Industrial Property

Monthly Review of the United International Bureaux for the Protection of Intellectual Property (BIRPI) Geneva

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The Director of the United International Bureaux for the Protection of Intellectual Property (BIRPI) presents his compliments to the Minister for Foreign Affairs of . . . . .
and, in accordance with the provisions of the above Convention, has the honor to notify him that the Government of the German Democratic Republic, referring to Article 5(1) and to Article 14(1)(iii), has deposited, on June 20, 1968, its instrument of accession dated May 20, 1968, to the Convention Establishing the World Intellectual Property Organization (WIPO).

This notification does not mean that the Director of BIRPI has adopted any position on the question of whether the German Democratic Republic fulfils the conditions provided by Article 5(1) above, namely, that it is a member of one of the Unions defined in Article 2(vii) of the Convention. The States members of the said Unions are in disagreement on this question.

Geneva, July 19, 1968.

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RATIFICATIONS AND ACCESSIONS

Accession to the Stockholm Act of the Paris Convention for the Protection of Industrial Property

GERMAN DEMOCRATIC REPUBLIC

Notification of the Director of BIRPI to the Governments of the Union Countries

The Director of the United International Bureaux for the Protection of Intellectual Property (BIRPI) presents his compliments to the Minister for Foreign Affairs of . . . . .
and, in accordance with the provisions of the above international instrument adopted at Stockholm, has the honor to notify him that the Government of the German Democratic Republic, referring to Article 20(1)*(a)*, deposited, on June 20, 1968, its instrument of accession dated May 20, 1968, to the Paris Convention of March 20, 1883, for the Protection of Industrial Property, as revised at Stockholm on July 14, 1967.

This notification does not mean that the Director of BIRPI has adopted any position on the question of whether the German Democratic Republic is or is not a party to the said Convention. The Governments of the countries party to the said Convention are in disagreement on this question.

Geneva, July 19, 1968.

Paris Notification No. 4

Accession to the Stockholm Act of the Madrid Agreement Concerning the International Registration of Trademarks

GERMAN DEMOCRATIC REPUBLIC

Notification of the Director of BIRPI to the Governments of the Union Countries

The Director of the United International Bureaux for the Protection of Intellectual Property (BIRPI) presents his compliments to the Minister for Foreign Affairs of . . . . .
and, in accordance with the provisions of the above international instrument adopted at Stockholm, has the honor to notify him that the Government of the German Democratic Republic, referring to Article 14(1)(iii), deposited, on June 20, 1968, its instrument of accession dated May 20, 1968, to the Madrid Agreement Concerning the International Registration of Marks, of April 14, 1891, as revised at Stockholm on July 14, 1967.

This notification does not mean that the Director of BIRPI has adopted any position on the question of whether the German Democratic Republic is or is not a party to the said Agreement. The Governments of the countries party to the said Agreement are in disagreement on this question.

Geneva, July 19, 1968.

Madrid (Marks) Notification No. 2

Accession to the Additional Act of Stockholm to the Madrid Agreement for the Prevention of False or Misleading Indications of Source on Goods

GERMAN DEMOCRATIC REPUBLIC

Notification of the Director of BIRPI to the Governments of the Contracting Countries

The Director of the United International Bureaux for the Protection of Intellectual Property (BIRPI) presents his compliments to the Minister for Foreign Affairs of . . . . .

and, in accordance with the provisions of the above international instrument adopted at Stockholm, has the honor to notify him that the Government of the German Democratic Republic, referring to Article 3(1), deposited, on June 20, 1968, its instrument of accession dated May 20, 1968, to the Additional Act of Stockholm, of July 14, 1967, to the Madrid Agreement for the Repression of False and Deceptive Indications of Source on Goods.

This notification does not mean that the Director of BIRPI has adopted any position on the question of whether the German Democratic Republic is or is not a party to the said Agreement. The Governments of the countries party to the said Agreement are in disagreement on this question.

Geneva, July 19, 1968.

Madrid (Indications of Source) Notification No. 3

Accession to the Stockholm Act of the Nice Agreement Concerning the International Classification of Goods and Services

GERMAN DEMOCRATIC REPUBLIC

Notification of the Director of BIRPI to the Governments of the Union Countries

The Director of the United International Bureaux for the Protection of Intellectual Property (BIRPI) presents his compliments to the Minister for Foreign Affairs of . . . . .
and, in accordance with the provisions of the above international instrument adopted at Stockholm, has the honor to notify him that the Government of the German Democratic Republic, referring to Article 9(1), deposited, on June 20, 1968, its instrument of accession dated May 20, 1968, to the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of June 15, 1957, as revised at Stockholm on July 14, 1967.

This notification does not mean that the Director of BIRPI has adopted any position on the question of whether the German Democratic Republic is or is not a party to the said Agreement. The Governments of the countries party to the said Agreement are in disagreement on this question.

Geneva, July 19, 1968.

Nice Notification No. 3

OTHER ITEMS OF INFORMATION

BIRPI Plan for Facilitating the Filing and Examination of Applications for the Protection of the Same Invention in a Number of Countries

(Plan for a Patent Cooperation Treaty (PCT))

Note by the Editor

On July 15, 1968, BIRPI issued a new draft of the proposed Patent Cooperation Treaty (PCT).

It is recalled that the first draft issued in 1967 and was discussed by a Committee of Experts in October 1967 (see Industrial Property, *1967, p. 301). The new draft is based on the discussions of that Committee and of numerous other meetings, including the Working Group of March 1968 (see* Industrial Property, *1968, p. 86).*

The new draft will be discussed by a Committee of Experts scheduled for December 1968 (see Calendar, p. 268, below). The preparatory documents issued for the December meeting include, in addition to the Draft Treaty, Draft Regulations and two introductory documents, one entitled "Evolution of the Plan," the other "Summary of the Proposed Treaty" [1]*). The latter is reproduced below.*

Summary of the Proposed Treaty

Note by BIRPI [2])

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[1]) All documents for the December meeting may be ohtained, in English and in French, free of charge from BIRPI.

[2]) BIRPI document No. PCT/III/4.

The Present Document

1. The present document is an explanatory memorandum concerning the system of international patent [3]) cooperation which would result from the proposed Treaty, that is, the Patent Cooperation Treaty (" PCT ").

2. It states the aims of the proposed Treaty, briefly describes it, calls attention to some of its special features, describes the instruments which — in addition to the Treaty itself — would have to be drawn up, enumerates its main advantages, and examines its relation to other existing or planned systems of international cooperation in the patent field.

Aims of the Proposed Treaty

3. The proposed Treaty has two principal aims.

4. One is to save effort — time, work, money — both for the applicant and the national Offices [4]) in cases where patents are sought for the same invention in a number of countries.

5. The other is to increase the likelihood of issuing strong patents in countries not having all the facilities necessary for a thorough search and examination. By " strong " patents are meant patents likely to withstand challenge in the courts.

6. The saving of effort for the applicant would primarily consist in allowing him to file one application (in one place, in one language, for one set of fees), having — subject to certain conditions — the effect of a national application in each and all of the Contracting States in which he desires to obtain protection.

7. The saving of effort for the national Offices would primarily consist in receiving search reports and possibly also preliminary examination reports, both of which would considerably reduce the work of examination.

8. The likelihood of issuing stronger patents would follow from the fact that the international search reports and the preliminary examination reports would be issued by authorities which are among those best known for their great expertise in the matter of searching and examining patent applications.

Brief Summary of the Proposed Treaty

Three Main Features and Two Phases

9. The proposed Treaty consists of three main features: international application, international search, and international preliminary examination. The first two are inseparable in the sense that the only way to international search is through the filing of an international application [5]) and that all international applications are subject to international search. These two features are mandatory: every State becoming party to the PCT would apply them and no applicant choosing to use the PCT could avoid them. These two features, together, are usually referred to as " the First Phase " of the PCT, or, because the provisions relating to them are contained in the first Chapter of the Draft, as the procedure " under Chapter I."

10. The third feature — international preliminary examination — is optional. Any Contracting State could decide not to adhere to those provisions of the Treaty which concern international preliminary examination, and each applicant could decide for himself whether he wanted to take advantage of international preliminary examination. This feature is usually referred to as " the Second Phase " of the PCT, or, because the provisions relating to it are contained in the second Chapter of the Draft, as the procedure " under Chapter II." Naturally, for States or applicants choosing not to use Phase II, Phase I is not the first but the only international phase.

Steps Constituting the First Phase

11. The First Phase would consist of the *following steps:* the applicant would file an international application with his national Office (" the Receiving Office "); this Office would check the application to see whether it was in order as to form, particularly whether it complied with those minimum requirements which would enable it to acquire a filing date; the same Office would send one copy of the application to the International Bureau (for the purposes of the record) and one copy to the Searching Authority (it should be noted that the Receiving Office and the Searching Authority may be one and the same); the Searching Authority would search the application, that is, would try to discover any relevant prior art, and would establish a report (" the search report ") which would consist of bare citations of documents believed to be relevant for the purposes of examination; the search report would first be communicated to the applicant, who could maintain the application as it is, withdraw it, or amend the claims; the application, together with the search report, would then [6]) be communicated to the national Office of each Contracting State designated by the applicant. It is only then — and only if the application does not go on to Phase II — that the national fees (if any) and the translations (if there is a language difference) would become due, and processing and examination by the said national Office (" the national phase ") could start.

12. The international application would be published by the International Bureau, but never earlier than it would have to be publishend in any case under the domestic law of a designated State and never before the expiration of 18 months after the priority date.

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3) Unless otherwise shown by the context, whenever the expression " patents " is used in this document, " inventors' certificates " should also be understood for the purposes of those countries (mainly the Soviet Union) where inventions may be protected through patents or through inventors' certificates.

4) " National Office," throughout this document, means the government authority of each Contracting State which is entrusted with the issuance of patents.

5) If an applicant obtains from a Searching Authority a search conforming to the criteria provided for in the PCT but carried out on his *national* application (" international-type search "), the said Searching Authority would have to consider, when it receives the *international* application, whether the search already effected could contribute, wholly or partly, towards the international search and whether, accordingly, some refund of the international search fee could be made.

6) Any designated State could, however, require that a copy of the application be given to its Office even if the search report is not yet completed, and that the national fees be paid and the translations be furnished to such Office before the regular communication of the application, but *none* of this could be required prior to the expiration of *20 months* after the priority date. Since, in all typical cases, the international search will have been completed by that time, this possibility would rarely arise and merely serves the purpose of assuring designated Offices that they would not have to wait indefinitely.

13. The Treaty would make no provision for the national phase except that it would guarantee that it could not start until at least the expiration of the 20th month after the priority date, and that the applicant will be given an opportunity, in each designated State, to amend the claims. This would be true even in respect of States having a "registration" system. Otherwise, each State could maintain its present patent law, or could change it as it pleases in the future, subject only to the restriction that it would not be allowed to prescribe different, stricter, formal requirements for the application than the PCT prescribes.

14. Any international search would have to conform to the same standards, irrespective of the identity of the Searching Authority (see also paragraphs 25 to 27, below).

Effects of the First Phase

15. The filing of an international application would have two legal effects:

(i) the international application would have the effect of a national application in each and all of the designated States;

(ii) the processing of the application before the national Offices would be delayed — that is, would not start — (except at the express request of the applicant) at least until the expiration of 20 months after the priority date and, normally, until the international search report has become available.

16. Each of these legal effects has important practical consequences.

17. The first, that the applicant could cause the existence of applications in *many* countries by filing *one* application in *one* language, and paying *one* set of fees.

18. The second, that national processing will start under far more advantageous conditions both for the applicant and for the national Offices than without the PCT: for the applicant, because he will have a more informed opinion on the value of his invention; for the national Offices, because a substantial part of the examination task — namely, the searching for prior art — will already have been completed. Furthermore, that the furnishing of translation (where there is a language difference) and the payment of national fees (if any) would become due much later — at least 8 months later — than without the PCT.

Steps Constituting the Second Phase

19. The Second Phase would consist of the following steps: the applicant would demand international preliminary examination; the demand would be addressed to the Preliminary Examining Authority; that Authority would conduct the preliminary examination, which would essentially be directed to the questions whether the claimed invention was new, represented an inventive step (was non-obvious), and was industrially applicable; the applicant and the Authority would communicate with each other during the preliminary examination and the applicant would be given at least one opportunity to amend, in response to a written opinion, the claims and the description; then the preliminary examination report would be established; this report would not contain any statement on the question whether the claimed invention is or seems to be patentable or unpatentable according to the law of any country; it would state — by a simple "Yes" or "No" — in relation to each claim whether such claim seems to satisfy the said three criteria; the statement would be accompanied by citations and any necessary, brief explanations; finally, the report would be transmitted to the national Offices of the elected States. It is only then [7]) that the national fees (if any) and the translations (if there is a language difference)would become due, and processing and examination in the said national Offices ("the national phase") could start.

20. The preliminary examination report would not be published. The very fact that preliminary examination was requested would remain confidential. Possible withdrawal of the demand and the results of the preliminary examination would be equally confidential.

21. Any preliminary examination report would have to conform to the same standards, irrespective of the identity of the Preliminary Examining Authority (see also paragraphs 25 to 27, below).

22. The Treaty would make no provision for the national phase except that it would guarantee that it could not start until at least the expiration of the 25th month after the priority date, and that the applicant will be given an opportunity, in each elected State, to amend the claims. Otherwise, each State could maintain its present law, whether on the substance of patentability or on the procedure, as the Treaty would contain no other requirements to which the national law would have to conform.

Effects of the Second Phase

23. The only legal effect of using the Second Phase would — as already indicated — be that the processing of the application before the national Offices would be delayed — that is, it would not start — at least until the expiration of the 25th month after the priority date and, normally, until the international preliminary examination report has become available.

24. The practical effect of using the Second Phase would be of the same kind — but to a greatly enhanced degree — as that of the First Phase: national processing will start under very much more advantageous conditions both for the applicant and the national Offices than without the PCT or with Phase I only of the PCT. The applicant will have, thanks to the preliminary examination report, a strong indication of his chances of obtaining patents. The elected national Offices will save most, if not practically all, of the effort of examination. All that would remain for them to do, under normal circumstances, would be to draw conclusions from the report

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[7]) Any elected State could, however, require that a copy of the application be given to its national Office even if the preliminary examination report is not yet completed, and that the national fees be paid and the translations be furnished to such Office before the communication of the preliminary examination report, but *none* of this could be required prior to the expiration of *25 months* after the priority date. Since, in all typical cases, the international preliminary examination will have been completed by that time, this possibility would rarely arise and merely serves the purpose of assuring elected Offices that they would not have to wait indefinitely.

on the question of patentability in the light of their domestic laws.

Some Special Features of the Proposed Treaty

Searching and Preliminary Examining Authorities

25. It is expected that the International Patent Institute will be one of the Searching and Preliminary Examining Authorities, that is, that it will establish both international search reports and international preliminary examination reports.

26. Furthermore, it is expected that some of the national Offices will be Searching and/or Examining Authorities. The Treaty would prescribe criteria: minimum documentation, minimum staff, minimum language capacity. To date, the national Offices of four countries have indicated, unofficially, that they would probably wish to become Searching and Examining Authorities. They are: Germany (Federal Republic), Japan, Soviet Union, United States. The United Kingdom Patent Office indicated, unofficially, that it probably would wish to become a Preliminary Examining Authority but not a Searching Authority. The Nordic countries are considering pooling their resources for such purpose.

27. In the course of the various meetings held so far, the representatives of most of the non-governmental organizations have urged that search be conducted by one authority only, namely, the International Patent Institute, because they see no other way to ensure that the search reports will be of a uniform kind and quality, irrespective of the origin of the application. The Draft allows for both this — the so-called "centralized search" — solution and for a solution providing for several Searching Authorities. But it must be stated that the present intention is to have several Searching Authorities, as indicated above. The main reasons are of a practical nature: it is cheaper and easier to use the existing facilities than to boost those of the International Patent Institute; it is more convenient — at least to German, Japanese, Soviet and U.S. applicants — to be nearer to the Searching Authority and to turn to services they are used to; international applications could probably not be filed either in the Japanese language or in the Russian language if they were to be searched in the International Patent Institute. Furthermore, uniformly high quality of search is not out of the question even if there are several Searching Authorities. Strong and practical measures are all that is needed to enforce such uniformity. The building of a common data bank, and uniform mechanized retrieval, would seem to be the most effective of such measures. Steps would have to be taken to start work towards achieving this goal as soon as the PCT enters into force. The matter is mainly one of money. The PCT itself could provide for it. Other measures are already provided for in the Draft; among them, identical minimum documentation in each Searching Authority, obligation to use such documentation, and the establishment of mechanisms for mutual consultations.

28. In any case, as already indicated, the Draft is so constructed that centralized search could be instituted without having to change the Treaty, should experience show that decentralized search is not entirely satisfactory and should those national Offices which are now unofficial candidates for the role of Searching Authorities be ready to renounce such a role.

Length of the Procedure

29. The following paragraphs deal with the typical case — the case which may be expected to be the normal case. The procedure may, in non-typical cases, take a shorter or a longer time than is indicated below.

30. All time limits relate to the priority date.

31. *Phase I.* — The international application is filed at the end of the 12th month. It is transmitted to the Searching Authority and the International Bureau at the end of the 13th month [8]). The search is carried out during the next three months (the 14th, 15th and 16th) but in time for the search report to be sent to the applicant in the course of the 16th month. The applicant has two months (the 17th and the 18th) to amend the claims, and the following two months (the 19th and the 20th) to prepare the required translations. (He will have to pay the national fees and furnish the translations at the earliest by the end of the 20th month.)

32. *Phase II.* — The applicant, having received the search report by the end of the 16th month [9]), uses the 17th and 18th months not only to amend the claims but also to make up his mind whether to demand international preliminary examination. He files this demand by the end of the 18th month. The first written opinion issues two months later, by the end of the 20th month. The applicant has two months (the 21st and the 22nd) to reply to the opinion. The Preliminary Examining Authority issues the report one month later, that is, by the end of the 23rd month. The applicant has the following two months (the 24th and the 25th) to prepare the required translation. (He will have to pay the national fees and furnish the translations at the earliest by the end of the 25th month.)

Languages

33. *International applications* would have to be drawn up in a language which the competent Searching Authority can handle. The national Offices of Moscow, Munich, Tokyo and Washington would thus accept international applications drawn up in Russian, German, Japanese, and English, respectively. The International Patent Institute could handle applications in Dutch, English, French, and German. If Italy and a few Spanish-speaking countries become party to the PCT, the International Patent Institute could probably undertake to handle applications in Italian or Spanish, respectively.

34. *Search reports* and *preliminary examination reports* would be drawn up in the language of the application.

35. *Translations* of the international applications, when translations are required for the purposes of the national procedure, would be prepared by the applicant. The search reports and the preliminary examination reports would be trans-

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8) The one month after international filing (the 13th month) should be enough for a security check since the national application whose priority is invoked in the international application has been known for a year to the Receiving Office. But, if the one-month period is not sufficient, the Receiving Office may require that international applications be filed a few weeks earlier — as is the case today when a security clearance must be obtained before the priority year expires.

9) If preliminary examination is demanded before the search is started, and if it is the same Authority which would perform the search and the preliminary examination, the two procedures could be "telescoped" in part. The first opinion could issue at the same time as the search report, that is, by the end of the 16th rather than the 20th month. The four months so gained could be used to allow for a second written opinion and a second reply in the preliminary examination phase.

lated into five languages (English, French, German, Japanese, Russian) and the translations would be prepared under the responsibility of the International Bureau.

36. The *publication*, in pamphlet form, of the international application would be effected in the language in which it was filed, if filed in English, French, German, Japanese, or Russian. If it was filed in another language, it would be published in English. If the application is published in French, German, Japanese, or Russian, the abstract and the search report would appear in the pamphlet in two languages: the language of the application and English. The first page of the pamphlet would contain bibliographical data, a typical drawing (possibly reduced), and the abstract, to facilitate a quick appraisal and to make this frequently possible even when the language of the application is unknown to the reader.

37. The *Gazette entry* in respect of each application would consist of these same three elements. The Gazette would be published at least in English and French and also in additional languages for which the necessary subscriptions or subventions would be assured. German, Japanese and Russian would almost certainly, and Spanish probably, be among such languages.

38. *Availability of full translations to third parties.* — When the applicant furnishes for the first time in any given language a translation of the international application to the national Office of any designated or elected State, he will furnish a copy of such translation to the International Bureau. The latter will make such translation available to third parties once the international application has been published in its original language.

Fees

39. *First Phase.* — The filing of an international application would be subject to the payment of one fee in any case, and possibly one or two additional fees.

40. The fee which would be due in any case is called the "*international fee.*" It would be destined to cover the expenses of the International Bureau, including the cost of preparing copies for the designated Offices, the cost of publication, and the cost of translating the search report. It would be a flat sum except that the fee would increase if the application document contained more than 50 sheets.

41. Each Receiving Office could, if it wishes, charge a "*transmittal fee,*" destined to cover the expenses of formality checking and transmittal of copies to the International Bureau and the Searching Authority.

42. Each Searching Authority could, if it wishes, charge a "*searching fee*" for the work of performing the international search. Some national Offices may decide not to charge a searching fee at all. The International Patent Institute would doubtless have to charge a fee but whether all of it will be covered by the applicant or whether part of it may be covered by the subventions granted by the State of the applicant is a question to which the answer will probably vary from State to State [10]).

43. The question frequently asked is what is the minimum number of countries that ought to be designated to make the use of the PCT route "worth while." It is believed that choosing or not choosing the PCT route does not generally depend on the designation of a particular minimum number of countries. It will be worth while choosing the PCT route if the applicant wishes to have more time for reflection, if he wishes to postpone the moment when he has to pay the cost of preparing translations and the national fees, and if he wishes to reduce or eliminate the number of national proceedings in which he would otherwise have to engage only to abandon them later if he lost interest in his application or lost hope in its success. The essential question is how much investment such advantages are worth. But if one insists on a mathematical comparison of the costs and fees of an international application with the costs and fees of national applications filed outside the PCT, it is believed that, generally, the preparation and filing of two national applications will cost at least the same as, if not more than, the international application, provided they are not in the same language. In fact, the cost of translating, redrafting and redrawing in respect of an application, even if done once only, would probably generally cost as much as the preparation and fees of an international application.

44. *Second Phase.* — The demand for a preliminary examination would be subject to the payment of one fee in any case, and possibly one additional fee.

45. The fee which would be due in any case is called the "*handling fee.*" It would be destined to cover the expenses of the International Bureau, including the cost of preparing copies and translations of the preliminary examination report for the national Offices of the various elected States.

46. Each Preliminary Examining Authority could, if it wishes, charge a "*preliminary examination fee.*" The situation would be similar to that described in connection with the searching fee (see paragraph 42, above).

47. *Amounts.* The amounts of the international fee and of the handling fee would be fixed in the Regulations. Further study is required to be able to indicate these amounts. In any case, they will be modest as a substantial part of the expenses is expected to be covered by income derived from the sale of publications.

48. The amounts of the other fees will be fixed by the competent Authority, except that the maximum amounts of the fees chargeable by the International Patent Institute to applicants who are nationals of countries not members of that Institute would be fixed in the agreement between the said Institute and the International Bureau. Such an agreement would require the approval of the Assembly of the States party to the PCT.

Formalities

49. One of the most outstanding features of the PCT is that the formalities of application would be set down by the PCT and would be binding on all Contracting States. This would reduce the cost to the applicant. Drawings would not have to be redrawn. The applicant would know that an application, which is good as far as form and content are concerned

[10]) All the fees referred to in paragraphs 40 to 42 would be independent of the number of States designated by the applicant. But the national Office of each designated State may, when the international application reaches it, require the payment of the usual *national* filing fee.

in his home country, is also good in any of the other Contracting States. Form and content mean not only the physical requirements and the identification data but also the form and method of claiming and describing.

50. It has been said that this very uniformity is dangerous as far as the form and method of describing and claiming are concerned. The form and method prescribed by the PCT — say the same critics — may be contrary to the traditions, the judicial practice, and the idiosyncrasies of a country. (Of course, the form and method will not be contrary to the *laws* and *regulations* of any country, as every Contracting State would accept the prescribed forms and methods.) It is believed that this view is unduly pessimistic since, once the laws and regulations of a country accept the international forms and methods, it does not seem to be unrealistic to presume that the traditions, judicial practice, or idiosyncrasies, will adjust to these new forms and methods. Moreover, the Treaty provides its own solution as far as the claims are concerned: the applicant will have a right to rewrite his claims before each national Office, and he may rewrite them before each such Office differently. As far as the description is concerned, the possibility of changing it before the national Office of each country will depend on the law of that country. Where such a possibility does not exist, or is very restricted, and when the description in the international application cannot be drawn up in such a way as to enable the applicant to derive the maximum benefit from it in that country, the best thing would be not to choose the PCT route for that country; it is believed, however, that such a situation is more theoretical than real, and that the contemplated cases, should they exist, will not substantially affect the usefulness of the PCT.

Treaty, Regulations, and Other Instruments

51. It is proposed that the provisions establishing the system and governing its application be embodied, depending on their nature and their importance, in the following instruments: a Treaty, Regulations, Administrative Instructions, and agreements that the International Bureau would conclude with each Searching and Preliminary Examining Authority.

52. *The Treaty* would contain the most important matters: the limits of the obligations of the Contracting States; guarantees of their basic rights; basic obligations and guarantees of the basic rights of the applicants; the main duties of the International Bureau, the Receiving Offices, the Searching and Preliminary Examining Authorities. Most of the provisions of the Treaty could be amended only in the classical way: the amendments would have to be adopted by a special conference and would come into effect only if a certain number of countries ratified them. Since ratifications are by nature slow (because, in many States, they have to be processed through legislative bodies), one should, ideally, write only such provisions into the Treaty itself as are unlikely to change for decades. The Draft provides, however, for two sets of provisions, so that they may be changed by a less cumbersome and less slow procedure. One is that all time limits fixed in the Treaty could be modified by a unanimous decision of the Contracting States. The other is that some of the purely administrative provisions, mainly those relating to the Secretariat and the finances of the PCT Union, could be amended by the Assembly of the PCT Union. As to the latter, the same solution was written into the Paris Convention and the Special Agreements under that Convention at the Stockholm Conference of 1967.

53. *The Regulations*, as proposed, would be several times longer than the Treaty as they embrace all the details which are believed to have any possible effect on, or be of any possible interest to, the applicant, the Contracting States, and the Searching and Preliminary Examining Authorities. It is expected that, originally, they would be adopted by the same diplomatic conference as will adopt the Treaty. Once the Treaty comes into force, they could be amended by the Assembly. Amendment would require unanimity for certain specified provisions, and a two-thirds majority for the others.

54. *The Administrative Instructions* would pick up those minutiae which have no effect on the rights and obligations of anybody but which are useful because they introduce order and uniformity into official procedures. Where to place a stamp, how to draft forms transmitting documents, how to route papers — these would be typical subjects which the Administrative Instructions would deal with. They would be drawn up by the International Bureau under various safeguards, including the right of the Assembly of the Contracting States to impose the introduction of modifications.

55. *Agreements with Searching and Preliminary Examining Authorities.* — These agreements would see to it that the search and the preliminary examination will be carried out in strict conformity with the Treaty and the Regulations. Furthermore, they would provide for other procedural and administrative details required to ensure smooth cooperation among the Authorities whose joint efforts are necessary to make the system work. The agreements, as far as the International Bureau is concerned, would require approval by the Assembly of the Contracting States. As far as the other party to each agreement is concerned, the question of approval is a matter for such party. For example, the International Patent Institute would probably have to obtain the approval of its Administrative Council before it could become bound by any such agreement.

Main Advantages of the Proposed Treaty

For Examining Offices

56. National examining Offices would be able to make substantial economies since the proposed system would render superfluous all or most of the work of searching, and also — when an international preliminary examination report issues — most of the work of examination, for most applications filed by foreigners. In the overwhelming majority of countries, such applications exceed in number applications filed by nationals. Germany (Federal Republic), Japan, and the United States, are among the rare exceptions but, in these countries, the absolute number of foreign applications is in itself impressive (31,000, 23,000, and 22,000, respectively, in 1966) and has been approached or exceeded in only three countries (33,000 in the United Kingdom, 32,000 in France, and 28,000 in Canada). Some of the Socialist countries are

also among the exceptions but, owing presumably to the recent intensification of East-West trade and expanding scientific and technical cooperation, the number of foreign applications filed in these countries is constantly and rapidly growing. In the Soviet Union, for example, the number doubled from 1965 to 1966.

57. Even national Offices which were distrustful — and in the beginning, they might well be— as to the quality of the international search reports and preliminary examination reports, and which subjected each of them to a complete or partial verification, would have a " flying start " in their work, since such work would be in the nature of completing, checking, criticizing, rather than starting from scratch in complete isolation, as national Offices do at present.

For Non-Examining and Examining Offices

58. Both kinds of national Offices would make economies in the cost of handling applications, since their work of verification as to compliance with prescriptions of form would become practically superfluous.

59. Both kinds of Offices could save part of the cost of publishing. If the international publication is in their national language, they could forgo republication altogether, or they could decide to publish only the abstracts in their national gazettes. This solution could be chosen even by countries which have a different language: they might find it sufficient to publish, in their national language, abstracts only, and to keep the complete translations in their files, copies of which could be ordered by anyone who, on the basis of the abstracts or the full foreign texts, became interested.

60. The proposed system would not diminish the revenues of Patent Offices unless they voluntarily decided to give a rebate on national fees in consideration of the savings they would make through the PCT and in order to make the PCT route more attractive to the applicant. Such rebates would be more than offset by savings in expenditure thanks to the PCT. In any case, the most " profitable " source of revenue of most national Offices is the renewal fees. The system would not touch these fees either, unless, again, voluntary rebates are accorded.

For the Inventor or Applicant

61. Applicants — that is, inventors or their employers or assignees — would have more time to make up their minds as to the foreign countries in which they want to seek protection, and they would have to spend much less money in the pre-grant (or pre-denial) stage than at present.

62. Today, an applicant must start preparations for filing abroad three to nine months before the expiration of the priority period. He must prepare translations of his application and must have them put in a more or less different form for each country. Under the proposed system, the applicant, within the priority year, would make only one application (the international application), which may be identical both as to language and form with his own national application, or which involves one — and only one — translation and redrafting. True, the cost of further translations will eventually have to be met, but only eight or more months later than under the present conditions, and only if, having seen the international search report, the applicant is still interested in the countries concerned. Moreover, the — even greater — cost of redrafting (recasting as to form and expression) for each and every country will, even later, either not arise at all or only to a limited extent (when the claims are amended or the description is changed).

63. The international search report would help the applicant to make up his mind whether it is worth while continuing his efforts. If he decides that it is not, he will save all subsequent costs, including the fee for a demand for an international preliminary examination report.

64. The international preliminary examination report would further help the applicant to make up his mind whether to press for national patents. And if the report is unfavorable, he will think twice before pressing for national patents.

65. All the applicants residing in a country whose national Office is a Preliminary Examining Authority would be able to conduct their dialogue concerning the issuance of the international preliminary examination report with the Office with which they are most *familiar* and which is geographically *near*, and in their own *language*.

66. Even those applicants not residing in such a country would frequently be able to use an Authority in which they have special confidence (for example, the International Patent Institute), which may be nearer than most of the countries in which they seek protection, and in a language which may be their own but, in any case, is a world language, generally known in scientific and technological circles.

67. It is true that, where complications arise, the applicant might have to operate, as he does today, in unfamiliar and distant Offices and in languages with which he is totally unfamiliar. But by that time he would have in his arsenal an international search report and possibly an international preliminary examination report, both of international standing. He, too, would have a " flying start."

For Developed Countries

68. Developed countries have relatively great numbers of inventors. They would constitute the majority of applicants. The savings achieved for the applicant, described above, would thus save an outflow of money from their countries.

69. By allowing stronger patents to be obtained (particularly in non-examining, developing countries) with less effort and cost, the proposed system would probably induce inventors to seek protection in more countries, and for more inventions than at the present time. This would expand the export and investment potential of the developed countries to which these inventors belong.

For Developing Countries

70. Most developing countries have a non-examining system. Whereas in developed countries the chances of granting worthless patents are diminished by the expertise both of the patent attorneys or agents assisting the applicant and of the courts, in many developing countries these safeguards are to a large extent missing. The need for examination is thus greater in developing countries but, because of the scarcity of technically trained persons and adequate documentation, and

because of the high cost of examination, such countries are even less in a position to introduce an examining system — even if they joined efforts on a regional basis — than developed countries.

71. The proposed system offers a clear and simple solution to this problem which a notable report of the United Nations Secretariat called the "dilemma [of the Governments of most developing countries] between the dangers of a distorted patent system and the practical difficulty, if not impossibility, of marsballing the broad range of highly qualified technicians and scientific source materials which would be needed to permit an adequate novelty seach" (UN document E/4319 of March 27, 1967, page 24).

72. The solution resides in the fact that, under the proposed system, the developing countries would not need the persons and materials to make a novelty search because that search — and, even more, the preliminary examination — would be effected by the International Searching and Preliminary Examining Authorities; the solution further resides in the fact that their patent systems will not be "distorted" because applications accompanied by international preliminary examination reports would give a high degree of reliability to their patent grants. In fact their patents would generally be just as reliable, justified, and strong, as those of the most developed countries with the most sophisticated corps of patent examiners.

73. Naturally, the proposed system would not only protect developing countries against granting patents to foreign applicants who do not deserve them and who could thus have imposed "unjustified monopoly restrictions" *(ibidem)* on their national economy, but it would also ensure that their own inventors and industrialists receive patents on which they can rely and which will not crumble when foreign competitors attack them or enter the market.

74. Developing countries, by being able to offer meaningful protection to foreign entrepreneurs owning patented technology, would find such foreign entrepreneurs more willing to transfer (sell or license) the said technology and would, in general, attract more foreign investment. The industrialization of such countries would thereby be accelerated.

75. Developing countries would derive a special benefit from the proposed system as far as technical documentation is concerned. Assembling, and using, the world's patent literature — a source *par excellence* of recent and valuable technological information — are costly, unwieldy, and present practically insuperable language problems. The proposed system would make available, in the form of applications accompanied by search reports and possibly also preliminary examination reports and easy-to-handle technical abstracts, the cream of the inventions, classified according to branches of technology, and in world languages.

For Technological Information in General

76. For developed countries, the problems referred to in the preceding paragraph are perhaps not insuperable. But even for them, the proposed system would, as a kind of by-product, make access to most of the patent literature very much easier and cheaper than under existing conditions.

For the Public

77. The proposed system would give substance to the much quoted principle according to which applicants are granted patents in exchange for disclosure. Such disclosure, in the present system, frequently occurs only many years after the date of the application, that is, at a time when the disclosure no longer reveals anything new. In the proposed system, this could happen only under the most unusual circumstances, that is, when none of the designated States provides for the publication of applications. In most cases, at least one of the designated countries will provide for publication after the expiration of 18 months from the priority date and, in all such cases, disclosure would take place then in the form of the international publication of the application in one of the world languages, with abstracts at least in English and French, and probably other languages as well.

For the Patent System in General

78. The patent system, as it exists today, is much criticized. It is said to be wasteful of human talent, expensive, slow, and to yield in the different countries patents of such different value that they do not even deserve to be called by the same name.

79. No attempt is made here to form a judgment on these accusations. But it is beyond doubt that the proposed system, by eliminating considerable duplication in work, would avoid useless operations and diminish the cost of prosecuting patent applications. It is also certain that the proposed system would generally shorten the time required for examination and the issuance of patents and would thus also shorten the period during which the applicant, would-be licensees, and competitors, live in uncertainty, not knowing whether patents will issue or not. It is also to be anticipated that the proposed cooperation would make the value of patents more uniform.

80. Should one therefore succeed in making the seeking and granting of patents simpler and cheaper, and in making the value of patents issued by different countries more similar and, generally, stronger, one would not only have answered the criticisms levelled against the existing situation, but one would have made the patent system more useful. It would then be accepted in countries which are skeptical about its general usefulness, and it would be put to better use in countries where it exists. All this should contribute to the development of technological progress, which is so urgently needed to improve the living conditions of most of mankind.

Other Efforts for International Cooperation in the Patent Field

81. The drafters of the plan found much inspiration in the plans and achievements of the last two decades in the field of international patent cooperation.

82. The International Patent Institute and the International Patent Classification are, in themselves, elements without which it would be much more difficult to imagine the proposed system.

83. Work on the "European Patent" plan and the Nordic Patent System, as well as the work of the Council of Europe,

were constantly kept in mind when working on the present proposals. Much is due, in these proposals, to the years of study which have been carried out in these circles.

84. It should be emphasized, however, that the proposed system is fundamentally different from the plan of the six member States of the European Economic Community. Whereas the draft Convention of the "Six" establishes an international patent, an international court procedure for judging the validity of the patent, and other provisions *after* the patent is granted (rules on duration, nullity, compulsory and other licenses, rules on infringement and its repression), the PCT draft deals with none of these subjects. It establishes no international patent; it establishes no international court; it contains no rules whatsoever on matters arising after the grant. The grant itself would remain under the exclusive sovereignty of each Contracting State.

85. Thus, the scope of the PCT proposal is much narrower. The proposed Treaty deals only with the phases of application and examination. For its implementation, it relies mainly on existing facilities. The work of searching and examination would, at least initially, be decentralized.

86. Notwithstanding the differences between the PCT proposal and the plans of the European "Six" and the Nordic countries, the former is not in conflict with either of the latter, both of which could be put into effect before or after the PCT as proposed.

ICIREPAT
Enlarged Transitional Steering Committee
Second Session
(Geneva, June 28, 1968)

Note *)

The Second Session of the Enlarged Transitional Steering Committee of the Committee for International Cooperation in Information Retrieval Among Examining Patent Offices (ICIREPAT) (hereinafter referred to as "the Committee") met at the Headquarters of BIRPI in Geneva on June 28, 1968. The list of participants it attached to this Note.

Assessment of Program. — The Committee decided that the first task to be accomplished in ICIREPAT's new framework should be an appraisal of the program of ICIREPAT, in particular the program concerning shared systems. Proposals as to the method of carrying out this appraisal will be made to the September 1968 Session of the Executive Committee of the Paris Union.

Program Until End of 1969. — The Committee discussed the progress that may be expected in the shared use systems during the 18-month period between July 1, 1968, and December 31, 1969. Since some of the participants wished to consider further the exact measure of commitments they could make for the said period, the Committee decided to return to these questions at its next session.

*) This Note has been prepared by BIRPI on the basis of the official documents of the session.

I. States

Germany (Federal Republic)

Mr. K. Haertel, President, German Patent Office, Munich.
Mr. R. Singer, Leitender Regierungsdirektor, German Patent Office, Munich.
Mr. G. Gehring, Regierungsdirektor, German Patent Office, Munich.

Japan

Mr. Y. Aratama, Director General, Japanese Patent Office, Tokyo.
Mr. T. Sakai, First Secretary, Permanent Delegation of Japan, Geneva.
Mr. K. Otani, Chief Trial Examiner, Japanese Patent Office, Tokyo.

Netherlands

Mr. G. J. Koelewijn, Member of Patent Board, Netherlands Patent Office, The Hague.

Sweden

Mr. T. Gustafson, Deputy Director, National Patent and Registration Office, Stockholm.

Union of Soviet Socialist Republics

Mr. V. Obukhov, Deputy Director of the Patent Information Institute, Committee for Inventions and Discoveries, Moscow.

United Kingdom

Mr. G. Grant, C. B., Comptroller-General of Patents, Designs and Trade Marks, Patent Office, London.
Mr. E. Armitage, Assistant Comptroller, Patent Office, London.

United States of America

Mr. E. J. Brenner, Commissioner of Patents, Patent Office, Department of Commerce, Washington, D. C.
Mr. G. D. O'Brien, Assistant Commissioner, Patent Office, Department of Commerce, Washington, D. C.
Mr. H. J. Winter, Assistant Chief, Business Practices Division, Department of State, Washington, D. C.

II. Intergovernmental Organization

International Patent Institute (IIB)

Mr. L. F. W. Knight, Counsellor in Information Retrieval, The Hague.
Mr. P. van Waasbergen, Technical Director, The Hague.
Mr. R. Weher, Head of Division, The Hague.

III. Chairmen of Advisory Board for Cooperative Systems and Standing Committees

Miss I. Schmidt (Patent Office of Denmark), Chairman STAC I.
Mr. P. van Waasbergen (IIB), Chairman STAC II.
Mr. J. J. Hillen (Patent Office of the Netherlands), Chairman STAC III.
Mr. J. Dekker (Patent Office of the Netherlands), Chairman ABCS.

IV. United International Bureaux for the Protection of Intellectual Property (BIRPI)

Professor G. H. C. Bodenhausen, Director.
Dr. Arpad Bogsch, Deputy Director.
Mr. Klaus Pfanner, Counsellor, Head of the Industrial Property Division.
Mr. H. Pfeffer, Consultant in Information Retrieval, Industrial Property Division.

V. Officers of the Meeting

Chairman: Mr. G. Grant, C. B. (United Kingdom)
Vice-Chairman: Mr. Y. Aratama (Japan)
Secretary: Dr. Arpad Bogsch (BIRPI)

First Year of Application of the Nice Act of the Madrid Agreement Concerning the International Registration of Marks

By Ch.-L. MAGNIN, Deputy Director, BIRPI

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I. Entry into Force of the Nice Act

On December 15, 1966, the Nice Act of the Madrid Agreement Concerning the International Registration of Marks entered into force.

Signed on June 15, 1957, this Act provides, in Article 12, that it will enter into force among the countries which have ratified it or acceded to it two years after the Government of the Swiss Confederation has notified the countries of the Madrid Union of the deposit of the twelfth instrument of ratification or accession. This twelfth notification took place on December 15, 1964 (see *Industrial Property*, 1964, pages 254 and 255). At that date, the Governments of eleven countries had ratified the signatures affixed in their names to the Nice Act. These were the Governments of Belgium, Czechoslovakia, France, Germany (Federal Republic), Italy, Luxemhourg, Monaco, Netherlands, Portugal, Spain, and Switzerland. Rumania, for its part, had hecome party to the Nice Act through accession. It should be added that the German Democratic Repuhlic had also made a declaration of accession to the Nice Act, but the countries of the Madrid Union were not — and are still not — in agreement as to the validity of this declaration. In any event, the conditions required for the entry into force of the Nice Act among the above-mentioned countries were fulfilled as of December 15, 1966. In the course of the two-year period which elapsed between December 15, 1964, and December 15, 1966, three other countries acceded to the Nice Act: Yugoslavia through ratification and the United Arab Repnblic and San Marino through accession.

II. Concomitant Application of the Nice and London Acts

The Nice Act thus became effective as from December 15, 1966. At that time, however, there were still six countries bound solely by the London Act, namely: Austria, Hungary, Liechtenstein, Morocco, Tunisia, and Viet-Nam.

It was the London Act, too, that was applicable in relations between those six countries and the countries party to the Nice Act, with the exception of Spain which — as was permitted under Article 12(4) of the Nice Act — had denounced the London Act with effect from December 15, 1966.

As a result of this situation, the implementation of the Madrid Agreement was fraught with administrative difficulties as well as with legal difficulties, and it was with the intention of solving these difficulties that the single set of Transitional Regulations, valid for both the Nice Act and the London Act, was drawn up for use as long as the two Acts should coexist. In 1967, the difficulties arising from this coexistence were somewhat diminished by three new accessions to the Nice Act on the part of countries formerly bound by the London Act. These accessions were the result of ratifications dated March 23 for Hungary, May 29 for Liechtenstein, and August 28 for Tunisia. Nevertheless, at December 31, 1967, there were three countries that remained bound exclusively by the London Act, namely: Austria, Morocco and Viet-Nam. It should be pointed out that, as a result of Spain's abovementioned denunciation of the London Act, international registration coming from countries party only to the London Act and effected after December 14, 1966, have no validity in Spain and, conversely, international registrations from Spain effected after November 14, 1966, have no validity in the countries bound by the London Act alone.

III. Registrations and Renewals

During the period from January 1, 1967, to January 1, 1968, there were 9,503 international registrations and 689 renewals of registrations, or a total of 10,192 operations spread out over the individual months as follows:

January	239	May	889	September	951
February	450	June	1,131	October	995
March	955	July	1,148	November	846
April	669	August	902	December	1,017

These figures are considerably lower than those for 1966, during which time BIRPI had recorded in its registers 24,259 international registrations and renewals, broken down as follows: registrations 17,195; renewals 7,064. This was an exceptional situation, however, caused by the fact that a great many registrants throught it wise, so as to avoid paying the higher fees prescribed in the Nice Act, to go ahead with registrations and renewals that normally would have been made only later on. For purposes of comparison, the annual totals of international registrations and renewals effected in the five years preceding the exceptional year of 1966 are given below:

1961:	12,079
1962:	12,872
1963:	14,193
1964:	14,423
1965:	14,596

Renewals accounted for an average of 15 % of these figures. For information's sake it might be mentioned that in the first six months of 1968 the total figures for registrations and renewals were the following:

January	1968:	1,042
February	1968:	1,004
March	1968:	988
April	1968:	925
May	1968:	932
June	1968:	841
	Total	5,732

This total figure of 5,732 includes 998 renewals. As regards the 9,503 registrations effected in 1967, the basic international fee was not always paid for the full period of validity. In the case of 1,648 of these registrations, the fee was paid only for a 10-year period, as is permitted under Article 8(7) of the Nice Act, which in this respect retains the corresponding provision of the London Act. In 1977, a complementary fee will thus have to be paid for all of these registrations to prevent them from heing removed from the BIRPI registers. The same complementary fee was paid in 1967 in respect of 1,892 registrations effected in 1957; these registrations will consequently remain valid until 20 years have expired from the date of registration.

As to the 689 renewals made in 1967, there were 70 which henefited from the period of grace provided in Article 7(5) of the Nicc Act. It should he noted that such a provision did not exist in the London Act.

IV. Extensions of Protection
(Articles 3bis and 3ter of the Nice Act)

The 10,192 registrations and renewals recorded in 1967 did not automatically extend to all countries party to the Madrid Agreement, as would have heen the case under the London Act. The Nice Act, in fact, adopts a sort of middle term between the system of international registration unity and that of territorial limitation, which is supported hy a number of countries for reasons that are more administrative and financial than doctrinal. According to Article 3bis, "Any contracting country may, at any time, notify the Government of the Swiss Confederation in writing that the protection resulting from the international registration shall not extend to that country unless the proprietor of the mark expressly requests it." At the date of the entry into force of the Nice Act, six countries had already sent such notifications to the Government of the Swiss Confederation, namely: Belgium, Luxembourg, Monaco, Netherlands, Portugal, Spain. In 1967, five more notifications were sent to the Government of the Swiss Confederation pursuant to Article 3bis, which thus also became applicable to the United Arah Repuhlic on March 1, to Rumania on June 10, to Italy on June 14, to Tunisia on August 28, and to the German Democratic Repuhlic on October 25, in so far as the memhership of the German Democratic Repuhlic in the Madrid Union is recognized.

Consequently, the 10,192 registrations and renewals recorded in 1967 are only automatically effective in countries of the Madrid Agreement which, on the date of such registrations and renewals, had not yet acceded to the Nice Act or, having acceded to that Act, had not availed themselves of the possihility provided in Article 3bis. At December 31, 1967, the only countries falling into the latter category were Czechoslovakia, France, Germany (Federal Repuhlic), Hungary, Liechtenstein, San Marino, Switzerland, and Yugoslavia.

In 1967, requests for extension of protection to countries which had availed themselves of the provisions of Article 3bis of the Nice Act were made in respect of 9,867 registrations and renewals emanating from countries bound hy that Act. These requests for extension, numbering 53,817, were made in the great majority of cases at the same time as the application for registration or renewal was filed.

Some, however, were made at a later date, as is permitted in Article 3ter(2) of the Nice Act.

The break-down, according to territory benefiting from the provisions of Article 3bis, of these 53,817 requests for extension of protection made in respect of the 9,867 registrations and renewals originating from countries party to the Nice Act is shown in the tahle helow. The territories are listed in the descending order of the number of requests for extension concerning them.

Belgium	8,064	United Arab Republic	3,953
Netherlands	7,645	Italy	3,570
Luxembourg	7,360	Rumania	2,710
Spain	7,083	Tunisia	1,099
Portugal	6,503	Germany (Dem. Rep.)	297
Monaco	5,533		

It should perhaps he observed, however, that, as has already been mentioned, the United Arah Repuhlic, Italy, Rumania, Tunisia, and the German Democratic Republic, henefited from the provisions of Article 3bis of the Nice Act for only part of the year 1967, and that the length of the period involved differs according to each case.

To give an exact idea of what the situation might have heen had all of the ahove territories heen in a position to henefit from the provisions of Article 3bis throughout 1967, the ahove statistics should he adjusted, hy extrapolation, to the whole of the year as far as those territories are concerned. This adjustment gives the following figures:

Belgium	8,064	Monaco	5,533
Netherlands	7,645	Rumania	4,854
Luxembourg	7,360	United Arab Republic	4,743
Spain	7,083	Tunisia	3,175
Portugal	6,503	Germany (Dem. Rep.)	1,591
Italy	6,315		

An examination of this tahle clearly shows that the registrants make a certain geographical selection when they request an extension of protection. In this regard, the obligation to pay a fee of 25 Swiss francs for each request for extension certainly plays a role. It can he seen, however, that over 50 percent of the registrations and renewals are accompanied hy requests for extension to nine countries, namely: Belgium, Netherlands, Luxemhourg, Spain, Portugal, Italy, Monaco, Rumania and the United Arah Repuhlic. This Article has thus produced only part of the effect that had been expected of it. Perhaps an increase in the fee payahle for each request for extension would enahle it to play its role more fully.

V. Date of Registrations

As concerns the date of registrations, the implementation of the Nice Act has also involved considerable changes in the practice formerly followed by BIRPI in conformity with the London Act.

Under the London Act, an international registration was effected on the date on which BIRPI was in possession of a regular, complete application, as well as of the prescribed fees. Two provisions introduced into the Nice Act have, however, caused what was once the rule to become the exception.

The first of these provisions is that of Article 3(4) according to which "the registration shall bear the date of the application for international registration in the country of origin provided that the application has been received by the International Bureau within a period of two months from that date."

The second of these provisions is that of Article 8(3) which, applied in conjunction with that of Article 8(1) of the Transitional Regulations, results in the fact that the retroactivity of two months provided in Article 3(4) of the Nice Act may, in some cases, be extended to three months.

In 1967, these provisions were applied to 82 percent of the applications for registration. This means that in all of these cases the international registrations bore a date that was appreciably earlier than the actual date on which they were effected. This date is, of course, valid only for the countries party to the Nice Act. For countries bound by the London Act alone, the date of these registrations must be determined without taking any retroactivity into account. Hence, the registrations were effected and published with two dates, one corresponding to the provisions of the Nice Act and the other to those of the London Act.

VI. Notice of Refusal (Article 5)

The retroactivity resulting from the above-mentioned provisions of the Nice Act has consequently cut into the amount of time (12 months starting from the date of the international registration) national Offices have, under Article 5 of the Madrid Agreement, in which to refuse to protect a registered mark. At the meeting of the Ad Hoc Conference of Directors of the National Industrial Property Offices of Countries Party to the Madrid Agreement, held in May 1966, the Spanish Delegation had drawn attention to the consequences of this situation (see *Industrial Property*, 1966, page 131). Thus, during the year 1967, quite a number of refusals of protection from the Spanish Office had to be transmitted by BIRPI to the addressee with the following note:

"The Head of the Spanish Industrial Property Registry has found that, in pursuance of the provisions contained in Article 3(4) of the Nice Act, as well as in the articles of the Transitional Regulations relating to defective applications for registration that are either incomplete or irregular, an international registration has in certain cases borne a date which is several months earlier than that on which it was actually effected and, all the more so, than that on which it was published. He felt that the purpose of these provisions was not to shorten the period of time fixed at one year by Article 3(2) of the Agreement and should not have such effect. Under the circumstances, he felt that these provisions should be interpreted to imply that the contracting countries have the possibility to consider that the date of the international registration which is to serve as the starting point in calculating that period is the date of the publication of the registration in question in the periodical *Les Marques Internationales*.

International registration No . . . . . is dated . . . . . It was published on . . . . . According to the interpretation of the Spanish Office, the notice of refusal concerning this registration was dispatched within the time limits."

The number of notices of refusal emanating from the various Offices pursuant to either the Nice Act or the London Act of the Madrid Agreement totalled 48,101 in 1967. This extremely high figure is explained by the fact that these refusals relate to registrations made in 1966 which, for the reasons indicated above, were much more numerous than usual. For purposes of comparison, we would indicate that in the five years prior to 1967, the annual number of refusals of protection was as follows:

1962:	29,409
1963:	34,191
1964:	33,301
1965:	32,912
1966:	35,932

Naturally, the refusals to register marks come from Offices which subject marks to examination, and the number of refusals depends on the system of examination in force in each country. The following table shows the geographical break-down, in decreasing order, of refusals of protection notified to BIRPI:

Spain	11,278	Hungary	1,346
Germany (Fed. Rep.)	8,223	Switzerland	660
Netherlands	7,999	United Arab Republic	466
Germany (Dem. Rep.)	6,089	Greece	320
Czechoslovakia	5,737	Yugoslavia	237
Austria	2,976	Marocco/Tangier	17
Portugal	2,758		

VII. Application of the International Classification to Registrations and Renewals

The provisions prescribing the application of the international classification to registrations and renewals are among the new provisions of the Nice Act. The system of registration by class comprises two elements: firstly, the application for registration should include an indication of the classes of the international classification in which the goods or services in respect of which the mark is applied should be classified; secondly, in the application the goods or services should be grouped according to those classes. It is up to the applicant to see to this. If he does not, then both of these tasks must be performed by BIRPI, which is authorized to collect a special classification fee if the application comes from a country party to the Nice Act. The classification determined by the applicant is controlled by BIRPI, such control being carried out, under the terms of the Nice Act, in association with the Office of the applicant's home country.

Thus, in 1967, there were 1,481 cases concerning which BIRPI had to contact national Offices because of classifications which it thought were defective. These dealings often involved a great deal of correspondence, which shows the considerable amount of work involved in this additional task allotted to BIRPI under the Nice Act. The latter Act provides that, in the event of disagreement between BIRPI and a national Office, the opinion of BIRPI shall prevail; however, save for exceptional cases, the classification has always finally been established by common agreement. Moreover, certain national Offices restrict themselves to communicating the applicants' proposals to BIRPI and take no stand on these proposals. It might be added that the work of classification

falling to BIRPI concerns not only the registrations themselves, but also, pursuant to Article 7(3) of the Nice Act, the renewals of registrations that expired in 1967. The task of classification has turned out to be even more difficult for renewals than for registrations, in view of the fact that the lists of goods for registrations made under the London Act were often rather vague and, under the terms of Article 7(2) of the Nice Act, such lists cannot be altered at the time of renewal.

VIII. Transfers

There were 1,947 transfers recorded in respect of the registrations thus made in 1967. Most of these transfers, numbering 1,852, are total transfers, that is, they affect all of the countries and all of the goods or services to which the registration applies. The others, numbering 95, are only partial transfers. Of the partial transfers, 80 affect certain countries only, 11 concern certain goods or services, and 4 relate both to certain goods and services and to certain countries. It should be noted that in 1967, in conformity with the provisions of the Transitional Regulations applying to both the London and Nice Acts of the Madrid Agreement, partial transfers regarding countries were no longer made by cancelling the international registration in question as concerns such countries and then having a national registration filed for the same mark in each such country, but by recording in the BIRPI registers a new international registration the effects of which extend only to the countries in respect of which the mark was assigned. The new international registration resulting from the transfer and entered in the name of the assignee will subsist only for the duration of the period of validity of the original registration, which remains recorded in the name of the assignor. This latter provision is also applicable in cases of new international registrations deriving from a partial transfer concerning the goods.

With respect to transfers from country to country, Article 9bis of the Nice Act provides, "If the transfer has been effected before the expiration of a period of five years from the international registration, the International Bureau shall seek the consent of the Administration of the country of the new proprietor." The obligation to seek the consent of the assignee's country was taken from the London text of Article 9bis of the Agreement. Such an obligation was required because, under the London Act, a transfer involved a change of country of origin, which became that of the assignee instead of that of the assignor. As a result, it was necessary to ensure that the international registration would find a new basis in the assignee's country, and this was the reason why it was essential to seek the consent of the Office of that country. According to the provisions of the Nice Act, however, the country of origin always remains that of the assignor and the international registration is thus based on the national registration in that country throughout the five-year period during which there is a link between the registration in the country of origin and the international registration. The above-mentioned provision of Article 9bis of the Nice Act thus seems to have no legal justification. Nevertheless, because it does exist, BIRPI has had to apply it, and for the 84 partial transfers requested in respect of countries, BIRPI had to seek the consent of the assignee's country. There was a problem, however, as to the starting point of the five-year period referred to in Article 9bis in connection with Article 6(2) of the Nice Act. The Committee of Directors of the National Industrial Property Offices of the Special Madrid Union, set up by the Nice Act, was consulted on the question by BIRPI and expressed its opinion as follows:

> ". . . the Committee was of the opinion that when an international registration was transferred by an assignor established in one country to an assignee established in another country, the period of five years during which, under Articles 9bis and 9ter [Nice Act], BIRPI shall seek the consent of the Administration of the country of the new owner should be calculated in the following manner:
>
> *(a)* for international registrations effected prior to December 15, 1966, the date on which the Nice Act came into force, the period would be calculated as from that date;
>
> *(b)* for registrations effected after December 15, 1966, the period would be calculated as from the date of such registrations." (See *Industrial Property*, 1967, p. 13)."

It was in the conditions specified in the Committee of Directors' opinion that BIRPI sought the consent of the assignee's country when effecting the 84 partial transfers.

IX. Renunciations, Invalidations, and Miscellaneous Operations

In 1967, the implementation of the Nice Act further entailed a great many other operations.

Renunciations in respect of a certain number of countries only affected 1,043 registrations (2,306 in 1966), and renunciations in respect of all countries of the Madrid Union where they were valid affected 448 registrations (439 in 1966). In 520 cases, these renunciations were communicated to BIRPI at the same time as the application for registration itself. In all other cases, these renunciations were made after registration.

BIRPI also noted the cancellation of 401 national registrations (338 in 1966) corresponding to international registrations.

Seventy-six decisions of total or partial invalidation affecting international registrations were recorded in 1967 (108 in 1966). Of these, 64 were of an administrative nature (71 in 1966), and 12 were of a judicial nature (37 in 1966).

Lastly, there were 4,644 miscellaneous operations affecting international registrations. The term miscellaneous operations refers to limitations on lists of goods, changes of company name, changes of address, and any other type of correction made in connection with registrations entered in the international registers.

X. Searches for Anticipation, "Extracts" from the Register and Correspondence

In 1967, BIRPI undertook 3,358 searches for anticipation (4,000 in 1966). Of these searches, 3,229 related to word marks and 129 to device marks. It should be added that there were 65 special searches (87 in 1966) made so as to draw up a list of the marks registered in the name of a certain enterprise.

4,145 "extracts" (certificates of registration) were issued (6,951 in 1966), and 112,003 letters, notices and documents

of various sorts were handled by the international registration service.

XI. Financial Results

The financial results of the first year of application of the Nice Act differ considerably from the results recorded under the London Act. This is due both to the new expenses that the administration of the Nice Act has imposed on BIRPI and to the profound changes that the same Act has brought about in the financial structure of the Agreement.

The London Act, which in this respect merely confirmed earlier provisions, only prescribed a unitary international fee of 150 Swiss francs per registration or, in the case of two or more simultaneous registrations, 100 Swiss francs for each additional registration applied for at the same time as the first, and the regulations for the implementation of that Act stipulated that, having regard to the total international fees and the various accessory charges collected each year, the excess of receipts over expenditure would be divided equally among the contracting States.

The Nice Act provides two changes with respect to the above.

First of all, three categories of fees have been substituted for the unitary international fee:

— a basic fee of 200 Swiss francs, reduced in the case of multiple registrations to 150 Swiss francs for each additional registration applied for at the same time as the first;

— a supplementary fee of 25 Swiss francs for each class of the International Classification, beyond three, in which the goods or services to which the mark is applied will be placed;

— lastly, a complementary fee of 25 Swiss francs per country for any request for extension of protection to a country having availed itself of the benefits of Article 3bis of the Nice Act.

The Nice Act further provides that only the excess of receipts coming from the basic fee and the various charges would be divided equally among the contracting countries. Amounts derived from the supplementary and complementary fees, would be divided, at the end of each year, among the countries party to that Act, in proportion to the number of marks for which protection had been applied for in each of them during that year, this number being affected, in the case of countries that make a preliminary examination, by a coefficient determined by the regulations. This coefficient has been set at three.

The financial provisions applicable to the countries which, in 1967, had not yet acceded to the Nice Act are naturally those of the London Act.

Having regard to the provisions summarized above, the financial results for 1967 were as follows.

The unitary international fees paid by the countries still bound by the London Act and basic fees paid by the countries party to the Nice Act did not add up to a total sum sufficient to cover the expenses imposed on BIRPI by the international registration of marks and especially by the higher costs involved in implementing the Nice Act. A deficit of 185,157 Swiss francs resulted in 1967. Under the circumstances, no distribution could be made to the countries in respect of the unitary international fee or the basic fee. Steps must naturally be taken to remedy this situation during the next financial years.

The sum redistributed in supplementary and complementary fees totalled 1,469,875 Swiss francs.

XII. Conclusion

These are the principal results of the first year's application of the Nice Act. It is, of course, still too early to express any opinion as to the merits of the changes this Act has made in the Madrid Agreement. It is already apparent, however, that the administration of the Agreement will be more cumbersome and more complicated, and therefore more costly, than has hitherto been the case.

LEGISLATION

REPUBLIC OF SOUTH AFRICA

Act

to Consolidate and Amend the Law Relating to Designs
(No. 57, 1967)

(Afrikaans text signed by the State President)
(Assented to 1st May, 1967)

Be it enacted by the State President, the Senate and the House of Assembly of the Republic of South Africa, as follows:—

Definitions

1. — (1) In this Act, unless the context otherwise indicates—

(i) "article" means any article of manufacture and includes any part of an article; (i)

(ii) "assignee" includes the personal representative of an assignee; and any reference to the assignee of any person shall be construed as including a reference to the assignee of the personal representative of that person; (xvi)

(iii) "convention country," in relation to any provision of this Act, means a country in respect of which there is in force a proclamation under section 17 declaring such country to be a convention country for the purposes of that provision; (vii)

(iv) "court," in relation to any matter, means any division of the Supreme Court of South Africa having jurisdiction in respect of that matter; (vi)

(v) "date of application" means—

(a) in relation to an additional application which has been ante-dated under section 4 (3) *(b)*, the date to which that application has been so ante-dated;

(b) in relation to an application under section 18, the date on which the application in respect of the relevant design was made in the convention country in question or is in terms of the laws of that country deemed to have been so made; and

(c) in relation to any other application, the date on which the application was lodged at the designs office; (ii)

(vi) "design" means any design applied to any article, whether for the pattern, for the shape or configuration or for the ornamentation thereof or for any two or more of such purposes, and by whatever means it is applied, in so far as such features appeal to and are judged solely by the eye: Provided that any feature of an article in so far as such feature is dictated solely by the function which the article is intended to perform and any method or principle of construction shall be excluded from the rights afforded by this Act; (ix)

(vii) "Minister" means the Minister of Economic Affairs; (viii)

(viii) "patent agent" means a patent agent registered under the Patents Acts, 1952 (Act No. 37 of 1952); (x)

(ix) "patent journal" means the official journal of patents, designs and trade marks of the Republic; (xi)

(x) "personal representative," in relation to any person, includes the legal representative of that person appointed in any country outside the Republic; (xii)

(xi) "prescribed" means prescribed by regulation; (xviii)

(xii) "proprietor," in relation to a design, means—

(a) the author of the design; or

(b) where the author of the design executes the work for some other person, the person for whom the work is so executed; or

(c) where the property in or the right to apply the design has passed to any other person, whether by assignment, transmission or operation of law, such other person; (iii)

(xiii) "register" means the register of designs kept under this Act; (xiii)

(xiv) "registered proprietor," in relation to a design, means the person for the time being entered in the register of designs as proprietor of the design; (iv)

(xv) "registrar" means the registrar of designs appointed under section 3; (xiv)

(xvi) "regulation" means any regulation made or in force under this Act; (xv)

(xvii) "repealed law" means the Designs Act, 1916 (Act No. 9 of 1916); (v)

(xviii) "set of articles" means a number of articles of the same general character ordinarily on sale or intended to be used together, to each of which the same design, or the same design with modifications or variations not sufficient to alter the character or substantially to affect the identity thereof, is applied. (xvii)

(2) Any reference in this Act to an article in respect of which a design is registered shall, in the case of a design registered in respect of a set of articles, be construed as a reference to any article of that set.

(3) Any question arising under this Act as to whether a number of articles constitute a set of articles shall be determined by the registrar, whose decision shall, notwithstanding anything in this Act contained, be final.

Designs office

2. — (1) There shall be established in Pretoria an office to be called the designs office.

(2) The designs office established under section 4*(b)* of the repealed law shall be deemed to have been established under this section.

Appointment of registrar and deputy registrar of designs

3. — (1) The Minister shall, subject to the laws governing the public service, appoint an officer styled the registrar of designs, who shall, subject to the directions of the Minister, be the chief officer in charge of the designs office, and the Minister may, subject to the said laws, appoint a deputy registrar of designs who shall, subject to the control of the registrar, have all the powers conferred by this Act on the registrar, and shall, whenever the registrar is for any reason unable to fulfil his duties, act temporarily in his stead.

(2) The registrar of designs appointed under section 5 of the repealed law shall be deemed to have been appointed as registrar of designs under this Act.

Registration of designs

4. — (1) The registrar may, on application made in the prescribed form and manner by any person claiming to be the proprietor of any new or original design and on payment of the prescribed fee, register the design without modifications or with such modifications as he deems fit.

(2) For the purposes of this Act a design shall be deemed to be a new or original design if, on or before the date of application for registration thereof, such design or a design not substantially different therefrom, was not—

(a) used in the Republic;

(b) described in any publication in the Republic;

(c) described in any printed publication anywhere;

(d) registered in the Republic;

(e) the subject of an application for the registration of a design in the Republic or of an application in a convention country for the registration of a design which has subsequently been registered in the Republic in accordance with section 18.

(3) *(a)* The same design may be registered in more than one class, and, in case of doubt as to the class in which a design ought to be registered, the registrar shall determine such class.

b) If, as a result of a determination by the registrar, a design is required to be registered in any class other than that in respect of which application for registration has been filed, an additional application may be filed in respect of that other class, and may, if so filed within thirty days after the date of

the determination, be ante-dated as of the date of the first application for registration.

(4) The registrar may, if he thinks fit, refuse to register any design presented to him for registration, but only on the ground —

(a) that the design is not a design within the meaning of section 1; or

(b) that the design is not registrable by reason of the provisions of subsection (5); or

(c) that the design is contrary to law or morality; or

(d) that the applicant has not complied with the regulations prescribing the form and manner of an application, and any person aggrieved by any such refusal may appeal to the court which may on such appeal make an order determining whether and, if so, subject to what conditions registration is to be effected.

(5) Designs for articles which are not intended to be multiplied by an industrial process shall not be registrable under this Act.

(6) Where copyright subsists in an artistic work in terms of the Copyright Act, 1965 (Act No. 63 of 1965), the State President may by regulation exclude a corresponding design from registration under this Act, and thereupon the provisions of section 11 of the firstmentioned Act shall not apply in respect of such work.

(7) An application which owing to any default or neglect on the part of the applicant has not been completed so as to enable the registration to be effected within the prescribed time shall be deemed to be abandoned.

(8) A design when registered shall be registered as from the date of the application.

Provisions as to confidential disclosure, etc.

5. — The registration of a design shall not be invalidated by reason only of —

(a) the disclosure of the design by the proprietor to any other person in such circumstances as would make it contrary to good faith for that other person to use or publish the design; or

(b) the disclosure of the design in breach of good faith by any person other than the proprietor of the design; or

(c) the acceptance of a first and confidential order for articles bearing the design; or

(d) the communication of the design by the proprietor thereof to a government department or to any person authorized by a government department to consider the merits of the design, or of anything done in consequence of such a communication; or

(e) the exhibition at an industrial or international exhibition, certified as such by the registrar, or the exhibition elsewhere during the period of the holding of such an exhibition without the privity or consent of the proprietor, of a design or of any article to which a design is applied, or the publication during the holding of any such exhibition of a description of such design, if —

(i) the exhibitor, before exhibiting the design or article or publishing a description of the design, gives the registrar the prescribed notice of his intention to do so; and

(ii) the application for registration is made before or within six months from the date of the opening of the exhibition.

Registration of designs in more than one class

6. — Where a design has been registered in one or more classes, an application by the proprietor to register it in one or more other classes may be made and the registration thereof shall not be invalidated —

(a) on the ground of the design not being new or original by reason only that it was previously registered; or

(b) on the ground of the design having been previously published in the Republic by reason only that it has been applied to goods of any class in which it was so previously registered.

Certificate of registration

7. — (1) The registrar shall issue a certificate of registration to the proprietor of the design when registered.

(2) The registrar may, in case of loss of the original certificate or in any other case in which he deems it expedient, on payment of the prescribed fee furnish one or more copies of the certificate.

Compulsory licence in respect of registered design

8. — (1) At any time after a design has been registered any person who has been unable to obtain a licence on reasonable terms from the proprietor thereof may apply to the court for the grant of a compulsory licence in respect of the design on the ground that the design is not applied in the Republic by any industrial process or means to articles in respect of which it is registered, to such an extent as is reasonable in the circumstances of the case, and the court may make such order on the application as it thinks fit.

(2) An order for the grant of a licence shall, without prejudice to any other method of enforcement, have effect as if it were a deed executed by the registered proprietor and all other necessary parties, granting a licence in accordance with the order.

(3) No order shall be made under this section which would be at variance with any treaty, convention, arrangement or engagement applying to the Republic and any convention country.

Keeping of register of designs

9. — (1) There shall be kept at the designs office a register of designs, wherein shall be entered the names and addresses of proprietors of registered designs, notifications of assignments and of transmissions of registered designs and such other matters as may be determined by the registrar.

(2) The register kept under the repealed law shall be incorporated with and form part of the register kept under this Act.

(3) Subject to the provisions of this Act and tbe regulations, the register of designs sball at all convenient times be open to inspection by the public, and certified copies sealed with tbe seal of the designs office of any entry in the register shall be given to any pcrson requiring them on payment of tbe prescribed fee.

(4) The register of designs shall be *prima facie* evidence of any matters required or autborized by tbis Act to be entered therein.

(5) No notice of any trust, whether express, implied or constructive, shall be entered in tbe register of designs, and the registrar shall not be affected by any sucb notice.

Cancellation of registration

10. — (1) Tbe registrar may, on request by the proprietor in writing accompanied by the prescribed fee, cancel the registration of a design either wholly or in respect of any particular article in connection with which the design is registered.

(2) At any time after a design has been registered any person interested may apply to the court for the cancellation of the registration of the design on any of the following grounds, namely—

(a) tbat the design was not new or original;

(b) that tbe applicant for registration was not the proprietor; or

(c) that the application was in fraud of the proprietor, or on any ground on which the registrar could have refused to register the design, and the court may make such order on the application as it thinks fit.

(3) Where a design registration is cancelled on the grounds of fraud, the court or tbe registrar may on application by tbe proprietor of the relevant design direct the registration of tbat design in his name bearing the same date as the date of tbe registration so cancelled.

Registration of transfer of rights in registered design

11. — (1) Where any person becomes entitled by assignment, transmission or operation of law to a registered design or to a share in a registered design, or becomes entitled as mortgagee, licensee or otherwise to any otber interest in a registered design, be may on payment of tbe prescribed fee apply to the registrar in tbe prescribed manner for the registration of bis title as proprietor or co-proprietor, or, as the case may be, of notice of his interest, in the register of designs.

(2) Without prejudice to the provisions of subsection (1), an application for the registration of the title of any person becoming entitled by assignment to a registered design or a sbare in a registered design, or becoming entitled by virtue of a mortgage, licence or otber instrument to any other interest in a registered design, may be made in the prescribed manner by the assignor, mortgagor, licensor or other party to that instrument, as the case may be.

(3) Where application is made under this section for the registration of the title of any person, the registrar shall, upon proof of title to his satisfaction—

(a) where that person is entitled to a registered design or a share in a registered design, register him in the register of designs as proprietor or co-proprietor of the design, and enter in that register particulars of tbe instrument or event by wbich he derives title; or

(b) where that person is entitled to any otber interest in the registered design, enter in that register notice of his interest, with particulars of the instrument (if any) creating it.

(4) Subject to any rights vested in any other person of which notice is entered in the register of designs, the person or persons registered as the proprietor or proprietors of a registered design shall have power to assign, grant licences under or otherwise deal with the design, and to give effectual receipts for any consideration for any such assignment, licence or dealing: Provided that any person dealing with the registered proprietor otber than as a *bona fide* purchaser or licensee for value and without notice of any fraud on the part of the registered proprietor shall not be protected.

(5) Except for the purposes of an application to rectify the register under section 12, a document in respect of which no entry has been made in the register of designs under subsection (3) of this section shall not be admitted in any court as evidence of the title of any person to a registered design or share of or interest in a registered design unless the court otherwise directs.

Jurisdiction of court to rectify register of designs

12. — (1) The court may, on tbe application of any person aggrieved by the non-insertion in, or omission from, the register of designs of any entry, or by any entry made without sufficient cause or wrongly remaining in such register, or by an error or defect in any entry in such register, give such order for rectifying the register by making, expunging or varying such entry as it may think fit.

(2) In proceedings under tbis section the court may determine any question which it may be necessary or expedient to decide in connection with the rectification of the register.

(3) Notice of any application to tbe court under this section shall be given in the prescribed manner to the registrar, wbo shall be entitled to appear and be heard on the application, and shall appear if so directed by the court.

(4) Any order made by the court under this section shall direct that notice of the order shall be served on the registrar, and the registrar shall on receipt of the notice rectify the register accordingly.

Power of registrar to correct errors.

13. — (1) Where a mistake exists in the register of designs or in any document issued under this Act, by reason of any error or omission on the part the registrar, the registrar may, in accordance with the provisions of this section, correct the mistake, and for that purpose may require the production of the document.

(2) Where the registrar proposes to make any such correction as aforesaid he shall give notice of the proposal to the persons who appear to him to be concerned, and shall give

them an opportunity to be heard before making the correction.

(3) Where a mistake exists in the register of designs or in any application for registration of a design or other document filed in pursuance of such an application or in any proceedings in connection with any design, by reason of an error or an omission on the part of the proprietor of the design or of the applicant for registration of the design, a correction may be made in accordance with the provisions of this section upon a request in writing by the proprietor or applicant concerned on payment of the prescribed fee.

(4) An appeal to the court shall lie from any decision of the registrar under this section.

Duration of registered design

14. — (1) A design registration shall, subject to the provisions of this Act, endure for a period of five years from the date of registration.

(2) If application for the extension of the said period of five years is made to the registrar in the prescribed manner before the expiration of the said period of five years or of such further period (not exceeding six months) thereafter as the registrar may allow, he shall, on payment of the prescribed fee, extend the period for a second term of five years from the expiration of the original period.

(3) If application for extension of such second term is made to the registrar in the prescribed manner before the expiration of such second term or of such further period (not exceeding six months) thereafter as the registrar may allow, he may, subject to the regulations and on payment of the prescribed fee, extend the period for a third term of five years from the expiration of the second term.

Design rights

15. — (1) The person registered as the proprietor of a design shall, subject to the provisions of this Act and to any rights appearing from the register to be vested in any other person, have the exclusive right in the Republic to make, use or vend any article included in the class in which the design is registered, embodying the registered design or a design not substantially different from the registered design.

(2) Subject to the provisions of this Act, the registration of a design shall have the same effect against the State as it has against the subject.

Provisions for ensuring secrecy in respect of designs of value for defence purposes

16. — (1) Where, either before or after the commencement of this Act, an application for the registration of a design has been made, and it appears to the registrar that the design is likely to be valuable for defence purposes, he may give directions for prohibiting or restricting the publication of information with respect to the design, or the communication of such information to any person or class of persons specified in the directions.

(2) Arrangements may be made by the registrar for securing that the representation or specimen of a design in respect of which directions are given under this section shall not be open to inspection at the designs office during the continuance in force of the directions.

(3) Where the registrar gives any such directions he shall give notice of the relevant application and of the directions to the Department of Defence, and thereupon the following provisions shall apply, that is to say—

(a) the Secretary for Defence shall upon receipt of the notice consider the question whether the publication of the design would be prejudicial to the defence of the Republic and shall, unless a notice under paragraph *(c)* of this subsection has previously been given by the Secretary for Defence to the registrar, on application by the applicant concerned reconsider that question before the expiration of twelve months from the date of filing of the application for registration of the design and at least once in every subsequent year if application for such reconsideration is again made by the applicant;

(b) the Secretary for Defence may for the aforesaid purpose, at any time after the design has been registered, or with the consent of the applicant at any time before the design has been registered, inspect the representation or specimen of the design filed in pursuance of the application for registration thereof;

(c) if upon consideration of the design at any time it appears to the Secretary for Defence that the publication of the design would not or would no longer be prejudicial to the defence of the Republic, the Secretary for Defence shall give notice to the registrar to that effect;

(d) upon the receipt of any such notice the registrar shall revoke the directions given by him in terms of subsection (1), and may, subject to such conditions, if any, as he thinks fit, extend the time for doing anything required or authorized to be done by or under this Act in connection with the application for registration of the design in question, whether or not that time has previously expired.

(4) No person resident in the Republic shall, except under the authority of a permit granted by or on behalf of the registrar, make or cause to be made any application outside the Republic for the registration of a design likely to be valuable for defence purposes unless—

(a) an application for registration of the same or substantially the same design has been made in the Republic not less than six weeks before the application outside the Republic; and

(b) either no directions have been given under subsection (1) in relation to the application in the Republic or such directions have been revoked:

Provided that this subsection shall not apply in relation to a design for which an application for protection has first been filed in a country outside the Republic by a person resident outside the Republic.

Proclamations as to convention countries

17. — (1) The State President may, with a view to the fulfilment of a treaty, convention, arrangement or engage-

ment, by proclamation in the *Gazette* declare tbat any country specified in the proclamation is a convention country for the purposes of any or all of the provisions of this Act.

(2) For the purposes of subsection (1) every territory for whose international relations another country is responsible shall be deemed to be a country in respect of which a declaration may be made under that subsection.

Registration of design where application for protection in convention country has been made

18. — (1) An application for registration of a design in respect of wbich protection has been applied for in a convention country may be made in accordance with the provisions of tbis Act by the person by whom the application for protection was made or his personal representative or assignee: Provided that no application shall be made by virtue of this section after the expiration of six months from the date of the application for protection in a convention country or, where more than one such application for protection has been made, from the date of the first application: Provided further that if, after the filing of the first application in a convention country in respect of any design, a subsequent application is filed in that country in respect of the same design, such subsequent application sball be regarded as the first application in that country in respect of that design, if at the time of the filing thereof —

(a) the previous applications had been witbdrawn, abandoned or refused without having been open to public inspection; and

(b) no priority rights have been claimed on the strength of such previous applications; and

(c) no rights are outsanding in the convention country in question in connection witb such previous applications.

(2) An application which has been withdrawn, abandoned or refused shall not after the filing of the subsequent application be capable of supporting a claim for priority rights under this section.

(3) A design registered on an application made by virtue of this section shall be registered as of the date of the application or, where more than one such application for protection has been made, the date of the first such application or, as the case may be, the date of the application which is regarded as tbe first such application: Provided that no proceedings shall be taken in respect of any infringement committed before the date on which the certificate of registration of the design under this Act is issued.

(4) Where a person has applied for protection for a design by an application which —

(a) in accordance with the terms of a treaty subsisting between two or more convention countries, is equivalent to an application duly made in any one of those convention countries or;

(b) in accordance with the laws of any convention country, is equivalent to an application duly made in that convention country,

he shall be deemed for the purposes of this section to have applied in that convention country.

Extension of time for applications in certain cases

19. — (1) If the State Presidcnt is satisfied that provision substantially equivalent to the provision to be made by or under this section has been or will be made under the law of any convention country, he may by proclamation in the *Gazette* make regulations empowering the registrar to extend the time for making application under section 18 (1) for registration of a design in respect of which protection has been applied for in that country in any case where the period specified in tbe first proviso to that subsection expires during a prescribed period.

(2) Regulations made under this section may —

(a) where any agreement or arrangement has heen made between the government of the Republic and the government of the convention country for the supply or mutual excbange of information or articles, provide, either generally or in any class of case specified in the regulations, that an extension of time shall not be granted under this section unless the design has been communicated in accordance with the agreement or arrangement;

(b) either generally or in any class of case specified in the regulations, fix the maximum extension of time which may be granted under tbis section;

(c) prescribe or allow any special procedure in connection with applications made by virtue of this section;

(d) empower the registrar to extend, in relation to an application made by virtue of this section, the time limited by or under tbe foregoing provisions of this Act for doing any act, subject to such conditions, if any, as may be imposed by or under the regulations;

(e) provide for securing tbat the rights conferred by registration on an application made by virtue of this section shall be subject to such restrictions or conditions as may be specified by or under the regulations and in particular to restrictions and conditions for the protection of persons who, otherwise than as the result of a communication made in accordance with such an agreement or arrangement as is mentioned in paragraph *(a)* of this subsection, and before the date of tbe application in question or such later date as may be allowed by the regulations, may bave imported or made articles to which the design is applied or may have made an application for registration of the design.

Protection of designs communicated under arrangements with other countries

20. — (1) Subject to the provisions of this section, regulations may be made under this Act for ensuring that, where a design bas been communicated in accordance with an agreement or arrangement made between the government of the Republic and the government of any other country for the supply or mutual exchange of information or articles, —

(a) an application for the registration of the design made by the person from whom the design was communicated, or his personal representative or assignee, shall not be prejudiced, and the registration of the design in pursuance of such an application shall not be invalidated, by

reason only that the design has been communicated as aforesaid or that in consequence thereof —

(i) the design has been published or applied; or

(ii) an application for registration of the design has been made by any other person, or the design has been registered on such an application;

(b) any application for the registration of a design made in consequence of such a communication as aforesaid may be refused and any registration of a design made on such an application may be cancelled.

(2) Regulations made under subsection (1) may provide that the publication or application of a design, or the making of any application for registration thereof, shall, in such circumstances and subject to such conditions or exceptions as may be prescribed, be presumed to have been in consequence of such a communication as is mentioned in that subsection.

(3) The power to make regulations under this section, so far as it is exercisable for the benefit of persons from whom designs have been communicated to the government of the Republic by the government of any other country, shall only be exercised if and to the extent that the State President is satisfied that substantially equivalent provision has been or will be made under the laws of that country for the benefit of persons from whom designs have been communicated by the government of the Republic to the government of that country.

(4) References in subsection (3) to the communication of a design to or by the government of the Republic or the government of any other country shall be construed as including references to the communication of the design to or by any person authorized in that behalf by the government in question.

Certain regulations and action thereunder may have retrospective effect in certain respects

21. — Any regulations made under section 19 or 20 and any order made, direction given or other action taken under the regulations by the registrar may be made, given or taken so as to have effect as respects things done or omitted to be done on or after such date, whether before or after the coming into operation of the regulations or of this Act, as may be specified in the regulations.

Inspection of registered designs

22. — (1) Subject to the provisions of this Act the representations, specimens or drawings of a registered design, including all documents lodged in relation thereto shall, on payment of the prescribed fees, be open to inspection at the designs office on and after the day on which the certificate of registration is issued: Provided that the right of inspection shall not include the right to make a copy of any such representation, drawing or document by mechanical means.

(2) Copies of any such representations, drawings or documents, either certified by the registrar or not so certified, may, on payment of the prescribed fees, be obtained from the designs office.

(3) When an application for the registration of a design has been abandoned or refused, the representations, drawings or other documents shall not at any time be open to inspection at the designs office, but shall, after the expiry of twelve months from the date of application for such registration, on application by the applicant, be returned to him.

Evidence of entries, documents, etc.

23. — (1) A certificate purporting to be signed by the registrar and certifying that any entry which he is authorized by or under this Act to make has or has not been made, or that any other thing which he is so authorized to do has or has not been done, shall be *prima facie* evidence of the matters so certified.

(2) A copy of any entry in the register of designs or of any representation, specimen or document kept in the designs office or an extract from the register or any such document, purporting to be certified by the registrar and to be sealed with the seal of the designs office, shall be admitted in evidence without further proof and without production of the original.

Enforcement of design rights

24. — (1) The registered proprietor shall, subject to the provisions of the proviso to section 18 (3), be entitled to institute proceedings in the court to enforce his rights under this Act, and the court may grant such relief whether by way of damages, interdict or otherwise as it may deem fit.

(2) In proceedings for the infringement of the rights of a proprietor of a registered design, damages or account of profits shall not be awarded against a defendant who proves that at the date of the infringement he was not aware and had no reasonable ground for supposing that the design was registered in the Republic, and a person shall not be deemed to have been aware or to have had any reasonable ground for supposing as aforesaid by reason only of the marking of an article with the word " registered " or any abbreviation thereof or any word or words expressing or implying that the design applied to the article has been registered, unless the word or words are accompanied by the words " Republic of South Africa " or the letters " R.S.A." and by the number of the design, or by such other words or marks as may on application in any particular case have been approved by the registrar and made known in the patent journal.

(3) Nothing in subsection (2) shall affect the power of the court to grant an interdict in any proceedings for infringement of the rights of the proprietor of a registered design.

(4) In any proceedings under this section the court shall have jurisdiction to order the cancellation of the registration of a design on any of the grounds specified in section 10 (2), and any such grounds may be relied upon by way of defence.

Certificate of contested validity of registration

25. — (1) If in any proceedings before the court the validity of the registration of a design is contested, and it is found by the court that the design is validly registered, the court may certify that the validity of the registration of the design was contested in those proceedings.

(2) If any such certificate has been granted, and in any subsequent proceedings before the court for infringement of

the rights of the proprietor of the registered design or for cancellation of the registration of the design a final order or judgement is made or given in favour of the registered proprietor, he sball, unless the court otherwise directs, be entitled to his costs as hetween attorney and client.

Remedy for groundless threats of infringement proceedings

26. — (1) Where any person (whether entitled to or interested in a registered design or an application for registration of a design or not) hy letters, circulars, advertisement or otherwise threatens any other person with proceedings for infringement of the rights of the proprietor of a registered design, any person aggrieved therehy may institute proceedings in the court against him for any such relief as is mentioned in subsection (2).

(2) Unless in any action hrought hy virtue of this section the defendant proves tbat the acts in respect of which proceedings were threatened constitute or, if done, would constitute an infringement of the rights of the proprietor of a registered design the registration of which is not shown hy the plaintiff to be invalid, the plaintiff shall he entitled to the following relief, that is to say —

(a) a declaration to the effect that the threats are unjustifiable; and

(b) an interdict against the continuance of the threats; and

(c) such damages, if any, as he has sustained thereby.

(3) A letter, circular, advertisement or other communication addressed to any person, wbich comprises only a notification of the existence of a particular registered design upon which the proprietor relies for protecting his interests, shall not by itself be deemed to he a threat of an action for infringement.

Appeal to court

27. — (1) Every appeal under this Act against a decision of the registrar sball be to the court.

(2) Notice of any such appeal shall he filed in the court and served upon the registrar within three months after the day on which the decision appealed against was given.

Exercise of discretionary powers of registrar

28. — Without prejudice to any provisions of this Act requiring the registrar to bear any party to proceedings thereunder or to give to any sucb party an opportunity to be heard, the registrar sball give to any applicant for the registration of a design an opportunity to be heard before exercising adversely to the applicant any discretion vested in the registrar by or under this Act.

Registrar may grant extension of time

29. — (1) Where by tbis Act or the regulations anything is required to he done within a prescribed time, and by reason of delay in the designs office the thing is not so done, the registrar may extend the time for the doing of the thing either before or after its expiration, and no fees sball be payable in respect of any extension of time so granted.

(2) In any other case, except in the case of an application referred to in the first proviso to section 18 (1), the registrar may on good cause shown and on payment of the fees prescribed, extend the time specified for the doing of any act, notwithstanding that the time has already expired.

Persons authorized to act in design matters

30. — (1) The registrar shall permit an agent to do on hehalf of the person for whom he is agent any act in connection with registration under this Act or any proceedings relating thereto: Provided that no person other than an advocate or attorney or a patent agent shall be permitted so to act, or, for gain, to furnish advice in relation thereto.

(2) Any person who contravenes the provisions of this section shall be guilty of an offence and liable on conviction to a fine not exceeding two hundred rand or in default of payment to imprisonment for a period not exceeding six months.

Service of notices, etc., by post

31. — (1) Every application for registration of a design shall contain an address for service of process in the Repuhlic, and such address shall he deemed to he the address of the proprietor for all purposes under this Act relating to the application or the registration of the design.

(2) Any notice required or authorized to he given by or under this Act, and any application or other document so authorized or required to be made or filed, may be given, made or filed hy sending it by registered post addressed to the person concerned at his address for service of process.

(3) Where any notice is sent hy the registrar to any person by registered post as aforesaid, the notice shall he deemed to have heen given at the time when the letter containing it would have heen delivered in the ordinary course of post.

Offences in respect of designs required to be kept secret

32. — Any person who fails to comply with any directions given under section 16 or who makes or causes to he made an application for the registration of a design in contravention of that section shall be guilty of an offence and liable on conviction to a fine not exceeding five hundred rand or to imprisonment for a period not exceeding two years or to both such fine and such imprisonment.

Falsification of register, etc.

33. — Any person who makes or causes to be made a false entry in the register of designs or a writing falsely purporting to be a copy of an entry in that register, or produces or tenders or causes to be produced or tendered in evidence any such entry or writing knowing the entry or writing to be false, shall he guilty of an offence and liable on conviction to a fine not exceeding five hundred rand or to imprisonment for a period not exceeding two years or to both such fine and such imprisonment.

Penalty for falsely representing a design as registered

34. — (1) Any person who represents that a design applied to any article sold hy him is registered in the Repuhlic knowing that it is not so registered in respect of that article

shall be guilty of an offence and liable on conviction to a fine not exceeding one huudred rand.

(2) Any person who marks or causes to be marked any article when no such registration subsists shall be guilty of an sisting a registered design in the Republic in respect of such article when no such registration subsists, shall be guilty of an offence and liable on conviction to a fine not exceeding one hundred rand.

Hours of business

35. — (1) The Minister may from time to time by notice in the patent journal fix the hours during which the designs office shall be open for the transaction of public business under this Act, and the registrar may authorize the closing of the designs office for the transaction of such business on any particular day.

(2) Where the time prescribed for doing any act or taking any proceedings expires on a day on which the designs office is not open as aforesaid and by reason thereof the act or proceedings cannot be done or taken on that day, the act or proceedings shall be deemed to be in time if done or taken on the next day on which the designs office is open as aforesaid.

Regulations

36. — (1) Subject to the provisions of this Act, the State President may from time to time, by proclamation in the *Gazette*, make such regulations as may in his opinion be necessary or expedient for giving effect to the provisions of this Act and for the due administration thereof.

(2) Without limiting the general power conferred by subsection (1), regulations may be made under this section for all or any of the following purposes, namely —

(a) for regulating the business of the designs office in relation to designs;

(b) for regulating all matters by this Act placed under the direction or control of the registrar;

(c) for prescribing the form of applications for registration of designs and of any representations or specimens of designs or other documents which may be filed at the designs office, and for requiring copies to be furnished of any such representations, specimens or documents;

(d) for regulating the procedure to be followed in connection with any application or request to the registrar or in connection with any proceeding before the registrar, and for authorizing the rectification of irregularities of procedure;

(e) for regulating the keeping of the register of designs;

(f) for authorizing the publication of representations or specimens of designs and other documents in the designs office;

(g) for prescribing matters to be published in the patent journal;

(h) for prescribing fees to be paid in respect of applications for and registration of designs, copies of documents and all other matters relating to designs arising under this Act;

(i) for prescribing a schedule of classification of goods according to which an applicant for registration of a design shall be required to circumscribe his rights so that each application shall be restricted to one particular class;

(j) for determining the conditions subject to which or the circumstances under which a design shall not be regarded as intended to be multiplied by an industrial process;

(k) for prescribing anything authorized or required by this Act to be prescribed by regulation.

Repeal and transitional provisions

37. — (1) The Designs Act, 1916 (Act No. 9 of 1916), and the Patents, Designs and Trade Marks Amendment Act, 1947 (Act No. 19 of 1947), are hereby repealed.

(2) Subject to the provisions of this Act, any design which is registered or in respect of which an application for registration has been lodged under the repealed law shall, notwithstanding such repeal, be subject in all respects to the provisions of that law, and all rights or liabilities attaching to such registration or application shall be determined in accordance with the provisions of the said law.

(3) Any proclamation issued under the repealed law declaring any country to be a convention country and any regulations made under such law shall continue in operation until repealed or amended by proclamation issued or regulations made under this Act.

Short title and commencement

38. — This Act shall be called the Designs Act, 1967, and shall come into operation upon a date to be fixed by the State President by proclamation in the *Gazette*.

NEWS CONCERNING NATIONAL PATENT OFFICES

The Activities of the United Kingdom Patent Office in 1967

By Edward ARMITAGE

The Comptroller-General's annual report to Parliament for 1967 was published on May 22, 1968. This report covers patents, designs and trademarks, although the interest largely centres, as usual, on patents.

The Patent Office aims to be self-supporting by fees in respect of its services in all three branches of activity. The report shows that, in fact, the fees fell slightly below the cost of the services owing to an inevitable tendency of costs to rise ahead of fee changes. The detailed break-down of patent fees shows that 70 % of the total comes from renewal fees, an indication of the extent to which the cost of the patent examining system is met by the successful patents. Renewal fees are not payable until the fifth year (counting from the filing of the complete specification) and a study of this and earlier reports indicates that, of the patents sealed in any year,

something like 60 % survive to the eighth year, and 16 % to the sixteenth, or last, year.

The general picture on patents is one of continuing difficulty in matching the size of the technical examining staff to the load of patent applications. The statistics in this and earlier reports show that, while the total staff of the Office continues to increase, the examining staff, despite strenuous recruiting efforts, remains stationary in number at about 500. The input of applications calling for examination has, on the other hand, been rising for some years, the rise being attributable almost entirely to an increase in the number of filings from abroad reflecting, apparently, an increasing tendency on the part of industry to protect its inventions in a wider range of countries.

In assessing input movement, some care has to be exercised in reading the figures given in the report. The figures of "Applications Received" are misleading owing to the British system of provisional specifications. A provisional specification establishes a priority date, as does a foreign filing under the Paris Convention, but the examining work is carried out on the complete specification which can be filed up to one year later. A substantial number of provisional specifications are not followed by complete specifications, and it is therefore in terms of complete specifications filed that the examining work load has to be assessed. It can be seen from the statistics in the report that, while applications have risen steadily over the last ten years, filings of complete specifications — which had also been rising steadily — actually fell in 1967. One swallow does not, however, make a summer and it cannot be at all taken for granted that this levelling-off of input will continue in 1968 and succeeding years.

Notwithstanding this slackening of input, the backlog of applications awaiting examination rose during the year by about 2,000, and this despite all efforts over the years to reduce the examining operation to its essentials and to organize the work as efficiently as possible. It is therefore evident that, assuming no improvement in recruiting and even assuming also a steady level of input, the arrears of unexamined applications will climb remorselessly by some 2,000 per annum. If, as must be allowed for, the input resumes its upward movement, the arrears will mount at an accelerating rate.

This is far from being a catastrophic situation. The delay in issuing the first report on an application is at present about 11 months from the filing of the complete specification, and this delay should rise at only quite a slow rate. Nevertheless, this represents a period of 23 months from the priority date in most cases (since most applications are based either on a foreign Convention filing or on a provisional specification), and the situation does not admit of complacency.

It is against this background that the Comptroller has, in reports for the last few years, been sounding a note of warning. He says this year:

> "The backlog of unexamined specifications in the British Office remains much smaller than that in most other Patent Offices, but it seems quite clear that there will have to be some change in the system of examination if the delays are not to reach unacceptable levels."

In this connection, 1967 has seen two developments, referred to in the report, which are of the greatest importance to the future of the British patent system. One was the initiation of the work towards a Patent Cooperation Treaty. If such a treaty can be made operative, it would not only be of benefit to the British Patent Office's customers, but it should also save the Patent Office a considerable amount of work on both search and examination of applications originating abroad (currently about 70 % of the total).

The other big event was the setting up of a Committee to examine and report on the British patent system and patent law. The Chairman of this Committee is Mr. Maurice Banks, who recently retired as a Deputy Chairman and Managing Director of British Petroleum Ltd., and the Committee members are drawn from industry, the universities, the legal and patent professions, and the trade unions. Evidence has been invited from all interested individuals and organizations and the Committee will be looking hard at all aspects of the patent system, particularly with a view to solving domestic difficulties by international collaboration or otherwise. No doubt some of the matters which will receive particular attention are those which are largely peculiar to the British system, for example: "domestic" instead of "absolute" novelty; provisional specifications; *ex parte* examination which ignores "inventive step" and is based on a search confined mainly to fifty years of patent specifications; highly formalized *inter-partes* opposition and revocation proceedings; compulsory licensing of food and drug patents in the public interest; extensions of term of a patent for war loss or inadequate remuneration; and prior secret use as a ground of invalidity of a patent.

Among the numerous international activities mentioned in the report is the work in the Council of Europe on a revision of the Formalities Convention and on further proposals for unification of national laws and practices. This, simultaneously with the Patent Cooperation Treaty proposal and the Banks Committee, has called into question the various aspects of the patent system to what must surely be an unprecedented extent, and all those affected by the system, whether in Government, industry, the professions, or as private inventors, are finding it necessary to scrutinize their most cherished beliefs with a critical eye.

The Banks Committee will naturally take some time to produce its report. In the meantime, the Government will need continuing advice as to matters which require urgent consideration, particularly at Geneva and Strasbourg. To this end, a Standing Advisory Committee was set up in June 1967, under the Chairmanship of Mr. H. R. Mathys, Deputy Chairman of Courtaulds Ltd. The members of this Committee are representative of the industrial, legal and professional bodies which are interested in patents, and the Committee itself is modelled on the earlier Patents Liaison Group which was appointed to study the proposals for a European patent and the Council of Europe Convention of 1963. This is, however, the first time that responsibility for advising the Government on all aspects of patent policy has been centred in one body.

It seems clear that the world's patent systems are in a state of flux. The more sophisticated national examining systems are no longer viable in their old form: witness the

changes in Holland and Germany, those proposed for Australia, and those which are contemplated in the United States. Moreover, developing nations are casting around for workahle systems suited to their own requirements. The United Kingdom is certainly not exempt from this process of self-examination, and it will no douht be seen from suhsequent reports how successful it has been in adapting its own system to the needs of the times.

NEWS CONCERNING INTERNATIONAL ORGANIZATIONS OTHER THAN BIRPI

The International Classification of Patents

The International Classification of Patents for Invention, elaborated under the auspices of the Council of Europe over the last 15 years, will enter into force among the Contracting States on September 1, 1968.

The European Convention on the International Classification of Patents for Invention, signed at Paris on Decemher 19, 1954, entered into force on August 1, 1955. The Convention is now in force between the following 15 countries: Australia, Belgium, Denmark, Federal Repuhlic of Germany, France, Ireland, Israel, Italy, Netherlands, Norway, Spain, Sweden, Switzerland, Turkey, United Kingdom of Great Britain and Northern Ireland.

The need for a uniform international patent classification system has heen felt for years because, without a common system, each incoming specification has to be classified in each national Office according to its national system, and incoming foreign specifications have to he reclassified. Patent specifications and technical literature nowadays constitute a tremendous amount of separate documents which need to he classified exactly. This work is mainly done hy highly qualified examiners and one of the advantages of the international system is to reduce this expense, which is particularly onerous for the smaller national Offices, as no further classification work is needed in respect of foreign patents. Attempts to mechanize searching, and to exchange the results hetween Offices, have shown that the hasis for such work must he a uniform classification system.

At the time that the Convention was drafted, the Committee of Experts on Patents of the Council of Europe recognized that the elahoration of an international patent classification system, designed expressly to facilitate search and examination of patent applications would take a long time. The Convention as signed therefore contained only a classification in hroad outline derived from the German system, whereas the Committee of Experts under Article 2 (1) of the Convention was made responsible for the further elahoration of the classification. The Committee set up a Classification Working Party to prepare this "further elahoration," that is, the further division of the sub-classes into classification units that could eventually meet all practical requirements for international use in search and examination work.

The Working Party consisted of representatives of France, Germany (Fed. Rep.), the Netherlands and the United Kingdom. The work started in 1954 and continued up to November 1967 when the Committee of Experts approved the complete edition of the classification in English and French. A Guide to the classification, intended to facilitate its use and to ensure uniformity in the application of the system, was also approved and the Committee authorized the completion and publication of Catchword Indexes in English, French and German; these will facilitate the task of users of the classification.

The international classification system divides the whole hody of technology, including everything which at least one of the Contracting States regards as proper to the field of patents, into eight Sections. Each of the Sections is subdivided into subsections, classes, and suhclasses, groups and subgroups. The classification symhol used is a code consisting of letters and numhers wherehy a first capital letter pertains to the Section (Sections A to H) followed hy a two-digit number which pertains to the class, and a subsequent small letter pertaining to the subclass. The groups and subgroups are designated hy numhers separated hy an ohlique stroke. Thus a complete symhol, as referred to in Article 3(1) of the Convention, consists of the code as explained ahove, including the relevant code of the group and subgroup, for instance "A 01 c 15/18". The 8 Sections are divided into 115 classes, 607 subclasses, and more than 44 000 groups and subgroups.

By a recommendation of the Committee of Experts on Patents the Contracting States were requested to employ each completed Section at the earliest practicable date after its publication. While some of the Contracting States started at once with the application of complete symbols on their specifications, most of them only printed symbols up to subclass level. The application of complete symbols will, however, be obligatory for all Contracting States six months after the entry into force of the elaborations. An exemption from the obligation to apply the complete symbols is permitted, however, for States which do not classify for novelty examination.

To ensure the further development of the Classification, a system of continuous revision has heen provided. A Classification Subcommittee of the Committee of Experts on Patents will submit proposals for revision to the Committee of Experts for approval every five years. According to Article 2 of the Convention, such modifications, once approved, will enter into force six months after all the contracting parties have heen notified of such approval, unless two of them object. This means that the further development of the system need not he delayed hy the lengthy procedure of ratification hy governments.

This continuous revision is primarily necessary because of the constant development of and changing emphasis in different areas of technology. Further development will also he necessary for the purpose of using the system as a search tool capahle of meeting all practical requirements, particularly as regards its use as a tool complementary to "mechanized searching." Moreover, although the international classification has been worked out hy experts skilled in the

art, modifications may be needed following experience acquired during the introduction of the system, and special adaptations may be necessary for the purpose of mechanized searching.

The international classification is used not only by Contracting States of the Council of Europe but also by a number of other countries which have not adhered to the Convention. Among these are practically all the Socialist States of Europe; the United States of America expects to use it as a secondary classification as from October 1968. At its last meeting, in November 1967, the Committee of Experts on Patents of the Council of Europe agreed that the Classification Convention should be given a more universal character in order to facilitate its world-wide adoption. In particular, States using the international classification should be encouraged to adhere to the Convention while at the same time steps should be taken to ensure that all contracting parties should have an equal status. The Committee requested the Secretariat General of the Council of Europe, together with BIRPI, to study the ways in which this result could be obtained. Consultations to this effect between the two organizations are taking place at present.

The Council of Europe has appointed, as official publishers and printers, a consortium consisting of Morgan-Grampian Books Limited, of London, and Unwin Brothers, Limited, Woking. The publication of the classification should be ready in the two official languages of the Council of Europe, English and French, by September 1968, when the system enters into force [1]).

[1]) All enquiries concerning the publication should be addressed to: Morgan-Grampian Books Limited, 28 Essex Street, London, W. C. 2.

STATISTICS

Industrial Property Statistics for the year 1966

Second Supplement

The statistics for Saudi Arabia which could not be included in the tables published in *Industrial Property*, December 1967, Annex to No. 12, and April 1968, Annex to No. 4 (first supplement), are given below:

Trademarks

	Nationals	Foreigners	Total
Applications for registration filed by	11	359*	370
Registrations granted to	5	299*	304

* Applications filed by foreigners and registrations granted to foreigners, broken down according to country of origin: Australia -/1; Austria 13/1; Belgium 5/-; Bulgaria 1/-; Canada 2/3; Cuba -/1; Czechoslovakia 1/1; Denmark 3/-; Finland 1/-; France 9/15; Germany (Fed. Rep.) 42/28; Germany (Dem. Rep.) 5/18; Greece 2/-; Hong Kong 4/2; India 1/-; Iraq -/3; Italy 17/5; Japan 22/13; Jordan 6/-; Lebanon 1/1; Liechtenstein 20/6; Luxembourg -/1; Netherlands 11/24; South Africa 2/-; Spain 1/1; Sweden 6/1; Switzerland 50/41; Syrian Arab Republic 5/-; United Arab Republic 1/-; United Kingdom 50/68; United States of America 78/64.

Registrations in force at the end of 1965: 2117
Registrations cancelled in 1966: —
Registrations having expired: 314
New registrations granted in 1966: 304
Renewals recorded in 1966: 6
Registrations in force at the end of 1966: 2421

CALENDAR OF MEETINGS

BIRPI Meetings

September 24 to 27, 1968 (Geneva) — Interunion Coordination Committee (6th Session)

Object: Program and Bndget of BIRPI for 1969 — *Invitations:* Argentina, Australia, Austria, Belginm, Brazil, Cameroon, Denmark, France, Germany (Fed. Rep.), Hungary, India, Iran, Italy, Japan, Kenya, Morocco, Mexico, Netherlands, Poland, Portugal, Rumania, Soviet Union, Spain, Sweden, Switzerland, United Kingdom, United States of America

September 24 to 27, 1968 (Geneva) — Executive Committee of the Conference of Representatives of tbe Paris Union (4th Session)

Object: Program and Budget (Paris Union) for 1969 — *Invitations:* Argentina, Anstralia, Anstria, Cameroon, France, Germany (Fed. Rep.), Hungary, Iran, Japan, Kenya, Morocco, Mexico, Netherlands, Poland, Soviet Union, Spain, Sweden, Switzerland, United Kingdom, United States of America — *Observers:* All the other member States of the Paris Union; United Nations

Septemher 24 to 27, 1968 (Geneva) — Committee for International Cooperation in Information Retrieval Among Examining Patent Offices (ICIREPAT) — Enlarged Transitional Steering Committee (3rd Session)

Object: Implementation of the decisions of the 4th Session of the Executive Committee of the Conference of Representatives of the Paris Union — *Invitations:* Germany (Fed. Rep.), Japan, Netherlands, Soviet Union, Sweden, United Kingdom, United States of America — *Observers:* International Patent Institute

Septemher 26 and 27, 1968 (Geneva) — Council of the Lisbon Union for the Protection of Appellations of Origin and their International Registration (3rd Session)

Object: Annual Meeting — *Invitations:* All Member States of the Lisbon Union — *Observers:* All other Member States of the Paris Union

October 2 to 8, 1968 (Locarno) — Diplomatic Conference

Object: Adoption of a Special Agreement Concerning the International Classification of Indnstrial Designs — *Invitations:* All Member States of the Paris Union — *Observers:* States not members of the Paris Union. Intergovernmental Organizations: United Nations; Unesco; Council of Europe. Non-Governmental Organizations: Committee of National Institntes of Patent Agents; Inter-American Association of Industrial Property; International Association for the Protection of Indnstrial Property; International Chamber of Commerce; International Federation of Patent Agents; International League Against Unfair Competition; International Literary and Artistic Association; Union of European Patent Agents

October 7 and 8, 1968 (Geneva) — Committee for International Cooperation in Information Retrieval Among Examining Patent Offices (ICIREPAT) — Standing Committee II

Object: Questions concerning microform — *Invitations:* All member States of ICIREPAT — *Observers:* International Patent Institnte

October 14 to 16, 1968 (Geneva) — Working Gronp on Copyright Problems of Satellite Communications

Object: Exchange of views on the copyright and neighbonring rights problems which might arise from broadcast transmissions by commnnications satellites — *Invitations:* Experts invited individnally and the international and national Organizations concerned

October 21 to November 1, 1968 (Tokyo) — Committee for International Cooperation in Information Retrieval among Examining Patent Offices (ICIREPAT) — Technical Meetings

Object: Questions of technical cooperation in information retrieval — *Invitations:* All member States of ICIREPAT — *Observers:* International Patent Institute; Council of Europe; European Atomic Energy Community; Fédération internationale de documentation

November 25 to 29, 1968 (Geneva) — BIRPI Symposium on Practical Aspects of Copyright (held with the cooperation of the International Confederation of Societies of Authors and Composers — CISAC)

Object: To offer to participants information on practical aspects of copyright protection (collection and distribntion of royalties, organization and working of authors' societies or other bodies, etc.) — *Invitations:* Personalities from developing conntries. Members and officers of authors societies. Individual participants against payment of a registration fee — *Observers:* International Labour Office; Unesco; Council of Europe

December 2 to 10, 1968 (Geneva) — Committee of Experts — Patent Cooperation Treaty (PCT)

Object: New Draft Treaty — *Invitations:* All Member States of the Paris Union — *Observers:* State not member of the Paris Union: India. Intergovernmental Organizations: United Nations; United Nations Industrial Development Organization; United Nations Conference on Trade and Development; International Patent Institute; Organization of American States; Permanent Secretariat of the General Treaty for Central American Economic Integration; Latin-American Free Trade Association; Council of Enrope; Enropean Atomic Energy Community; European Economic Community; European Free Trade Association; African and Malagasy Industrial Property Office. Non-Governmental Organizations: Committee of National Institutes of Patent Agents; Council of European Industrial Federations; European Industrial Research Management Association; Inter-American Association of Industrial Property; International Association for the Protection of Industrial Property; International Chamber of Commerce; International Federation of Inventors' Associations (IFIA); International Federation of Patent Agents; Japan Patent Association; National Association of Manufacturers (U. S. A.); Union of European Patent Agents; Union des industries de la Communauté européenne

Meetings of Other International Organizations Concerned with Intellectual Property

Octoher 31, 1968 (Paris) — International Chamber of Commerce (ICC) — Committee for International Protection of Industrial Property

November 6 and 7, 1968 (The Hague) — International Patent Institute (IIB) — 98th Session of the Administrative Conncil

Decemher 2 to 6 (Lima) — Inter-American Association of Industrial Property (ASIPI) — Congress

January 16 to 18, 1969 (London) — International Writers Guild (IWG) — Executive Committee