Chapter 6

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Administration of Industrial Property

Introduction

6.1 The organizational structures which need to be established by the government of a country for industrial property laws to operate effectively fall into three categories:

- bodies operated directly as part of the government machinery — namely an Industrial Property Office and a Policy Unit;

- bodies outside the government machinery but which may call for government supervision — namely patent and trademark agents;

- special arrangements in the courts.

6.2 The Industrial Property Office is often called the Patent Office for short, even though it handles trademarks and designs as well as patents. In some countries the three functions are, for historical or other reasons, operated independently by separate offices, but it is usually more efficient to combine the functions in one office.

6.3 The Industrial Property Office is essentially a government institution. Its precise position in the government organization as a whole can vary according to the administrative structure of the government of the country in question.

6.4 The Office may be integrated completely into a Ministry concerned, being staffed by civil servants who can be transferred into and out of the Office from other parts of the Ministry. The advantage of frequent transfers is that the Office receives a regular intake of staff with wider experience and perhaps fresh ideas; the disadvantage is that experienced officials are lost as they move elsewhere.

6.5 The Office may be organized as a semi-autonomous body, able to recruit and train its own staff on its own terms, to control its own fees and other charges and to manage its own finances. It may then have a management board representing both the government and the people who use the Office's services. The advantages are freedom from general government restrictions on manpower and spending, more freedom to finance investment in new developments, greater ease in responding to user and consumer interests, and more retention of experienced staff. The disadvantage, particularly for a small Office, is that the staff's career is more restricted and that might affect the quality of the recruits to the Office.

6.6 Whatever administrative structure is adopted the Office must be judicially autonomous. The decisions of the Office to grant, refuse or revoke an industrial property right, or to resolve disputes between parties, are quasi-judicial decisions, not administrative ones. The Office must, therefore, be free from any interference in particular decisions, being answerable only to the court in so far as there is a right of appeal from an Office decision to the court.

6.7 The Office must be subject to administrative supervision by the Ministry in charge of its general performance, on the level of its fees and on the appointment of the head of the Office or members of any management board. In addition, it is highly desirable to establish an advisory

committee of representatives of user organizations (such as patent and trademark agents' institutes, chambers of commerce, industrial federations and consumer groups).

Administrative Structure in the Industrial Property Office

6.8 The managers of many of today's Industrial Property Offices are increasingly called upon to plan and organize their operations with optimum efficiency in mind. In recent years, Industrial Property Offices have become much more active in the promotion and delivery of services related to the role of industrial property information as important factors for technological development, in addition to the carrying out of the traditional functions of search and examination related to the granting of industrial property rights.

6.9 Most Industrial Property Offices have also experienced, in recent years, substantial increases in workloads because of rises in filing rates, which have not always been accompanied by corresponding increases in human resources. Consequently, managers have been looking at various ways and means, including automation, to increase the efficiency of their operations and deliver more with the same or fewer resources. In this context, managers have been studying different organizational set-ups in order to promote the most efficient use of their human resources.

6.10 The current trend is to group all the industrial property activities under one authority, since this results in the more efficient use of management skills and the interchangeability of a certain number of employees, particularly in the support areas. Such an organizational structure allows having managers with specific technical and operational knowledge and experience at certain levels but liberates others to concentrate on primarily management issues. The structure also reduces the number of managers requiring in-depth knowledge of industrial property. Other advantages are:

- providing a variety of advancement paths for employees;

- possibility of amalgamation of certain functions and avoidance of duplication of certain others;

- management teams with a variety of experience and background;

- making optimum use of management skills by having them applied over wider areas;

- presents the possibility of shared services, often reducing costs and the amount of equipment and office space required.

6.11 This structure also has some disadvantages — of certain employees having to become generalists rather than acquiring in-depth experience in any one field, and of certain managers being called upon to deal with a multitude of areas that are quite different in nature. Others are:

- because the educational requirements are different in the different sectors, the employees of one sector can tend to dominate the managerial levels;

- because of fewer management positions at certain levels, there are fewer prospects of advancement to those levels.

There is also an increasing tendency to merge the industrial property administration with the copyright administration, as in Indonesia, Malaysia, Mongolia, Singapore and Thailand.

Directorate General

6.12 The Directorate General is the authority to which all the organizational centers report. The actual title of this position may vary as, for instance, Commissioner of Patents, Registrar of Trademarks, etc., as well as that of Director General. The officer holding this position is responsible for the management of all operations related to industrial property.

6.13 In practically every Industrial Property Office, this responsibility would be too vast for only one manager. The situation may be handled by the appointment of Deputy Directors General who are responsible for specific operations, or by dividing the Directorate General into legal and administrative areas of responsibility.

Industrial Property Operations

6.14 Industrial property operations are managed by the various centers under the Directorate General. These centers are the ones which are involved with the activities leading to the grant of industrial property rights: they deal as appropriate with patent examination, trademark examination, industrial design examination, support services, appeals and oppositions, PCT, documentation and information, automation and programs and research.

The Patent Office

Tasks

6.15 In the field of patents for inventions the main task of the Industrial Property Office consists in receiving applications for the grant of patents and deciding, separately for each application, whether a patent should be granted or refused. A further task of the Industrial Property Office is to deal with the renewal of the patents granted. Finally, an Industrial Property Office may have functions of disseminating technological information to the general public and deciding on cases of requests for compulsory licenses. A more detailed review of certain tasks of the Patent Office can be found in the Section of this chapter entitled "The Patent and Trademark Attorney," where the role of the Patent Office is placed in the context of the efforts of the applicant and the patent attorney.

Receiving the Patent Application and the Fees—Examination as to Form

6.16 Patent applications are usually prepared by professionals, that is, by patent attorneys or patent agents. The Industrial Property Office nevertheless has to check that the requisite legal formalities have been complied with, and this is called examination as to form. The Industrial Property Office will check whether the application is on the right size of paper, typed with the prescribed margins and containing all the prescribed elements of which the most typical are the request, the description and the claims. It will check whether the prescribed fees were paid. If there are defects, it will invite the applicant to make corrections. Furthermore, the Office will examine whether the subject matter of the application is one which must be kept secret because of national security concerns.

Publication of the Application

6.17 If the applicable law or treaty prescribes that applications be published, the Industrial Property Office will have to prepare the application for publication and make paper copies available

to the public. The preparation typically consists of preparing the first page of a pamphlet that usually comprises the text of the application and any drawings that are part of the application. The first page shows, in a standard format, the so-called bibliographic data: name and address of the applicant, the inventor (if he is not the applicant) and the patent agent; title of the invention; date of the filing of the application; date, place and serial number of any earlier application filed abroad the priority of which is claimed. The Industrial Property Office will have to give each application a serial number and will have to assign to it a classification symbol showing the sub-division of the International Patent Classification (IPC) into which the claimed invention belongs. The resulting serial number and classification will be shown on the title page. Finding the right classification symbol is a task that requires familiarity with the IPC and understanding of the invention that is the subject matter of the application. It requires a high degree of professional skill, namely, that of a scientist or engineer. But if the application involves the priority of an earlier foreign application, it is usually safe, at this stage, to simply request that the applicant indicate the classification symbol given to the priority application by the foreign Industrial Property Office and to allocate the same symbol to the domestic application. Since many of the applications are of foreign origin and involve priority, such a method will solve, in most cases, the problem of assigning IPC symbols.

6.18 The number of copies to be prepared by the Industrial Property Office is a function of demand. The requisite number of copies may vary between a few dozen and a few hundred. Copies will be needed for exchange purposes with foreign industrial property offices and for sale to anyone who wishes to buy them. The copies are usually produced by photocopying the first page prepared by the Industrial Property Office and the rest of the pages as prepared by the applicant and appearing in the application. In other words, there is no need for setting type. Photo-offset reproduction is typical. In addition to paper copies, the Industrial Property Office may also prepare and offer for sale copies on microfilm or in electronic form, such as CD-ROM or uploading on the Internet.

Examination as to Substance

6.19 If the applicable law or treaty prescribes that applications be examined as to substance, then the Industrial Property Office will determine, for each application, whether it complies with the requirement of unity of invention and whether the invention claimed is patentable, that is, whether it is new, non-obvious and industrially applicable.

6.20 The carrying out of examination as to substance requires skilled professionals, engineers or scientists, called "examiners." They have to compare the claimed invention with the state of the art in order to determine whether the claimed invention is novel and represents a significant step forward in respect of the state of the art on the relevant filing date.

6.21 In order to know what the state of the art is, the Industrial Property Office must either have a collection of its own patent documents, scientific books and scientific periodicals, or it must have recourse to other means of receiving the required information. Establishing and maintaining the collection is an expensive undertaking even if it is determined that worldwide coverage is not necessary. Other means may be that patent applications filed under the Patent Cooperation Treaty are accompanied by so-called international search reports or international preliminary examination reports prepared by one of the leading industrial property offices of the world. Another is to have recourse to one of the services offered to developing countries, in certain circumstances, by WIPO: the state-of-the-art search reports program and the International Cooperation in the Search and Examination of Inventions (ICSEI). Finally, the Industrial Property Office may require, where the application involves the priority of a foreign application, that the applicant furnish the results of the search and examination carried out in respect of the said foreign application.

6.22 Irrespective of what method is used for establishing the state of the art, the Industrial Property Office will have to make a decision, in respect of every application, whether the claimed invention is patentable or not. Its decision may be supplemented by what is called an opposition procedure, provided for in the legislation of several countries. Under such a procedure, the application is published, and anybody may write to the Industrial Property Office opposing the grant of a patent. Opposition is usually based on an allegation that the invention is already in the state of the art, and on evidence produced in support of the allegation. Thus, the Industrial Property Office receives the results of a search, carried out by the opposing party, on the state of the art, and then checks the correctness of those results and the conclusions drawn from them. All this may be done without a patent document collection of the Industrial Property Office itself.

Refusal or Grant

6.23 Once the examination as to form is completed and the law or treaty does not require examination as to substance, and provided that the examination as to form has not led to rejection because of an uncorrected defect, the Industrial Property Office will grant a patent. Where examination as to substance is also requested and the Industrial Property Office finds the claimed invention patentable, it will grant a patent. Otherwise, it will refuse the application.

6.24 The grant is expressed in a certificate that is signed and sealed by the Industrial Property Office and given to the applicant who, from then on, is called the patentee or the owner of the patent. Furthermore, the grant is inscribed in what is usually called the patent register, kept by the Industrial Property Office. The grant is also announced in the official gazette of the government or the special gazette of the Industrial Property Office. Finally, granted patents must be published and put on sale in a sufficient number of copies, in the form of paper pamphlets, by the Industrial Property Office. The procedure is similar to the one mentioned above in respect of the publication of patent applications.

Maintenance of Patents

6.25 Patents have a limited duration of validity, usually for a period of 20 years. But a patent once granted does not remain valid until the expiration of the said period unless it is "maintained" or "renewed." Maintenance and renewal usually require the payment of an annual fee by the owner of the patent. In several systems, the amount of the annual fee increases as one approaches the end of the maximum term of protection.

6.26 The tasks of the Industrial Property Office consist of receiving these fees and noting the receipt in the register of patents. In some systems, the resulting renewal is published in the gazette.

Cost of Maintaining the System

6.27 Ideally, an Industrial Property Office should be able to cover the cost of its tasks from the fees it collects from patent applicants and patent owners. Those costs consist mainly of the salaries of the employees of the Industrial Property Office, the cost of publishing pamphlets containing patent applications or, at least, granted patents, and, where the Industrial Property Office has its own collection of the documents, books and periodicals necessary for carrying out examination as to substance, the cost of creating and maintaining such collections.

Compulsory Licenses

6.28 If the law provides for the possibility of granting compulsory licenses, that is, licenses to work the patented invention in the country even against the wish of the patentee where

non-working by him or public interest justifies the grant of a compulsory license, the Industrial Property Office is sometimes entrusted with the task of receiving requests for the grant of compulsory licenses and of granting or refusing such requests after having heard the patentee and the requesting party.

6.29 This is a quasi-judicial function which requires a thorough familiarity with the general economic policy of the government and the industrial possibilities and economic need for working the patented invention. It also requires the ability to judge the financial and technical ability to work the invention of the party requesting the grant of a compulsory license. Because of the economic aspects of the question, government authorities other than the industrial property office, such as ministries of industry or planning, are generally better suited to deal with requests for compulsory licenses.

Patent Information Services

6.30 Some of the industrial property offices provide technological information services based on patent documents. This means that a person may ask the Industrial Property Office to identify patent documents (and even provide copies thereof) that deal with the solution to a given technological problem. Such a problem will have to be described by the party requesting the information. Only those industrial property offices are in a position to provide this kind of information which either have a substantial patent collection themselves or which can access existing services, some of them online, located in the same country or abroad. Derwent Publications Limited (London), International Patent Documentation Center (INPADOC) (Vienna) and Pergamon Infoline Limited (London) are among the best known of such online services. Today, many industrial property offices have created patent information digital libraries. Most of them are available on the Internet.

The Trademark Office

Tasks

6.31 In the field of trademarks and service marks, the main task of the Industrial Property Office consists in receiving applications for the registration of trademarks and service marks and deciding, separately for each application, whether registration should be effected or refused. A further task is to deal with requests for the renewal of existing registrations. Finally, an Industrial Property Office may be required to give information, at the request of any member of the public, on the existence, in its register, of trademarks or service marks that are identical or similar to a sign in respect of which that member of the public requests the information. The activity performed by the Industrial Property Office in this last respect is called "search" or "search for identical or similar trademarks or service marks."

Receiving the Application for Registration and the Fees—Examination as to Form

6.32 An application for the registration of a trademark has to contain the name and address of the applicant and, if he is represented by an attorney or trademark agent, the name and address of the latter. Furthermore, it has to indicate the word, drawing or other sign proposed for registration as a trademark. Finally, it must list the goods and/or services for which the registration is requested. This list must be accompanied by the indication of the class or classes — among the 45 of the International Trademarks Classification — to which the goods and/or services listed in the application belong.

6.33 Trademark applications are usually prepared by professionals, that is, by trademark attorneys or agents. The Industrial Property Office nevertheless has to ensure compliance with legal requirements, a procedure known as examination as to form. The Industrial Property Office will check whether the application is within the required limits as to size and is of a clarity which allows reproduction. If colors are among the features of the trademark for which protection is claimed and publication is effected by the Industrial Property Office only in black and white, it is usually required that the colors be indicated in a claim.

6.34 The Industrial Property Office will have to check whether prescribed fees for registration have been paid by the applicant. Usually, the amount of fees varies according to the number of the classes in which the listed goods and/or services belong: the greater the number of classes, the higher the fees. The indications on class or classes furnished by the applicant will be checked by the Industrial Property Office in order to determine the correct amount of the fees payable.

Examination as to Absolute Grounds of Nullity

6.35 The Industrial Property Office is also required to examine the trademark as to whether there are absolute grounds which prevent its registration, as distinct from relative grounds. Relative grounds are those that prevent the registration of a sign as a trademark because the sign is in conflict — is identical with or is similar to — another trademark that has already been registered for the same or similar goods and/or services, or because it is in conflict with a well-known trademark. In other words, a relative ground is formed by comparing the sign requested to be registered with an existing trademark. On the other hand, absolute grounds are not based on such comparison, and are independent of existing registrations. Typical examples of absolute grounds for refusal are that the sign requested to be registered as a trademark is not distinguishable (is merely descriptive, is generic, etc.), or is offensive to the moral sense (for example, is pornographic), or is offensive to religious or patriotic feelings (for example, the mark uses in a certain way a religious symbol or the name or picture of a personality, or national ruler). At this stage of the examination only absolute grounds for refusal are taken into consideration. If any are found, the application for registration will be refused by the Industrial Property Office.

Examination as to Relative Grounds of Nullity

6.36 Not all laws require examination as to relative grounds for refusal. Where there is no such requirement, the registration will be effected, unless there is some defect in form or an absolute ground for refusal. Such registration, however, may be attacked by an interested person on the relative grounds for refusal and, if those grounds are found for by the Industrial Property Office or the court, the registration will be cancelled.

6.37 But where the law requires examination, prior to registration, of relative grounds for refusal, such examination will be carried out by the Industrial Property Office. This examination, also called examination as to possible conflict with existing marks, can be carried out either on the request of what is called an opposing party or *ex officio*, that is, independently of any such request. Where the law allows third parties to oppose registration, the trademark has to be published by the Industrial Property Office. An "opposition" may be filed within the prescribed time limit, for example, three months from the publication in the gazette. Thus, in such a system, one of the tasks of the Industrial Property Office is the publication, for opposition, of the signs requested to be registered as trademarks. Where there is a system of *ex officio* examination, the Industrial Property Office has to keep indexes which allow it to effect the search for identical or similar trademarks. There are several indexes. One shows all the word marks in alphabetical order; another lists them according to characteristic endings or beginnings; yet another lists them according to the sequence of vowels. The indexing and searching of marks that have or consist of figurative elements are

described in words, and the concepts go from the broader to the narrower. For example, where the sign is a parrot, the sequence of indexing is "living beings," "animals," "birds."

6.38 The indexes have to cover all the prior applications and the registered trademarks whose registration is still valid. This means a relatively high number of entries and it means that the indexes must be kept up to date constantly, that is, every newly filed or registered trademark has to be entered in the appropriate — usually several — indexes and every trademark whose registration ceases to be valid must be removed from all the indexes. This is a major task, requiring specially trained staff, usually called "trademark searchers."

Refusal of Registration

6.39 Once the examinations are completed, the Industrial Property Office will either reject the application or allow it. In the latter case, it will inscribe the trademark in its trademark register, issue a certificate of registration to the applicant (who thereafter will be called the owner of the registration) and announce the registration in the official gazette of the Government or in the special gazette of the Industrial Property Office. Staff must work on the preparation of each issue of the gazette and on printing and distributing it, with appropriate equipment.

Renewal of Registration

6.40 The initial registration of a trademark is usually valid for 10 years. The validity of any registration may be prolonged through what is called renewal. Renewal may be requested any number of times, each having a validity of a certain number of years, for example 10.

6.41 Renewal must be requested and must be paid for, that is, the owner of the registration is required to pay the prescribed fee ("renewal fee") within a prescribed period of time, for example, six months before or six months after the date on which the term of the previous registration expires. The task of the Industrial Property Office consists in receiving the renewal fee, checking that it has been paid within the prescribed period, checking that its amount is that required, entering the renewal in the trademark register, announcing it in the gazette and issuing a certificate of renewal to the owner of the registration.

Cost of Maintaining the System

6.42 As in the case of patents an industrial property office should, ideally, be able to cover the cost of its tasks from the fees it collects from trademark applicants and owners of trademark registrations. Those costs consist mainly of the salaries of the Industrial Property Office staff and the cost of publishing the gazette. More staff will be needed if the Industrial Property Office has to carry out the examination as to relative grounds for refusal, not only for purposes of undertaking such examination but also for keeping up to date the indexes required for this type of examination. The printing costs will be higher if trademarks having color features are published in color.

6.43 Experience shows that, if the fees are set at an appropriate level, it is relatively easy to make the trademark operations of an Industrial Property Office self-supporting.

Search Service

6.44 Industrial property offices which administer a system providing for examination for relative grounds for refusal have, as already indicated, to maintain several kinds of indexes and will have to have staff that is skilled in searching in such indexes. Such industrial property offices usually maintain what is called a search service or preliminary examination. Any person may request it to

tell him whether a given word or other sign is identical with or similar to one or more registered trademarks. The service is particularly useful for a person who intends to adopt a new trademark, which usually means considerable investment, including heavy expenditure on advertising. The risk of adopting a trademark which might turn out to be in conflict with another trademark can thus be considerably reduced.

The Industrial Designs Office

Tasks

6.45 In the field of industrial designs, the main task of the Industrial Property Office consists of receiving applications for the registration of industrial designs and deciding, separately for each application, whether registration should be effected or refused. In a few countries, including China and the United States of America, design patents are granted for industrial designs. However, even in those countries, the tasks of the Industrial Property Office, in respect of industrial designs, differ very little from what is described in the following sections. A further task of the Industrial Property Office is to deal with requests for the renewal of existing registrations for industrial designs.

Receiving the Application for Registration and the Fees—Examination as to Form

6.46 An application for the registration of an industrial design has to contain the name and address of the applicant and, if he is represented by an attorney or industrial property agent, the name and address of the latter. Furthermore, the application must be accompanied by one or several drawings or photographs showing the design that is proposed to be registered as an industrial design. Furthermore, the application must indicate the object in which the industrial design is to be used, for example, "ashtray," "handbag," "fountain pen," "shoe," "necklace." If colors are regarded as essential elements of the industrial design, the drawings or photographs must show the color and the application must indicate that the color features are part of the design.

6.47 The industrial property office has to check whether the application is in the required form, that is, in particular, whether it is made by using the form that the Industrial Property Office puts at the disposal of the applicants, whether the form is filled in as required, whether the drawing or photograph is attached and is of the right size, and whether the prescribed fee has been paid.

Examination as to Admissibility

6.48 The Industrial Property Office is also required to examine whether there are grounds of morality or public order on which the application should be rejected, for example, because the design is pornographic, offensive to religious or patriotic feelings, etc.

Refusal of Registration

6.49 Once the examinations are completed, the Industrial Property Office will either reject or allow the application. In the latter case, it will enter the industrial design in its industrial design register, issue a certificate of registration to the applicant (who thereafter will be called the owner of the registration) and announce the registration in the official gazette of the Government or in the special gazette of the Industrial Property Office. The latter means work on the preparation of each issue of the gazette and on its printing and distribution.

6.50 It is to be noted that an industrial design that is the same as, or closely resembles, an industrial design that has already been published or registered, is not protected by law. Nevertheless, in most countries, industrial property offices do not have the task of examining to establish industrial designs whose registration is applied for in order to establish the existence or non-existence of prior identical or closely resembling industrial designs. The remedy that is available for the owner of such prior industrial designs consists of the possibility of asking for the cancellation of the registration of the conflicting industrial design. In most countries, such cancellation must be applied for before an ordinary court. In some countries, it can be applied for, at least in the first instance, at the Industrial Property Office. Where the latter possibility exists, the hearing and deciding of requests for cancellation are among the tasks of the Industrial Property Office.

Renewal of Registration

6.51 The initial registration of an industrial design is usually valid for five years, but may be prolonged, usually once, in some countries twice, for an additional period, or for two additional periods.

6.52 Renewal must be requested and the owner of the registration is required to pay the prescribed fee ("renewal fee") within a specified period of time (for example, one year) near the date on which the validity of the previous registration would otherwise expire. The task of the Industrial Property Office consists in receiving the renewal fee, checking that its amount is that required, entering the renewal in the industrial property register, announcing it in the gazette and issuing a certificate of renewal to the owner of the registration.

Cost of Maintaining the System

6.53 As in the case of patents and trademarks, an Industrial Property Office should ideally be able to cover the cost of performing its tasks from the fees it collects from applicants and owners of registrations. Those costs consist mainly of the salaries of the Office's staff and of the cost of publishing the gazette. Experience shows that, with appropriate fees, it is quite possible to make the industrial design operations of an Industrial Property Office self-supporting.

Intergovernmental Cooperation

Introduction

6.54 The procedure for the grant and maintenance of industrial property rights involves the performance of administrative functions which are substantially the same or at least similar in a large number of countries. Intergovernmental cooperation in the field of industrial property can accordingly lead to substantial economies in manpower and costs. For that reason, countries in several regions of the world have combined their efforts in order to make procedures relating to the grant of industrial property rights more efficient and economical.

6.55 The International Bureau of WIPO administers three major systems of intellectual property registration, which are outlined below. These systems, based on international treaties and conventions, greatly facilitate international cooperation in the administration of intellectual property.

6.56 The Patent Cooperation Treaty (PCT) is a multilateral treaty for the filing of international patent applications. Under the PCT, international patent applications may be filed in any of the

national industrial property offices of the member States, with the European Patent Office, or directly with WIPO. All applications, wherever filed, are processed by the International Bureau of WIPO. The international application has the same effect as that of national patent applications (that is, applications filed in the national offices or in the European Patent Office) for each country designated in the application. Under the PCT, the decision on the denial or grant of a patent is made by the national industrial property office on the basis of the international application.

6.57 The Madrid Agreement Concerning the International Registration of Marks and the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks are two multilateral treaties for the registration of marks. An application for international registration (an "international application") may be filed only by a natural person or a legal entity which or who has a real and effective industrial or commercial establishment in, or is domiciled in, or is a national of, a country which is party to the Madrid Agreement or the Madrid Protocol, or has such an establishment in, or is domiciled in, the territory of an intergovernmental organization which is a party to the Protocol, or is a national of a member State of such an organization. A mark may be the subject of an international application only if it has already been registered (or, where the international application is governed exclusively by the Protocol, if registration has been applied for) in the Trademark Office of the Contracting Party with which the applicant has the necessary connection, as described above, to be able to file an international application. This Office is referred to as the Office of origin. An international application must be presented to the International Bureau through the Office of origin. An international application which is presented directly to the International Bureau by the applicant will not be considered as such and will be returned to the sender. The effect of the international registration is the same as that of separate registrations in the national registry of trademarks of each of the other countries designated in the international application, except that each national industrial property office may, as far as its country is concerned, deny such effect if the trademark would not have been registrable in its own registry had a national registration been applied for.

6.58 The Hague Agreement Concerning the International Deposit of Industrial Designs establishes a system of deposit of industrial designs with the International Bureau of WIPO. That deposit has the same effect as if the industrial design had been deposited separately, in the national industrial property office of each of the countries designated.

African Regional Industrial Property Organization (ARIPO)

6.59 Since 1973, WIPO and the United Nations Economic Commission for Africa (ECA) have been collaborating to assist the governments of English-speaking African countries in their efforts to harmonize and develop their industrial property systems to create the appropriate intergovernmental structures.

6.60 Those efforts resulted in the adoption, by a Diplomatic Conference held at Lusaka, Zambia, in December 1976, and at which 13 governments of English-speaking African countries were represented, of an Agreement on the Creation of an Industrial Property Organization for English-speaking Africa (ESARIPO). The Agreement entered into force on February 15, 1978. In December 1985 the Organization changed its name to African Regional Industrial Property Organization (ARIPO), by decision of its Council. ARIPO has its headquarters in Harare, Zimbabwe. Its members are listed in the appropriate document in the back flap of this volume.

6.61 The objectives of ARIPO are, *inter alia*:

- to promote the harmonization and development of the industrial property laws, and matters related thereto, in accordance with the needs of its members and of the region as a whole;

- to establish such common services or organs as may be necessary or desirable for the coordination, harmonization and development of the industrial property activities affecting its members;

- to assist its members in the development and acquisition of suitable technology;

- to evolve common views on industrial property matters.

6.62 Upon the request of (ES)ARIPO, WIPO, in association with the ECA, assisted the Organization in the establishment of a Patent Documentation and Information Centre, at its headquarters in Harare. The purpose of the center is to promote the objectives of ARIPO by providing member States with technological information available for patent and patent-related documentation in order to assist those States in the achievement of their development objectives.

6.63 The establishment of the center, after an initial preparatory assistance phase, commenced in 1981 within the framework of a UNDP-financed project with WIPO, in association with the ECA, as Executing Agency.

6.64 Within the framework of its Committees for Patent Matters and for Trademark and Industrial Design Matters, the Organization has developed Model Laws on Patents and on Trademarks to assist its member States in the strengthening of their legislation in those fields.

6.65 A Protocol on Patents and Industrial Designs Within the Framework of (ES)ARIPO, adopted at a Special Meeting held in Harare in December 1982, entered into force on April 25, 1984, initially in Ghana, Malawi, Sudan, Uganda and Zimbabwe. Other countries have since joined the Protocol and are listed along with the original member States in the appropriate document in the back flap of this volume.

6.66 The Protocol establishes a system under which patent and industrial design applications are processed and granted or registered, as the case may be, on behalf of Contracting States designated in the applications, by the Office of ARIPO. The scheme established by the Protocol enables the technical processing of patent and industrial design applications, and the administration of granted patents and industrial designs, to be undertaken by a central authority. Any designated State has the right, however, where an application does not conform to the provisions of the Protocol or to those of its national industrial property legislation, to declare, prior to the grant of the patent or registration of the industrial design, that, if granted or registered, such grant or registration will have no effect within the territory of that State. Where no declaration is made, the grant of the patent or registration of the industrial design by ARIPO has the same effect as any grant or registration carried out under the national law of the States designated in the relevant application.

6.67 Part of the income generated from application and maintenance fees under the Protocol is used for the Office of ARIPO while the remainder is distributed among the Contracting States concerned.

6.68 On the occasion of its annual session held in Banjul (The Gambia) in 1993, the Administrative Council of ARIPO agreed on a Protocol on Trademarks under which it would be possible to file applications with the ARIPO Office. Under the said Protocol, once in force, the ARIPO Office would have the competence to process applications and to register trademarks and service marks on behalf of Contracting States designated in the applications.

6.69 Also in 1993, the Administrative Council had, in principle, agreed that PCT applicants should be able to designate, for an ARIPO patent, States which are party to both the PCT and the Harare Protocol. In 1994, the Administrative Council of ARIPO adopted the necessary amendments to the Harare Protocol and its Implementing Regulations with effect from July 1, 1994. As a result, it has been possible from that date for PCT applicants to designate, for an ARIPO patent, any State party to both the Harare Protocol and the PCT. Those States are listed in the appropriate document in the back flap of this volume.

African Intellectual Property Organization (OAPI)

6.70 A system of intergovernmental cooperation in the field of industrial property among twelve French-speaking African countries was established by the Libreville Agreement of 1962 for the creation of an African and Malagasy Office of Industrial Property (OAMPI). The Libreville Agreement was subsequently revised by the Bangui Agreement Relating to the Creation of an African Intellectual Property Organization (OAPI, corresponding to the French name, Organisation africaine de la propriété intellectuelle), which entered into force on February 8, 1982. The Libreville Agreement established, among the member States, a common system for the grant and maintenance of industrial property titles (patents, trademark registrations, industrial design registrations) in accordance with uniform legislation contained in Annexes to the Agreement, which are applicable in each member State. The system provides for common formalities for the grant of industrial property titles by a central industrial property office, the African Intellectual Property Organization (OAPI), situated in Yaoundé (Cameroon), which acts as the industrial property office for each of the member States. States members of OAPI are listed in the appropriate document in the back flap of this volume.

6.71 Under the system, titles granted by the central office have effect in all member States; there is no possibility of limiting the effect to only one or some of the member States. Applications are normally filed with the central office in Yaoundé; however, nationals of member States may file applications with national administrations, which then have to transmit the applications to the central office; national administrations cannot grant titles themselves.

6.72 The industrial property rights granted have the effect of national industrial property rights in each of the Contracting States, i.e., not of supranational titles of protection. Therefore, their invalidation has effect only in the territory of the member State or States concerned.

6.73 Apart from certain modifications in the uniform substantive law (e.g., the gradual introduction of examination of patent applications for compliance with the substantive requirements of patentability), the main features of the revision introduced by the Bangui Agreement include the extension of OAPI's field of competence to copyright and the protection of the cultural heritage, and the inclusion, in addition to patents, marks and industrial designs, of the following objects of industrial property: trade names, utility models, appellations of origin, indications of source and unfair competition. The uniform substantive law with respect to each object of intellectual property is set forth in separate annexes to the Agreement.

6.74 In February 1999, the Agreement revising the Bangui Agreement was adopted. This agreement modified the Bangui Agreement to be in line with the requirements under the TRIPS Agreement.

6.75 Upon the request of OAPI, WIPO has assisted it in the establishment, within the headquarters in Yaoundé, of a Patent Documentation and Information Department (Département de la documentation et de l'information en matière de brevets or DEDIB). The aim of DEDIB is to contribute to the technological and industrial development of the member States by putting at the disposal of governments, research institutions, industry and other users of such information, technological information based on a collection of patent documentation and to establish a network of national industrial property structures in the OAPI member States for liaison with the Organization. The establishment of DEDIB and of the network of national structures was accomplished with the assistance of the United Nations Development Programme (UNDP) under a project, covering the period fom 1979 to 1982, of which WIPO was the Executing Agency.

6.76 OAPI is financed entirely from the income it receives from fees it collects for the grant and administration of industrial property rights.

Eurasian Patent Organization

6.77 On February 17, 1994, at the headquarters of WIPO in Geneva, representatives of ten of the 12 member States of the Commonwealth of Independent States adopted and initialled a multilateral treaty entitled "Eurasian Patent Convention" — Armenia, Azerbaijan, Belarus, Georgia, Kazakstan, Kyrgyzstan, the Republic of Moldova, the Russian Federation, Tajikistan and Ukraine.

6.78 The Convention entered into force on August 12, 1995. The States party to the Convention are listed in the appropriate document in the back flap of this volume.

6.79 The treaty establishes a new intergovernmental organization called the "Eurasian Patent Organization." Once operations have begun, the treaty will allow nationals of any country to obtain patents of invention from the Eurasian Patent Office, to be established in Moscow. Such regional (Eurasian) patents will have effect in all countries of the Eurasian patent system.

6.80 The Eurasian Patent Convention not only provides for modalities of applying for and obtaining Eurasian patents but also for their legal effects: patented inventions can be used only with the authorization of the holders of the patents. Subject to the payment of a yearly renewal fee, any Eurasian patent can be maintained in force for 20 years.

6.81 The Eurasian patent system will be of great advantage both for local and foreign applicants. They will not have to apply for a patent separately in each country but with a single application, filed in the Russian language in Moscow, they can obtain, with a single act and a single payment, patent protection in all the States members of the new system. Foreigners will be able to apply for Eurasian patents via the Patent Cooperation Treaty (PCT), which allows them to postpone the translation of their applications into Russian for 20 or 30 months.

6.82 Any country may become a party to the Eurasian Patent Convention, provided it is a party to two WIPO-administered treaties — the Paris Convention for the Protection of Industrial Property and the Patent Cooperation Treaty. Most of the States members of the Commonwealth of Independent States already meet this condition.

6.83 The Convention reflects the contemporary trends of patent legislation and administration and is compatible with the multilateral industrial property treaties administered by WIPO and the

provisions on patents contained in the TRIPS Agreement concluded in the framework of the negotiations in the Uruguay Round of GATT.

European Patent Organization

6.84 Efforts to achieve intergovernmental cooperation in patent-granting procedures in Western Europe started in the 1950s, and aimed at avoiding duplication of the work of Patent Offices as regards the search and examination of patent applications and the grant of patents. The European Patent Convention entered into force on October 7, 1977; it established the European Patent Office (EPO). Its Contracting States are listed in the appropriate document in the back flap of this volume. All those States are also party to the Paris Convention for the Protection of Industrial Property and the Patent Cooperation Treaty (PCT). The EPO, which has its headquarters in Munich (Germany) and branch offices in The Hague, Berlin and Vienna, processes and grants patents on behalf of Contracting States designated in the European patent applications. The EPO has been financially self-supporting since 1981.

6.85 Under the system of intergovernmental cooperation introduced by the Convention, it is possible to file a single patent application, in one of the three official languages (English, French and German), and thereby obtain a European patent with effect in one, several or all of the Contracting States. Prior to the entry into force of the Convention, it was necessary, where protection of an invention was desired in a number of countries within the region, to file separate applications in each of those countries.

6.86 The Convention established a system of law common to the Contracting States and a uniform procedure for the grant of patents. The EPO undertakes the examination of applications as to formal requirements, the preparation of search reports and their publication and the examination of patent applications for compliance with the substantive requirements of patentability, namely, novelty, inventive step and industrial applicability.

6.87 The elimination of the duplication of the work involved in the processing of applications results in a reduction of cost not only for the applicant but also for the patent offices of Contracting States. The Contracting States nevertheless maintain national patent offices and process national applications filed with them.

6.88 Applications may be filed irrespective of the nationality of the applicant. They may be filed via the PCT, that is, any international application filed under the PCT may ask (also) for the grant of a European patent. Such applications are usually referred to as "Euro/PCT applications." Statistical information on patents granted by the EPO, on Euro/PCT applications, and on European patents in general, can be found in the appropriate document in the back flap of this volume.

6.89 The EPO is one of the International Searching and Preliminary Examining Authorities under the PCT. It is also an intergovernmental industrial property organization which has certain functions under the Budapest Treaty.

6.90 An Agreement on working relations and cooperation was concluded by WIPO and EPO on May 17, 1978. The cooperation between EPO and WIPO has always been close. This is particularly needed in respect of PCT operations. Cooperation is very active also in the field of patent documentation and information. Furthermore, cooperation is very generously given by the Office in the field of technical assistance to developing countries.

Cooperation Among the Member States of the European Union

The Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)

6.91 In the European Union, Council Regulation (EC) No. 40/94 on the Community Trade Mark was adopted on December 20, 1993, and Council Regulation (EC) No. 6/2002 on the Community Design on December 12, 2001. Together they establish an Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM), which has its headquarters in Alicante (Spain).

6.92 The task of the Office is to administer the procedure for the registration of the (European) Community Trade Mark and Community Design, which have effect in the territory of the European Union. As regards designs, they are protected as so-called "unregistered Community design patents." Along with this intellectual property right, a further protection of design can be obtained by registration. Application for the registration of a Community trademark or a Community design may be filed either directly with the Office of Alicante or through one of the industrial property Offices of a State member of the European Union.

6.93 An application for a Community trade mark may be filed in one of the official languages of the European Union. The applicant must, however, indicate a second language chosen from the five official languages of the OHIM (English, French, German, Italian, Spanish) as a possible language of proceedings for opposition, revocation or invalidity proceedings. The application may be refused by the OHIM on absolute grounds. If the application is not rejected on absolute grounds and if the applicant does not withdraw his application in view of the search reports established by the Office of Alicante or by Offices of member States, it is published in the *Community Trade Marks Bulletin* in all official languages of the European Union. Within a period of three months following the publication, third parties may give notice of opposition to registration of the trademark. On completion of the registration procedure, the Community trademark is entered in the register. The Office's *Bulletin* makes available to the public the information contained in the register.

6.94 As regards designs, proceedings at the OHIM are only concerned with registration and there is no examination base on novelty and individual character. In accordance with the Regulation, a design is considered new if no identical design has been made available to the public before, and is considered to have individual character if the overall impression produced by it on the informed user differs from the overall impression produced on such a user by any design which has been made available to the public. Proceedings in unproblematic cases should be completed within no more than three months. The publication of the registration occurs in all official languages of the European Union in the *Community Designs Bulletin*. In design patent matters, any of the official languages of the European Union may be used for corresponding with the Office.

Harmonization of National Laws

6.95 On December 21, 1988, the Council of the European Union adopted the first Directive to Approximate the Laws of the Member States Relating to Trade Marks. The Directive deals, among other matters, with the signs which can constitute a mark, grounds for refusal or invalidity, including conflicts with other rights, sanctions for non-use and grounds for revocation. On October 13, 1998, the European Parliament and the Council of the European Union adopted the Directive on the Legal Protection of Designs. The Directive defines, for instance, the terms "designs," "product" and "complex product."

Counterfeit Goods

6.96 Council Regulation (EEC) No. 3295/94 of December 22, 1994, Laying Down Measures to Prohibit the Release for Free Circulation, Export, Re-Export or Entry for a Suspensive Procedure of Counterfeit and Pirated Goods lays down the conditions under which customs authorities must intervene in the case of goods entering for free circulation where they are suspected of being counterfeit or pirated, and the measures which must be taken by the competent authorities with regard to these goods where it has been established that they are indeed counterfeit.

The Benelux Trademark Office and the Benelux Designs Office

6.97 For some of the member States of the European Union, namely the Benelux countries (Belgium, Netherlands, Luxembourg), regional cooperation in the field of marks and industrial designs had already been established in the 1960s and the 1970s. The Benelux Convention on Trademarks, signed on March 19, 1962, came into force on July 1, 1969, and the uniform Benelux Law on Trademarks (which was appended to the said Convention) came into force on January 1, 1971. The Benelux Convention on Designs, signed on October 25, 1966, and the Uniform Benelux Designs Law (appended to the said Convention) entered into force on January 1, 1974, and January 1, 1975, respectively. According to Article 1 of each of the Conventions, the Benelux countries incorporated the uniform Benelux Laws on Marks and Designs into the national legislation. They also established administrative Offices common to their countries, namely the Benelux Trademark Office (BBM) and the Benelux Designs Office (BBDM), which have their headquarters in The Hague (Netherlands). These offices have, to a large extent, a combined administrative structure and are financially self-supporting. The registrations have effect in all three of the member States. There are no national procedures in the Benelux countries for the registration of marks or the deposit of industrial designs.

6.98 For the purposes of the international registration of marks under the Madrid system administered by the International Bureau of WIPO, the BBM has the same role as a national trademark office: regional registrations effected in the Benelux Trademark Registry may serve as a basis of international applications and, in international applications (based on non-Benelux registrations), the three Benelux countries may be designated.

6.99 As far as the international deposit of industrial designs under the Hague system administered by the International Bureau is concerned, the BBDM has the same functions as a national office. International deposits have automatic effect in the three Benelux countries. Nationals of the three countries may make international deposits.

6.100 The Benelux Offices participate in an observer capacity in WIPO meetings of interest to them, particularly in the Assemblies of the Paris, Madrid and Hague Unions and in committees of experts dealing with the international registration of marks and the international deposit of industrial designs, as well as in meetings of working groups established under the auspices of the Madrid and Hague Unions.

6.101 Proceedings based upon the uniform laws are to be decided by the competent civil courts the decisions of which are also recognized in the two other states. The Benelux Court of Justice, staffed with Judges from each of the Contracting States, has to take cognizance of any question of interpretation of the uniform laws.

Subregional Integration Agreement of the Andean Community

6.102 Under the above-mentioned Agreement, also called the Andean Pact or Cartagena Agreement, which was concluded in 1969, the Commission of the Andean (Bolivia, Colombia, Ecuador, Peru and Venezuela) was given the power to promulgate "Decisions" for the implementation of the Agreement. In the field of industrial property, a common regime on industrial property was first introduced by Decision 85 of the Commission in 1974. That Decision established the basic framework for a common industrial property legislation. Decision 85 was subsequently replaced by Decisions 311, 313, 344 and 486, which entered into force on December 1, 2000.

6.103 Decision 486 regulates, in particular, patents, utility models, industrial designs, layout designs of integrated circuits, marks, trade names and geographical indications (appellations of origin). It also contains provisions on the repression of unfair competition, including acts affecting undisclosed information (trade secrets), and provisions on enforcement procedures. Even though matters not covered by Decision 486 remain governed by the provisions of the national laws, its provisions operate a far-reaching harmonization of the industrial property legislation in the Andean Group countries. In general, Decision 486 has considerably strengthened the protection of industrial property rights and developed in greater detail new areas of industrial property law. The Andean Pact countries, however, maintain independent patent and trademark offices. Although no central Andean Industrial Property Office has been established yet, this matter has received some consideration. The Andean Court of Justice is entrusted with the interpretation of all Andean Decisions and other Andean legislation, in order to ensure a harmonized application of the regional norms and consistent practices by the competent national authorities. It is noteworthy, that the Commission of the Cartagena Agreement has also issued decisions relating to plant breeders rights (Decision 345), to copyright (Decision 351) and to access to genetic resources (Decision 391).

Common Market of the South (MERCOSUR)

6.104 The Common Market of the South (MERCOSUR) was established in 1991 among four South American countries, Argentina, Brazil, Paraguay and Uruguay. In 1995, the MERCOSUR countries concluded a Protocol for the harmonization of norms relating to marks and geographical indications. The Protocol deals with a selected number of substantive matters regarding marks, indications of source and appellations of origin, which are of particular relevance to the common market. When the Protocol is ratified by the four MERCOSUR countries it will harmonize and align the national laws thereof with respect to those matters.

6.105 In 1998 the MERCOSUR countries concluded a Protocol for the harmonization of norms relating to industrial designs. Upon ratification, this Protocol will operate as a harmonization directive among those countries, to align provisions of substance and procedure relating to the protection and registration of industrial designs.

Group of Three (G-3)

6.106 In 1994, Colombia, Mexico and Venezuela concluded a Free Trade Agreement, which includes a special Chapter (XVIII) on intellectual property. The provisions contained in this Chapter deal, in particular, with copyright and related rights, marks, geographical indications and appellations of origin, trade secrets and plant breeders' rights, and the enforcement of those rights.

North American Free Trade Agreement

6.107 The North American Free Trade Agreement (NAFTA) between the United States of America, Canada and Mexico entered into force on January 1, 1994. One of its main objectives is to provide adequate and effective protection and enforcement of intellectual property rights. At the same time, the Contracting States have to ensure that measures to enforce intellectual property rights do not themselves become barriers to legitimate trade. The Agreement contains, in its Chapter 17, provisions on intellectual property. Many of the provisions contained therein are similar to the provisions in the TRIPS Agreement.

6.108 In addition to enforcing the provisions of Chapter 17 of the NAFTA Agreement, the Contracting States must give effect to the substantive provisions of several international conventions and treaties administered by WIPO which deal specifically with the protection of intellectual property, namely the Paris Convention, the Berne Convention, the UPOV Convention and the Geneva Convention for the Protection of Producers of Phonograms. The negotiations for the NAFTA Agreement led, as early as 1991, to a general revision and updating of the intellectual property laws of Mexico and, in 1993, to amendments to the Canadian intellectual property legislation which include, in particular, the repeal of provisions on the compulsory licensing of pharmaceutical patents. The United States of America have amended their patent law recently to eliminate the discriminatory effects of Section 104 of its Patent Statute against Canadian and Mexican applicants for US patents. Consequently, minimum standards of protection which are set by the NAFTA Agreement are already provided for under the current legislation of the Member States.

The ASEAN Framework Agreement on Intellectual Property Cooperation

6.109 The ASEAN Framework Agreement on Intellectual Property Cooperation was signed by the then seven (there are now 10) ASEAN member countries (Brunei Darussalam, Indonesia, Malaysia, the Philippines, Singapore, Thailand and Viet Nam) in December 1995. The most recent members are Cambodia, the Lao People's Democratic Republic and Myanmar.

6.110 The Framework Agreement of 1995 sets forth the important role of intellectual property rights in the conduct of trade and the flow of investment among the member States, and recognizes that closer cooperation in the intellectual property field provides a basis for economic progress and for realizing the ASEAN Free Trade Agreement. Against this background, the Agreement pursues the primary objectives of the promotion and strengthening of intellectual property cooperation between government agencies as well as with and within the private sector, and the promotion of technological innovation and transfer and dissemination of technology.

6.111 To achieve the objectives of the Agreement, a Program of Action on ASEAN Intellectual Property Cooperation for the period 1996-1998 was adopted. The Program contained measures to enhance and strengthen cooperation in intellectual property enforcement and protection, intellectual property administration, legislation, public awareness, human resource development and private sector cooperation, and a proposal to explore the possibility of setting up a common patent and trademark system. To implement the program of action, the ASEAN Working Group on Intellectual Property Cooperation (AWGIPC) was formalized.

6.112 At the level of concrete measures, the Framework Agreement provides that the ASEAN States should explore the possibility of setting up an ASEAN trademark and patent system, including ASEAN Trademark and Patent Offices, if feasible, to promote the region-wide protection of trademarks and patents, bearing in mind regional and international developments in protection in those areas. As a result of work undertaken to examine these possibilities, an ASEAN Common

Form for Domestic Filing for Trademarks is now available, and member countries are encouraged to adopt it, with adjustments where necessary, for the domestic filing of trademark applications. The form incorporates many common ASEAN requirements, the intention being that ASEAN businesses and investors should find largely the same requirements regardless of where the application is filed.

The Hanoi Plan of Action

6.113 The Hanoi Plan of Action (HPA) was adopted in December 1998 in Hanoi, Viet Nam, in order to realize the long-term vision of closer economic integration within ASEAN, as set out in ASEAN Vision 2020, and adopted by the ASEAN Heads of State in December 1997. That vision includes free flow of goods, services, investments and capital, equitable economic development and reduced poverty and socio-economic disparities in the ASEAN Economic Region.

6.114 The plan includes measures related to regional intellectual property cooperation, thus reaffirming that intellectual property forms an integral part of the ASEAN leaders' commitment to greater economic integration. The intellectual property content of the plan, which is now the main document guiding the work of the AWGIPC, is based on three main elements: (a) protection, (b) facilitation and (c) cooperation, according to the principles of Most-Favored-Nation treatment, national treatment and transparency as set out under the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement). The plan is a reflection of the emerging needs of the times, as it touches on policy, enforcement at the borders, well-known marks, intellectual property teaching and, most importantly, on information exchange, all of which enhances greater cooperation among the member countries.

Administration of Copyright and Related Rights

6.115 This subchapter deals with two different aspects of the implementation and exercise of copyright and related rights. The first has to do with the authorities responsible in the governmental structure for performing State functions in the field of copyright, and explains the role and functions of those national governmental or other public institutions or offices, while the second concerns the collective or joint management of copyright and related rights, and the organizations responsible for exercising such rights, their operation and their role. The latter organizations are today predominantly private organizations which are outside the area of State administration.

The Role of Public Authorities in Copyright and Related Rights

6.116 The administrative role of the State in the field of copyright and related rights varies greatly from country to country. In general terms, it is, in most countries, far less important than in the field of industrial property. This is mainly due to the fact that the international protection system is based on the principle of automatic protection, according to which the enjoyment and exercise of copyright must not be subject to any formality, such as registration, deposit or the like (see also Chapter 5, subchapters on the Berne Convention, and on the WIPO Performances and Phonograms Treaty as regards related rights).

6.117 A minimum role generally implemented in a government structure is the policy level function, monitoring legislation and enforcement strategies. In addition, a number of administrative tasks may be performed, depending on the role attributed by national legislation to

public administration. In countries where a system of registration of works and subject matter protected by related rights is in place, this function may often be the most important and burdensome administrative task, the amount of the burden depending on the prosperity of the copyright industries, on the popularity of the registration system and on the incentives for its use provided by national legislation. Another administrative task may be the issuing of compulsory licenses, such as translation and/or reproduction licenses, as provided for in the Special Provisions regarding Developing Countries in the Appendix to the Berne Convention (see Chapter 5). Furthermore, national legislation may provide for an administrative control of the establishment and/or the operation of private organizations exercising copyright and/or related rights collectively or jointly on behalf of rights-holders represented by them (see below, on Collective Management of Copyright and Related Rights). In certain countries, such government supervision is limited to the prevention of possible abuses of a monopoly position of rights management organizations.

6.118 Finally, in specific circumstances the legislator may have chosen to entrust a public authority, such as the Copyright Office, also with the collective or joint management of copyright and related rights. The trend, however, has recently been more towards entrusting this to private organizations, in particular in countries which have been in transition from a centrally planned to a market economy, most of which have privatized this task. On the other hand, in a number of African countries, where the copyright infrastructure is still relatively new and vulnerable, the public organization option has been chosen.

Collective Management of Copyright and Related Rights

Introduction

6.119 Throughout the world, the rights of creators such as writers and music composers are known to be their personal rights or, if those rights have been legally transferred, the rights of the new owners. They form part of the individual rights provided for in Article 27 of the Universal Declaration of Human Rights of December 10, 1948. They are called exclusive rights in the Berne Convention for the Protection of Literary and Artistic Works.

6.120 In the field of copyright and related rights, the experience of recent years has increasingly confirmed that the individual exercise of rights is impractical in cases where users need rapid access to a large number of works. Collective management organizations, also frequently called authors' societies, therefore play an important and very useful role for authors, composers and performers as well as for users. This is why they have experienced considerable development in parallel to the increased use of works made possible by new technology.

6.121 With the ever more widespread application of digital technology, including the advent of multimedia productions and the use of digital networks like the Internet, the exercise and the management of rights are facing new challenges. New technological solutions (encryption technology, digital identification numbers, rights management information systems, etc.) have been worked out in response to those challenges, and are still being developed. The freedom of owners of rights to choose between individual and collective management of their rights and among various possible forms of collective management ("traditional" collective management, "clearing houses," "one-stop-shop" systems, etc.) seems to have grown. New methods of licensing and monitoring use and collecting and distributing remuneration have been introduced.

6.122 New challenges, but also new means to meet them with, will be the concern of authors' societies of developing countries, as they are today facing the authors' societies of the industrialized

countries. Mechanisms embodying the latest in digital technology are being developed to form the infrastructure for electronic copyright management. Some non-governmental organizations are already working on the establishment of a new global system for managing information about works, creators and owners of rights.

6.123 Another important development is linked to the adoption of the TRIPS Agreement, which provides that Members shall comply with Articles 1 to 21 of the Berne Convention (with the exception of Article 6bis) and the Appendix to it, as well as affording the specific protection provided by the TRIPS Agreement itself. By acceding to the TRIPS Agreement, Members undertake to give effect to the provisions of the Agreement. That means granting the minimum protection provided for in the substantive provisions of the Berne Convention and also complying with the specific provisions on copyright and related rights of the TRIPS Agreement. While many developing countries have already taken steps towards the legal implementation of the TRIPS Agreement, work still remains to be done on the collective management of copyright and related rights (see also chapter 3).

6.124 The present section describes all the various parts of present collective management of copyright and related rights as well as some future developments. The sub-sections are on the basic operation of collective management, and in particular the traditional system in place in many countries for the management of musical works, some further developments in performers' rights, reprographic reproduction rights, and a few considerations on the digital environment with particular emphasis on the rights management information and technological measures provided for in the WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT).

The Basic Operation of Collective Management of Copyright and Related Rights

6.125 The creator of a work has the right to allow or to prohibit the use of his works. A playright can consent to his work being performed on stage under certain agreed conditions, a writer can negotiate a contract with a publisher for the publication and distribution of a book, and a composer or a musician can agree to have his music or performance recorded on compact disc. These examples illustrate how the owners of the rights can exercise their rights in person.

6.126 Other cases show for practical reasons that individual management of rights is virtually impossible with regard to certain types of use. An author is not capable of monitoring all uses of his works; he cannot for instance contact every single radio or television station to negotiate licenses and remuneration for the use of his works. Conversely, it is not practical for a broadcasting organization to seek specific permission from every author for the use of every copyrighted work. An average of 70,000 musical works are broadcast on television every year, so thousands of owners of rights would have to be approached for authorization. Hence the importance of collective management, which is the exercise of copyright and related rights by organizations acting on behalf of the owners of rights.

6.127 Composers, writers, musicians, singers, performers and other talented individuals are among society's most valuable assets. They have to be encouraged to create, by receiving incentives, namely remuneration, in return for permission to make use of their works. The essential role of a collective management organization is to collect copyright fees and to distribute the appropriate amount to the copyright owners, after deducting the sum required to cover expenses, on a non-profit-making basis.

6.128 Membership of collective management organizations is open to all owners of copyright and related rights, such as authors, composers, publishers, writers, photographers, musicians,

performers or phonogram producers. On joining the collective management organization, members provide some personal particulars and declare the works that they have created. The information provided forms part of the documentation of the collective management organization that allows the link between the use of works and payment for that use to be made to the real owner of the rights. The works declared by the organization's members constitute what is known as the "national" or "local" repertoire, as opposed to the international repertoire which is made up of the foreign works managed by collective management organizations.

6.129 Collective management organizations most commonly are active in the exercise of the following rights:

- the right of public performance (music played or performed in halls, discotheques, restaurants and other public places);

- the right of broadcasting (live and recorded performances on radio and television);

- the mechanical reproduction rights in musical works (the reproduction of works in compact discs, tapes, vinyl records, cassettes, mini-discs, or other forms of recordings);

- the performing rights in dramatic works (stage plays);

- the right of reprographic reproduction of literary and musical works (photocopying);

- related rights, or the rights of performers and producers of phonograms to obtain remuneration for broadcasting or the communication to the public of phonograms.

6.130 There are various kinds of collective management organizations or groups of such organizations, depending on the category of works involved. "Traditional" collective management organizations, acting on behalf of their members, negotiate rates and terms of use with users, issue licenses authorizing uses, collect and distribute royalties. The individual owner of rights does not become directly involved in any of these steps. Rights clearance centers grant licenses to users that reflect the conditions for the use of works and the remuneration terms set by each individual holder of rights who is a member of the center (in the field of reprography, for instance, authors of written works such as books, magazines and periodicals). Here the center acts as an agent for the owner of the rights who remains directly involved in setting the terms of use of his works. "One-stop-shops" are a sort of coalition of separate collective management organizations which offer users a centralized source where authorizations can be easily and quickly obtained. There is a growing tendency to set up such organizations on account of the growing popularity of "multimedia" productions (productions composed of, or created from, several types of work, including computer software) which require a wide variety of authorizations.

6.131 In the field of musical works (encompassing all types of music) documentation, licensing and distribution are the three pillars on which the collective management of the rights of public performance and broadcasting is based. The collective management organization negotiates with users (such as radio stations, broadcasters, discotheques, cinemas, restaurants and the like), or groups of users and authorizes them to use copyrighted works from its repertoire against payment and on certain conditions. On the basis of its documentation (information on members and their works) and the programs submitted by users (for instance, logs of music played on the radio), the collective management organization distributes copyright royalties to its members according to established distribution rules. A fee to cover administrative costs, and in certain countries also socio-cultural promotion activities, is generally deducted from the copyright royalties.

6.132 In the field of dramatic works (which includes scripts, screenplays, mime shows, ballets, theater plays, operas and musicals), the practice of collective management is rather different in that the collective management organization acts as an agent representing authors. It negotiates a general contract with the organizations representing theaters in which the minimum terms are specified for the exploitation of particular works. The performance of each play then requires further authorization from the author, which takes the form of an individual contract setting out the author's specific conditions. The collective management organization then communicates the author's permission and collects the corresponding remuneration.

6.133 In the field of printed works (meaning books, magazines, and other periodicals, newspapers, reports and the lyrics of songs), collective management mainly involves the grant of the right of reprographic reproduction, in other words allowing protected material to be photocopied by institutions such as libraries, public organizations, universities, schools and consumer associations. Non-voluntary licensing arrangements, when allowed by international conventions, can be written into national legislation; in such cases, a right of use against remuneration is accorded that does not require the consent of the right-owner. Collective management organizations administer the remuneration. In the special case of reproduction for private and personal use, some national legislation contains specific provision for equitable remuneration payable to the owners of rights and funded by a levy imposed on equipment or photocopies or both.

6.134 National legislation in some countries provides for a right of remuneration payable to performers or producers of phonograms or both when commercial sound recordings are communicated to the public or used for broadcasting. The fees for such uses are collected and distributed either by joint organizations set up by performers and producers of phonograms or separate ones, depending on the relation of those involved and the legal situation within the country (see below, paragraphs 6.170 and 6.171)

6.135 The application of national laws that establish rights in literary and artistic works and in related rights is effective only within the boundaries of that country. According to the national treatment principle enshrined in both the Berne Convention and the Rome Convention, foreign owners of rights are treated in the same way as nationals in most respects. This principle is upheld by collective management organizations which, under reciprocal representation agreements, administer foreign repertoires on their national territory, exchange information and pay royalties to foreign owners of rights.

6.136 There is now a well-established global network of collective management organizations, and they are strongly represented by non-governmental organizations such as the International Confederation of Societies of Authors and Composers (CISAC), the International Federation of Reprographic Reproduction Organisations (IFRRO), and at the European level, the Association of European Performers' Organizations (AEPO) and ARTIS GEIE.

6.137 As part of its international development cooperation activities (see chapter 3), WIPO is working closely with the above organizations and also with others, such as the International Federation of Actors (FIA), the International Federation of Musicians (FIM) and the International Federation of the Phonographic Industry (IFPI), to assist developing countries in establishing collective management organizations, and in strengthening existing organizations to ensure that they can be fully effective, among other things in their response to the challenges of the digital environment.

6.138 Such collective management encourages creators to contribute to the development of culture, attracts foreign investment and generally enables the public to benefit from a large number

of works. Cultural industries, including collective management organizations, contribute up to six per cent of the gross national product of some major countries.

6.139 The creation of a properly administered fund can ensure financial assistance to authors and performers, whose active life may be relatively short. Such welfare benefits may include assistance with payment for medical treatment or insurance, for permanent or temporary disability, annuities on retirement or some sort of guaranteed income based on the members' record of royalty payments.

6.140 Welfare protection and the promotion of cultural activities are not compulsory, but when they are provided for, they may take the form of a deduction that the collective management organization makes from the royalties collected. There is no unanimous view among collective management organizations on the idea of such a deduction, which according to the rules of CISAC should not represent more than 10 per cent of net income. Collective management organizations may sponsor cultural activities to promote the national repertoire of works at home and abroad. It is an important function for those organizations to take steps for the preservation, protection and encouragement of creative activities in the fields of literature, art, music, etc. Preservation of national culture is of particular interest for developing countries where, for instance, music from traditional national folklore is reproduced illegally.

6.141 Collective management organizations may be private, or public autonomous organizations or government offices undertaking these functions. One view is that the State should exercise adequate control and supervision, and also render financial support to the extent required for the efficient functioning of such organizations. While most were set up in the form of societies under civil law, there are a number of developing countries which have preferred to establish bureaus or offices under public law for the management of authors' rights. This choice seems to have been made because such institutions, in a developing country, operate better with government support and backing.

Collective Management of Musical Works

6.142 One of the best ways of explaining the concept and practice of collective management of copyright is to take the example of musical works. Today, in the face of the mass consumption of music, the only way of safeguarding the rights of public performance and broadcasting of composers, songwriters, arrangers and translators consists of the creation of a link between the music "producers" and the music "consumers." The concentration of the rights of performance and broadcasting of musical works in the hands of one collective management organization in each country and the blanket authorization to perform in public or broadcast protected music, granted by that organization, constitute the collective management of the rights in question.

6. 143 The collective management organization in a given country secures all the rights of performance and broadcasting of musical works, if it is to serve music users of that country satisfactorily with a single blanket authorization. This aim of concentrating all rights may be promoted and furthered by the creation, in some countries, of a monopoly. In itself, however, a monopoly does not confer any copyright on the collective management organization: with or without a monopoly, the organization still has to persuade creators to assign their rights of performance and broadcasting to it.

6.144 The assignment or transfer of rights of performance and broadcasting normally takes place under a contract of association or management contract, signed by the rights-owners and the collective management organization, enabling the organization to represent them. Under such a contract, the author and the composer of a musical work normally transfer their rights to the

collective management organization. They may however have transferred their rights to third parties, for example a music publisher, before joining the collective management organization. In such a case, the collective management organization would administer the rights transferred by the publisher in accordance with the membership contract signed between them (see paragraph 6.153). The practice is for authors to assign their rights also in future works, in other words for works that they will be creating during the term of their membership or during the validity of the mandate.

6.145 Assignments and transfers generally cover performances and broadcasts anywhere in the world. This territorial dimension enables the collective management organization to sign contracts with foreign counterparts and thus to safeguard the national musical heritage at the international level. This does not rule out the possibility of certain creators — often the best-known — being already registered as members or clients of foreign management organizations before they apply to the collective management organization in their country.

6.146 Under a publishing contract signed with a music creator, the publisher is authorized to reproduce the work and to sell copies to the public. Often, the music publisher also has the rights of performance and broadcasting. A collective management organization therefore may also represent publishers.

6.147 Every collective management organization assigns or transfers the rights acquired from its members to its foreign counterpart for public performances and broadcasts in the latter's area of concern. In this way each organization controls the performance and broadcasting rights of the world music repertoire in its own country. This concentration of rights puts it in a very strong position. Contracts signed between collective management organizations of the various countries are called "reciprocal representation contracts." These model contracts were elaborated under the auspices of the International Confederation of Societies of Authors and Composers (CISAC). The first provision stipulates the following: "The Model Contract of Reciprocal Representation meets the need to ensure in the international field, in a practical way, the best possible protection of authors' rights and interests through harmonizing the conditions in which the Authors' Societies represent each other in their respective territories."

6.148 All those who wish to perform publicly or broadcast protected music are given authorization for the entire world music repertoire at once. This greatly eases the users' job of respecting the rights of all rights-owners concerned. Collective management thus has to be looked upon as a considerable service to the world of music. The authorization is given the form of a contract under which the collective management organization consents to a precisely specified use of the music, and the user undertakes to pay the agreed royalty and submit accounts of the works performed or broadcast.

6.149 The right-owner sets the monetary compensation for his authorizations at his discretion. Certain organizations have claimed the same freedom for their collective management activities. These procedures are unreliable, however; any arbitrary action in a monopolistic management scheme is a short cut to anti-trust intervention. Equal treatment for users, and consequently the introduction of a clear and well-ordered scale of royalties, are indispensable elements underlying any collective management of copyright.

6.150 The efforts directed towards the introduction of well thought-out and logical tariffs are reflected in the observance of certain basic standards for the charging of royalties. An often claimed standard is the requirement that the rights-owners receive a 10 per cent share in the revenue from the use of their work. In the case of the performance of both protected and unprotected works, the percentage is reduced in proportion to the performance time of the protected and unprotected works (the *pro rata temporis* rule). If the performance of the music is

associated with the performance of a ballet, the composer of the music and the choreographer share the 10 per cent royalty, each having a five per cent participation in the performance of the ballet (ballet rule). With these and similar rules, it is possible to lay down all the tariffs for publicly performed and broadcast music. In many countries, the representation monopoly of collective management organizations requires State inspection of tariffs to prevent any monopoly abuses. In such cases, the approved tariffs are regarded as official tariffs to be upheld also by the courts in the event of dispute. If the royalties collected are to be distributed correctly, users have to be made to provide accounts itemizing the works actually performed or broadcast by them.

6.151 Those who publicly perform or broadcast protected music without first having been authorized to do so by the rights-owners or by the collective management organization are guilty of copyright infringement. If this principle were to be strictly and inflexibly applied, the collective management organization would have to deal annually with thousands upon thousands of court cases, and would become bogged down in ruinous expenditure and lose all credibility within the country. It is essential to offer delinquent users the possibility of rectifying their position after the event before taking them to court.

6.152 Another important pillar of an efficient system of collective management is the documentation. This word is used to designate all the information concerning authors, composers and publishers and their works, which is essential for the distribution of royalties.

6.153 The collective management organization has to make its members declare all works created by them and accompany the declarations with supporting documents. Works not in the usual written form (manuscripts or scores) may be declared in other forms, such as a cassette recording. The obligation to declare works extends to publishers, who have to give notice of any publication that has taken place. The documentation may also include copies of the contracts concerning works, especially publishing contracts. It can later become one of the main references for historical and scientific research.

6.154 Through the network set up by the collective management organizations throughout the world, collective management has assumed worldwide dimensions. With the reciprocal representation contracts, they are entitled to administer foreign repertoires in their own country. It is for this reason that two international tools were constituted under the auspices of CISAC: these are the CAE list (Composers, Authors, Editors (publishers) established in 1973, administered and continually updated since then by the Swiss Society for Authors' Rights in Musical Works (SUISA), and the WWL (Worldwide Works List), drawn up and updated by the American Society of Composers, Authors and Publishers (ASCAP), together with the changes they have undergone in becoming "Interested Parties Information" (IPI) and "Works Information Database" (WID), respectively.

6.155 Computerized tools have replaced the old-fashioned techniques (microfiches, etc.) and the societies of authors have adopted this progress, particularly with the installation of computerized systems adapted to the small- and medium-sized societies in developing countries. This CAE list is not only useful in managing the rights of foreign authors, but also in providing constantly updated information. Because the societies of authors are in possession of the latest information they are able to forward the royalties collected to their counterpart societies. The IPI administered by SUISA is a system which enables the identification of rights-owners, be they natural persons or legal entities (interested parties). It is based on a unique number allocated by the IPI centre to each interested party. As stated by CISAC, "the purpose of the system is the global unique identification of interested parties acting across multiple creation classes, roles and rights through an IP base number, which is the backbone of the system." This database, which contains information on the rights-owners, such as date of birth, nationality, pseudonyms and collective management

organization, is an enhanced version of the CAE file, differing from it in that it can encompass additional categories of works and rights-owners. The IPI became operational in September 2001.

6.156 The other tool, the WWL documentation, springs from the idea that each society of authors knows those works of its repertoire that enjoy an international audience. The basic data on those works, i.e. their titles, the names of the authors or business names of their publishers (except for data on possible sub-publications) can be inserted in this list updated by ASCAP. It is up to each society of authors to choose which works will be transmitted to ASCAP. Prior to the establishment of the WWL documentation, the societies obtained information by means of "fiches internationales" on works distinguished by the following characteristics: they enjoyed international success, they were of exceptional duration or instrumentation and they were subject to sub-publishing. Contrary to the WWL documentation, the "fiches internationales" gave information on the applicable distribution scales. Cue-sheets contain the basic data of films, and more specifically of the music for those films. Unlike international fiches, cue-sheets are not sent automatically by collective management organizations; this documentation is supplied on request in the case of showings or television broadcasts in other countries. These will disappear with the new developments linked to digital information and networks.

6.157 The emergence of transmission by worldwide digital networks has also revolutionized the collective administration sector, that has had to adapt itself to the new situation. Thus, CISAC has set up its Common Information System (CIS). This is a method for administering authors' rights using a set of linked databases. These databases will enable works and their right-holders to be identified precisely and will result in improved monitoring of the various uses made of the works. The machinery for exchanging electronic information should contribute to rationalizing collective administration operations, to automating them and to an eventual reduction in administrative costs.

6.158 Designed to operate in the digital environment, CIS is a system for standardizing information and data communication, comprising various subsystems. Those subsystems include the IPI (Interested Parties Information) and WID (Works Information Database) (see paragraph 6.154). The other databases are the TIS (Territory Information System) containing information on the various territories administered by CISAC member societies, the ASI (Agreements and Schedule Information) which will contain information on publication contracts, the audiovisual works database (IDA) which contains information on holders of rights in audiovisual works and is linked to the numbering system for identifying audiovisual works (ISAN), the database for sound carriers and recordings (SCRI: Sound Carrier and Recording Information) which enables the societies of authors to identify musical works by means of standardized information on the carriers and recordings, the database of musical works in the audiovisual domain (AV Index) designed to manage the cue sheets, and the CIS standards database (CSC) which is the documentary reference database required for the setting-up of the various subsystems. As stated by CISAC, it is "a series of tools that provide the building blocks to global copyright administration by standardizing and streamlining the exchange of information amongst member societies." The Executive Bureau of CISAC has adopted "Principles for a CIS governance framework" which are legal, financial and technical rules required for the management of the system.

6.159 Thus, the implementation of the system permits improved management of information by removing the areas of duplication and by using the architecture of a common system. Such management of information on works and right-holders will facilitate the automation of various transactions, the granting of licenses, searching and monitoring to be carried out by the societies in a digital environment. Based essentially on the allocation of a unique identification number that will follow the work throughout its lifetime, the system will enable societies to administer the rights of their members more effectively and at lower cost and will enable users to find information more easily, to obtain the necessary authorization and to pay the relevant amounts. CISAC is developing

an international tool, CISNET, to link, through a search engine, various databases, whether individual society databases or a central one.

6.160 The computer tool has become indispensable for collective management and should be made available to all societies throughout the world. WIPO is implementing a cooperation program for the developing countries under which specific aid is allocated for computerizing the collective management organizations of those countries. Aware of the dimensions of the problems encountered in the developing countries, WIPO has developed a program in order to produce a standard software intended for the small and medium-sized societies in those countries to enable them to become fully autonomous and independent in the collective management of the rights of their members. Thanks to this progress, newly established collective management organizations should be in a position to envisage rapidly their integration within the CIS system of CISAC. More familiarity with the computerized tools is necessary and unavoidable in order to improve collective management in the field of copyright and related rights in the years to come. That is the direction taken by WIPO and CISAC in their continuous commitment to improving the management of rights worldwide in accordance with the mandates of their Member States in the case of WIPO and Member Societies in the case of CISAC.

6.161 On the basis of the documentation and after collection of the royalties and of the accounts of works performed or broadcast, the collective management organization has to calculate the amount payable to each rights-owner concerned. This operation is known as "distribution," and is one of the most laborious jobs that the organization has to do. Every rights-owner may demand to be paid the amounts corresponding to what the collective management organization has charged for his/her works, after deduction of management overheads and social and cultural expenses, which are dealt with in greater detail below. This principle also stems from the legal position of the collective management organization as the trustee of authors, composers and publishers. For all the goodwill that is shown, however, accounts of works performed or broadcast are never provided in full detail, and in certain cases it proves impossible to demand them, for instance in the case of the broadcasts relayed to the public or the use of jukeboxes. Royalties for such performances have to be apportioned on the basis of accounts of other performances of comparable music. All owners of rights are to be treated on a strictly equal footing, in the sense that no preferential treatment or privilege can be allowed. That applies in particular to relations between national owners of rights and those of other countries.

6.162 Management costs are paid for out of the royalties collected. With the rights of public performance and broadcasting — unlike recording rights — the practice is for deductions to be confined to actual, genuine expenses. The percentage of deduction for expenses therefore varies from year to year. Deductions that do not exceed 30 per cent are considered acceptable in the first years of a newly-born authors' society in developing countries; rates have been following a downward trend in recent years. In European collective management organizations there is an average deduction of around 15 per cent for this purpose.

6.163 The principle of equality of treatment also operates in the area of deductions for expenses. National and foreign authors, composers and publishers have to accept the same percentage of deduction.

6.164 Every collective management organization, in regular and close consultation with its members, will do its utmost to promote their social welfare and publicize their music. It is possible for the collective management organizations to agree, in their bilateral contracts, that up to one-tenth of the royalties charged, after deduction of expenses, may be used for social and cultural purposes for the benefit of their members and clients. This 10 per cent deduction may be made

both from sums intended for foreign authors, composers and publishers and from amounts to be credited to national members.

6.165 In the field of cultural activities, collective management societies welcome initiatives and new ideas. Solutions differ from country to country and include — among others — the following activities: music competitions, prizes and festivals, action to promote music publishing, launching of publication series and sets, disc or cassette production, recording facilities, provision of recording studios, publications on musical subjects, biographies, manuals and catalogues, financing of music gazettes and a press service for musical matters.

Publishers' Organizations

6.166 In many countries in Western Europe the activities of authors' societies concern not only the safeguarding of the rights and interests of authors but also the protection of the interests of publishers, mainly in the case of the management of music performing and mechanical rights. In such situations, publishers of musical works take an active part in the management of the society, being normally members of its governing bodies.

6.167 The main objective of publishers' organizations is to protect the interests of the publishing industry and to promote its development, with particular regard to the printing and editing of, and trading in, books and periodicals. The purpose is to encourage the widest possible distribution not only at home but also abroad, since publishing activities are increasingly international.

6.168 Several publishers' organizations also have programs enabling their members to be assisted in managing their companies or to be aware of government policies on matters of concern to publishers (such as taxes, trade conditions, censorship, and also copyright protection). Publishers' organizations also try to strengthen public understanding of the role of books in the cultural, social and economic evolution of society.

Collective Management of Performers' Rights in the Field of Music

6.169 Performers enjoy the right of fixation of their performances, the right of reproduction of those fixations on sound recordings and the right of broadcasting and communication to the public of their live (unfixed) performances. A new right of making available fixed performances has been recognized in the WIPO Performances and Phonograms Treaty (WPPT) adopted in December 1996, in relation to the question of access, by the public, to fixed performances embodied in phonograms through digital networks. Thus, performers enjoy exclusive rights and remuneration rights in several countries, where a collective management infrastructure has been developed in this field. As in the case of authors' societies, performers' organizations representing their members in various cases may also provide for benefit schemes.

6.170 When a phonogram which has been published for commercial purposes is used directly for broadcasting or communication to the public, which is recognized in Article 12 of the Rome Convention, performers and producers of phonograms may receive an equitable remuneration. The right to this remuneration is a matter for the law of the Contracting State where it is due. The beneficiaries may be performers, producers of phonograms or both. The WPPT (Article 15) contains a similar right of remuneration which, unlike the Rome Convention, concerns both performers and producers of phonograms. Once in force, the contracting member States may introduce such a system if they so wish insofar as reservations are possible in this case. From a practical point of view, there are different approaches. In certain countries, rights-owners concerned have established joint collective management organizations; in others, they have separate ones and in still

others they have entrusted collective management organizations of authors with administering performing rights.

6. 171 The methods of distribution of the remuneration among performers and producers of phonograms differ from country to country. As in the case of authors' societies, the necessity to obtain information from the broadcasters or from users in the case of communication to the public of the phonograms and performances used is an important element for the distribution. In the first situation, distribution among individual performers is possible and based on programs transmitted by radio and television; in the second one, distribution is made by methods of sampling.

6.172 As regards remuneration for private copying, certain countries have included in their national legislation provisions whereby performers and producers of phonograms receive home taping royalties. The exercise of an exclusive right to authorize reproduction of phonograms for private use being impossible, some national legislators have introduced a levy, as compensation, on blank tapes or blank carriers used for the making of private copies. Some national legislation also contains provisions imposing on manufacturers and importers of recording equipment the obligation to pay a remuneration. Radio broadcast logs, disc sales figures and other available data are used to identify and quantify the relative home taping of each work and recording. Thus, distribution of those royalties is made by collective management organizations representing the rights-owners concerned on the basis of a sampling system.

Collective Management of Reprographic Reproduction Rights

6. 173 In the field of reprographic reproduction rights, the situation is different from that of copying phonograms or audiovisual works in private circles. The purposes of reprographic reproduction are not the same as those of home taping. They usually concern copying of material necessary for education, research and library services in respect of which special public considerations prevail. The phenomenon of private reprographic reproduction remains relatively small even though sophisticated reprographic machines have become more widespread partly because of their cheaper selling price and their small size.

6. 174 From the legal point of view, the right of reproduction is an exclusive right under the Berne Convention which cannot be restricted — either allowing free use or in the form of non-voluntary licenses — except in cases which are defined by the Berne Convention (Article 9 (1) and (2)). It is clear that reprography is a form of reproduction covered by such a right. Limitations or exceptions may be introduced by national legislators in certain special cases, unless the reproduction conflicts with a normal exploitation of the works concerned, and unless it unreasonably prejudices the legitimate interests of authors. This prejudice may in some cases be compensated or mitigated by means of an equitable remuneration. In such cases, non-voluntary licensing systems can be stipulated in national laws in conformity with international protection. Although the consent of rights-owners concerned is not required, they have a right of remuneration which is exercised through collective management systems.

6. 175 Reproduction for private and personal use is a particular case. Many legislators have considered that copying for private use is free. However, some have decided an indirect compensation through an equitable remuneration in the form of a levy on equipment and/or on the underlying material, like paper.

6.176 In the area of massive reprographic use, collective management organizations are necessary to collect and distribute the equitable remuneration. There are different legal techniques to support collective management, for example, the system of extended collective license, contracts with indemnity clauses and legal presumption. In the first system, which is used in Nordic countries, the

law extends the reach of a collective agreement on the use of works to cover also unrepresented rights-owners. Indeed, organizations representing rights-owners do not have the powers to grant licenses for use of works of non-members of the organization. Through the agreement concluded between the organization and the user on the basis of free negotiations, the agreement is made binding by law on unrepresented rights-owners who are entitled to individual remuneration. In the second system, an indemnity clause is incorporated in the contract, according to which the organization assumes the liability for the payment of remuneration to unrepresented rights-owners. In the third one — the legal presumption system — it is presumed that the organization has a general authorization to represent the rights-owners. The legal and practical effects hardly differ from those of the extended collective license. It does not provide the organization with a general right of representation but only extends an agreement that it concludes also to cover unrepresented rights-owners.

6.177 Whilst providing users with authorization for copying, collective management organizations secure fair payment for their members whose works are copied. As in the field of music, reprographic right organizations collect and distribute payments to national rights-owners and conclude reciprocal agreements with foreigners. The International Federation of Reproduction Rights Organizations (IFRRO) which links together all the national reproduction rights organizations (RROs), facilitates formal and informal agreements and relationships between and on behalf of its members. IFRRO is also fostering the creation of RROs.

6.178 The advent of digital technology has greatly changed the situation, since material is stored, reproduced and transmitted in the form of digits, in binary code consisting of zeros and ones. Some questions have emerged with computer technology, such as storage, temporary display and further uses of protected material. In fact, the storage of works in digital form in an electronic medium was discussed as early as in June 1982, when a WIPO/Unesco Committee of Governmental Experts clarified that such storage is reproduction, and the WCT contains an agreed statement which confirms this. It reads as follows: "The reproduction right, as set out in Article 9 of the Berne Convention, and the exceptions permitted thereunder, fully apply in the digital environment, in particular to the use of works in digital form. It is understood that the storage of a protected work in digital form in an electronic medium constitutes a reproduction within the meaning of Article 9 of the Berne Convention."

Collective Management and the Digital Environment

6.179 The rights-owners — and users also — are looking for different approaches to deal with the management of copyright and related rights in the digital environment, in particular in the context of multimedia productions.

6.180 Copyrighted works will be increasingly delivered in digital form via global networks such as the Internet. As a result the collective management of copyright and related rights by public, semi-public and market sector entities will be re-engineered to take advantage of the efficiency gains offered by information technology. The increasing opportunities offered to the holders of rights by the Internet and the advent of "multimedia" productions are interfering with the conditions of protection, with the exercise and management of copyright and related rights and also with the enforcement of rights.

6.181 In the online world of the new millennium, the management of rights is taking on a new dimension. Protected works are now digitized, compressed, uploaded, downloaded, copied and distributed on the Internet to any place in the world. The expanding power of digital networks allows more and more mass storage and online delivery of protected material. The possibility of downloading the contents of a book, or of listening to and recording music from cyberspace is a

daily reality. While this presents immeasurable opportunities, there are also many challenges for owners, users and collective management organizations.

6.182 Many collective management organizations have developed systems for on-line delivery of information relating to the licensing of works and content, the monitoring of uses and the collection and distribution of remuneration for various categories of works within the digital environment. These digital information systems, which depend on the development and use of unique numbering systems and codes that are embedded in digital carriers such as CDs and DVDs, allow the works, the right-owners, the digital carriers themselves, etc. to be properly identified and to provide other relevant information.

6.183 As explained in Chapter 5, the two treaties concluded in 1996, under the auspices of WIPO, responded to the challenges of protecting copyright and related rights in the digital age. Known as "the Internet treaties," the WCT and WPPT deal among other things with obligations concerning technological protection measures and rights management information in the digital environment; they ensure that the owners of rights are protected when their works are disseminated on the Internet; they also contain provisions requiring national legislators to provide efficient protection for technological measures, by prohibiting the import, manufacture and distribution of illicit circumvention tools or material and also outlawing acts detrimental to rights management information systems. Indeed, an adequate legal protection is also needed at the national level to prevent acts intended to circumvent technical protection measures, and also to combat the removal or alteration of any elements of the digital information systems and other such practices.

6.184 Digitalization has brought another dimension to the exercise of certain rights. Protection and management of rights in an electronic environment are linked to the development of different types of technological measures, apart from the recognition of rights at the national and international levels. In the digital era, a combination of individual and collective exercise of rights is possible and facilitated by the information and data that are "attached" to the works and objects of related rights. As indicated in Article 12(2) of the WCT, "rights management information means information which identifies the work, the author of the work, the owner of any right in the work, or information about the terms and conditions of use of the work, and any numbers or codes that represent such information, when any of these items of information is attached to a copy of a work or appears in connection with the communication of a work to the public." The digital identification of works and objects of related rights (there is a similar article in the WPPT for performances and phonograms, namely Article 19(2)) needs to be adequately protected by technological measures.

6.185 The WCT and WPPT specify a protection of rights management information aiming at protecting the identification of works and objects of related rights against various acts. Both treaties, respectively in Article 11(WCT) and Article 18(WPPT), have left to national legislators of Contracting States the ways to implement protection, without any specification of the type of protection nor the definition of protected devices.

6.186 Technological measures cover various devices and electronic tools, which consist of systems allowing and monitoring the access to protected material and information. Those systems encompass passwording, encryption, digital envelopes, etc. Other systems like watermarking or fingerprinting are techniques based on invisible digital marking of protected works and objects of related rights and their right-owners, used to facilitate their identification. There are other technological means, which are used for example to prevent the making of copies of protected material, like the Serial Copy Management System, or similar anti-copy devices in the field of digital video recording. More in the field of collective management of rights, the Electronic Copyright Management Systems (ECMS) which permit the identification of copyright and related rights

material, and the licensing and remuneration of right-owners, are also technological measures, since they go beyond the mere role of identification.

6.187 Despite the practical impact of such technical means, the need to have legal texts protecting technological means of protection and rights management information is crucial for the proper implementation of collective management in the digital environment, since the core of copyright management systems is content and rights identification together with licenses. Indeed, the ECMS, which relates to those components, must be protected not only against removal, alteration, distribution, importation for dissemination, etc. but also against any circumvention, as stipulated in the WCT and WPPT.

6.188 As regards multimedia productions — both in the form of offline production and in the way the different categories of works and objects of related rights are used together in digital networks — there are more and more "coalitions" of various collective management organizations offering a centralized source of authorization; they are known as "one-stop shops."

6.189 Finally, in the field of collective management of musical works, some authors' societies have reached reciprocal agreements aiming at offering users some global licenses for use of protected music over the Internet. These worldwide Internet licenses are intended to provide a mechanism to assure proper distribution of license fees to authors, composers and music publishers. These agreements cover webcasting, streaming, online music on demand and also music included in video transmitted online. They have been concluded by the authors' societies BMI (United States of America), BUMA (Netherlands), GEMA (Germany), PRS (United Kingdom) and SACEM (France), and were signed at the CISAC 2000 World Congress held in Santiago de Chile.

6.190 Such developments constitute a real progress for collective management of musical works, granting for such works licenses which are not limited to territorial boundaries, to be performed on the Internet. The authors' societies concerned will be in a position to authorize content providers to exploit on-line the music repertoire administered by those authors' societies against fixed remuneration. The agreements contain some rules for the distribution of royalties. Collective management of copyright and related rights will gain in efficiency and precision and improve through digital technology, including computer programs specially designed to allow new authors' societies to access such digital systems and the data on works and recordings transmitted therein.

Intergovernmental Cooperation

6.191 Within the framework of the sector of development for cooperation in WIPO, a number of meetings and activities are initiated and undertaken by the regional Bureaus and by the Copyright Collective Management Division. In order to maximize its efficiency, WIPO concluded two major Cooperation Agreements with CISAC and IFRRO in September 2002 and October 2003 respectively. Complementary activities are organized in cooperation with these organizations in favor of reinforcing copyright protection in developing countries and least developed countries, as well as in Eastern and Central Europe. Such an approach reflects the common cause inherent in the main and proper objectives of those non-governmental organizations and WIPO, in assuring rights-owners of respect for their rights, for instance through the implementation of collective management systems on a national or regional basis, when appropriate. It also reflects the implications of the expansion of culture and information and their accessibility to the public, taking into consideration the economic impact and the growth of digital technology worldwide.

The Patent and Trademark Attorney

Introduction

6.192 Industrial property agents deal generally with all matters in the field of industrial property, to the extent permitted by their national laws, and especially with the following three:

- the filing and processing of applications for patents for invention (and utility models where applicable), trademarks and industrial designs, and the maintenance of their registration;

- advising in matters relating to industrial property rights, including unfair competition, licensing, know-how and transfer of technology;

- litigation in all fields of industrial property.

The Functions of a Patent Agent

Introduction

6.193 The professionals who practice the profession most commonly known as that of "patent agents" can also be called, depending on the circumstances and the particular country, "patent attorneys" or "industrial property agents" or "attorneys." Their basic function is to offer the following professional services:

- advice in the initial phase of the explanation and definition of the right;

- service and performance in the phase of the acquisition of the right;

- representation and advice in the phase of the maintenance and working of the right and in the period of possible conflicts which may arise in connection with obtaining and/or protecting the right.

6.194 Generally speaking, the patent agent must give counsel and advice to two types of client in his home country or abroad, namely:

- individual inventors;

- industry, consisting of small- and medium-sized companies, as well as large and important industrial enterprises.

The Pre-Application Phase

6.195 In this phase, the prospective applicant will have to decide:

- first, whether it is probable that a patent for invention can be obtained for the invention;

- second, whether he should seek patent protection for the invention or should try to keep the invention secret and not seek patent protection;

- third, if the decision is to seek patent protection, the applicant must decide in which countries such protection should be sought;

- fourth, if protection is to be sought in several countries, some of which may be party to the Patent Cooperation Treaty or members of a regional patent agreement, the applicant will need to decide whether to file an international application and/or a regional application or whether to file separate national applications.

6.196 Furthermore, in this pre-application phase, the application(s) will have to be prepared.

6.197 If patent protection is desired, a patent application will have to be filed. The alternative is secrecy, without filing an application.

Secrecy

6.198 If the alternative of secrecy is chosen, every attempt is made to keep the invention secret.

6.199 The choice between these two possibilities requires careful consideration. An invention for which a patent application has been filed will remain secret only if the application is withdrawn before the application is published or, under patent laws not providing for the publication of applications, if no patent for invention is granted either because the application is withdrawn by the applicant or because the application is considered withdrawn, or is refused by the Patent Office.

6.200 Patent laws guarantee, in the case of patented inventions, that the knowledge which becomes public through the patenting of the invention cannot be used for manufacturing, etc., without the authorization of the owner of the patented invention. Consequently, publication of the invention which is patented usually does not contain any risk for the owner of the patent for invention. The risk which still exists is that if the grant of a patent for invention is refused after the application had been published, or if the granted patent is later invalidated, the invention is no longer secret. However, if the reason of such refusal or invalidation is lack of novelty, the alleged invention is not really a patentable invention, and the fact that it is known to the public is not the result of the publication of the application or of the patent for invention but flows from the fact that it is part of the state of the art. This argument does not necessarily apply where the reason for the said refusal or invalidation lies in some procedural error or omission, for example, failing to pay the required fees to the Patent Office.

6.201 Another factor that one should consider when one has to choose between trying to keep the invention secret and trying to have it patented, is the risk that any applicant assumes in respect of what is called "inventing around" by third parties. "Inventing around" means that a third party will describe a solution which is essentially based on or "around" the ideas of the applicant's invention but is still sufficiently different from it to qualify as a patent for invention, if sought.

6.202 In general, it is better and safer to try to obtain a patent for the invention than to try to keep the invention secret. This is so because, even if the invention has been kept secret, there is generally a high risk of a third party getting a patent for the same invention created independently.

Determining Patentability

6.203 The question whether the invention fulfills the conditions of patentability is decided by the Patent Office or, if the decision of the Patent Office is challenged in a court, by that court.

6.204 Assisting the prospective applicant in identifying the state of the art and in comparing it with the invention may be among the tasks of an agent. However, the prospective applicant may decide not to ask for the opinion of the agent in this matter.

6.205 The prospective applicant may reach such a decision for a variety of reasons, for example because it increases his expenses, or because he is generally better informed about the state of the art than the agent. Another reason may be that the same invention was already the subject matter of a patent application in another country and the necessary checking of the state of the art has already been completely and correctly effected — at least in the opinion of the applicant — in connection with the other application.

Determining in which Countries to Seek Patent Protection

6.206 When it comes to the question in which foreign countries, if any, patent protection should be obtained, the prospective applicant and the agent have to compare and combine their respective experience and information about the situation prevailing in respect of each foreign country in which protection is contemplated. Is that country a potentially important market for the products for which the invention will be used? Is that country one in which there is research for the same or similar inventions? Is that country one in which there are likely licensees or assignees or in which there are potential competitors who may try to exploit the invention if it is not patented there? If the answer to at least one of these questions is in the affirmative, patent protection should be considered.

6.207 Not only the local agent but also an agent in the foreign country in which protection is contemplated should be consulted on the question of whether patent protection should be sought in that country. The foreign agent may be of the opinion that, for some reason connected with the patent law of that country, an application, if filed, would probably not succeed. Or he may know of anticipatory publications, which were unknown to the prospective applicant, and which virtually exclude the possibility of obtaining a patent for invention in that country.

6.208 If the prospective applicant decides to seek patent protection in several foreign countries and if at least some of those countries are party to the Patent Cooperation Treaty (PCT) and/or members of a regional patent organization, the question arises whether it is advisable to file an international patent application under the PCT and/or a regional patent application instead of filing national patent applications in each of the said countries.

Preparation of the Application

6.209 It is the agent who is primarily responsible for the correct preparation of the application. The practiced drafting of the key parts of the application, namely, the description and the claims, is important for the applicant to get adequate protection of his rights in the invention. Naturally, most of the facts that will be stated in the application are furnished to the agent by the prospective applicant, and it is the latter's responsibility that those facts be correct. But the expression of those facts in the application so that all the requirements of the law are fulfilled, and that nothing is omitted that must be included, or appears to be useful to be included, in the application, are the responsibility of the agent. All that the prospective applicant can do here, and only if there is a possibility of choosing among several agents, is that good judgment is used in selecting the agent.

6.210 The responsibility for timely filing is shared by the prospective applicant and the agent. If the application is a first application, it should be filed, in most cases, as soon as possible. Since, in the course of drafting, the agent may have to consult — sometimes repeatedly — the prospective applicant, prompt replies, or immediate availability for consultations, on the part of the prospective applicant, will be indispensable. The urgency of any first filing resides in the fact that, according to the patent laws of almost all countries, when simultaneous applications are filed for the same invention, the patent will be granted to the applicant whose application was filed at the earliest date, or claims the earliest priority date, as the case may be.

6.211 Where the application is a later application in respect of which the applicant has invoked the priority of the first application, timely filing means filing before the expiration of 12 months after the filing of the first application. In respect of the chances of obtaining a patent for invention, it is immaterial when, during those 12 months, the application is filed because the relevant date for judging novelty and inventive step is the date of the filing of the first application and not the date of the filing of the subsequent application. It is the agent's responsibility to know the date on which the 12 months period will expire and to ensure that the application is received by the Patent Office no later than that date. But it is the responsibility of the prospective applicant to furnish all the data required of the applicant well before this date, so as to allow time for the agent to ask for additional information from the prospective applicant, to make translations where translations have to be made and to exchange views with the prospective applicant on any unclear points.

The Application Phase

6.212 This phase starts once the application has been filed and ends with one of the following events:

- the application is withdrawn by the applicant;

- the application is abandoned by the applicant;

- the application is refused by the Patent Office;

- the application is accepted by the Patent Office, that is, a patent for invention is granted by the Patent Office.

6.213 Soon after having received the application, the Patent Office proceeds with what is called the "formal" examination, or the "preliminary" examination, of the application.

6.214 Such examination is called formal to distinguish it from the substantive examination. The latter is the examination which is mainly concerned with the conditions of the patent law which concern patentability, namely whether the claimed invention is new, involves an inventive step, is industrially applicable and is sufficiently disclosed. The formal examination is concerned with most of the other conditions that the patent law prescribes for obtaining a patent.

6.215 The formal examination is characteristically designed to examine the following six questions or groups of questions:

- Whether the application contains all the prescribed indications concerning the applicant and the inventor. Usually, what is required is that the application identify the inventor and the applicant (the two may of course be the same), and that the identification be done by giving their full official names (this is important not only for natural persons but also for legal entities and enterprises) and their addresses. Incomplete indications of the name,

spelling errors in the names and addresses, omission of the addresses and the indication of incorrect addresses are usually considered to be correctable mistakes. These mistakes may be discovered by the agent himself. If such mistakes are discovered by the Patent Office, it will invite the agent to submit corrections, and the agent should do so within the prescribed time limit.

- Whether an agent has been indicated in the application, and, if so, whether he is a person who has the right to act as an agent, whether his appointment has been duly effected by the applicant (by the applicant's signing the application or a separate "power of attorney," that is, a document appointing the agent) and whether the name and address of the agent are given in full.

- Whether the application contains all the parts prescribed by law. Patent laws usually require the following parts: request, description, claim or claims and abstract. They also usually require that the request contain a title for the invention and that the application contain drawings where they are necessary for the understanding of the invention.

- The Patent Office may examine the completeness of the priority declaration. "Priority declaration" is a statement, made in the request part of the application, to the effect that the applicant claims the priority right provided for in the Paris Convention on the basis of an earlier application. That earlier application must be identified in the priority declaration by three elements: the name of the country in which it was filed; the date on which it was filed; the serial number which was given to it by the Office with which it was filed. As far as the serial number of the earlier application is concerned, most laws allow that it be furnished later, separately, within a prescribed time limit. They do so because the serial number of the earlier application may not yet be known to the applicant at the time the application under examination was filed.

- Whether the application complies with what is usually — but not quite correctly — called the "physical" requirements. These requirements usually include the following: that the application be written on paper; that the paper be of a certain color, size and quality; that the writing on the paper be of a certain color and size; that the text is easily legible and reproducible by photographic methods; that the parts of the application be clearly separated; that each page have margins of certain dimensions; that the margins be left blank and that each page be numbered in a certain place on the page. These are true physical requirements. Other requirements, although not, strictly speaking, physical, usually include the following: that each claim be numbered; that each drawing be numbered and its number referred to in the description; that each part of the application indicate its title; that measurements be expressed according to the metric system and that temperatures be expressed in centigrade and that drawings indicate the scale of reduction or magnification. Compliance with the physical requirements is usually the agent's personal and direct responsibility because usually it is he, and not the applicant, who prepares the final copy of the application. The preparation of replacement pages or other corrections will also be his responsibility and in many cases may be effected without consultation with the applicant.

- Whether the necessary fees for filing the application have been paid to the Patent Office. Such official fees are in most cases paid by the patent agent, who charges his client in the debit note. Some Patent Offices permit agents to open what is called a "deposit account" with them. The agent sends a larger amount of money to the Patent Office but it is the property of the agent. When filing an application, the agent indicates the amount that should be transferred by the Patent Office from his deposit account with the Patent Office

to that Office's own accounts. This method excludes the possibility of late payment. The method can be further developed to exclude even the possibility of an underpayment. Such development requires that the agent give a general authorization to the Patent Office to compute the amount of any fee concerning any application in respect of which he is the appointed agent and that the Patent Office transfer such amount, without any specific request by the agent, from his deposit account into the Patent Office's own accounts.

Publication of the Application

6.216 The usual provision is that the publication must be effected promptly after the expiration of 18 months after the filing date of the application or, where the application claims the priority of an earlier application, on the expiry of 18 months after the filing date of the said earlier application. However, such a law usually also provides that the applicant may, at any time between the filing of the application and the expiry of the 18-month period, request the Patent Office to publish the application and that, in that case, the Patent Office has to publish the application promptly on receipt of the request.

6.217 The reason for an early publication may be that the applicant wishes that the technical solution described in the application should become part of the state-of-the-art as soon as possible. If that solution was not yet disclosed to the public by other means than through the publication of the application — and barring the case of a co-pending application (where the filing dates will count) — then the solution described in the application may be made part of the state of the art through the publication of the application.

6.218 Once that solution is part of the state-of-the-art, applications filed later by others, in respect of a similar solution but lacking the required inventive step, even if filed in other countries, will not meet the conditions of patentability. In other words, the earlier the application is published the earlier it will become an impediment for persons other than the applicant to obtain patents for invention for themselves for a solution which is merely similar to the solution described in the applicant's application but lacks the required inventive step. On the other hand, the earlier the publication, the earlier secrecy is lifted, the sooner others will have the opportunity to try to "invent around" the claimed invention or to use it as a basis for further inventions. The applicant, with the help of the agent, will have to decide what is better for him: a publication as early as possible or a publication as late as possible. If the decision is that an early publication is, on balance, desirable, it will be the task of the agent to request the Patent Office to effect a so-called early publication.

Request for Substantive Examination

6.219 Patent laws providing for a so-called "request for a substantive examination" usually provide that the substantive examination, by the Patent Office, of the patent application starts only on the request of the applicant; such a request, however, has to be presented within a certain number of years from the date of the publication of the application or the date of filing. It should be noted, however, that if the time limit is missed, that is, no request for the substantive examination is presented by the applicant, the application is considered withdrawn.

6.220 It is, therefore, one of the important duties of the agent to note the date on which the application was published, or filed, and, when the expiration of the time limit approaches, to ask the applicant whether substantive examination should be requested. If the answer is in the affirmative, the agent will have to do it before the said time limit expires and, since the laws generally require the payment of a substantive examination fee within the same time limit, he will also have to make sure that the payment of that fee reaches the Patent Office within the same time limit.

Substantive Examination

6.221 The substantive examination is carried out by the Patent Office. The aim of the substantive examination is to come to a decision on the question whether or not a patent for invention should be granted. If the application complies with the requirements of the patent law, the Patent Office must grant a patent for invention.

6.222 The substantive examination will consider all the possible grounds for refusal.

Amendments

6.223 Most patent laws allow the applicant to amend the application. At the same time, they usually provide that no amendment may go beyond the original disclosure in the application as filed.

6.224 Most laws offer several occasions to the applicant to amend the claims. Typical occasions are: first, just before the preparations for the publication of the application are completed by the Patent Office; second, at the time the request for substantive examination is filed, together with that request; third, during the substantive examination. The first two occasions, if used, will be the result of a spontaneous decision of the applicant. Using the first occasion may be motivated by a desire to disclose less than what the original application has disclosed. Using the second occasion may be motivated by a desire to reduce the risk of being attacked during later proceedings. Amendments presented during the substantive examination are usually not spontaneous; they are usually a response to the Patent Office when, through its examiner who carries out the substantive examination, it requires the applicant to amend the application in a certain way, on pain of refusal of the application. The suggested amendment usually consists of omitting one or more claims or restricting the scope of one or more claims, the reason being that only the remaining and restricted claims satisfy the conditions of patentability and/or are supported by the description. A dialogue is carried on between the examiner and the agent; the latter tries to convince the former that the broader claims are allowable. In this dialogue, the respective views of the agent and the examiner may undergo changes in the light of the new arguments and new documents that they present to each other.

6.225 There is little doubt that this is one of the most challenging and interesting tasks of the agent. It is also a very responsible task because a patent for invention with too narrow claims may be worthless. Where the examiner insists on a restriction which, in the view of the applicant, is unreasonable, it does not have to be accepted by the applicant. The Patent Office will, in such an event, refuse the application. But such refusal does not necessarily mean that the application has been lost. Recourse to a higher authority — for example a review board — or to the courts is provided. As a result of the recourse, the applicant may obtain the patent for invention with the claims as desired by him.

6.226 Since the task under consideration is such a responsible one, no agent will normally amend an application without the express and specific authorization of the applicant. Each proposed amendment is usually thoroughly discussed, orally or in writing, between the applicant and his agent.

Opposition

6.227 Opposition is a request to the Patent Office, presented by a person or entity other than the applicant, to refuse the application. The request must indicate the grounds on which, according to the opposing party, the application should be refused. The typical grounds of refusal are that the

applicant has no right to a patent for invention for reasons concerning his identity, that it is in a field excluded from the possibility of patenting, that the application lacks the required clarity and completeness to permit the carrying out of the invention by a person skilled in the art, or that the invention does not fulfill the conditions of patentability, that is, novelty, inventive step and industrial applicability.

6.228 The pre-grant opposition system provides a third party an opportunity to make a request for a refusal of an application before a patent is granted to that application. On the other hand, an administrative revocation (post-grant opposition) system provides such opportunity after the grant of a patent.

6.229 What will be the role of the agent of the applicant? It is him that the Patent Office will notify of any opposition filed. The agent will then need to discuss with the applicant what counter arguments against the opposition should be communicated to the Patent Office. If the opposition relates to novelty or inventive step, the refusal of the application may be avoided if the claims are amended.

6.230 Usually, not only the applicant but also the opposing party will need an agent.

Role During the Life of the Patent

Maintenance

6.231 Most patent laws provide that the owner of the patent for invention has to pay, once a year, a fee for maintaining the legal effect of the patent for invention.

6.232 Paying the maintenance fees on time is one of the important and responsible tasks of the agent. The agent has to keep a record of the dates on which each payment will become due; he has to know, in good time, whether or not the owner of the patent for invention requires maintenance, and he has to ensure that he receives from the owner of the patent for invention in good time the amount needed for the payment of the maintenance fee.

6.233 The responsibility of the agent is great because missing the due date will cause additional expense, namely, a surcharge. Missing the time limit of the grace period may also deprive the owner of the patent of all his patent rights.

Invalidation Proceedings

6.234 Most patent laws provide that any person may challenge the validity of a granted patent for invention before a quasi-judicial body or a court by bringing an action or lawsuit. The defendant, according to the laws of different countries, may be the owner of the patent for invention and/or the Patent Office, personified by its head (usually called, in English-speaking countries, "Commissioner," "Comptroller," "Controller" or "Registrar," and, in other countries the equivalents, in their languages, of the English "President," "Director General" or "Director").

6.235 The representative of the challenger naturally has to be familiar with the history of the substantive examination and administrative revocation or opposition. He will also need to determine whether the same invention was the object of substantive examination or administrative revocation or opposition in the Patent Offices of other countries, or the object of infringement or invalidation actions in foreign courts, and, if so, what arguments were used and what the final outcome of the applications and actions was.

Compulsory Licenses

6.236 The patent laws of a number of countries provide for the possibility of granting compulsory licenses. A compulsory license is a license given to an entity or person ("the compulsory licensee"), on his express request, by a government authority (for example, the Patent Office) to work the patented invention, and/or import products which include the patented invention; such license may be given against the will of the owner of the patent for invention if it meets certain conditions.

6.237 The services of a representative, a specialist in patent law, will usually be needed by both parties. The party requesting the compulsory license will have to allege the non-working or the insufficient working, in the country, of the patented invention and the lapse of the three-year or four-year time limit prescribed by the Paris Convention. The applicant or the owner of the patent, if he wishes to resist the request for compulsory license, will either have to prove that the patented invention is sufficiently worked, in the country, by him or by persons or entities authorized by him, or he will have to specify and prove "legitimate reasons" for non-working or insufficient working of the patent.

Infringement

6.238 According to the laws of most countries, the owner of the patent for invention has the right to turn to the courts when an infringement has occurred and may ask for relief in one or more of the following forms:

- that the court order the infringer to stop his infringing acts;

- that the court order the infringer to pay damages to the owner of the patent for invention;

- that the court punish the infringer.

6.239 The preparation of any legal action will require the advice and assistance of legal and technical specialists. So will the preparation of the defense in a legal action. And so will the representation of both the plaintiff and the defendant before a court.

Applications for Foreign Clients

6.240 The foreign patent agent will typically provide the required specification and particulars of the applicant and any priority claim under the Paris Convention but will have to rely on the local agent to:

- ensure that the application is filed by the specified deadline, usually the anniversary of the "basic" application;

- present documents in the proper form under local law and practice;

- advise on further information required;

- ensure that forms are correctly completed;

- keep the foreign agent properly informed as to later deadlines for lodging supporting documents and meeting those deadlines when documents are forwarded by the foreign agent. Such documents include forms, formal drawings and "priority documents" — official certified copies of basic applications, with translations if necessary.

6.241 The foreign agent will also expect the local agent to advise of any particular difficulties which might arise under local law or practice, e.g. as to subject matter or format of claims, as to the nature of the intended application, or as to the adequacy under local law of the applicant's stated entitlement to file the application.

6.242 In the longer term, the key role of the local agent is to ensure that all deadlines affecting the application are advised, monitored and met, and to advise the foreign agent of peculiar requirements of local law and practice.

Foreign Applications for Domestic Clients

6.243 The filing of the basic domestic application initiates the 12-month period provided for by the Paris Convention. Within that period, the applicant will need to make a decision as to the countries in which he will seek patent protection. An essential role for the agent in this connection will be to guide the applicant to ask the right questions and to assist him with clear information as to short- and long-term costs, and as to the situation in each country with the domestic application. The applicant himself will want to consider the market potential in each country, the possible modes of exploiting the patent, including licensing, and the level of technology in each country which will determine whether the invention can be put into use and, therefore, whether any additional protection can be obtained with a patent. He will also need to determine a total budget and to establish priorities.

6.244 It is very important that the agent keeps the applicant fully informed as to the costs he will incur: patent protection in multiple countries is quite expensive, especially if the invention is not a success, and many a patent applicant is caught by surprise by the medium- and long-term costs of maintaining his patent protection.

6.245 Once the choice of countries has been made, the agent must undertake a number of steps in preparation for instructing the foreign agents. The first step is to select the agents who will act on his and his client's behalf in each foreign country. Many countries require at least local addresses for service for patent applicants but, in any event, it is much more practical for applicants to retain the services of a skilled local professional in each foreign country. This choice of agents is an important decision, especially in countries where the language is not the same as the agent's or applicant's. In making the choice, the agent will be considering matters of reliability, professional skill, and sound business judgement.

6.246 A further preparatory step for the agent is to determine what formal papers are required for each application as well as to prepare such papers. Most countries require a power of attorney executed by the applicant. Assignments may also be necessary. Application forms can usually be completed and signed by the local agent.

6.247 The next preliminary step is to prepare specifications for the foreign applications. In many cases these specifications will not be the final document as translation will need to be carried out into the foreign language. A skilled agent will not merely photocopy the local specification for use abroad but will consider whether he might fruitfully rearrange the language or structure of the claims to better suit the practice of each country, or perhaps modify the description.

6.248 Finally, taking careful account of the applicable convention deadline, the agent will forward full instructions to his selected overseas counterpart at the appropriate time.

Corporate Patent Attorneys

6.249 A patent department in a corporation usually consists of both technical and clerical staff and is, in many cases, headed by a patent attorney.

6.250 While the main function of a patent attorney's office is often limited to proceedings for the acquisition of industrial property rights, the scope of the business of the corporate patent department covers a much wider field including legal, business and commercial considerations such as:

- filing and processing applications;
- searches and monitoring;
- prior art documentation;
- coordination with the research and development division of the corporation and with patent attorney's offices;
- licensing and related negotiations;
- maintenance of rights;
- training of any personnel who are or may become involved with industrial property matters;
- assignment of inventions for reward under remuneration systems;
- prosecuting and defending infringement suits.

6.251 Patent attorneys' offices become involved, or are consulted, in all the above areas. However, the patent attorneys' offices are, of course, in a passive position here as corporate patent departments take all initiatives, and issue their instructions for any work to be done by the patent attorneys' office.

6.252 Corporations which have a successful and planned patent management policy do recognize the need for the effective use of outside patent attorneys' offices, with experts well qualified to handle particular matters and also a sufficient number of back-up staff to assist.

6.253 Corporations also sometimes make use of outside patent attorneys' offices as if they were part of the corporation's own patent department, and discretion is given to the patent attorneys' office personnel to deal with and interview inventors directly, only reporting later any action taken, or results of such action, to the corporation's patent department.

6.254 Large corporations also have a liaison staff member for at least every separate technical department or laboratory within the corporation and sometimes the liaison staff may total 100 or more.

6.255 The main functions of a corporate patent department, as indicated above, include the following matters.

Acquisition of Industrial Property Rights

6.256 The services of a patent attorney's office are utilized most for this type of work. The group of staff who handle such matters receive a draft specification or memorandum concerning an invention from the inventor(s). Some corporations, as a matter of policy, file patent applications themselves, in which case the persons involved in the department re-draft or complete the specification, claims or drawings into proper form for filing. But other corporations use outside patent attorneys for completing the applications for filing with the Patent Office. Also, there are many corporations which file applications with the Patent Office themselves, but use outside patent attorneys for overseas filings.

6.257 In any case, it appears that the business relating to acquiring rights is an area in which the corporate patent department can utilize outside services most, so that they can use their time more effectively for other policy or management affairs in the enterprise.

Searches and Monitoring

6.258 The services of an outside patent attorney's office are utilized to some extent, but most of the business of this nature is handled by or within the corporate patent department. Nowadays, computer data-based searches or monitoring are increasingly being used.

Prior Art Documentation

6.259 This involves the collection and documentation of patent gazettes or other patent literature.

Coordination with the Research and Development Divisions of the Corporation

6.260 The corporate patent department members join in the planning of research and development, and in the discussion and formulation of patent strategy, or in the study of patent strategy with the various divisions concerned.

Licensing

6.261 Licensing patents or preparing various contracts is one of the most important functions of the corporate patent department. How the acquired rights can be effectively utilized is constantly examined. The corporate patent department is also involved in licensing negotiations.

Maintenance of Rights

6.262 The keeping of records, and attending to the payment of annual fees for keeping the acquired rights in force, are also very important functions of the corporate patent department.

Other Activities

6.263 The training of personnel who are, or will become, involved with patent matters is constantly carried out. Patent departments hold lectures and seminars for these personnel, or send them to outside courses or lectures. Patent department members are given the opportunity to observe the research facilities and actual research being carried out. All patent-conscious companies have some kind of remuneration system for rewarding employees for inventions. The patent department has a role in making assessments of the inventions which will be the subject of such remuneration.

6.264 Every time a new product is put on sale or is to be sold on the market, it is the work of the patent department to make a thorough search to ensure that there will be no infringement of patents already in existence. This is a very time-consuming and important matter.

6.265 Another area in which the corporate patent department becomes instantly involved is when an infringement action is taken against a third party or is to be defended.

Associations of Patent Agents

National

6.266 Associations of patent agents are, first of all, national in their scope. They group the professionals of a given country in a national association.

6.267 Such associations establish rules of professional ethics and conduct and supervise that conduct. They impose penalties (or propose such to the competent governmental authority) when a member of the association fails to comply with the rules of the association.

6.268 Most national associations also undertake studies of industrial property with a view to improving their country's industrial property legislation. It is, therefore, customary for governments to seek the opinion of these associations when legislative reforms are contemplated.

6.269 Consequently, representatives of the professional associations are usually appointed as members of the official (governmental) committees constituted in the various countries for the drafting or revision of industrial property laws.

6.270 Every member of a national association must comply with the professional rules and regulations, and the association is an authority to which third parties can turn in the event of some irregularity committed by a member of the association.

International

6.271 The principal international association of practitioners in the field of industrial property is the Fédération internationale des conseils en propriété industrielle (FICPI), or International Federation of Industrial Property Attorneys.

6.272 FICPI was founded in 1906 as an association of industrial property attorneys in private practice and has its headquarters in Basle, Switzerland.

6.273 The principal aims of FICPI are the following:

- to enhance international cooperation within the profession of industrial property attorneys in private practice, promote the exchange of information and harmonize and facilitate business relations between members;

- to maintain the dignity of its members and the standards of the profession of industrial property attorneys in private practice on an international scale;

- to express opinions with regard to newly proposed international and national legislation, in so far as such legislation is of general concern to the profession, and to defend the

interests of its members, in particular with respect to the maintenance and invigoration of the system of industrial property protection and of the position of industrial property attorneys in private practice.

6.274 FICPI was founded in Europe, although today its scope is universal. Present membership includes "National Groups" or "National Sections" in Africa, the Americas, Australia, Asia and Europe. In many countries in which there are no National Groups or National Sections, there are individual members of FICPI.

6.275 Another important international association, whose membership also includes attorneys in private practice, is the Association internationale pour la protection de la propriété industrielle (AIPPI) or International Association for the Protection of Intellectual Property.

6.276 AIPPI was founded in 1897 and has its headquarters in Zurich, Switzerland. Its principal objectives are:

- to propagate the need for the international protection of industrial property;

- to study and compare existing laws with a view to taking steps to protect and unify them;

- to work for the development of international conventions concerning the protection of industrial property;

- to distribute publications, to make representations and to organize congresses periodically with the object of holding discussions and proposing resolutions on outstanding questions relating to industrial property.

6.277 AIPPI, like FICPI, has "national groups" throughout the world.

Regional

6.278 In Europe among the regional associations of industrial property professionals is the Union of European Practitioners in Industrial Property (UEPIP). It was founded in Brussels in 1961. The membership of this association comprises almost a thousand practitioners plus professionals in the employment of industry in countries which took part in the elaboration of the European Patent Convention.

6.279 The general object of the Union is to study problems relating to the protection of industrial property and to the profession of the members of the Union in the European sector.

6.280 The Union is a private association, whereas the official body that groups all the professionals appearing on the list maintained by the European Patent Office is the Institute of Professional Representatives before the European Patent Office (EPI). One of the objectives of the said Institute is to promote compliance by its members with the Code and Rules of Professional Conduct. The Code governs the conduct and other activities of the members in so far as such activities are related to the European Patent Convention signed in Munich in 1973.

6.281 There also exists in Europe an association of professionals not in private practice, but in the employment of companies. It is called the European Federation of Agents of Industry in Industrial Property (FEMIPI). There exists a similar association in the United States of America. It is called the Association of Corporate Patent Counsel. There is also the Asian Patent Attorneys Association (APAA), a regional association of patent attorneys in Asia.

The Functions of a Trademark Agent

Introduction

6.282 The trademark agent performs the same functions for trademark owners, as patent agents perform for patent owners. In some countries both groups of functions are performed by the same agents.

6.283 In some cases, a trademark agent works with an enterprise as a member of the legal staff. In such a capacity, he gives advice on trademark matters directly to executive officers and conducts such business as the registration and renewal of trademarks, trademark licensing and the elimination of infringements.

6.284 In most cases, however, the trademark agent practices independently of any enterprise and, as such, he represents a client enterprise. Therefore, a trademark agent should basically refrain from representing a plurality of enterprises in competition with each other and also from contracting with them a position of legal counsel.

6.285 It has been said that one is not qualified to be a trademark agent either in name or in reality unless one is proficient in the selection and registration of trademarks and their effective use in trade and commerce. Trademark agents need to be skilled in trademark management in a broad sense, including trademark licensing and treatment of infringement cases. As such, the trademark agent should have a sufficient amount of information easily accessible on trademark systems and practices prevailing in various countries since they vary from country to country. This makes it possible to protect trademarks or merchandise travelling to all world markets.

6.286 The trademark agent is specifically called on to perform the following functions:

- to advise his clients in selecting new trademarks best suited to their businesses;

- to deal with problems which will arise in various circumstances in the course of trademark registration, such as objections raised by the examiner or oppositions filed by a third party;

- to advise his clients in an opportune manner as to good trademark practice and/or use which will enhance the reputation of the trademark and maintain this as a permanent right;

- to check points for serious consideration in trademark licensing and advise his clients on such points, thereby keeping them from encountering difficulties on the way;

- to take for his clients the earliest and best possible measures against counterfeits which may affect their own trademarks.

Choosing a Trademark

6.287 The first step is to come up with a short list of possible trademarks to be applied to a particular product or range of products. Each of the marks on the list is examined in relation to the appropriate criteria. Of those marks which survive, as not being descriptive, misleading or pejorative (particularly when viewed as being foreign words of which the translation or transliteration into other important languages is unacceptable), a search is made through trademarks registered in the respective class(es) of goods. If a conflicting mark is encountered, then

it has to be checked. If it is in use in the marketplace and the registration is in force, the would-be owner should reject this one. If the conflicting mark is in force, but no evidence can be found that it is in use, thought should be given to approaching its owner to see if he would be prepared to sell (assign) it, for a "fair" consideration. If it is not in use, and not for sale, then it could possibly be expunged from the register on the ground of non-use. If that works, the mark under investigation can be registered in its turn.

6.288 In most countries title to a trademark is based on registration. However, in some countries prior use is a condition of registration. In this event once a mark has been selected and adopted, the intending user should produce appropriate packaging and advertising.

Application for Domestic Registration

6.289 In most cases, the domestic application for trademark registration is filed prior to foreign applications. It is natural that the registration of a trademark should be made with a view to obtaining complete protection of the registered trademark.

6.290 Thus, it becomes necessary first to make sure that the registration does not conflict with any prior registered trademarks owned by others. In case an application is thus found to be registrable, the form of the trademark to be registered should be studied. In ordinary cases, it is considered that the simplest form of a trademark can enjoy the widest protection.

6.291 In arguing against the objection to the application (taken by the examiner in a Trademark Office) due to the trademark's lack of distinctiveness, the important point the trademark agent should consider is whether or not the trademark has long been commercially used in the country in which the application is made. In other words, the trademark agent should prove that the trademark has acquired a secondary meaning.

6.292 Generally speaking, judgments on the distinctiveness of trademarks are made by taking into consideration the current language in the country in which a trademark registration is applied for, and all other conditions concerned. Thus, it should be noted that the earlier the registration of the trademark in the applicant's country, the earlier it may be considered in the country in which a later trademark application is filed.

6.293 On the principle of substantive examination in the country of trademark registration, the examiner frequently issues objections to the effect that the trademark under application for registration is too similar and might be confused with a previously-registered trademark owned by someone else.

6.294 Such objections may be countered by limiting the designated goods to ones for which the applied for trademark is actually used, or by submitting arguments opposed to the objection of the similarity of the trademarks.

6.295 Trademarks applied for are published for public inspection in the Official or Trademark *Gazette* before or after registration. This gives persons interested in such trademarks a chance to object or to initiate a cancellation action against the trademark registration.

6.296 Even when a trademark registration is opposed by a third party, the opposition is sometimes withdrawn in exchange for a concession the applicant makes, such as limiting the designated goods in the application to goods for which the trademark is actually used or restricting the form of the trademark in which it is used.

6.297 In case the examiner objects to the registration of the proposed trademark due to its similarity to a prior registered trademark, or in case a prior trademark owner is in opposition on grounds of similarity, the trademark agent begins to examine trademarks similar to the cited trademark, so as to evaluate the examiner's objection and/or the oppositions raised by the said trademark owner.

6.298 In case there are no existing trademarks similar to those cited by the examiner or by an opponent, and the cited trademark has long been used, it is understood that the prior registered trademark enjoys such substantial protection as to eliminate any possibility of registration of similar trademarks applied for later.

Applications Abroad by Domestic Trademark Owners

Introduction

6.299 In most countries foreign applicants must be represented in trademark procedures by a trademark agent or other qualified representative, for example, an attorney. In addition, an applicant may use the services of a trademark agent or attorney in his country in connection with trademark applications to be filed abroad.

6.300 It is necessary to prepare powers of attorney for each country in which applications are to be filed and which require the appointment of a representative. For this purpose, normally a form is to be filled in, which is issued by the agent to be appointed. In each of the forms, it is necessary to fully identify the applicant, who has to sign the power of attorney. In other respects, the requirements may vary from country to country.

6.301 In all countries, the reproduction of the trademark is an essential requirement of an application for registration. Therefore, a print of the mark for which registration is sought has to be filed with the application.

6.302 Where rights to a trademark are derived by use, it is necessary to submit samples showing the manner in which the mark is used, as a condition for filing an application.

6.303 The decision to file a trademark application outside the home country can be made regardless of whether the mark in question has been used prior to filing. Registration has numerous advantages particularly in countries where trademark rights are derived by the act of registration. Registration affords the registrant the exclusive right to use the mark. It enables the rejection of confusingly similar marks and it becomes an important tool in licensing third parties to use the mark.

6.304 Where should the trademark agent file foreign applications? The countries in which trademark rights are acquired primarily by registration, or where rights of a prior user are not easily recognized, require the most trademark protection. In countries in which the owner of the trademark intends to license the trademark to third parties and where the proposed licensed user must be registered, registration of a mark is a condition prior to the recording of the licensee as a registered user.

Prosecution of Applications

6.305 The trademark agent will have the task of prosecuting the foreign trademark applications. In all jurisdictions having an examination procedure, where any objection is raised, there is an opportunity to respond. In answering such objections it is advisable to submit arguments, relying

on the administrative and/or judicial interpretations of the appropriate statute governing the objection. It is advisable for the trademark agent to refer to the trademark statute in each country where objections are raised, so that a decision can be made, based on the statutory law of the country in question.

6.306 If the written arguments filed at the local Trademark Office fail to overcome the objections, the next step in the many jurisdictions whose procedure allows a hearing is to request such a hearing and submit oral arguments. If the application is not allowed on the merits of the case, it is necessary to consider whether the objection can be overcome by the submission of evidence of the mark having acquired distinctiveness by use in the country in question.

6.307 Apart from the question of the inherent distinctiveness of a mark, in many jurisdictions the applicant will encounter references to earlier registrations or applications which are deemed, by the local Registrar, to prevent registration of the mark. The procedure varies from country to country. In one group of jurisdictions, the citations are for informative purposes only, and it is possible for the applicant to insist that the application be published as allowed. Although the official report is informative only, the local practice may include the service of notice on the owners of the previous cited registrations of the allowance of the application or grant of the registration, affording the owner of prior marks actual notice of the opportunity to file opposition or cancellation actions.

6.308 In other jurisdictions it is necessary for the applicant to submit arguments to overcome the citations. In this area of the law, it is essential to know the pertinent sections of the statute and the court cases interpreting the statutes.

6.309 The possibility of seeking the consent of the prior owner whose registration has been cited should be explored. The direct approach to a prior registrant may place the prior owner on notice of an application of which the prior owner might otherwise never become aware. The timing of the approach, in relation to the progress made with applications in other jurisdictions, is essential before negotiations are begun.

6.310 It is also advisable to consider the relevant practice of "consents" before the local Trademark Office. In most jurisdictions, written consents tend to persuade the local Registrar to resolve the doubt in favor of the applicant. In some countries, such as Japan, consents are not deemed relevant, while in other jurisdictions, such as Sweden, written consent is conclusive for the Trademark Office. The degree of cognizance of a written consent will be another important consideration in determining the advisability of negotiating for a consent. In other jurisdictions, consent may not be essential, provided the applicant agrees, as a condition for allowance of the application, that notice of allowance of the application be served on the prior registrant, who is thereby afforded the opportunity to file an opposition.

6.311 In order to obtain consent, the trademark agent may consider limiting the specification of goods of the application. The owner of the prior registration may be satisfied if the list of goods to be registered and to be used by the applicant is sufficiently restricted. The trademark agent may conduct these negotiations directly with the owner of the registration or may prefer that the negotiations be handled by the foreign associate.

6.312 If, despite all effort, the application is still rejected, consideration may be given to amending the mark by the omission or addition of a single letter. Otherwise the addition of a distinctive device may achieve the desired result.

6.313 Finally, prior to an appeal to the court against a rejection of the application, it is necessary in some jurisdictions to request the Registrar's written opinion, which, in some cases, will result in an

official action allowing the application, when there was no previous indication that the application might proceed to allowance.

Licensing

6.314 If the applicant or registrant intends a licensee to use the mark in a particular country, it is essential to follow the registered user procedures to make certain that the use by the licensee or the intended use by the licensee inures to the benefit of the licensor.

6.315 In common law countries, the procedure usually followed is the recording of the licensee as registered user. If the licensor is not going, or does not intend, to use the mark abroad, and the licensee is the only party who intends to use the mark, it will be essential to apply for the recording of the licensee as a registered user simultaneously with the application for registration of the mark. There are judicial decisions which hold that failure to apply for recording of the user as a registered user at the time of filing the application renders the mark and its registration invalid.

6.316 The papers usually required for the entry of a registered user are:

- authorization of an agent for execution by the licensor;
- authorization of an agent for execution by the licensee;
- joint application for registration of the registered user;
- statutory declaration;
- statement of the case;
- license agreement.

6.317 As regards the trademark license agreement, the first clause usually grants an exclusive or non-exclusive right to use the mark(s) subject to standards and specifications of the licensor. There is usually an inspection clause. The inspection is exercised by the trademark owner or by the authorized representative of the proprietor of the mark. The owner of the trademark normally has to review all written material prior to publication. A term or time-limit for the agreement subject to termination by the proprietor is always provided.

6.318 With regard to licensing, the jurisdictions of the world can be divided into five major groups. In the first group of countries, it is advisable to record a license agreement with the local Trademark Office. In the second group of countries, a registered user document must be prepared and recorded abroad. In the third group, simultaneous registered user procedures must be filed - in other words the filing of the trademark application must be simultaneous with the registered user application. The fourth group of countries includes jurisdictions where the entry of the registered user can be extended to other jurisdictions. In the last group of countries, the trademark use may jeopardize the validity of the trademark registration if the owner licenses the trademark to a third party.

6.319 It should be noted in this context that in September 2000 the WIPO General Assembly and the Assembly of the Paris Union adopted a Joint Recommendation Concerning Trademark Licenses which provides a maximum list of indications and elements that an Office may require for the recordal of a license (Article 2(1)). The Recommendation also attempts to limit the effect of non-compliance with recordal requirements to the license agreement itself by stipulating that

non-recordal of a license should not affect (i) the validity of the trademark which is the subject of the license (Article 4(1)), (ii) any right that a licensee might have under the legislation of Member States to join infringement proceedings initiated by the holder (Article 4(2)(a)) and (iii) the question whether use of a mark by a third person can be considered such use by the trademark holder as might be relevant in the context of use requirements (Article 5).

Maintenance of Trademarks after Registration

6.320 The trademark right is said to be a vulnerable right. This is because trademarks are always in danger of turning into the generic name of an article or of being "diluted." In fact, trademarks may easily turn into generic names, if the owner uses them in an inappropriate way, or if the competitors, consumers, or the mass media, such as newspapers or magazines are allowed to use them as if they were generic names. Among well-known cases are "cellophane" and "escalator."

6.321 If a competitor is allowed to use any similar trademark on goods of the same kind, or if the use of the trademark is overlooked even on goods other than the one for which the trademark has been registered, the original character of the trademark will be diluted, thus impairing its value.

6.322 It must be understood that in order to keep the trademark from turning into a generic name and/or becoming diluted, trademark management must be conducted intensively.

6.323 In such a situation, the trademark agent should keep watch on the use of the trademarks owned by the client and prevent them from being improperly used. In case such improper use is detected, the trademark agent should take appropriate action immediately or when the opportunity presents itself.

Skills and Knowledge of a Patent Agent

6.324 The profession of patent agents requires a combination of skills which are not readily available even in university graduates. It is worth considering systematically just what the requirements are for a qualified patent professional.

Technical Background

6.325 Since patents, by their very nature, relate to new technology which is often at the very forefront of advanced scientific research, it is absolutely essential that the patent professional has a thorough understanding of the technical field concerned. Thus a university degree or a qualification of equivalent level in a science or engineering discipline is normally an essential pre-requisite.

Literacy

6.326 It is quite essential for a patent professional to be able to express in reasonably clear and unambiguous terms the inventions to which the patent specifications which he drafts relate. In many countries, particularly with the early specialization in schools between the science and arts subjects, the applicant having the technical background required does not necessarily have the facility to do this.

Legal Background

6.327 Whilst some knowledge of legal subjects would be helpful, it is found that this can be acquired. The greatest problem in this regard, particularly with people who are rather weak in the literacy mentioned above, is the ability to comprehend the language in which much legal information is couched and, even if this can be achieved, the flexibility of thinking to approach matters in a legalistic as opposed to a scientific/technological manner.

6.328 There is a very real difference in these approaches and the technical graduate who for three or four years has been examining questions according to the scientific method, will often find it rather difficult to adapt to the methods of legal analysis. Often the legal points will seem to him to be rather trivial but, of course, the interpretation of patent claims and their scope does need an appreciation of such points.

Personality

6.329 There is no doubt at all that, as in almost all other fields, a helpful, cooperative and understanding personality is a great asset. One must be able to communicate in a pleasant and effective way with a wide range of people ranging from factory operatives and research workers to legal counsel and business executives who, above all, expect a rapid and clear exposition of problems and clear and unambiguous recommendations for their decision. Summarizing the above the potential patent professional must combine the actual or potential ability to communicate and express himself as scientist, lawyer and businessman and often all three simultaneously.

6.330 It is the task of the patent attorney in conjunction with the inventor to formulate a patent application which should cover the invention in its broadest sense. The patent attorney should not rely on the inventor as to what he thinks he has invented. The attorney must extract the invention, in discussion with the inventor, from the scope of the special problem which the inventor was confronted with. Normally, the invention in its broadest meaning is then realized through this discussion, so that a correspondingly broad patent application can be formulated.

6.331 The precise and comprehensive description of inventions in patent applications and the formulation of the patent claims is essentially a matter of practical experience, for which the patent attorney with his technical education has to be a real partner of the inventor in the discussions. For this reason, a technical degree from a university or an equivalent education is required. Furthermore, in most industrialized countries the profession of the patent attorney can only be practiced by persons who have passed an examination.

6.332 In addition to practical experience, a candidate must have legal knowledge, which should include the legal provisions of the candidate's own country and of the most important industrialized countries, as far as these relate to industrial property protection. This naturally also includes international legal instruments.

The Teaching of Intellectual Property Law

Introduction

6.333 A renewed awakening of the role of intellectual property in the countries of the various regions of the world has led more recently to the adoption or revision of national legislation on

patents for inventions, industrial designs, trademarks, copyright and related rights and the transfer of technology, as well as to the establishment or modernization of government structures that administer such legislation. At the same time, the legal profession, consisting of law officers in the various government ministries, judges and legal practitioners, are attempting to respond to the need for a better understanding of the problems presented by the new technologies and by the new technological means of communication of information and ideas and of their impact on industry and commerce and on the quality of life.

6.334 Following a round table organized by WIPO in 1979 for professors interested in teaching industrial property law, the International Association for the Advancement of Teaching and Research of Intellectual Property (ATRIP) was established in 1981. The Association meets annually, and is composed of teachers and researchers from all over the world, with a President and Executive Committee elected for a two-year term.

6.335 The importance of intellectual property in the modern world goes far beyond the protection of the creations of the mind. It affects virtually all aspects of economic and cultural life. As a result, intellectual property education at the university level is of increasing relevance in educational programs.

6.336 The purpose of what follows is to highlight the importance of intellectual property educational programs at the university level, and to give some guidance to university teachers and administrators as well as Government officials on how to establish an effective university curriculum in intellectual property.

Intellectual Property Teaching Programs

Types of Intellectual Property Programs

6.337 The range of students that would benefit from intellectual property education is broad. It includes students of business, law, the fine arts, engineering, the sciences, journalism, etc. Naturally, a broad range of teaching programs should include intellectual property in their curriculum. However, of the many types of programs that might include intellectual property, three stand out as most commonly including intellectual property courses. First, almost all business programs include some overview of the basics of intellectual property. It is important for students who hope to go into business or government to have a basic understanding of the role that intellectual property plays in the modern concepts of economics and trade. Second, basic law degree programs offer intellectual property courses that give students a general understanding of the philosophy and application of intellectual property law. Even law students who do not intend to specialize in intellectual property should be familiar with the basic rights that are protected by intellectual property law. Third, specialized post-graduate (LL.M.) programs typically provide a more comprehensive, specialized knowledge of the theory and practice of intellectual property law. Such programs are intended to supplement the often fragmentary knowledge that a practitioner acquires in his practice, by covering all the issues that are of importance to the protection of intellectual property.

6.338 Specialized intellectual property programs deal with three main aspects of intellectual property practice: the nature and extent of rights that are available to protect intellectual property; the process of obtaining and registering intellectual property rights (called "prosecution" where the filing and examination of an application is required), and the process of protecting and enforcing

intellectual property rights once acquired, which can be done in the courts through civil "litigation," and by other, more conciliatory means.

6.339 Educational programs in business primarily focus on the first aspect — the nature and extent of the rights that are available to protect intellectual property. While such knowledge is only the starting place for an intellectual property practitioner, these are the most important aspects for business decision-makers and government policy planners. These programs give a basic understanding of the types of creative and technological products and processes that are protectable, the forms of intellectual property protection that are designed to protect each type of intellectual creation, and the effectiveness of the protection available. The student gains an understanding of the ways in which protection of intellectual property can enhance economic competitiveness. This understanding is even more important for the business planner or the economist who is concerned with the long-term economic health of his company or his country than for the author, artist or inventor, who is primarily concerned with the practical aspects of obtaining protection.

6.340 In addition to business programs, all basic university training programs for lawyers include courses in commercial law and property law, as well as courses dealing with civil and criminal procedures. Such courses are an indispensable foundation for a basic understanding of the concepts that are reflected in intellectual property law. Lecturers teaching such courses, particularly those on commercial, economic or property law, often include sections on various types of intellectual property protection, especially those which are of interest to the business or economics student.

6.341 Some university law schools include one or several classes, or even a complete program of classes, designed for students who intend to become intellectual property practitioners. These classes are designed to give future specialists a broad, if not deep, comprehension of the range of possible forms of intellectual property available. Such classes are valuable for the student who intends to help authors and inventors protect their works under national or foreign law, and for the student who, as a business attorney, will advise his client, the company, on this aspect of law which will have great importance for its viability and growth.

6.342 Students who enter a postgraduate specialized program in intellectual property (for instance an LL.M. degree program) will typically be intellectual property practitioners who are interested in deepening their understanding of the legal foundation of intellectual property law, and in increasing their skills in the acquisition and enforcement of intellectual property rights. Often, practitioners from one country will enrol in an LL.M. program in another country in order to gain a better understanding of the intellectual property laws in that country. Such programs go into great depth on the theoretical underpinnings of the law of intellectual property. But being designed for practitioners whose daily work consists of the acquisition and protection of intellectual property rights, such programs will also include practical classes taught by experienced practitioners, covering actual techniques of prosecution of applications for intellectual property rights and litigation to enforce those rights.

Intellectual Property Faculty

6.343 The quality of an intellectual property educational program will depend in large part on the level of experience and interest of the faculty. There are a number of full-time university faculty members in most countries who have made the study of one or more aspects of intellectual property their speciality. However, many universities do not have such specialists, and the education of students in intellectual property depends on teachers who take a side interest in the field in addition to their main speciality.

6.344 An interim source of qualified teachers who could effectively fill the vacuum left by the lack of full-time intellectual property lecturers consists of practising attorneys who are willing to give part of their time to teaching intellectual property courses. Often called "adjunct teachers," these instructors provide an effective and economical way of building a comprehensive and high-quality intellectual property program. This is a symbiotic process — it brings the benefit of many different qualified experts to a university program, providing a breadth of expertise that would not be available in a few individuals, at a fraction of the cost, and gives the practitioner the prestige of being associated with a law school program and the motivation to keep abreast of new developments in the law, plus the stimulus and inspiration that comes from teaching fresh minds that engage in re-thinking old problems.

6.345 Basic intellectual property courses in a law school curriculum are best taught by full-time law lecturers who can dedicate the time needed to counsel and guide students through the program and into the speciality in which they have the most ability. Former practitioners who become full-time lecturers have the advantage of their experience in the specialized job market of intellectual property law, and often acquire their counselling skills quickly. Experienced law teachers have the advantage of understanding law education and the needs of law students.

The Teaching of Intellectual Property in Developing Countries

6.346 WIPO has taken a number of initiatives in order to bring about an awareness of the programs of teaching and research in the field of intellectual property in various developing countries. These initiatives were designed to complement the activities of WIPO for the training of personnel, which are a part of WIPO's development cooperation program.

6.347 While the number of universities and other institutions at which intellectual property law is taught has increased dramatically, the fact remains that in a number of developing countries, intellectual property law has not yet been introduced as a course in the curriculum or is only taught as part of a course on commercial and other laws. This is largely because of scarce resources.

6.348 There are, nevertheless, a number of universities and other institutions in developing countries which have introduced intellectual property courses. They have also organized periodically, in cooperation with Government bodies, the legal profession and interested organizations, and with the assistance of WIPO, general introductory courses on intellectual property law. Moreover, in some developing countries, special courses, as well as workshops and seminars have been organized on particular subjects of intellectual property law, directed to university students, researchers from institutes, government officials, legal practitioners and businessmen, and even members of the public, having a particular interest in intellectual property law. Symposia and other meetings have also been organized, devoted to a review of intellectual property laws in the light of current economic, technological and social developments.

6.349 At the forefront of these developments in the teaching of intellectual property law have been university teachers who have had the foresight to realize that intellectual property is not an abstract concept but an indispensable instrument in achieving desired economic and cultural objectives.

Selecting Intellectual Property Courses

6.350 Four types of intellectual property courses are typically taught at the university and law school level. These are Survey Courses, Specialized Courses, Advanced Seminars and Practice Courses.

6.351 *Survey Courses* are basic, broadly focused courses, which are intended to give an overview of the various fields of intellectual property law, with enough specific facts to interest students who might decide on a speciality in intellectual property. Survey courses, which may be titled, for example, "Introduction to Intellectual Property" or "Patent, Copyright and Trademark Law," are popular with business and Government students, who are looking for an economic perspective on the protection of the creations of individuals. The teaching of survey courses is especially suited to lecturers who are just starting to teach intellectual property — they may learn, along with the students, the breadth and complexity of intellectual property protection. However, many experienced teachers who specialize in intellectual property enjoy teaching survey courses because they find that the interaction with students from a wide range of backgrounds continually broadens their perspective.

6.352 *Specialized Courses* focus in-depth on a single field of intellectual property. Specialized courses carry titles such as "Introduction to Patent Law," "Copyright Law and Practice," "International Trademark Law," "Intellectual Property Licensing," "Unfair Competition," etc. These courses convey the particulars of the field of law under consideration, including a study of the statutes, regulations and procedures involved. Court interpretation of the law and judicial doctrines in common law countries, procedures for applying for and obtaining rights, and procedures for enforcing rights are some of the topics which would be addressed. After finishing such a course, a student should be familiar with all the important doctrines of the field of law, and should have a good understanding of the most important standards for obtaining and enforcing rights.

6.353 *Advanced Seminars* are designed for students who have taken a specialized course in a particular field, and are prepared to learn more detail about one or more particular aspects of that field. An example of an advanced seminar in the patent field might be a course which examines the history of the protection of an invention, from the time that a patent application is filed, through the process of examination and issue of the patent by the Patent Office, and through all stages of enforcement of the patent through litigation in the courts. In this way, the student would learn the practical application of the principles of patent prosecution and litigation that were learned in a general form in the specialized patent course. Another type of advanced seminar might examine an aspect of intellectual property law which does not arise often enough to make it the subject of a specialized course. For example, a seminar on "Anti-trust Aspects of Intellectual Property Law" would fill in a gap that may have been left by the basic courses. Seminars can also give students the opportunity to prepare research papers on current issues for presentation to the rest of the class, or give the lecturer the chance to teach his own particular speciality in depth, or to teach new and emerging fields such as biotechnology law or computer law.

6. 354 *Practice Courses* focus on the actual steps that an attorney would take in practice to obtain and enforce intellectual property rights. Courses such as "Patent Office Practice," "Copyright Litigation" and "Trial Advocacy for Intellectual Property Attorneys" challenge students to do the very things that they will be asked to do in their legal practice. Practice courses are often best taught by practising attorneys as adjunct teachers, who will be teaching the things that they are currently doing in their daily work.

6.355 The task of selecting the proper type of course to include in an intellectual property curriculum will depend on the nature of the students, the faculty and the type of degree program offered. Most university programs, when they decide to incorporate intellectual property education, begin with a modest program, offering a survey class and one or two specialized classes. They gradually increase the number and complexity of courses as the level of student and faculty interest increases.

Choosing Teaching Materials and Writing a Syllabus

6.356 The types of materials chosen will be dictated to a certain extent by the form of the course to be taught. However, after choosing a course the instructor may discover that appropriate teaching materials simply do not exist in printed form, or that the materials needed exist in several different sources which must be combined. Where a satisfactory text is not available, where the presentation of a chosen text is to be rearranged, or where several texts are used in combination, a proper "course syllabus" must be provided to facilitate the organization of the class and the effective education of the student.

General Comments on Choosing Materials and Writing a Syllabus

6.357 Much labor must be exerted in compiling teaching material and reference sources on the particular area of intellectual property to be taught. Material used by others can be a starting point, and may even be used until the teacher has had enough experience with the class to be able to choose his own material. But some guidance and even some sort of starting material is needed. This section will aid the teacher in selecting proper teaching materials.

6.358 In all cases, a course text should be chosen which is compatible with the interests, expertise and teaching style of the lecturer. A newcomer, or one who is teaching an intellectual property class for the first time, must choose a text which will educate and challenge not only the students, but himself as well. An established text written by a recognized authority in the field will always be the safest choice for a beginner.

6.359 More experienced teachers and practitioners, who are more familiar with the available texts, may decide to gather material on their own, or combine resources from several different texts to reflect the course content and emphasis that they consider most appropriate. This allows the materials chosen to reflect the instructor's own philosophy and teaching style better, and prevents confusion between what is presented in class and what is read in the text. While differing points of view should always be presented, such differences are effective as teaching tools only when properly presented as such by the teacher, and not when they appear to the student as differences between the teacher and the text.

6.360 Although difficult and time-consuming, it is sometimes necessary to compile one's own course material, given the relative lack of effective and available teaching material. If at all possible, the class itself should not be used as a testing ground for the material.

6.361 A comprehensive syllabus covering the entire course should be presented to the students on the first day of the class. A syllabus is a list of the topics to be presented in the course and the reading materials which correspond with each topic. The syllabus provides an "educational road map" for the students. An effective syllabus might separate the topics to be covered in the class in outline form, list the days on which each topic will be covered, and give the names and page numbers of the reading material. At its best, a syllabus provides a coherent outline of the course,

giving the students in advance an idea of the topics to be covered, and in retrospect a guide for reviewing what they have (or should have) learned in the course. In scheduling topics for the various class sessions, it goes without saying that the amount of time spent on each subject should correspond with the importance or difficulty of the subject. However, some advanced subjects should only be mentioned in passing and should be left for more advanced courses. One test for the effectiveness of a syllabus is to use it as an outline, first for introducing the content of the course when it starts and then for reviewing that content when it ends. This follows the effective communication strategy of "tell them what you are going to say, say it, then tell them what you have said."

Choosing Materials for Particular Courses

6.362 Materials for *Survey Courses* are the most widely available texts for intellectual property courses. It is often advisable to contact teachers of the course at other universities and ask which texts are used and why. A text should be chosen which gives, as far as possible, a balanced treatment of all topics: each student in a survey course has a different interest. Intellectual property texts may also be supplemented with articles or texts which focus on the economic and political aspects of intellectual property. These may stimulate interesting discussions, and will deepen the student's understanding of the relation of intellectual property to the economic health of his country.

6.363 Course materials for *Specialized Courses* are more difficult to find: there are fewer students taking specialized courses than survey courses, so that the writing and publication of specialized texts is not as well rewarded. However, excellent materials are often available, especially in the patent, trademark and copyright fields.

6.364 Where a specialized text is available, the instructor should check to see if the text is written by an expert in the field. He should supplement even the best of texts with current materials which update it and make its abstract content more approachable and more interesting. Copies of actual patents, of industrial design registrations along with samples of the product for comparison, samples of two product labels whose marks are confusingly similar, tape recordings of two songs which are substantially similar, all give reality to the principles that are conveyed by a text.

6.365 Where specialized texts are not available, the instructor may select a survey text which has a comprehensive chapter on the field that is the subject of the specialized class. Often a survey text which is not acceptable for a survey course because it does not give balanced treatment to all subjects will serve well as a specialized text for the subjects that are over-emphasized.

6.366 Other materials which may be adequate as texts include reference texts, annotated statutes, cases or journal articles. While these are usually more appropriate for advanced seminars or practice classes, there are many such materials which give an excellent overview of basic principles, and can be easily rounded out by a classroom lecture.

6.367 Choosing materials for an *Advanced Seminar* is often simpler than for a survey or specialized course, since the materials will be dictated by the subject matter of the seminar. Sample applications and court documents can be obtained from the relevant sources. In-depth articles and studies may be distributed as a basis for discussion. A single important case may, by itself, provide sufficient material for an entire seminar, supplemented of course with commentaries and subsequent cases relying on the main case.

6.368 *Practice Courses* should utilize the same materials that are used by practitioners in the field. Statutes and regulations should be referred to directly. Manuals of procedure published by

industrial property offices may be purchased and studied by the students. In litigation practice courses, actual court rules and procedures should be followed. The success, quality and usefulness of a practice course will vary directly with the similarity of the course to the actual practice in the field of law. If the course teaches litigation or appeals practice, the students might argue an actual case from court files, or might argue an appeal on actual briefs submitted by the parties to a case which has been decided by the appeals court. Where patent claim drafting is taught, using an invention from an actual patent will allow the students to compare their claims with those actually issued.

Teaching Materials in Developing Countries

6.369 There is a dearth of teaching materials especially suitable for use in the developing countries. What material is available is likely to teach law and practice that may not be applicable to them.

6.370 In many cases, therefore, it will fall to the teacher himself to choose the materials for an intellectual property course. The process is one of providing law lecturers in developing countries who are interested in planning and formulating curricula on intellectual property law with the necessary documentation from which they could build the desired teaching materials. That documentation could include the laws and regulations of other countries, the preparatory documents prepared by the International Bureau of WIPO on various intellectual property questions which have or are currently being studied, and the various reports of the committees of experts which dealt with those questions, as well as the records of the diplomatic conferences at which new treaties were adopted or existing treaties were revised on the basis of those studies and reports. Every teacher knows the limits of the resources of his faculty and its perception of any new curriculum matter that could be introduced, as well as other constraints; he also judges the extent of the interest of the students in pursuing the topics of intellectual property law in competition with other topics, perhaps more attractive and even more rewarding, in that a specialization in those other topics could lead to better remuneration once the student enters the legal profession.

Teaching Methods and Educational Strategies

Methods of Teaching

6.371 In the legal field, there are two different basic approaches in teaching that are often used. These are the case method of teaching, and the problem method.

6.372 *The Case Method* . The teaching materials that are widely used in the law schools of universities of the United States of America and the United Kingdom are based on the principles of common law, with its overlay of statutes and administrative regulations and interpretive judicial decisions. The teaching of that law is usually approached through the traditional "case method" of teaching, which may not be practiced in other countries for a variety of reasons. Some of those reasons are attributable to the fact that the nature of the legal system in the various countries in the European continent, which influences a number of countries in French-speaking Africa and in Latin America, and to a certain extent in Asia, does not lend itself to this method of teaching. The use of such teaching materials requires that the course be constructed on the basis of those principles of common law, statutes, regulations and judicial decisions which arose from the legal system in the developing country concerned.

6.373 *The Problem Method.* An alternative approach to the case method is gaining popularity even in the common-law countries. In the problem method approach, a teacher will describe a particular set of circumstances that raises interesting legal problems. The students will be asked to apply the relevant principles of law to analyze and solve the problem. This requires of the student not only knowledge of the law, but also effort in thinking through all of the aspects of the circumstances and applying the law to achieve a just result. The general feeling among specialists who have looked into the question of teaching methods is that it might be possible, in the international context, to present samples or models of situations reflecting intellectual property questions and how those situations are treated under the various legal systems.

Encouraging Student Involvement

6.374 A highly effective educational tool is to encourage practical student involvement outside the classroom. Many law schools or universities allow student participation on publications such as law reviews or journals. Many of these journals specialize in aspects of intellectual property law, and most would welcome contributions in the field. Some schools also hold conferences on various topics of intellectual property. Participation, by attending or assisting in the organization of these conferences, can provide a student with a different perspective. Finally, where the educational system allows students to engage in practical employment during law school, they may work part-time for judges, lawyers or government agencies involved with intellectual property.

The Role of Teachers in the Legislative Process

6.375 National laws and regulations in the field of intellectual property are being adopted in a number of countries and are constantly being reviewed in others. Such laws and regulations need to take into account economic changes and the effects of technological advances. In most countries, the process of adoption and review is initiated by the executive branch, under which the industrial property office and the copyright office are placed and whose officials, together with the law officers in the Ministry of Law or Justice, usually prepare the drafts of legislation, whereupon discussions take place among interested circles, followed by consideration and eventual decision in the legislative branch.

6.376 In many developed countries, there is expertise not only in the industrial property and copyright offices but also in other governmental units, particularly those concerned with trade matters, and also in the regulatory agencies that review or control television and radio broadcasting, or oversee the operations of firms that engage in various business practices.

6.377 In many industrialized countries, it is not unusual for the executive branch to establish a law reform commission or other special advisory body to make recommendations and even draft legislation. Similarly, in industrialized countries, the parliaments are usually structured to include a committee or subcommittee specially devoted to intellectual property matters. The staff of such a committee are particularly knowledgeable on intellectual property matters and are constantly in contact with the interested circles to ascertain their views on the various policy questions and solutions to be considered in the process of legislative reform.

6.378 In contrast, there remain a few developing countries, where apart from certain senior government officials, there is a relative lack of knowledge on the part of key government officials of the policy and implications underlying intellectual property questions. In those countries, it is more likely that legal practitioners and law teachers in the universities will play a predominant role in the process of preparing and reviewing legislation. Increasingly, such persons seek to expand their

horizons and knowledge of intellectual property questions by undertaking comparative studies of the laws of other countries dealing with intellectual property and related questions, and by seeking consultations with governmental authorities and circles in other countries.

6.379 The international community attempts to respond to this need. These persons can spend time at research institutes such as those listed in the section below, or visiting the capitals of other countries whose legislation in the field of intellectual property is well developed. They can also benefit from study visits to Geneva to discuss current issues with the Secretariat of WIPO. Within the framework of the cooperation for development program, funds have been made available by WIPO to lend assistance to teachers of law wishing to undertake contacts with their counterparts in other universities and with the officials in industrial property and copyright offices in other countries. In a number of instances, such arrangements have also been made with the direct assistance and help of the universities and of the Government in those other countries.

Training and Research Institutes for Intellectual Property

6.380 Teaching at the university level is never fully effective without the opportunity for teachers to undertake intensive individual research. Such research, in the highly specialized field of intellectual property, can best be done in conjunction with other researchers with the same or related areas of interest. This explains the movement in recent years toward establishment of specialized centers of research on intellectual property law, or centers which combine both research and teaching, often as a part of the law school of a university.

6.381 Legal research centers in developed countries are a fairly well-known feature. While centers devoted exclusively to research in intellectual property law have not been very extensively established in industrialized countries, there are some very notable exceptions. The Max-Planck Institute for Foreign and International Patent, Copyright and Competition Law in Germany is one of the most famous centers in the world for research on intellectual property law.

6.382 The objectives, structure and functions of an institution devoted to research on intellectual property law was first elaborated on by Professor Friedrich-Karl Beier, the Director of the Max-Planck Institute in Munich, in a paper presented by him at the Regional Symposium on Intellectual Property Law Teaching and Research in Asia and the Pacific, which WIPO organized with the State Education Commission of the People's Republic of China and with the assistance of the United Nations Development Program (UNDP) in Beijing, China, in November 1987. Since then, the topic of how and what research should or can be undertaken in the field of intellectual property has been discussed in seminars and symposia organized by WIPO in developing countries.

6.383 In the United States of America, one of the very first centers devoted exclusively to research in intellectual property was associated with the Law School of The George Washington University and was known as the Patent, Trademark and Copyright Foundation. It subsequently became a part of the Franklin Pierce Law Center where it has flourished with the support of the legal profession and industry.

6.384 Other intellectual property centers exist, though not exclusively for research. In North America, there is the Center for Intellectual Property Law at the John Marshall Law School, in Chicago, Illinois, which combines law school and postgraduate teaching of intellectual property with research and dissemination of intellectual property information. The Canadian Intellectual Property Institute, which was established in Hull, Canada, is very closely linked with the governmental authorities responsible for intellectual property matters.

6.385 As for Europe, in Belgium a Center for Intellectual Property Law was set up at the Catholic University of Louvain. In Sweden there is the Center for Intellectual Property and Media Law of the Stockholm School of Economics. In the United Kingdom there is the Intellectual Property Research Institute of Queen Mary and Westfield College at the University of London. In France there is the Center for International Industrial Property Studies (CEIPI) in Strasbourg, where WIPO, in cooperation with CEIPI, conducts each year a training course on industrial property for officials from developing countries. There is also the Institut de recherche en propriété industrielle (IRPI) Henri-Desbois in Paris, the Centre universitaire d'enseignement et de recherche en matière de propriété industrielle (CUERPI) in Grenoble and the Centre Paul Roublier in Lyon.

6.386 In the Asia and Pacific Region, the China Intellectual Property Training Center (CIPTC), set up in 1998, was sponsored by the State Intellectual Property Office of the People's Republic of China, and a considerable number of Intellectual Property Centers were also set up in Beijing, Shanghai and other cities of China. In India the Institute of Intellectual Property Development (IIPD) was set up in January 1997 to undertake research and provide training on intellectual property rights (IPRs). The Singapore Intellectual Property Academy was launched in September 2002. As the focal point of education and research in intellectual property in Singapore, the Academy provides introductory and further training in areas ranging from basic legal understanding of intellectual property to soft skills of negotiation, branding, know-how, business strategy and valuation of intangible assets. In the Republic of Korea, the International Intellectual Property Training Institute (IIPTI) was set up in Daeduk in 1991. The Intellectual Property Training Center was set up in Malaysia in 1998. In Tokyo, Japan, are located the Japan Institute of Invention and Innovation (JIII), as well as the Asia and Pacific Industrial Property Centre (APIC)."

6.387 In the centers mentioned, training programs and research projects are undertaken by individuals and research teams with defined tasks.

6.388 Students in attendance at university law schools also engage in research to the extent that this is a requirement for a certificate or diploma or other recognition of the successful completion of their studies. Indeed the lecturers associated with a university or technical institute or center themselves undertake individual research or are members of a research team. The scholars at these centers have specialized knowledge in given fields of intellectual property. While these centers are not devoted exclusively to research, or exclusively to teaching, they conduct excellent programs in research, teaching and training.

Conclusion

6.389 Universities and other institutions will continue to contribute to the training of the persons who will be the legislators, judges, administrative officials, legal practitioners and even teachers and researchers, of tomorrow. Research institutes will continue to contribute to the analysis of the intellectual property system and make suggestions for its improvement.

6.390 Greater support must be given to research institutes, so that a constant evaluation of the functioning of the law governing the fields of intellectual property can take place, lending support to the teaching process and serving as a foundation for legislators, judges and administrative officials to review the prevailing policies, principles and practices.

6.391 Universities and technical institutes must receive appropriate guidance so that technological achievements are more widely known and disseminated, not only to other researchers, but applied

in industry. In this way they can be better used, and can best justify the time, skills and other resources expended on them.

6.392 Finally, the process of intellectual property teaching and research can only be effective if sufficient resources are committed to them and to the effective organization of educational and research programs. To fulfill those requirements, government and various sectors of the economy, as well as the educational community, must work together. Each must also offer to join their counterparts in other countries to identify interests in common, so that the mutual assistance through international cooperation can function.

6.393 The World Intellectual Property Organization (WIPO) stands ready to help Governments and the educational and research community in the tasks of evaluating, selecting and applying the system of intellectual property law teaching and research that best reaches their goal: WIPO will assist Government and industry to meet the needs of the public; it will also assist educational and research institutions in their role as independent institutions in pursuit of learning and scientific investigation.