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PROPOSAL NO. 7:

INTERNATIONAL PATENT EXAMINATION CENTRE

Paper prepared by the Secretariat of UNIDO

* The attached is an elaboration of the proposal described in ID/CONF.4/3, Part One, section 2.4.4 and Part Two, section 7.4.3. This document has been reproduced without formal editing.

TABLE OF CONTENTS

	<u>Page</u>
1. THE ISSUES UNDER DISCUSSION	1
1.1 Present State of the Patent Legislation and Stock of Patents	1
1.2 Patent Documentation as a Source of Technological Information	4
1.3 The Need for Developing Countries to Examine Patent Documentation	4
2. THE EXISTING INFRASTRUCTURE OF INTERNATIONAL PATENT CO-OPERATION	5
3. GAPS IN THE EXISTING INFRASTRUCTURE	6
4. THE PROPOSAL FOR AN INTERNATIONAL PATENT EXAMINATION CENTRE	8
5. THE OPERATIONS OF THE CENTRE	8
6. ORGANISATIONAL QUESTIONS	10
APPENDIX 1: DATA CONTAINED IN INPADOC	12
APPENDIX 2: THE INTERNATIONAL PATENT INSTITUTE	12
APPENDIX 3: PATENT CO-OPERATION TREATY (PCT)	18

INTERNATIONAL PATENT EXAMINATION CENTRE

1. THE ISSUES UNDER DISCUSSION

The role of the patent system in the development process and the industrialisation of the developing countries has been the object of many detailed studies.^{1/} The analysis in Industry 2000 - New Perspectives and the derived proposal focuses on two special aspects within the area of industrial property protection. The first aspect concerns patents and patent documentation as vehicles for technical and technological information and the utilisation of such information for the transfer of technology and the stimulation of technological development in the developing countries. The second aspect concerns the economies of scale that could be gained through a centralised and simplified procedure for the examination of patent applications within the developing countries. Each one of these aspects must be considered separately.

1.1 Present State of the Patent Legislation and Stock of Patents

The laws of most countries provide for the granting of patents for inventions. Inventions are new, industrially applicable, solutions to technological problems. A patent gives its owner the exclusive right for a limited time to exploit the invention in the country granting the patent; he may himself use the patent in manufacture, or may license others to do so. The exclusive right is subject to limitations in the public interest particularly if the patented invention is not used, for patents are intended to encourage industrial activity. The granted patent is a document which discloses to the public the technological specification of the invention; most laws require that this disclosure must be sufficient to enable a person with the relevant background knowledge to work the invention. The spread of national patent legislation 1873-1973 is given in table 1.

Patents are part of a broader set of property relationships in what is called the industrial property system. The word "patent" originally meant an open letter from the Head of State confirming exclusive rights of an inventor to manufacture, use, lease and sell his inventions for a limited period of time. The rights are conferred as a reward for individual creativity and assure commercial returns to the inventor, as a consequence. Patent rights are conferred in exchange for disclosure of details of the invention. The grant of patent rights is in the domain of national and not international legislation. Two points bear mention here. First, since its inception, the notion of patents as monopoly rights recognised a conflict between private and public benefits. On the one hand, there was a requirement to ensure appropriate returns to individual creative effort which

^{1/} See e.g. Machlup F., An Economic Review of the Patent System, Washington 1958, Penrose E.T., The Economics of the International Patent System, Connecticut, 1973, Vaitos C., Patents Revisited: Their Function in Developing Countries, Journal of Development Studies, October 1972, Väyrynen R., The International Patent System and the Transfer of Technology to Africa, Tampere 1977. See also: The Role of Patents in the Transfer of Technology to the Developing Countries, UN Sales Publication no. 65.II.B.1.

advanced social production, and on the other, there is a recognition of the need to diffuse new knowledge of productive methods to encourage further improvement of the "state of art". The fact that these objectives are conflicting have made for a considerable variation international patent legislation vis-à-vis the stringency of evaluation and the period of validity of patents.

By 1973, patent laws had been established in 120 countries, of which 84 were developing countries. For the industrialised countries as a whole, patent legislation has emerged from the need of harbouring and stimulating domestic creative effort, as well as endowing foreign investors with privilege rights to work their inventions. For most developing countries, on the other hand, patent legislation is a holdover from their incorporation into the international system of production during the colonial era. As discussed below, the number of patents granted for inventions made by individuals or enterprises from developing countries is insignificant. Accordingly, patent protection in developing countries is overwhelmingly to the benefit of TNCs and other foreign suppliers of technology. Still efforts to spread patent legislation and corresponding institutional structures to developing countries are persistent. A moderating view on the relationship between patents and technological change may be called for, even if the fundamental philosophy underlying the granting of patents is not questioned.

International legitimacy was granted to patent legislation by the Paris Convention which was signed in 1883 and came into force in 1884. The Convention established a certain harmonisation of national legislations, and established principles of reciprocity between signatory countries, while maintaining sufficiently loose tolerances to allow for variations in national legislation. From its inception, the Paris Convention created an International Bureau whose tasks included contact with patent administrations of the countries of the Union created by the Convention. Since the Stockholm Revision Conference of 1967, the Bureau is provided by WIPO, which has recently become a specialised agency of the United Nations. The Convention has been revised on six occasions, and a diplomatic conference for a further revision is scheduled for the beginning of 1980. The membership of the Convention is shown in table 2.

The world stock of patents has been estimated to approximately 3.5 million in 1972. The number of inventions protected is considerably smaller since each invention may be covered by more than one patent and in more than one country. It has been estimated that DCs account for about 6% of world patent grants, i.e. about 200,000 patents were in force in DCs by 1972. It has further been estimated that nationals of DCs themselves held only about 1/6 of the patents in force in the DCs by that time, the rest being held by foreign private corporations.^{1/}

^{1/} These figures have been estimated on basis of statistics published by WIPO.

Table 1: The Spread of National Patent Legislation, 1873 to 1973
(Number of countries having patent laws in the given years)

<u>Groups of Countries</u>	<u>1873</u>	<u>1884</u>	<u>1900</u>	<u>1911</u>	<u>1925</u>	<u>1934</u>	<u>1958</u>	<u>1967</u>	<u>1973</u>
Developed market economy countries	9	11	16	17	19	20	20	20	20
Socialist countries of Eastern Europe	1	2	3	4	7	7	8	8	8
Southern European countries	2	3	3	3	4	4	4	4	4
Developing countries	10	12	23	28	42	44	60	83	85
of which:									
Africa	1	2	4	4	10	11	16	35	37
Asia	1	1	2	3	7	8	16	19	19
Latin America	8	9	15	19	22	22	24	25	25
Others	0	1	2	2	3	3	4	4	4
Other states	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>3</u>	<u>3</u>
Total World	<u>22</u>	<u>28</u>	<u>45</u>	<u>53</u>	<u>73</u>	<u>77</u>	<u>95</u>	<u>118</u>	<u>120</u>

Table 2: Increase of Paris Union Membership by Groups of Countries
(Cumulative numbers of members in the given year)

<u>Group of Countries</u>	<u>1873</u>	<u>1884</u>	<u>1900</u>	<u>1911</u>	<u>1925</u>	<u>1934</u>	<u>1958</u>	<u>1967</u>	<u>1973</u>
Developed market economy countries	-	6	11	13	18	19	19	20	20
Southern European countries	-	2	2	2	4	4	4	4	4
Socialist countries of Eastern Europe	-	-	-	2	6	6	6	7	7
Developing countries	-	5	3	5	9	9	15	42	44
of which:									
Africa	-	1	1	1	2	2	3	23	23
Asia	-	-	-	-	2	2	6	8	9
Latin America	-	4	2	4	4	4	5	8	9
Others	-	-	-	-	1	1	1	3	3
Other states	-	-	-	-	-	<u>1</u>	<u>3</u>	<u>5</u>	<u>5</u>
Total World	-	<u>13</u>	<u>16</u>	<u>22</u>	<u>37</u>	<u>39</u>	<u>47</u>	<u>78</u>	<u>80</u>

Source: UNCTAD, TB/B/AC.11/19, Geneva, April 1974.

1.2 Patent Documentation as a Source of Technological Information

Patents which are granted require that the patent specification document discloses to the public the technological specification of the invention. Under most systems of patent laws, the inventor is required to disclose sufficient details in order to enable a person with relevant background knowledge to work the invention. The documentation connected with patents is national, and in some cases international public property and can be used as reference material readily available for scrutiny in libraries, national patent offices and the like. There is no agency or authority which can claim proprietary rights over patent specifications.

The information available in patent documents comprises a source of technological information which could be of direct use to the industrialisation of DCs as an avenue for replication/adaptation/improvement of technologies. There are, however, obstacles to DC access to these documents. It is often not generally known that such information exists or where it is available. Its retrieval may be expensive, if performed unilaterally, and it may be written in a language not used in the recipient DC.

1.3 The Need for Developing Countries to Examine Patent Documentation

A need for developing countries to undertake a systematic and thorough examination of existing patent documentation, would seem to arise in the following, typified, cases:

- (a) In connection with investment or other co-operation agreements where foreign suppliers of technology apply for patent protection and the subsequent payment of patent fees, or otherwise when patents are applied for by foreign enterprises or individuals.
- (b) When DC enterprises or individuals apply for the right to make payments abroad for patent fees etc.
- (c) When a DC wants to grant patents to national inventors as a stimulus for domestic technological development.

Thorough examination of the internationally available patent documentation is extremely costly and requires a high level of sophisticated technical knowledge and a number of specialists. Examiners must have at hand world-wide collections of technological literature, adequately organised and classified. It has been estimated by WIPO that 100 trained examiners and 15 million documents is a minimum requirement for assuring a consistently high standard of examination. It is obviously a duplication and waste of resources to do this examination and search in each country where an application for a patent for the same inventor is filed. Since the technical expertise is very scarce in most developing countries, the opportunity cost of their time is very high. DCs therefore risk either a loss to the economy through a misuse of resources or to have an inadequate examination procedure and system for granting of patents.

2. THE EXISTING INFRASTRUCTURE OF INTERNATIONAL PATENT CO-OPERATION

There is a widespread and multi-dimensional international infrastructure in the field of patent co-operation. There can be no question of reviewing this fully in the present context. Only the institutions and agreements of direct consequence for the two issues defined here will be described.

2.1 WIPO is the main international organisation concerned with the field of patents. It administers intergovernmental treaties in the field, notably the Paris Convention, which is the basic treaty for the protection of industrial property. The Paris Convention will be revised by an international conference in the beginning of 1980. One draft article would oblige the member states to make information concerning the examination of patent application available. WIPO has 80 members 44 of those are developing countries of which 23 are African countries (see table 2 for details). Other countries are not bound by the Paris Convention.

2.2 In the field of facilitating the access to patent documentation, the creation of the International Patent Documentation Centre (INPADOC) by WIPO and the Austrian Government is of particular relevance and importance. INPADOC provides a bibliographic listing of patents (as opposed to the actual patent specifications) from 45 countries, of which 11 are DCs. The basic features and services of INPADOC are the following.

The general task of INPADOC is to record appropriate bibliographic data items of patent documents as soon as they are published, and then to use the recorded information to provide information services. The so-called Patent Family Service permits the retrieval of all patent documents issued by different countries or organisations which are based upon the same priority application. The Patent Classification Service gives against each international patent classification symbol those published patent documents to which that symbol has been applied and thus groups together bibliographic data of patent documents which relate to similar technological fields. A third category of services is the Patent Applicant Service. It identifies patent documents which have the same applicant or owner. A fourth service is the Patent Inventor Service which lists documents according to the name of the inventor.

INPADOC can furnish copies of patent documents in some instances, each copy containing the complete text of the patent specifications together with the claims, drawings and formulae accompanying the text. The collection includes patent documents issued by several of the developing countries from earlier years as well as the documents of the European Patent Office and the International Bureau of WIPO. A review of the data provided by INPADOC is given in Appendix 1.

2.3 In the field of international co-operation for the examination of patent applications, there are several agreements and treaties in force. Only brief references to these will be given below.

The European countries have set up a European Patent Office, which allows member countries to file one single application, valid in all other member countries, making the application subject to one procedure of search and grant instead of many parallel procedures. Also in Europe is the International Patent Institute in the Hague (see appendix 2). The institute can perform various types of search on behalf of applicants from member countries. Of nine member countries in 1972 only one (Turkey) was a developing country.

The International Patent Institute is one of the examining institutions of the Patent Co-operation Treaty (PCT), which is the most important institution in this field. The co-operation under the treaty is organised by WIPO. Any signatory government can have international examination conducted for a patent application before it, in any well-equipped patent office, or the International Patent Institute acting as international authority. The results of the examination by the chosen office will be turned over to the requesting government, at whose discretion the patent may be granted. This procedure would ensure the soundness of search, while saving DCs from commitment of overhead resources. At present, there are 25 signatory states, of whom 11 are DCs. Details on the PCT are given in appendix 3.

As an example of co-operation arrangements between developing countries can be mentioned the African regional office, OAMPI (African and Malagasy Industrial Property Office).

Developing countries may recourse to the use of these institutions if they wish to grant patents on the basis of global examination. In most cases, however, patents are granted following other examination procedures:

- (a) Novelty examination is made in accordance with the art available in the country, or
- (b) The basis of patent examination in an IC is used for granting patents in the concerned developing country, or
- (c) Novelty is established on the basis of patents granted in the home country of the applicant.

Categories (b) and (c) are known as confirmation patents.

3. GAPS IN THE EXISTING INFRASTRUCTURE

In spite of the well developed international infrastructure in the field of patent co-operation, several gaps exist from the point of view of developing countries.

- Most developing countries have not found it possible to ratify the Paris Convention or become members of WIPO or the PCT.

- Existing information systems give only bibliographic data in the first instance. They are incomplete as to countries covered and sectors.
- Existing information systems are user-oriented in the sense that they require an initiative from the user of the information. The actual problem on the other hand is often that potential users are not aware that information exists. Even if he knows this, linguistic or other barriers may make the utilisation difficult.
- It has already been noted that there is a negligible flow of patented technology from developing countries. In the main, the problem emerges from the weakness in technological capacities of developing countries. But in part at least, the patentability of DC-generated technology meets resistance in international flows due to criteria of novelty and patentability in the present regime. Developing countries have no restriction in filing applications with international institutions such as the European Patent Office or the International Patent Office at the Hague (see appendix 2), or utilise bilateral arrangements as provided for in the Patent Co-operation Treaty. However, these have reference to North/South flows and evaluation will be made on the basis of global state of the art and universal novelty. Furthermore, the costs of international examination (especially for smaller sized productive units) may be prohibitive. There is therefore a need, especially for purposes of South/South flows of technology, to improve technology transfer arrangements by stimulating and investigating means of establishing inter-DC criteria of patent examination and providing for inter-DC searches for novelty.
- Whereas it is essential to facilitate the provision of technical and technological solutions to problems of industrialisation, there is also a need in several instances for an evaluation of the technical possibilities available. The criteria for evaluation should be derived from individual countries goals and targets for economic, social and technological development. This function would be particularly important for countries which have an explicit technology planning procedure^{1/} but in all cases it would be important to analyse the impact of the choice of techniques on the economy as a whole.

^{1/} Cf. ID/CONF.4/7 and Add. 1: Strengthening of Technological Capabilities of Developing Countries.

Summarising, it can be said that there is a lack of a function looking at the field of patents as information source for industrialisation and at the examination problem from the specific perspectives of the developing countries. This particular perspective must be applied to the existing system of information banks and co-operation treaties.

4. THE PROPOSAL FOR AN INTERNATIONAL PATENT EXAMINATION CENTRE

In order to fulfill the functions defined above it is proposed that an International Patent Examination Centre is established, based on and taking full account of present activities in the area, but serving the special purpose of being the focal point for the use of patent documentation as a vehicle for the industrialisation process in developing countries.

The aims of the Centre would be:

- to promote actively the use of patent documentation in the industrialisation process, by facilitating access to the information and above all by informing DCs about the existence of technological information in this form. The Centre would place at the disposal of the DCs a wide range of information on technology in chosen areas of industry as available in the patent specifications referred to above and which can be freely used for setting up new industries in the DCs. It would also monitor, analyse and classify the technical information on various industries and thereby facilitate the choice of technology in any field, by the DCs appropriate to their local needs, technical skills, manpower and natural resources;
- to reduce the costs involved in patent examination for DCs both in the form of actual outlays and in the use of scarce human resources;
- to stimulate innovative activity in DCs through the application of less rigorous criteria of novelty and patentability and through giving a special preference in granting of patents to applicants from DCs.

5. THE OPERATIONS OF THE CENTRE

(i) The Centre will carry out investigations and evaluations of existing technologies in certain priority areas, or in areas requested by DCs, based on information contained in patent documentation. It will give the results a broad dissemination. The use of the facilities of INPADOC would be a cornerstone in this activity, but the Centre would use this information only as an input. It would take initiatives of its own, it would analyse and evaluate the information, it would translate and reproduce it and it would train people to use its facilities. It would also assist and contribute to actual technical training performed by other institutions.

A concentration on priority areas would be useful, particularly in the initial phase. The choice of priority areas for the International Industrial Technological Institute (see document ID/CONF.4/CRP.12) is one possibility, whereas another one would be to choose the same priority areas as in TIES (CRP.12, Section 5.4.3).

(ii) The Centre will help to improve international technology transfer agreements by providing DC governments on the legal position on claims by foreign technology suppliers. This would be important in the following cases:

(a) The supplier holds a valid patent in one or more ICs, but has not registered it in the recipient DC. As noted above very few patents of the world stock have legal force in DCs. There is no legal obligation for any purchaser of technology to pay patent fees for technology which is not patented in his country.

(b) The patent for a product or process is taken out in a DC but its validity has expired due to non-payment of renewal fees by the patentee, in which case the obligations due to him should have been annulled.

(c) Patents have run their course in both host and home countries, and are not in legal force anywhere.

By supplying relevant information on demand on the validity status of a patent, the International Patent Examination Centre may help curtail unnecessary payments of fees, while reducing the work load on patent examiners involved in this scheme, with regard to searches of prior art, novelty and patentability.

(iii) The Centre will carry out examination of patent applications from nationals of DCs. The search for novelty will be limited to existing techniques and patents in developing countries and the novelty criterion consequently modified. This activity should be carried out in conjunction with the PCT and connected patent institutes. A set of rules for giving the desired preference to DC innovators should, however, be elaborated and applied. This service should make full use of any new possibilities for international co-operation that may be opened up through the proposed revision of the Paris Convention, if agreed and/or implemented.

(iv) The Centre should work in full co-operation with the other proposed co-operation arrangements, the International Industrial Technology Institute and the International Centre for Joint Acquisition of Technology. The latter institutions could provide DCs, which so wish, with an evaluation service of the appropriateness of technologies considered, particularly in relation to national development objectives and economic and technological plans. Patent applications as well as information contained in patent documentation should be scrutinised and evaluated from this point of view; both independently by the international organisation and at specific requests of individual DCs.

6. ORGANISATIONAL QUESTIONS

The detailed organisation of the Centre would have to be worked out at a later stage. The following points should be taken into account when considering the internal structure of the Centre. The Centre should have:

- (a) A small nucleus of permanent staff for administration and a technical supervisory staff specialised according to sectors as well as a technical staff familiar with reading of patent specifications.
- (b) A floating staff consisting of consultants.
- (c) A liaison function to co-ordinate work between the Centre and existing institutions working in the field of patents in order to avoid duplication of efforts.
- (d) A financial function to identify potential sources of finance, besides those accruing from UN funds, and charge fees for the services given by the Centre.

As regards location, it is recommended that the International Patent Examination Centre should be placed in one of the most advanced of the developing countries in order to create and form a nucleus for stimulating collective self-reliance in the field of patents.

APPENDIX 1: DATA CONTAINED IN INPADOC

The bibliographic data items recorded by INPADOC are enumerated below:

(i) Basic bibliographic data items:

- (1) the country or organisation which published the patent document,
- (2) the code to indicate, in respect of the document in question, the kind to which it belongs among the various kinds of patent documents published by that country or organisation, e.g., patent, inventor's certificate, utility model, unexamined or examined application, etc. ("code indicating the kind of patent document"),
- (3) the number of the patent document,
- (4) the number of the application,
- (5) the filing date of the application,
- (6) the publication date of the patent document (or publication date of an Official Gazette announcement),
- (7) the International Patent Classification (IPC) symbol(s) assigned to the patent document by the publishing country or organisation,

and also, where the application invokes the priority of an earlier application ("the priority application") as provided for in the Paris Convention:

- (8) the country in or organisation with which the priority application was filed,
- (9) the application (or filing) number of the priority application in that country or organisation,
- (10) the filing date of the priority application.

(ii) Additional bibliographic data items:

- (11) the name(s) of the inventor(s),
- (12) the name(s) of the applicant(s) or owner(s) of the patent, etc.,
- (13) the title of the invention,
- (14) the national classification symbol(s), if any, assigned to the patent document,
- (15) data concerning other non-priority applications which have a legal connexion with the patent document.

The basic bibliographic data items are recorded by INPADOC in respect of the patent documents published by the following organizations: Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Cuba, Cyprus, Czechoslovakia, Denmark, Egypt, Finland, France, German Democratic Republic, Germany (Federal Republic of), Greece, Hungary, India, Ireland, Israel, Italy, Japan, Kenya, Luxembourg, Malawi, Monaco, Mongolia.

APPENDIX 2: THE INTERNATIONAL PATENT INSTITUTE

Convention

The International Patent Institute, the official name of which is "Institut International des Brevets" (I.I.B.), has been established by virtue of the Agreement of The Hague of June 6th, 1947, between Belgium, France, Luxemburg and The Netherlands, which came into force on June 10th, 1949.

Turkey signed the Agreement in 1955, Monaco in 1956, Switzerland in 1960 and the United Kingdom in 1965.

Italy acceded to the Agreement of The Hague, as revised in 1961, with effect as from December 15, 1974. At the same time two agreements also entered into force, viz. an Agreement between the Italian Government and the I.I.B. of April 12, 1972, setting up a sub-office of the Institute in Italy, and an appertaining Working Agreement between the I.I.B. and the Italian Patent Office of November 30, 1972.

The Agreement of 1947 has been revised in February 16, 1961. The revised Agreement has entered into force on December 30, 1971, for all member States, except the United Kingdom.

The main amendments introduced by the revised Agreement are the following:

1.) International intergovernmental organisations, which have the task to grant patents may become member of the Institute. 2.) Besides documentary reports on the novelty of patents and patent applications, documentary reports of another nature, as for instance on patentability may also be given. 3.) Each member of the Institute shall be bound to provide that at least part of the patent applications covering its territory shall be submitted to the Institute for the issuance of documentary reports. 4.) If any member wishes searches to be made among publications in any language other than French, German, English or Dutch, the Institute shall have the possibility for such purpose to create decentralised agencies.

Seat

The seat of the Institute is at The Hague.

Administration

The Institute is governed by a Board of Administration comprising one representative of each state or organisation which are members. This Board fixes the general policy of the Institute, regulates and supervises its activities and in particular appoints the Director, the Auditor (contrôleur financier) and the members of the Direction.

Task and Function

The Institute has the task to carry out searches on the state of art. These searches can be grouped in three principal categories:

Category I:

Search reports on the patentability of inventions, which are subject of patent applications, on request of the Patent Offices of the member-countries. At present such searches are performed for France, The Netherlands, Switzerland and Turkey.

Category II:

Search reports in respect of patent applications filed or patents granted in member-countries on request of private persons or firms fulfilling the conditions mentioned under the heading "Applicants".

Category III:

Special reports, on request of private persons or firms fulfilling the conditions mentioned under the heading "Applicants". Such reports relate for instance to:

- novelty searches in respect of patent applications or patents of non-member countries,
- infringement searches,
- corresponding patent searches and name searches among the patent literature of a large number of countries,
- patent watching searches,
- etc.

This category of search requests also comprises novelty searches on patent applications or patents of member countries, applied for by persons not fulfilling the conditions mentioned under the heading "Applicants" for category II.

Applicants

The requests for searches relating to the categories II and III may be made by the persons indicated hereafter:

Category II:

Nationals of member countries, wherever domiciled or nationals or bodies corporate from any country, provided they are domiciled or have their offices in one of the member countries or operate industrial or commercial undertakings in one of these countries.

Category III:

Nationals or bodies corporate from any country, provided they are domiciled or have offices, industrial or commercial undertakings in one of the countries members of the International Convention of 1883 for the Protection of Industrial Property (Paris Union).

Search Requests

I. Search requests relating to inventions being the subject of unpublished patent applications (category II). Such requests may only be made by the owner of the relative patent application or his successor in right, who may do so, however, via the intermediary of an authorised agent. These applications have to be lodged through the intermediary of the national Patent Office where the patent application for a documentary report has to be addressed directly to the Institute. The Offices "disposing otherwise" in this respect are the Offices of France, Italy, Switzerland and the United Kingdom.

II. Search requests for novelty reports relating to inventions being the subject of patents granted in any of the contracting countries (published patent applications being assimilated to granted patents in this respect) (category II). Such requests should be made directly to the Institute.

III. Special search requests (category III). Such requests should be made directly to the Institute.

Requirements

A. Requests for Novelty Reports (category II). If lodged through the intermediary of a national Patent Office, such requests should be made on special forms: otherwise the requests may be in the form of a simple letter, but (even in the case of direct request) request by means of I.I.B. forms is preferred. (Forms can be obtained from the I.I.B. or from the national Patent Office.)

Apart from the documents required by the national Patent Office concerned, if any, the file of a request of the present category should comprise:

(a) the full name(s), address and nationality of the applicant(s): firm, if applicant is a body corporate; address of applicant's establishment; date, serial number, country and owner of the patent application or patent concerned; and the priority dates, if any, with indication of date and place of the first Convention application.

Moreover the application should comprise:

(b) if the request relates to a patent application (vide under "Search requests", item I) a copy of the specification (bearing its provisional serial number) and a set of clear drawings, if any. If the request is made directly to the Institute, the copy of the specification should be certified as a true copy by the national Patent Office at which the patent application has been filed:

(c) if the request relates to a granted patent: a printed copy of the same (or a photocopy thereof); if the patent has not (yet) been published in print, applicant may lodge a simple copy (typewritten copy or heliographic print) of the specification and drawings with indication of particulars of the patent.

Also as to the language in which the requests and annexes should be drawn up, it should be noted that in practice all documents are accepted in any of the four working languages of the I.I.B. (French, German, Dutch or English). In respect of documents in another language translations into any of the said four languages should be added.

B. Requests for Special Search Reports (category III). Any request of this kind should state the full names, address and nationality of applicant; firm, if applicant is a body corporate, address of establishment; moreover, the application must as exactly as possible define the problem and the point of view from which it should be examined.

If the request relates to a patent application or a patent, a copy of this document should be added. Moreover, the request should also contain instructions as to the fee (vide under the heading "Fees" hereafter).

The request and the annexed documents should be in any of the working languages of the Institute (French, German, Dutch or English).

Search Report and Procedure

With respect to a request falling under category II relating to:

- a patent application, or;
- a granted patent under the condition that such request was made by the owner of the patent or his assignee or at least in concert with such owner or assignee. the Institute issues a provisional report.

After receipt of this provisional report, the applicant may, within a six months period:

- express criticism or comments on the provisional report.

After study of the observations, the final report is issued and/or he may:

- introduce a limited statement of the invention. This limited statement consists in a precise description of the inventions, preferably in the form of claims, taking due account of the documents cited in the provisional report. After study, the final report (relating to both the original application and the new statement) is issued.

With respect to any other requests the report issued by the I.I.B. is immediately final.

Issue of Reports

The reports of the Institute, whether the requests were made through the intermediary of a national Patent Office or directly to the I.I.B., are, according to decisions taken by all contracting countries, forwarded directly to the applicant. A copy of the report is addressed to the national Patent Office concerned, if the request was made through such office.

Fees

At present (as from January 1, 1976) the amounts of the I.I.B. fees are as follows:

1) Fees relating to Novelty Reports (category II). For this kind of searches a fixed contractual fee is due, amounting to D. Gld. 1.530. The fee for an examination of a limited statement amounts to D. Gld. 382.50.

2) Fees relating to Special Reports (category III). The charge for such reports varies according to the amount of work actually entailed in each case. An estimate of the charge may be obtained from the I.I.B. free of obligation before the search is undertaken or, in order to avoid delay, the applicant for a special search may, if he wishes, adopt one of the following procedures, i.e.:

- agree in advance to whatever charge will be made,
- indicate a maximum amount which the charge for the complete search may not exceed, in which case a cost estimate is only made if the I.I.B. considers that the maximum amount indicated will probably be insufficient,
- indicate a maximum amount up to which the I.I.B. is authorised to conduct the search.

If this amount is reached before completion of the search, the applicant is notified of the results and provided with an estimate for completion of the search.

Miscellaneous

(a) An applicant for a search report may request that such search be limited to a certain period or to a certain part of the specification.

(b) The documentation of the I.I.B. comprises the systematically classified patent literature issued in the following countries (onwards from the years mentioned in parentheses): Belgium (1926), France (1902), Germany (1877), Luxemburg (1946), The Netherlands (1912), Switzerland (1940), the United Kingdom (1909), and the U.S.A. (1920).

In some fields of technology, patents of certain of said countries are systematically incorporated in the documentation system as from years earlier than those indicated; in certain fields the system comprises also patent specifications of other countries.

Apart from this systematic documentation, the Institute has likewise at its disposal the patent literature of a large number of countries in numerical sequence, including for instance patent literature issued in Australia, Austria, Canada, Denmark, Ireland, Italy, Japan, Norway, Russia and Sweden as well as patent literature of some of the eight countries first mentioned issued at earlier dates than mentioned. However, this documentation can only be used for reference purposes; it is not possible to make systematic searches in the same, since the documentation in question is not classified for search purposes.

Moreover, the most important scientific textbooks and periodicals are available, as well as many technical reports and abstracts journals, such as Chemical Abstracts, Nuclear Science Abstracts, Science Abstracts Engineering Index, Technisches Zentralblatt and the like.

APPENDIX 3: PATENT CO-OPERATION TREATY (PCT)

This treaty provides for intergovernmental co-operation in the filing, search and examination of applications for the protection of inventions, and for rendering special technical services to the member states. ^{1/}

In the application, the request shall contain the names of the Contracting States in which protection for the invention is desired on the basis of the international application.

Any resident or national of a Contracting State may file an international application. The Assembly may decide to allow residents and nationals of any country party to the Paris Convention for the Protection of Industrial Property which is not a party to the PCT to file an international application.

The application will be filed with the prescribed receiving office which will record the date of receipt of the international application.

Each international application shall be the subject of an international search, to discover relevant prior art and in so doing consult the documentation specified in the Regulations. If the national law of the Contracting State permits, requests may be made that a search similar to an international type search be carried out by a competent international searching authority which may be either a national office or an inter-governmental organisation, such as the International Patent Institute, whose tasks include the establishment of documentary search reports on prior art.

Article 27 of the Treaty provides that nothing in the Treaty or its Regulations should be construed as prescribing anything that would limit the freedom of each Contracting State to prescribe substantive conditions of patentability. The definition of prior art is exclusive to the purpose of the international procedure and consequently, any Contracting State is free to apply, when determining the patentability of an invention in an international application, the criteria of its national law in respect of prior art and other conditions of patentability (Article 27 (5)).

The Convention also provides that on the demand of the applicant, his application shall be the subject of an International Preliminary Examination. The Assembly may decide to allow persons entitled to file international applications to make the demand for an international preliminary examination, which demand shall be made separately from the international application and will be subject to the payment of the prescribed fees. This examination shall be carried out by the International Preliminary Examining Authority. The objective of this examination is to formulate a preliminary and non-binding opinion

^{1/} There are 25 Member States, including 11 developing countries, of the total 80 member states of the Paris Convention (in 1973).

on the questions whether the claimed invention appears to be novel, to involve an inventive step (to be non-obvious) and to be industrially applicable. The examination shall consider novelty with reference to prior art. A claimed invention shall be considered to involve an inventive step if, having regard to the prior art, it is not obvious to a person skilled in the art and any Contracting State may apply additional or different criteria for the purpose of deciding whether, in that State, the claimed invention is patentable or not (Article 33 (5)).

The International Preliminary Examination shall not contain any statement on the question whether the claimed invention is or seems to be patentable or unpatentable according to any national law (Article 35 (2)). It shall state in relation to each claim whether the claim appears to satisfy the criteria of novelty, inventive step (non-obvious) and industrial applicability as defined in the Regulations. The International Preliminary Examination Report shall be transmitted to the applicant and to the International Bureau and to each elected office. The Preliminary Examination Report shall be kept confidential unless requested by the applicant. The applicant shall be given an opportunity to amend the claims, the description and the drawings before each elected office in accordance with the national law of the elected state (Article 41).

In respect of any designated or elected state whose law provides for the grant of inventors certificate, utility certificate, utility model may indicate that his International Application is for the grant of the particularly type of protection.

So far, we have described in general the Regulations governing the applications with regard to searches to be conducted in respect of an International Application filed with the Bureau. We now deal with the technical services and patent information services which also form the subject of the PCT.

According to Article 50, the International Bureau may furnish services by providing technical and any other pertinent information available to it on the basis of published documents, primarily patents which information may be given directly or through one or more International Searching Authorities or other national or international specialised institutions with which the International Bureau may reach agreement.

The information services shall be operated in a way particularly facilitating the acquisition by Contracting States which are developing countries of technical knowledge and technology, including available published know-how. This information shall be available to governments of Contracting States and their nationals and residents but the Assembly may decide to make these services available also to others. The information shall be furnished with the information below cost. If the difference can be covered from profit made on services furnished to others, then governments of Contracting States or from international financing organisations and intergovernmental organisations particularly the UN and agencies of the UN concerned with technical assistance and, on the other hand, with the governments of the states receiving the technical assistance for the financing of projects. The details concerning the implementation of this objective shall be governed by decisions of the Assembly and such working groups of the Assembly may be set up for this purpose.

Administrative Provisions

The Assembly shall consist of representatives from Contracting States who may be assisted by advisers and experts.

The administrative tasks concerning the Union shall be performed by the International Bureau and the Director General shall be the executive of the Union and shall represent the Union. The Regulations shall specify the services that national officers shall perform to assist the Bureau and the International Searching and Preliminary Examining Authorities in carrying out their tasks under this Treaty.

The Assembly shall (Article 56) establish a Committee for Technical Co-operation with an equitable representation of developing countries. The International Searching and Preliminary Examining Authorities shall be ex officio members of the Committee. The Director General on his own initiative or at the request of the Committee shall invite representatives of interested organisations to participate in discussions of interest to them. The aim of the Committee shall be to contribute, advise and recommend for the improvement of the services provided for under this Treaty.

The finances of the scheme shall be obtainable from sources such as fees and charges due for services rendered by the International Bureau, sale of publications, gifts and other miscellaneous income.

The Treaty may be revised from time to time by a Special Conference of the Contracting States.

Any member of the International Union for the Protection of Industrial Property may become party to the Treaty.

