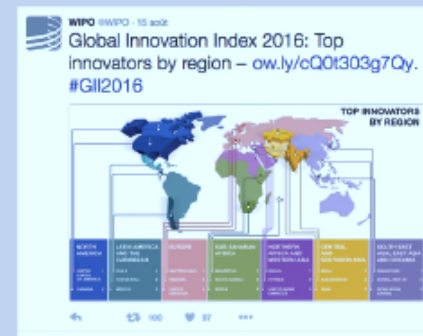


Global Innovation Index 2016 – Worldwide Media Pickup

7,440 GII press articles generated
(= CHF570 million equivalent advertising value)

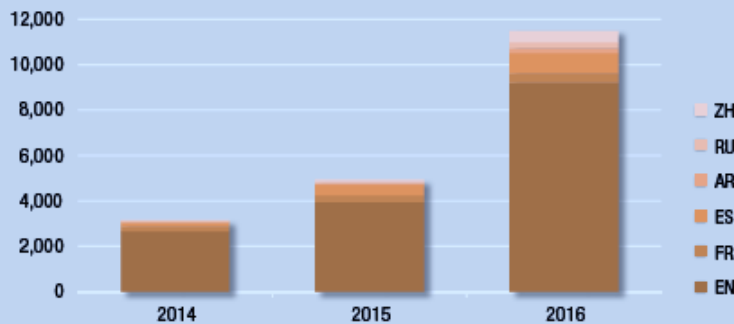


1.8 million impressions of number of WIPO tweets – with GII and Marrakesh on top.



100% + increase in page views of press release

GII Press Release Pageviews, 2014-16



Source: Google Analytics. Data covers release day plus 2 days. Compared to equivalent periods in 2014 and 2015.

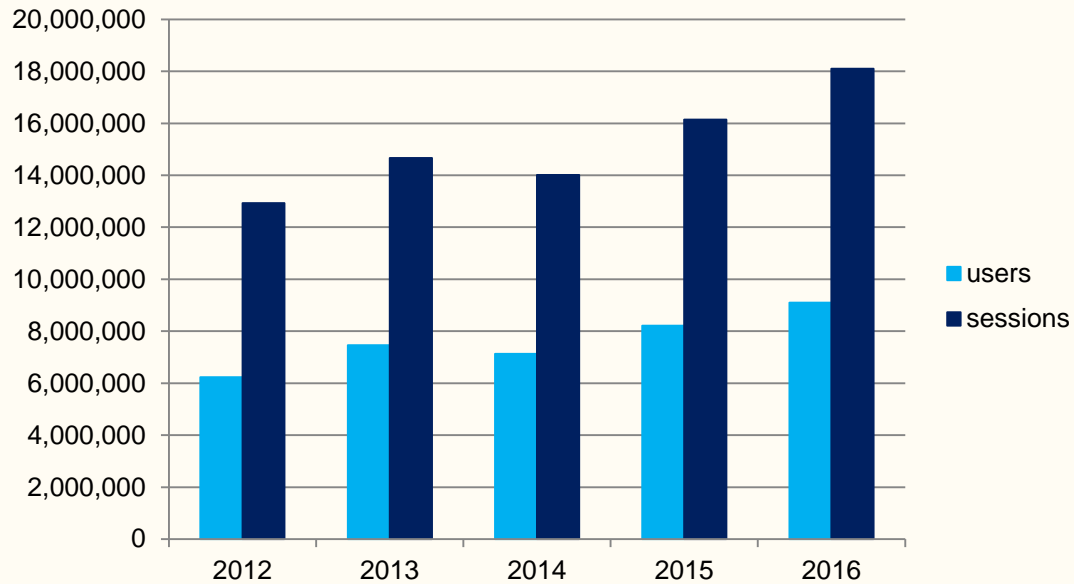
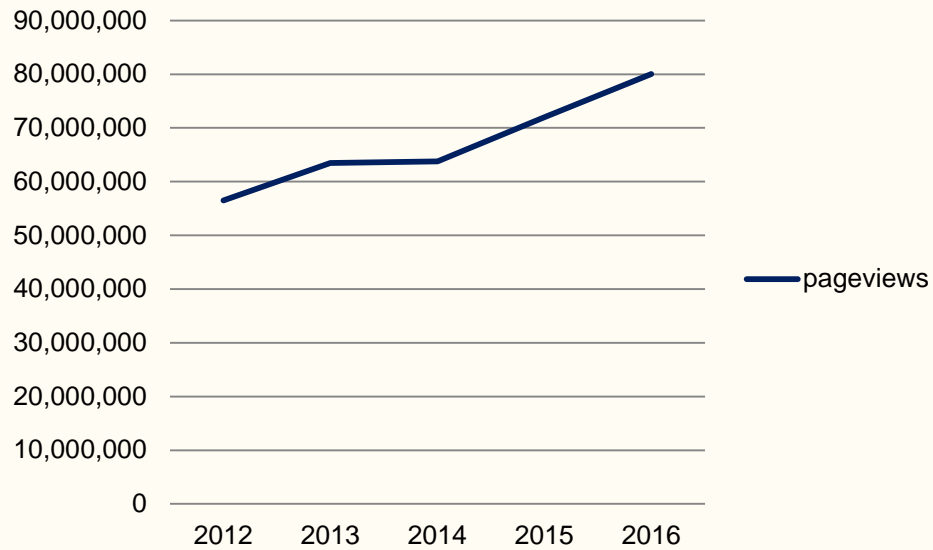
China: 3,860 articles (52%) / **USA: 940** (13%) / **India: 390** (5%)



Capacity Building and Development Cooperation

- 21% of expenditure of Organization
 - National Strategies
 - Regulatory Framework
 - Technical Infrastructure
 - Capacity-Building
 - LDCs and Appropriate Technology
- 2016
 - Conference on Development and Intellectual Property, April
 - Independent Review of Implementation of Development Agenda Recommendations

wipo.int

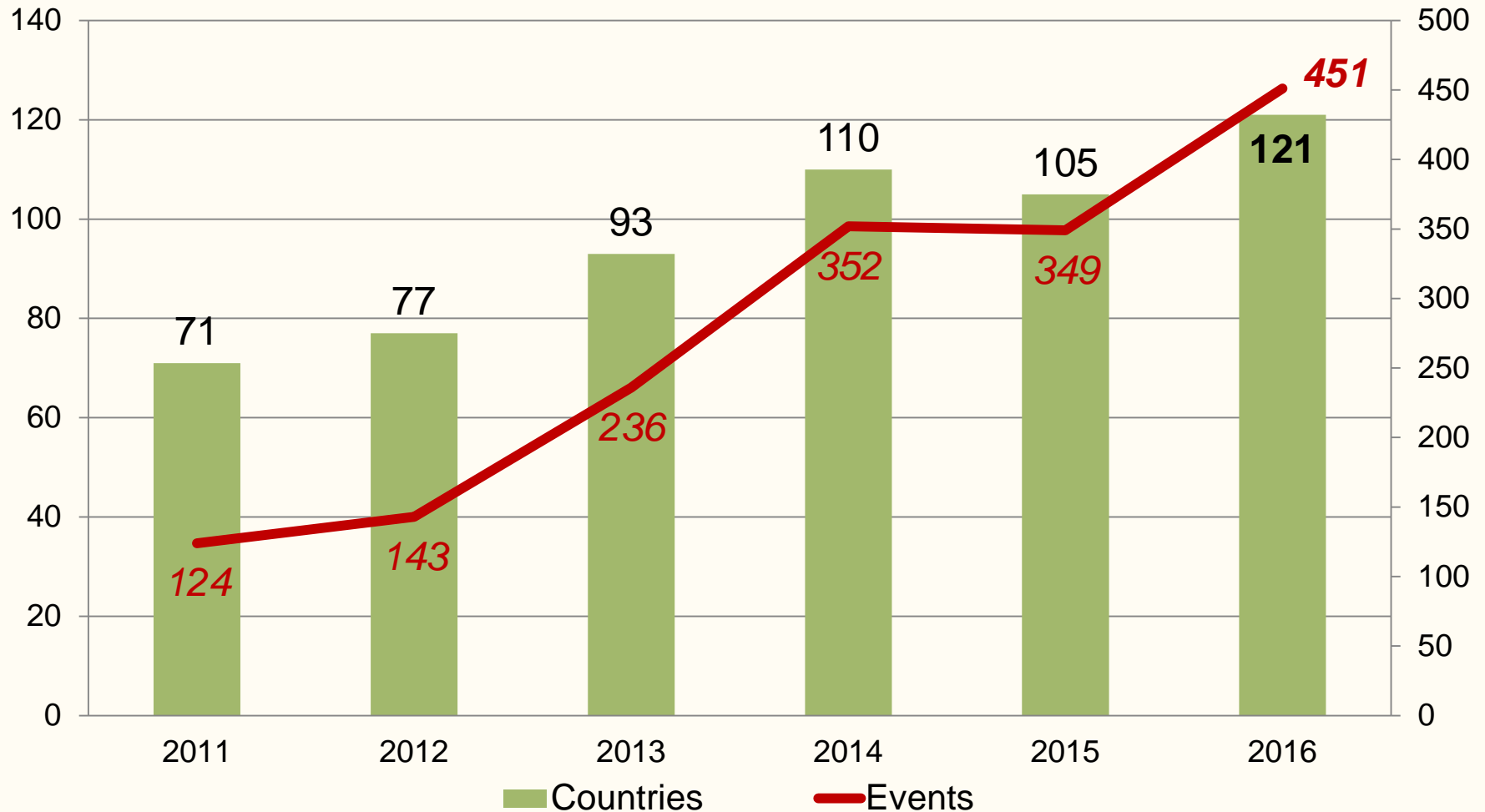




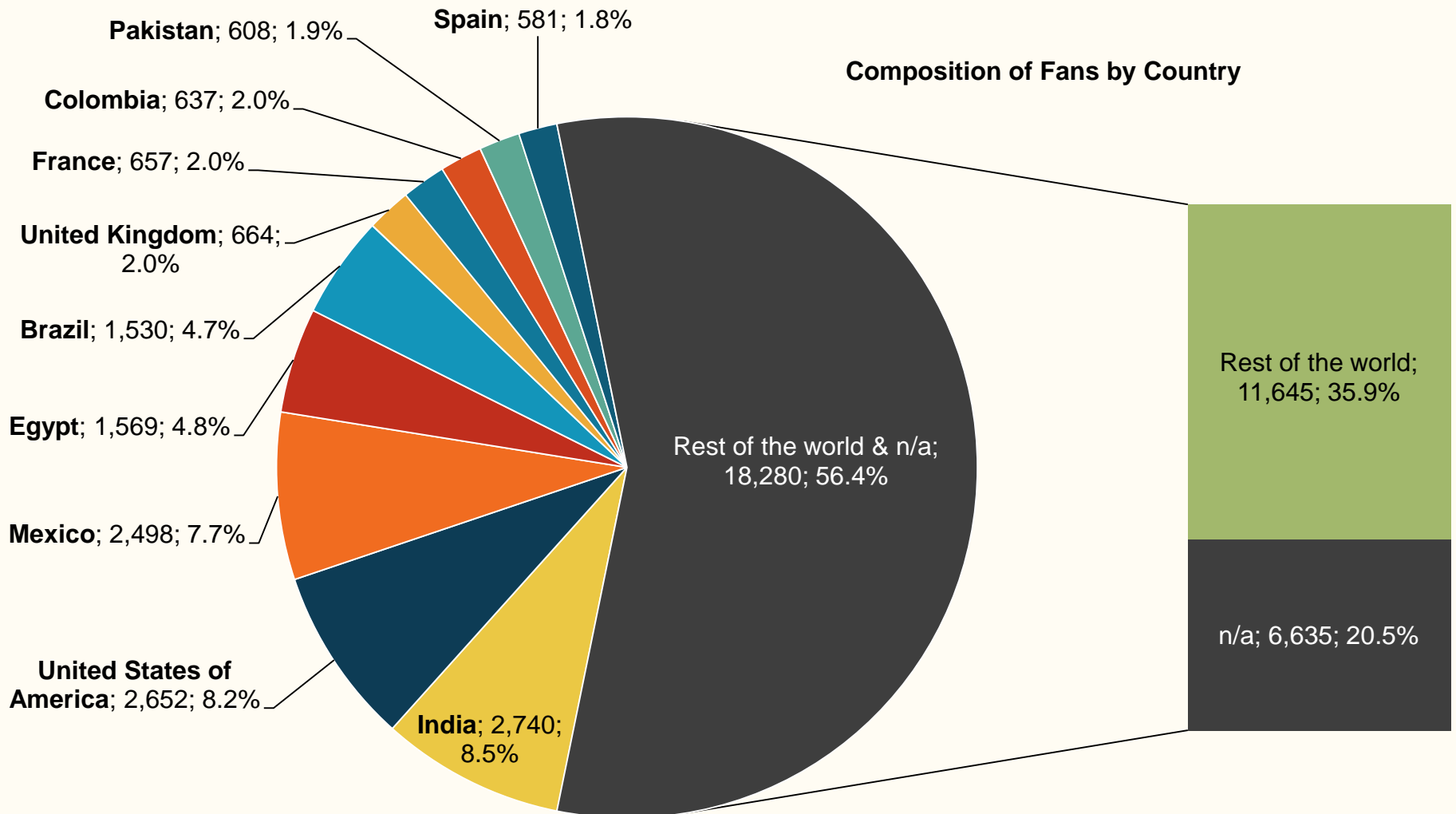
451 World IP Day celebrations in 121 countries around the world in 2016

World IP Day events over time

Countries and Events Celebrating World IP Day Featured on Events Map



A global fan base on Facebook



“Likes” of World IP Day Facebook Page.

Other Selected Highlights/Challenges in 2017

1. Management
 - Transition to new investment policy
 - Gender and geographical balance in Secretariat
 - IT Projects
2. Entry into force of Beijing Treaty
 - 16 of 30 required accessions
3. External Offices
 - Establishment of Offices in Algeria and Nigeria
 - Decision on up to four new Offices (one in 2017; three in 2018-2019)
4. Progress on the Normative Agenda
5. World IP Day
 - April 26
 - Innovation – Improving Lives
6. Global Innovation Index 2017 Launch