

Industrial Property

Monthly Review of the
WORLD INTELLECTUAL PROPERTY
ORGANIZATION (WIPO)

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

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contract or contracts to be concluded by that Government, the UNDP and WIPO for the funding and the execution of the project. The discussions are continuing.

CUBA

The Government of Cuba has requested the assistance of the International Bureau to build up a collection of patent documents and selected scientific books and journals reflecting the current state of technology essential in examining patent applications. The collection should also facilitate the transfer of technology. The discussions concerning the possibilities of satisfying this request are continuing between officials of the Cuban Industrial Property Office and the International Bureau.

DEMOCRATIC YEMEN

The Government of the Democratic Yemen has requested the International Bureau for assistance notably in training the members of the staff of the Registrar General's Office dealing with trademarks and patents. In response to this request, a representative of the International Bureau had preliminary discussions in December 1972 with the competent authorities in Aden.

LIBYAN ARAB REPUBLIC

At the request of the Government of the Libyan Arab Republic, which has recently established a patent section in the Ministry of Industry, a representative of the International Bureau undertook a mission to that country in May and rendered advice and guidance with a view to organizing that patent section.

VENEZUELA

The Government of Venezuela has asked for assistance in the reorganization of the administrative procedures of its Industrial Property Office and for advice in connection with the planned reform of its Industrial Property Law. In August, a representative of the International Bureau, accompanied by an expert in administrative matters of the German Patent Office (Munich), discussed with Venezuelan authorities the best ways of giving the required assistance. In December, the said expert went to Caracas for a few months to assist the Venezuelan Industrial Property Office in reorganizing its administrative procedures. As to the advice on the reform of the industrial property legislation of Venezuela, the first step was accomplished in September. It consisted in the furnishing by the International Bureau of a detailed written opinion on each provision of the draft of the proposed new industrial property law prepared by the Industrial Property Office of Venezuela.

ZAIRE

In response to a request from the Government of Zaire, a representative of the International Bureau had preliminary discussions in August with the competent government authorities in Kinshasa with a view to determining the nature and scope of the assistance which could be rendered by WIPO in particular as concerns the revision of Zaire's industrial prop-

erty legislation, the training of national staff and the furnishing of reference works in the patent field.

IDCAS

Examination of the possibilities of creating a regional patent documentation service under the aegis of the Industrial Development Centre for Arab States (IDCAS) continued. Preliminary measures were recommended by the participants in the joint WIPO-IDCAS Seminar held in Cairo in February. These included the carrying out of a survey in order to establish what collections of patent documents exist in which government authorities in Arab States. The survey has been completed.

OAMPI

Also under examination is the request, submitted by the Director General of the African and Malagasy Industrial Property Office (OAMPI), for assistance in the rearrangement of the Libreville Agreement of September 13, 1962, establishing the Office, with a view to harmonizing the provisions of this Agreement with those of the Patent Cooperation Treaty (PCT), modernizing the Agreement in so far as concerns trademarks and industrial designs, and extending the jurisdiction of the Office to questions of literary and artistic property.

ENGLISH-SPEAKING COUNTRIES IN AFRICA

The delegates of nine English-speaking countries participating in the African Seminar on Intellectual Property (see below), held at Nairobi in October, adopted a resolution in which they expressed the wish that a meeting of the Registrars General and Heads of Industrial Property Offices in the English-speaking countries of Africa, jointly sponsored by the United Nations Economic Commission for Africa (ECA) and WIPO, be convened with a view to the harmonization of the patent and industrial design laws in their respective countries and the possible creation of a common office or other link among the said countries in the field of administering such laws.

SIECA

The Secretariat of the Central American Common Market (SIECA) has requested the assistance of the International Bureau in drafting a proposed Central American Patent Convention. Consultations have taken place between the two Secretariats to establish a plan for the preparatory work to be undertaken.

MODEL LAWS FOR DEVELOPING COUNTRIES

It is recalled that in 1965 BIRPI published a Model Law for Developing Countries on *Inventions*. The Patent Cooperation Treaty offers developing countries possibilities for deriving special benefits from it for their patent systems. With a view to incorporating the said possibilities in the Model Law, the PCT Interim Advisory Committee for Administrative Questions, which is specially competent to deal with questions concerning the Patent Cooperation Treaty, was consulted when it met in its second session in December 1971. The discussions in that Committee yielded valuable material for eventual incorporation in the Model Law.

The International Bureau has prepared and, in December, distributed the draft of a model law for developing countries on *appellations of origin* and *indications of source*. The draft will be submitted to a committee of experts in 1973.

The preparation of model laws for developing countries on *copyright*, based on the Paris Act (1971) of the Berne Convention for the Protection of Literary and Artistic Works, continued during 1972.

The WIPO African Seminar on Intellectual Property (see below) recommended that the International Bureau and the Secretariat of Unesco prepare a single model law for African countries which were party, or which were contemplating the possibility of becoming party, to both the Berne Convention and the Universal Copyright Convention. Towards the end of the year, plans were drawn up by the two Secretariats for implementing the said recommendation during the year 1973.

Seminars

ARAB STATES

A Seminar on Treaties Concerning Industrial Property was organized jointly by WIPO and the Industrial Development Centre for Arab States (IDCAS) at Cairo in February. The following 13 States, all members of the League of Arab States, sent participants: Algeria, Bahrain, Democratic Yemen, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libyan Arab Republic, Sudan, Syrian Arab Republic, Tunisia and Yemen. In addition, a number of international organizations, national associations and private observers took part in the work of the Seminar.

The participants first proceeded to an exchange of information and views on industrial property in Arab countries. This was followed by a review of the principal treaties, conventions and agreements administered by WIPO. The participants also discussed the WIPO program of legal-technical assistance to developing countries, the project to facilitate patent licensing, and the setting up in an Arab country of an inter-Arab documentation center or centers for the centralization of patent documents.

At the end of the deliberations the participants unanimously adopted a series of recommendations. In particular, they recommended that Arab countries adopt modern legislation suited to their economic requirements, on the basis of the Model Laws prepared by WIPO and jointly adapted to the special needs of Arab States by WIPO and IDCAS, that they accede if possible to the Convention establishing WIPO, the Paris Convention and the other treaties and agreements adopted within the framework of the Paris Convention, in so far as they have not already done so, and that they promote the teaching of industrial property and disseminate information on the subject.

AFRICA

An African Seminar on Intellectual Property was organized by WIPO in agreement with the Government of Kenya at Nairobi in October. Seventeen States sent participants: Burundi, Chad, Congo, Ghana, Ivory Coast, Kenya, Lesotho, Liberia, Madagascar, Malawi, Niger, Nigeria, Senegal, Togo,

Uganda, United Republic of Tanzania, Zambia. Representatives of several intergovernmental and non-governmental organizations were also present. The Seminar dealt with both industrial property and copyright matters.

The participants informed the Seminar on the status and administration of their respective legislations in the field of industrial property. An exchange of views took place on a number of questions in this field, including the impact of industrial property on developing countries. This exchange revealed the desirability of modernizing and harmonizing the industrial property legislations of several African countries. The discussions highlighted the advantages of further regional cooperation as illustrated by the African and Malagasy Industrial Property Office (OAMPI), and the possibilities of further regional cooperation, particularly in the field of registration of patents. The discussions also brought out the possibilities that participation in WIPO and in the treaties administered by WIPO offer to developing countries, especially in the field of transfer of technology. Finally, they drew attention to the desirability of WIPO's becoming a UN specialized agency.

In the field of copyright, the discussions of the Seminar centered on the 1971 revisions of the Berne and Universal Copyright Conventions. As far as the plans for a model law are concerned, see above.

Acquisition of Foreign Technology by Developing Countries

A Committee of Experts on a Patent Licensing Convention met in October - November¹. Twenty-seven States, over half of which were developing countries, were represented as were ten international organizations, including four regional intergovernmental organizations. The Committee's discussions were based on studies prepared by the International Bureau and on proposals made by the Governments of Brazil and Sweden concerning measures to be taken in order to facilitate the acquisition of foreign technology by developing countries.

The Committee concluded that since patent documents were numerous and complex, if developing countries were to be able to use them as technical documentation, they had to have the necessary organization and experts at their disposal and therefore it seemed premature to provide for a general obligation to disseminate patent documents.

The Committee also concluded that the study of the question of information on licensing requests and licensing offers should continue with particular emphasis on the publication of the requests of developing countries and the creation of agencies for licensing, particularly in developing countries. Furthermore, the Committee agreed that further examination should be given to the proposal of Brazil that there be established, under the auspices of WIPO, a mechanism for contacts between prospective licensees and prospective licensors with the aim of facilitating the conclusion of licensing agreements. The Committee also agreed that as to measures which could be taken by national legislation, both the "industrial development patent" and the "technology transfer patent" should be further examined.

¹ See p. 28 below.

Finally, the Committee recommended that the competent organs of WIPO should at their next sessions set up a permanent program in this field and that its policy and day-to-day operation should be directed by a Permanent Committee. The Director General was invited to convene first a provisional committee in order to work out detailed proposals to the competent organs of WIPO for the composition of the Permanent Committee, its jurisdiction, program, means of action and financing.

Computer Technology for Development

Pursuant to an invitation contained in a report by the Secretary-General of the United Nations on the application of computer technology for development, and to a resolution of the United Nations Economic and Social Council and also as a follow-up to the recommendations made by an Advisory Group of Governmental Experts on the Protection of Computer Programs convened by the Director General in Geneva in March 1971, the International Bureau continued to study the most appropriate forms of protection of computer programs, from the point of view of developing countries. In November 1972, a representative of the International Bureau participated in a meeting of a panel of experts on computer technology convened by the United Nations.

Relations with Developing Countries

The Director General, or other officers of WIPO, visited the governments or the competent authorities of developing countries, or had contacts with the latter at international meetings.

WIPO was represented as an observer at the Second Conference of the Organization of American States (OAS) held in April at Washington. The program and budget approved by the Conference include a project calling for the preparation by the OAS Secretariat of a study concerning the revision of the Inter-American Conventions on Industrial Property. The study is to be considered by governmental experts during meetings to be convened in 1973 and 1974.

WIPO was also represented at the Specialized Conference on the Application of Science and Technology to Latin American Development (CACTAL) convened by the OAS at Brasilia in May.

Visits were made in Argentina, Brazil, Colombia, Democratic Yemen, Egypt, Kenya, Kuwait, Liberia, Libyan Arab Republic, Mexico, Thailand, Venezuela and Zaire for the purpose of exchanging views with the government authorities of those countries in the industrial property field, from the point of view of both legislation and the operation of Patent Offices, and also in the copyright field.

WIPO was represented by its Director General at the meeting of the Governing Body of the African and Malagasy Industrial Property Office (OAMPI) which was held in Libreville, Gabon, in August.

D. Cooperation between WIPO and Organizations of the United Nations System

During the period under review, WIPO continued and further developed its cooperation with the United Nations and the other organizations of the United Nations system.

Future Cooperation and Coordination with the United Nations

At its session in September, the WIPO Coordination Committee examined a report by the Director General on the progress of his work under the WIPO General Assembly and Conference resolution concerning the means of securing the most appropriate cooperation and coordination between WIPO and the United Nations, including the possibility and desirability of entering into an agreement under Articles 57 and 63 of the Charter of the United Nations. The Coordination Committee adopted a resolution on the subject of a relationship agreement with the United Nations under those Articles. In the resolution, the Coordination Committee considers that such a relationship agreement appears desirable and requests the Director General, with a view to exploring the possibilities of entering into such an agreement, to bring the resolution to the attention of the United Nations.

The Director General transmitted the resolution of the WIPO Coordination Committee to the Secretary General of the United Nations, who, in October, replied that a reference to the resolution of the WIPO Coordination Committee would be included in the draft 1973 Programme of Work of the Economic and Social Council of the United Nations (ECOSOC) which would be submitted to ECOSOC at its organizational meetings in January 1973.

Information, Studies and Reports requested by, and Coordination of Activities with, United Nations Bodies

At the request of various United Nations bodies, the International Bureau has furnished information, contributed to studies and presented papers or reports on topics of mutual interest. The International Bureau has provided information or contributed to studies made by the Secretariats of the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Industrial Development Organization (UNIDO) on restrictive business practices, the transfer of technology and on the legal aspects of licensing agreements. The International Bureau also submitted a paper on WIPO's program to the United Nations Commission on International Trade Law (UNCITRAL).

With respect to the program of work of the International Law Commission of the United Nations, the International Bureau assisted the Special Rapporteur for the question of treaties concluded by international organizations by providing information on a number of points developed by him for inclusion in a questionnaire.

The Third United Nations Conference on Trade and Development (UNCTAD), held at Santiago, Chile, in April-May, adopted two resolutions in which reference is made to cooperation or coordination between, or joint action by, UNCTAD and WIPO. The WIPO Coordination Committee and the Executive Committee of the Paris Union took note of these resolutions at their meetings in September.

Paragraph 10 of UNCTAD resolution 39(III) invites the Secretary-General of the United Nations, in cooperation with the Secretary-General of UNCTAD and the Director General of WIPO, to carry out a study "with a view to bringing up to date the report prepared by the Secretary-General of the

United Nations on the 'Role of Patents in the Transfer of Technology to Developing Countries' (document E/3861/Rev. 1) and to devote special consideration in this study to the role of the international patent system in such transfer, with a view to providing a better understanding of this role in the context of a future revision of the system." In October, the Secretariats of WIPO, the United Nations and UNCTAD agreed on a work plan for carrying out, in 1973, the task of updating the said report.

Consultations have also taken place on the inter-secretariat level between UNCTAD and WIPO with respect to the other decisions of UNCTAD III which call upon the Secretary-General of UNCTAD, in cooperation with other UN bodies and with other organizations, including WIPO, to carry out studies, in particular on the "possible bases for new international legislation regulating the transfer from developed to developing countries of patented and non-patented technology, including related commercial and legal aspects of such transfer" and on "the elements of a model law or laws for developing countries in regard to restrictive business practices."

Close cooperation was maintained with the United Nations Educational, Scientific and Cultural Organization (Unesco) and the International Labour Organisation (ILO) on matters relating to copyright and neighboring rights.

Representation at meetings of United Nations Bodies

During 1972, WIPO was represented at various meetings of the following United Nations bodies at which questions concerning the application of science and technology for development, scientific and technical cooperation or the need to create or develop information systems, data banks, centers for the transfer of technology and related activities were discussed: the Economic and Social Council (ECOSOC), the Advisory Committee on Science and Technology (ACAST), subsidiary bodies of the Administrative Committee on Coordination (ACC), Committees or Groups of Experts convened by the Economic Commission for Europe (ECE). WIPO was also represented at the Third United Nations Conference on Trade and Development (UNCTAD) as well as at meetings of its Trade and Development Board during which matters concerning restrictive business practices and the transfer of technology were discussed. In addition, WIPO was represented at meetings of the various bodies of the United Nations Indus-

trial Development Organization (UNIDO) including the Industrial Development Board and its Working Groups on Program and Coordination, at which UNIDO's activities in the field of industrial property and cooperation with WIPO were considered.

With respect to the specialized agencies, WIPO was represented by an observer at meetings of the governing bodies of certain specialized agencies, such as the Conference of the International Labour Organization (ILO) and the General Conference of the United Nations Educational, Scientific and Cultural Organization (Unesco).

E. Cooperation with other Intergovernmental Organizations *Working Agreement with IDCAS*

The WIPO Coordination Committee at its third session in September approved the terms of an agreement establishing working relations and cooperation between WIPO and the Industrial Development Centre for Arab States (IDCAS). The Board of Directors of IDCAS at its session in November also approved the agreement. The agreement is expected to be signed by the Directors General of the two Organizations in 1973.

F. WIPO Publications

Reviews

The reviews *Industrial Property* and *Copyright* continued to appear monthly in English and French. The review *La Propiedad Intelectual* continued to appear quarterly. In it were published general information and studies concerning WIPO, industrial property and copyright.

Other Publications

Updated editions of the WIPO General Information Brochure were published in 1972. Official texts in various languages of the international agreements administered by WIPO were published in brochure form during the course of the year. A study entitled "Transfer of Technology to Developing Countries — Legal Aspects of License Agreements in the field of Patents, Trademarks and Know-how" was published in June. A revised edition of the report entitled "Transfer of Technology and Licensing Opportunities" was published in September. The third edition of the survey entitled "Teaching of the Law of Intellectual Property Throughout the World" was also published in August.

Member States of the World Intellectual Property Organization as on December 31, 1972

State ¹	Deposit of instrument ²			Date on which the State became a member
Australia	P-B	A	May 10, 1972	August 10, 1972
Bulgaria	P	R	February 19, 1970	May 19, 1970
Byelorussian SSR	R	March 19, 1969	April 26, 1970
Canada	P-B	A	March 26, 1970	June 26, 1970
Chad	P-B	A	June 26, 1970	September 26, 1970
Czechoslovakia	P	A	September 22, 1970	December 22, 1970
Denmark	P-B	R	January 26, 1970	April 26, 1970
Fiji	B	A	December 11, 1971	March 11, 1972
Finland	P-B	R	June 8, 1970	September 8, 1970
German Democratic Republic	P-B	A	June 20, 1968	April 26, 1970 ³
Germany, Federal Republic of	P-B	R	June 19, 1970	September 19, 1970
Hungary	P-B	R	December 18, 1969	April 26, 1970
Ireland	P-B	S	January 12, 1968	April 26, 1970
Israel	P-B	R	July 30, 1969	April 26, 1970
Jordan	P	A	April 12, 1972	July 12, 1972
Kenya	P	R	July 5, 1971	October 5, 1971
Liechtenstein	P-B	R	February 21, 1972	May 21, 1972
Malawi	P	A	March 11, 1970	June 11, 1970
Morocco	P-B	R	April 27, 1971	July 27, 1971
Romania	P-B	R	February 28, 1969	April 26, 1970
Senegal	P-B	R	September 19, 1968	April 26, 1970
Soviet Union	P	R	December 4, 1968	April 26, 1970
Spain	P-B	R	June 6, 1969	April 26, 1970
Sweden	P-B	R	August 12, 1969	April 26, 1970
Switzerland	P-B	R	January 26, 1970	April 26, 1970
Ukrainian SSR	R	February 12, 1969	April 26, 1970
United Kingdom	P-B	R	February 26, 1969	April 26, 1970
United States of America	P	R	May 25, 1970	August 25, 1970

(Total: 28 States)

¹ "P" means State having ratified or acceded to the administrative provisions of the Stockholm Act of the *Paris* Convention;

"B" means State having ratified or acceded to the administrative provisions of the Stockholm Act of the *Berne* Convention.

² "A" means *accession*;

"R" means *ratification*;

"S" means *signature* without reservation as to ratification;

(see Article 14(1) of the Convention Establishing WIPO).

³ At that time, a number of States had declared that they did not recognize the validity of the accession of the German Democratic Republic.

Notifications made under Article 21(2) of the Convention Establishing the World Intellectual Property Organization

The States listed below have availed themselves of Article 21(2)(a) of the Convention, which enables them to exercise, until April 26, 1975, the same rights as if they had become party to the Convention:

Algeria	Greece	Poland
Argentina	Holy See	Portugal
Belgium	Italy	South Africa
Brazil	Ivory Coast	Syrian Arab Republic
Cameroon	Japan	Thailand
Cuba	Luxembourg	Togo
Dahomey	Malta	Tunisia
Egypt	Mexico	Turkey
France	Netherlands	Upper Volta
Gabon	Niger	Yugoslavia
(Total: 31 States)	Norway	

Membership of the Administrative Bodies of WIPO

On December 31, 1972, the membership of the administrative bodies of the World Intellectual Property Organization was as follows:

General Assembly: Algeria*, Argentina*, Australia, Belgium*, Brazil*, Bulgaria, Cameroon*, Canada, Chad, Cuba*, Czechoslovakia, Dahomey*, Denmark, Egypt*, Fiji, Finland, France*, Gabon*, German Democratic Republic, Germany (Federal Republic of), Greece*, Holy See*, Hungary, Ireland, Israel, Italy*, Ivory Coast*, Japan*, Jordan, Kenya, Liechtenstein, Luxembourg*, Malawi, Malta*, Mexico*, Morocco, Netherlands*, Niger*, Norway*, Poland*, Portugal*, Romania, Senegal, South Africa*, Soviet Union, Spain, Sweden, Switzerland, Syrian Arab Republic*, Thailand*, Togo*,

* Member until April 26, 1975.

Tunisia*, Turkey*, United Kingdom, United States of America, Upper Volta*, Yugoslavia*.

Conference: The same States as above, with Byelorussian SSR and Ukrainian SSR.

Coordination Committee: ORDINARY MEMBERS: Argentina, Australia, Brazil, Cameroon, Canada, France, Germany (Federal Republic of), Hungary, Italy, Japan, Kenya, Pakistan, Romania, Senegal, Soviet Union, Spain, Sweden, Switzerland, Tunisia, United Kingdom, United States of America. ASSOCIATE MEMBERS: India, Mexico, Philippines, Poland, Sri Lanka, Zaire.

WIPO Headquarters Building Subcommittee: Argentina, Cameroon, France, Germany (Federal Republic of), Italy, Netherlands, Switzerland, United States of America.

INTERNATIONAL UNIONS

The Paris Union and Industrial Property in 1972

I. Paris Union

Member States

During 1972, Jordan became a party to the Paris Convention for the Protection of Industrial Property (Stockholm Act) (see below) thus bringing the number of members of the Paris Union to 80 at the end of 1972.

Stockholm Act

Acceptance. During 1972, the Stockholm Act was ratified or acceded to in its entirety by Jordan, Liechtenstein, Madagascar and Spain. Australia acceded to the Stockholm Act with a declaration pursuant to Article 20(1)(b)(i), that its accession shall not apply to Articles 1 to 12 thereof.

Notifications (five-year privilege). Mexico, Monaco and Togo have given notification under Article 30(2), according to which they may, for five years from the date of entry into force of the WIPO Convention (that is, until April 26, 1975), exercise, if they do so desire, the rights provided for under Articles 13 to 17 of the Stockholm Act as if they were bound by those articles, thus bringing the number of such States to 30.

Acts in Force on December 31, 1972

As far as the substantive articles of the Paris Convention (Articles 1 to 12) are concerned, of the 80 countries which are members of the Paris Union as at December 31, 1972, 22 are bound by the Stockholm Act, 36 by the Lisbon Act, 19 by the London Act, and three by the Hague Act.

Administrative Bodies

The eighth ordinary session of the Executive Committee of the Paris Union was held during September. The Executive Committee noted with approval the report of the Director General on the activities of the International Bureau since the Committee's last session. In addition to approving the program and budget of the Paris Union for the year 1973, which includes the recurrent activities such as the continued publication of periodicals and information booklets in the industrial property field, the Executive Committee approved the special program and budget activities relating to the Patent Cooperation Treaty (PCT), the Paris Union Committee for International Cooperation in Information Retrieval among Patent Offices (ICIREPAT) and the International Patent Classification (IPC), as well as certain other projects as described subsequently. The Executive Committee adopted resolutions concerning the amounts of special cash contribu-

tions for the year 1973 to cover the expenses of the International Bureau connected with the PCT, ICIREPAT and the IPC and noted the pledges or statements made relative thereto by the delegations.

II. Patent Cooperation Treaty (PCT)

Contracting States

By the end of 1972, four States had deposited instruments of ratification or accession with respect to the Patent Cooperation Treaty (PCT): Central African Republic, Madagascar, Malawi and Senegal. In addition, the PCT was submitted on September 12, 1972 to the Senate of the United States of America for its advice and consent to ratification. The Treaty is not yet in force.

Records of the Washington Diplomatic Conference, 1970

The English edition of these records was published in July. This one-volume edition has 728 pages. It contains, in particular, the texts of the PCT and the PCT Regulations, notes or comments on the PCT and the PCT Regulations, the texts of the Final Act of the Washington Diplomatic Conference and of the Resolution concerning preparatory and Conference documents, the list of participants, the verbatim minutes of the Plenaries and the summary minutes of the Main Committees, as well as a series of post-Conference documents, and indexes. A French edition will follow later.

Preparatory Work for the Entry Into Force of the Treaty

The preparatory work for the entry into force of the Treaty continued throughout the year. As in the past, this work was carried out by the International Bureau and the three PCT Interim Committees set up pursuant to a recommendation of the Diplomatic Conference which, in 1970, adopted the PCT, and by the Standing Subcommittee of one of the Interim Committees.

The PCT allows, on a number of points, contracting States to choose between several solutions. These points have been identified and explained in documents prepared by the International Bureau. These documents should help a prospective contracting State to reach decisions as to which solution to adopt in its national legislation. In 1972, the PCT Interim Advisory Committee for Administrative Questions once more checked these documents and recommended improvements therein.

The same Advisory Committee deals with the preparation of the draft of the Administrative Instructions. These Instructions should be adopted and should enter into force at the same time as the PCT enters into force. They will regulate procedural details not covered by the PCT or by the PCT Regulations. They will, in particular, contain dozens of forms which the applicants, the national Offices, the International Searching and Preliminary Examining Authorities, and the International Bureau will use in connection with the PCT. The draft of these Instructions and forms are gradually being perfected on the basis of proposals of the International Bureau and the members of the Advisory Committee for Administrative Questions, which met once during 1972.

The PCT Interim Committee for Technical Cooperation and its Standing Subcommittee are primarily in charge of questions concerning the minimum documentation on which international search reports and international preliminary examination reports, prepared under the PCT, must be based. Such minimum documentation consists of patent documents and scientific articles ("non-patent literature") and needs to be identified with precision. International Searching Authorities will have at their disposal various aids, particularly abstracts, translations and services identifying the members of "patent families," that is, patent documents which relate to the same invention. The Interim Committee, which met once in 1972, examined and further directed the surveys and other activities of the International Bureau in this field. The Standing Subcommittee of this Committee met twice during the year (April and October): it prepared the session of the Interim Committee and devoted much of its attention to a patent family service and other services which INPADOC, an international patent documentation center set up in 1972 by the Austrian Government, is intending to furnish to national Offices, inventors, industry, patent agents and other interested persons.

The services of INPADOC should also be very useful to developing countries desiring to receive technical information contained in patent documents. The PCT Interim Committee for Technical Assistance, which met once during 1972, thus devoted much attention to the INPADOC project as well as to other projects of technical assistance connected with patent documentation, in particular the plan of the Brazilian Government to modernize the documentation services of the National Institute of Industrial Property of Brazil with the help of WIPO and the United Nations Development Programme (UNDP).

States which have signed or acceded to the PCT or which, without having done so, pledge voluntary contributions to the PCT budget qualify as members of the Interim Committees. There were 38 such States at the time of the meeting of the Interim Committees in October. Twenty-eight of them were represented. In addition, three intergovernmental organizations and six non-governmental organizations were represented by observers.

III. International Patent Classification

Strasbourg Agreement

During the course of the year, Ireland deposited its instrument of accession to the Strasbourg Agreement Concerning the International Patent Classification and France, Switzerland and the United Kingdom deposited their instruments of ratification. The Strasbourg Agreement has not yet entered into force.

Records of the Strasbourg Diplomatic Conference

The English and French editions of the records of this Conference, which adopted the Strasbourg Agreement, are under preparation.

Revision of the Administrative Arrangements

The revision of the administrative arrangements concerning the International Patent Classification became necessary after the adoption of the Strasbourg Agreement by the Strasbourg Diplomatic Conference in March 1971. The Diplomatic Conference had adopted a Recommendation to this effect.

Pursuant to the mandate given by the Executive Committee of the Paris Union at its 1971 session, proposals concerning the name and composition of the Joint ad hoc Committee, the rules of procedure of the Committee, the places of sessions of the Committee and its subsidiary bodies, and the sharing of secretarial tasks between the International Bureau of WIPO and the Secretariat General of the Council of Europe were communicated by the Director General of WIPO to the Secretary General of the Council of Europe in July 1971. As regards the composition of the Joint ad hoc Committee, the Secretariat General of the Council of Europe, after having received the approval of the Committee of Ministers of the Council of Europe, accepted in January 1972 the proposal of the Director General of WIPO to enlarge the Committee by two additional countries. Following this agreement, and in conformity with the views expressed by the Joint ad hoc Committee at its fifth session in November 1971, Brazil and Sweden were invited to be represented in the Joint ad hoc Committee and to participate in the work of its Subcommittees. As regards other aspects of the revision of the administrative arrangements, agreement was reached in December 1972 between the Director General of WIPO and the Secretary General of the Council of Europe.

Joint ad hoc Committee

The work of the Joint ad hoc Committee of the Council of Europe and WIPO, as well as its Working Groups and "Bureau," continued to deal with the revision and uniform application of the International Patent Classification.

The Joint ad hoc Committee consists of representatives of six member States of the Council of Europe (France, Germany (Federal Republic of), Netherlands, Sweden, Switzerland, United Kingdom) and six member States of the Paris Union (Brazil, Czechoslovakia, Japan, Soviet Union, Spain, United States of America) and a representative of the International Patent Institute (IIB) as an observer. The "Bureau" is composed of the Chairmen and the Vice-Chairmen of the five Working Groups, and a representative of the International Patent Institute (IIB) as an observer.

During 1972 the Committee met twice, as did the Bureau. Working Groups II, III, IV and V had two sessions, while Working Group I had three sessions. The meetings were held in Berne, Geneva, London, Munich, The Hague and Washington.

Working Group I dealt with the revision of Sections C and D, Working Group II with the revision of Sections G and H, Working Group III with the revision of Section B and Working Group IV with the revision of Sections A, E and F of the International Patent Classification, while Working Group V dealt with the uniform application of the International Patent Classification.

The sixth and seventh sessions of the Committee, held in June and November, were mainly devoted to the first revision of the International Patent Classification. At these sessions a number of amendments to various subclasses of the IPC, as elaborated by the Working Groups and subsequently adopted by the Bureau, were approved by the Committee. The Committee also discussed and approved several decisions of the Bureau regarding the use of adopted amendments to the IPC, the amendment of notes on scope, subclass indexes, catchword indexes, the classification of additional information, advice on the use of the IPC for searching, and the starting date for the application of the revised version of the IPC.

At its sixth session, in June, the Committee also approved a provisional program for a comparative study relating to the assignment of the IPC symbols by the different Offices as well as a questionnaire asking for suggestions regarding the investigation into the uniform assignment of the IPC symbols and asking to what extent the Offices would participate in such a study.

At its seventh session, in November, the Committee also had before it a report on the revision work for the IPC performed during the first revision period of five years. On the basis of this report and the recommendations of the Bureau, the Committee approved a program of sessions for the Working Groups in 1973 with a view to terminating the revision work by the end of 1973.

Survey of the State of Reclassification of Search Files

By means of a questionnaire approved by the Joint ad hoc Committee at its fifth session in November 1971, the International Bureau approached national Offices for relevant information with a view to implementing the Recommendation Concerning the Exchange of Lists of Patent Documents Reclassified According to the International Patent Classification, adopted by the Strasbourg Diplomatic Conference in March 1971. On the basis of the information received, the International Bureau prepared a study of the feasibility of such a system of reclassification by sharing of labor.

At its session in October, the Executive Committee of the Paris Union approved a proposal that a special working group be convened by the Director General to advise the International Bureau on the question of international cooperation in the field of reclassification of search files according to the IPC, with a view to proposing possible solutions.

Translations of the IPC

Apart from the official English and French language versions, translations into Czech, German, Japanese, and Russian of the IPC already exist; Portuguese and Spanish translations are under preparation.

Use of the IPC

A survey of the extent to which the IPC is used, performed in preparation for the Strasbourg Diplomatic Conference, shows that it is at present utilized by 40 countries and that four countries plan to use it.

IV. International Registration of Marks (Draft Trademark Registration Treaty)

During 1972, the preparatory work for the creation of a system for the international registration of marks which would be more universally acceptable than the existing Madrid Agreement Concerning the International Registration of Marks continued. It appeared that the solution should be sought not through a revision of the Madrid Agreement but through the conclusion of a new treaty which could exist side by side with the Madrid Agreement. The tentative title of the proposed new treaty is "Trademark Registration Treaty" ("TRT"). Its adoption is one of the objectives of the Vienna Diplomatic Conference on Industrial Property, 1973, to be held in the spring of this year.

The preparatory work, in 1972, consisted of two meetings (in May and December) of the Committee of Experts on the International Registration of Marks, and two meetings (in April and September) of a Working Group on the question of the so-called "central attack." The International Bureau issued a draft of the Treaty and its Regulations in July (based on the April and May meetings) and is to revise those drafts in the light of the December meeting. The revised texts are scheduled for publication early in 1973.

As presently contemplated, the Treaty would enable the owner of a mark to obtain, through the "international registration" of his mark, that is, through its registration in one central place — the International Bureau in Geneva — the same effect as if he had registered it in each of the national trademark registers of the countries party to the Treaty. The proposed Treaty would simplify and reduce the cost of not only the initial registration of any mark but also the renewal of the registration since renewal, too, would be "internationalized": renewal could be effected (once every ten years) by a single act before a single authority (the International Bureau) rather than by as many acts and before as many authorities as there are countries in which the owner of the mark wishes his rights in that mark to be maintained.

A similar system exists today under the Madrid Agreement but there would be several differences between the two systems, the most important being that under the Madrid Agreement only such marks may be internationally registered as have been first registered in the national register of marks of their owner's country, whereas under the TRT international registration would not be conditional upon prior national registration. Because of this feature of the Madrid Agreement, access to international registration under that Agreement is not equally easy for all trademark owners; it depends on the ease and rapidity with which the national law of the trademark owner's country allows marks to be registered in the national register. Under the TRT this difference among trademark owners of different countries would disappear, since they would not have their marks registered first nationally but could apply directly for international registration.

V. ICIREPAT

Participating Countries

At the end of 1972, the following 22 countries were members ("participating countries") of the Paris Union Committee for International Cooperation in Information Retrieval among Patent Offices (ICIREPAT): Austria, Canada, Cuba, Czechoslovakia, Denmark, Finland, France, German Democratic Republic, Germany (Federal Republic of), Hungary, Ireland, Israel, Japan, Netherlands, Norway, Romania, Soviet Union, Spain, Sweden, Switzerland, United Kingdom, United States of America. The International Patent Institute also participates in the activities of ICIREPAT.

Objectives and Organization

The principal goal of ICIREPAT is to foster the development of better and cheaper means for the retrieval of technical information contained in patent documents, such information being primarily needed for the purposes of the searches and examinations effected by official authorities (national Industrial Property Offices and the International Patent Institute). Such searches and examinations have, as their ultimate objective, the determination whether a claimed invention is novel, novelty being the main requirement of patentability.

In order to make retrieval of technical information contained in patent documents — of which more than half a million are published each year — faster, cheaper and, above all, more reliable, a multiplicity of means are used and need constant development. The International Patent Classification is one of them. All the measures envisaged in connection with the international searches and the international preliminary examinations under the Patent Cooperation Treaty (PCT) serve this purpose too. ICIREPAT approaches the matter from three sides: it seeks to standardize the format of patent documents and any other data carriers used in connection with searches in the patent literature; it seeks to establish a certain degree of uniformity in analyzing the contents of patent documents for the purposes of the storage of their main contents in computers; finally, it serves as a forum in which the said authorities can inform each other of the progress and plans made so that the experience of each is useful to all others and that unnecessary duplication of effort is avoided.

These three branches of ICIREPAT's main activities are carried out in the framework of three committees — the Technical Committee for Standardization, the Technical Committee for Shared Systems and the Technical Committee for Computerization. They take their directives from, and their work is coordinated by, the Technical Coordination Committee. One of the main means of action of ICIREPAT is by making recommendations, worked out by the Technical Committees, cleared by the Technical Coordination Committee and finally adopted by ICIREPAT as such, acting as the "Plenary Committee." The recommendations are not binding but they carry much authority. It is moreover in the interest of the participating countries to follow the recommendations since they

are essential to smooth cooperation. Another means of action of ICIREPAT is by the carrying out, in certain phases, of inputting data concerning patent documents into computerized systems, such work being divided up ("shared") among the participating Offices ("shared systems").

Activities

In 1972, one of the important recommendations which reached the stage of approval by the Plenary Committee of ICIREPAT concerned the question which bibliographic data should appear on the first page of each patent document and in the entry concerning such document in the official gazette of the country issuing the document. The recommendation provides for the identification of each of these data through a number ("INID" code number, "INID" standing for ICIREPAT Number for the Identification of Data). Such numbers allow a person to recognize the nature of the information without having to be familiar with the language in which the document was issued or with the legal system under which it was issued.

Another important recommendation adopted in 1972 by the Plenary Committee concerns the format of the magnetic tape, usable in computers, containing bibliographic data of patent documents. Uniformity in that format facilitates the exchange among countries of their respective bibliographic data stored in machine-readable form.

The Technical Coordination Committee agreed, in 1972, on the basic principles which should be followed for the recording on magnetic tape of application numbers appearing in patent documents. Furthermore, the Technical Coordination Committee continued the study for a new orientation of the shared use systems referred to above.

On the level of the Technical Committees and in the field of standardization, the activities in 1972 mainly tended towards the formulation of recommendations on the following subjects: (i) uniform format of indicating, on patent documents, the data concerning applications whose priority is claimed in such documents, (ii) the adoption of a code, consisting of numbers, for the indication of the nature of patent documents (whether they are applications or granted documents, patents or inventors' certificates, granted with or without examination, etc., so-called document description ("DD") code), (iii) the definition of certain physical standards (size of paper, type of printing, etc.) of patent documents, (iv) the definition of what kind of indexes the official gazettes (concerning inventions) of each country should contain, (v) the definition of the characteristics and the labeling of certain microfilm rolls on which patent documents are fixed, (vi) the establishment of a catalog of microforms of patent documents used in the different countries, (vii) surveying the activities that are being carried out in the different countries for microfilming their patent documents or for fixing them on aperture cards (perforated cards having an aperture in which a microfilm is inserted).

The Technical Committee for Standardization, dealing with the above subjects, and the Technical Committee for Shared Systems met twice (in April and in October) during the year.

The latter Committee continued its inquiry into the possibilities of improving in the future the shared use system program and considered all matters relating to the present activities under that program.

The third Technical Committee, that for Computerization, met only once (in October) in 1972. It formulated draft recommendations or addenda to existing recommendations for the recording of bibliographic data pertaining to patent documents on magnetic tape, and updated a survey on computer application to information retrieval and a catalog of computer programs in Patent Offices and in the International Patent Institute.

During 1972, the Technical Coordination Committee met three times (February, July and December) and the Plenary Committee once (September)¹. The program recommended by the Plenary Committee for 1973 was approved by the Executive Committee of the Paris Union in its September session.

VI. Type Faces

WIPO has for several years been studying arrangements for the protection of type faces — that is, sets of designs of letters, with their accessory signs, which are intended to provide means for composing texts by graphic techniques. On the basis of the proposals of a committee of experts which met in February 1971, the International Bureau prepared a new draft Agreement for the Protection of Type Faces and their International Deposit together with new draft Regulations. Both these texts were submitted to a committee of experts which met in March 1972 and consisted of representatives from 14 member countries of the Paris Union, one intergovernmental organization and four international non-governmental organizations.

The Committee of Experts approved the general terms of the drafts submitted to it and, at the same time, proposed a number of amendments. In relation to the protection itself, these proposals mainly concerned the definition of type faces, the persons covered by the protection and the scope of the protection; on this last point, it was agreed that further study should be given to the question of type faces developed for use in data processing machines. On the subject of the international deposit of type faces, the Committee of Experts was also in favor of a number of amendments. In particular, it recommended that the possibility of indicating a denomination for type faces deposited should be provided for, that an applicant should be able, in the case of refusal, to convert an international deposit into a national deposit, and that it should be possible for a change in ownership of an international deposit to relate to all or some only of the contracting States and for the withdrawal and renunciation of an international deposit to relate to all or some only of the type faces deposited and to all or some only of the contracting States.

On the basis of the recommendations of the Committee of Experts, the International Bureau has prepared a new draft Agreement and new draft Regulations. These drafts were published in October and will be submitted to the Vienna Diplo-

¹ See page 31 below.

matic Conference on Industrial Property, 1973, to be held from May 17 to June 12 of this year.

VII. Mechanization of Trademark Searches

At its session in 1971, the Executive Committee of the Paris Union considered that it would be useful to proceed with the work already undertaken by a Study Group which had met earlier in 1971 to organize a first series of tests concerning the use of computers for trademark searches. It decided, therefore, to set up for the purpose a Working Group to be composed of representatives of States which already had some experience in mechanized trademark searches or had a direct interest in the study of those searches. The Executive Committee also set up a Committee of Experts to which all member countries of the Paris Union will be invited and to which the Working Group will report.

The Working Group, which met for the first time in Geneva in May 1972, examined a first series of tests carried out at the request of the Study Group and decided to broaden the scope of those tests, in particular by calling upon additional search services and by making searches among a much greater volume of marks.

A Sub-Working Group for the Mechanization of Trademark Searches, set up by the Working Group, met in Geneva in June. The Sub-Working Group decided to submit to three additional firms specializing in mechanized searches, invited by the Working Group to take part in the tests, the same search material as had been submitted to the three firms which had already carried out a first series of tests. Subsequently, a fourth firm and a public institution were also associated by the International Bureau with the tests. The Sub-Working Group will meet again to examine the results of the first series of tests so carried out and to determine the measures necessary for carrying out the second series of tests.

The Working Group will report in due course to the Committee of Experts. It will be a matter for the interested countries to decide, in the light of the results obtained, whether, with a view to facilitating their trademark searches, they wish to adopt the mechanized system that seems best to them, according to the terms and conditions that suit them. The Committee of Experts could also be invited to recommend a particular system of mechanized search to interested countries. It might also recommend that all the necessary steps be taken to avoid overlaps by establishing international cooperation in the trademark search field, by means of exchanges, for example, or division of labor.

VIII. Appellations of Origin

At its session in September, the Executive Committee of the Paris Union took note of the results of a survey among countries of the Paris Union on the question of a possible revision of the Lisbon Agreement. The Executive Committee adopted a suggestion that the International Bureau study, with the aid of a working group, the question of revising existing agreements or of drafting a new treaty and that, if appropriate, proposals be then submitted to a committee of experts

to which all member States of the Paris Union would be invited (see also under *Lisbon Union*, Part XVI, below).

IX. Scientific Discoveries

At its session in 1971, the Executive Committee of the Paris Union decided that the International Bureau should study and prepare a report on the possibilities for the international recognition or recording of the authorship of scientific discoveries. As part of this study, the International Bureau undertook a survey of the systems existing on the national level by means of a questionnaire addressed to member States of the Paris Union. A report containing the results of this survey was submitted to the Executive Committee at its session in 1972. At this session, the Executive Committee decided that the study should be continued and that a working group should be convened consisting of countries interested in this subject.

X. Deposit of Microorganisms

At its session in September the Executive Committee of the Paris Union considered the proposal of the United Kingdom concerning the requirements for deposit of microorganisms for the purpose of patent applications. The Executive Committee decided that the International Bureau should study the questions raised by the proposal and prepare a report on them. A survey of the systems existing on the national level would be a part of such a study, which would be submitted to a working group to be convened in 1974.

XI. Other Matters

European Patent

WIPO was represented by observers at the sessions of the Intergovernmental Conference for the Setting Up of a European System for the Grant of Patents, which took place in January, April and June 1972. At the June session, the Intergovernmental Conference adopted the texts to be submitted to the Diplomatic Conference to be held in Munich from September 10 to October 6, 1973, in particular the Convention Establishing a European System for the Grant of Patents, and its Implementing Regulations. At the various sessions of the Intergovernmental Conference, WIPO representatives followed closely and assisted the efforts to harmonize the texts of the proposed Convention and draft Implementing Regulations with the text of the Patent Cooperation Treaty (PCT), as well as the steps taken to adopt, in so far as possible, the simplified procedures set forth in the PCT.

Participation in Meetings of Various Organizations

WIPO was represented during the year 1972 at meetings of various intergovernmental and non-governmental organizations having an interest in industrial property, in particular the International Patent Institute, the American Bar Association, the International Association for the Protection of Industrial Property, the International Chamber of Commerce, the International League Against Unfair Competition, the Licensing Executives Society, the *Union des fabricants pour la protection de la propriété industrielle et artistique* and the United States Trademark Association.

XII. Madrid Agreement (Indications of Source)

Contracting States

During 1972, Algeria and Liechtenstein became parties to the Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods, thus bringing the number of States party to this Agreement to 31 at the end of 1972.

Lisbon Act (1958) and Additional Act of Stockholm (1967)

During 1972, instruments of ratification or accession were deposited in respect of both the Lisbon and Stockholm Acts by Algeria and Liechtenstein. Thus the number of States bound by the Lisbon Act was 17 and the number bound by the Additional Act was 11 at the end of 1972.

XIII. Madrid Union (Marks)

Member States

During 1972, Algeria became a party to the Madrid Agreement Concerning the International Registration of Marks (Stockholm Act), thus bringing the number of member States of the Madrid Union to 23 at the end of 1972.

Nice Act

By the end of 1972, 14 States were bound by the Nice Act. The Republic of Viet-Nam is the only member State of the Madrid Union which is not yet bound by this Act or by the Stockholm Act.

Stockholm Act

Acceptance. During 1972, instruments of ratification or accession were deposited by Algeria and Liechtenstein. Thus, the number of States bound by the Stockholm Act was eight at the end of 1972.

Notifications under Article 18(2). By the end of 1972, ten States had filed notifications under Article 18(2) of the Stockholm Act according to which they may, until April 26, 1975, exercise, if they so desire, the rights provided for under Articles 10 to 13 of the Stockholm Act as if they were bound by those articles. During the year, Belgium filed such a notification.

Declarations under Article 3^{bis} (Nice and Stockholm Acts)

By the end of 1972, 22 States had declared their intention to avail themselves of the faculty provided by Article 3^{bis} of the Madrid Agreement (Stockholm and Nice Acts) to the effect that the protection resulting from the international registration will not extend to their territories unless the proprietor of the mark expressly requests it. During the year such declarations had been filed by the following States with effect from the dates indicated in parentheses: Algeria (July 5, 1972); France (July 1, 1973); Germany (Federal Republic of) (July 1, 1973); Liechtenstein (January 1, 1973); Switzerland (January 1, 1973). Thus, all the member States of the Madrid Union, with the exception of the Republic of Viet-Nam, which is bound only by the London Act, have exercised the faculty provided by Article 3bis.

Assembly and Committee of Directors

The Assembly of the Madrid Union and the Committee of Directors of the National Industrial Property Offices met in extraordinary sessions in September and November.

In the September sessions they adopted a new scale of fees, effective from January 1, 1973, and raised the ceiling of the reserve fund. The Assembly of the Madrid Union approved the program and budget of the Union for 1973. This includes the continuation of studies on the mechanization of trademark searches.

In their November sessions, the Assembly and Committee of Directors authorized certain investments to be made from the reserve fund².

Publications

An edition of *Guide du déposant* was published in German in September 1972.

Statistics

The total number of registrations in 1972 was 10,781, to which 3,431 renewals, effected under the Stockholm Act or the Nice Act, should be added. The total number of registrations and renewals was therefore 14,212, as against 12,787 in 1971.

XIV. Hague Union

Member States

By the end of 1972, the number of member States of the Hague Union for the International Deposit of Industrial Designs was 15.

These States were all bound by the 1934 London Act. Belgium, France, Germany (Federal Republic of), Liechtenstein, Monaco, Netherlands, Spain and Switzerland were also bound by the Additional Act of Monaco.

By the end of 1972, three States had ratified the 1960 Hague Act — France, Liechtenstein and Switzerland — and three States had ratified the Complementary Act of Stockholm — Germany (Federal Republic of), Liechtenstein, which deposited its instrument of ratification during the year, and Switzerland. Failing the required number of ratifications or accessions, neither of these Acts has yet entered into force.

Statistics

During 1972, the number of international deposits was 2,653, as against 2,356 in 1971. The number of prolongations in 1972 was 979 as against 939 in 1971.

Open deposits numbered 1,762 and sealed deposits, 891. Simple deposits numbered 1,382 and multiple deposits, 1,271.

A total of 29,398 objects were deposited; 14,840 of these were two-dimensional (*dessins*) and 14,558, three-dimensional (*modèles*).

XV. Nice Union

Member States

During 1972, two States — Algeria and the United States of America — became party to the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks (Stockholm Act),

² See p. 28 below.

thus bringing the number of member States of the Nice Union to 29 at the end of 1972.

Stockholm Act

During the year instruments of ratification or accession were deposited by Algeria, Australia, Liechtenstein and the United States of America. Thus, the number of States bound by the Stockholm Act was 15 at the end of 1972.

Notifications under Article 16(2). At the end of 1972, nine States had filed notifications under Article 16(2) of the Stockholm Act according to which such States may, until April 26, 1975, exercise, if they so desire, the rights provided for under Articles 5 to 8 of the Stockholm Act, as if they were bound by those articles.

Declaration of territorial application. During 1972, Denmark gave notification that the Nice Agreement (Stockholm Act) is applicable to the Faroe Islands.

XVI. Lisbon Union

Member States

During 1972, Algeria became a party to the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (Stockholm Act), thus bringing the number of member States of the Union to ten at the end of 1972.

Stockholm Act

Algeria deposited on March 24, 1972, its instrument of accession to the Lisbon Agreement (Stockholm Act), thus joining Czechoslovakia, Hungary and Israel, which had deposited instruments of ratification. Failing the required number of ratifications or accessions, the Act is not yet in force.

Council of the Lisbon Union

At its session in September, the Council set up by the Lisbon Agreement noted with unanimous approval the report of the Director General on the activities of the Union and on financial questions. The Council, in particular, expressed a favorable opinion on the 1971 accounts and the budget for 1973.

The Council requested the International Bureau to study, with the aid of a working group, the revision of existing agreements, including the Lisbon Agreement, taking into account also other possible solutions, in particular the merging of the Lisbon Agreement with the Madrid Agreement for the Repression of False or Deceptive Indications of Source on Goods, or the preparation of a new treaty, and to submit any proposals to a committee of experts to which all member countries of the Paris Union would be invited. The Council invited the Director General, in the meantime, to make a report on the progress of the study, at the Council's next ordinary session; the Council would thus be in a complete position to decide upon the most suitable solution in the light of the objectives to be attained.

Statistics

In 1972, WIPO registered seven appellations of origin, of which one came from Czechoslovakia, three from France and three from Italy.

XVII. Locarno Union

Member States

During 1972, Finland, the Soviet Union and the United States of America ratified the Locarno Agreement Establishing an International Classification for Industrial Designs. This brought the number of member States of the Locarno Union to ten at the end of 1972.

Assembly of the Locarno Union

At its session in September, the Assembly noted the report of the Director General on the activities of the Union and on financial questions.

The Assembly approved the program and budget for the year 1973.

The Assembly designated German, Portuguese and Spanish as languages in which, pursuant to Article 1(7) of the Locarno Agreement, official texts of that Classification are to be established.

Official Texts

An official text in Spanish of the Locarno Agreement was published in April.

Records of the Locarno Diplomatic Conference

The English and French editions of the Records of the Diplomatic Conference which adopted the Locarno Agreement, consisting of one volume each of approximately 160 printed pages, were published in 1972.

XVIII. Table of Contracting Countries

The following table shows the situation of the Acts in force at the end of 1972 (see also "Member Countries of the Industrial Property Unions," below).

Instrument	Number of Contracting Countries					
	Total	Bound by the Act of				
		Stockholm 1967	Lisbon 1958	Nice 1957	London 1934	The Hague 1925
Paris Convention	80	22 ¹	36	NA	19	3
Madrid Agreement/ Indications of Source	31	11 ²	17	NA	11	3
Madrid Agreement/ Marks	23	8	NA	14	1	0
Hague Agreement	15	0 ³	NA	NA	15 ⁴	0
Nice Agreement	29	15	NA	14	NA	NA
Lisbon Agreement	10	0 ⁵	10	NA	NA	NA
Locarno Agreement	10	NA	NA	NA	NA	NA

NA: Not applicable.

¹ This figure relates to the number of countries which have accepted the substantive articles (1 to 12) of the Stockholm Act.

² Since the Stockholm Act is an additional Act, these 11 countries are included in the figure for countries bound by the Lisbon Act.

³ The Complementary Act of Stockholm is not yet in force; three countries have accepted it.

⁴ Hague Act (1960): 3; Additional Act of Monaco (1961): 8.

⁵ The Stockholm Act is not yet in force; four countries have accepted it.

Member Countries of the Industrial Property Unions as on December 31, 1972

I

International Union for the Protection of Industrial Property (Paris Union) *

founded by the Paris Convention (1883), revised at Brussels (1900), Washington (1911), The Hague (1925), London (1934), Lisbon (1958), and Stockholm (1967)

Member Country **	Class chosen	Date on which adhesion to the Union took effect	Latest Act by which the Country is bound and date on which it became bound
<i>Algeria</i> ¹	IV	March 1, 1966	Lisbon: March 1, 1966
<i>Argentina</i> ²	III	February 10, 1967	Lisbon: February 10, 1967
<i>Australia</i> ^{1, 3}	III	October 10, 1925	London: June 2, 1958 Stockholm: August 25, 1972 ⁴ (administration) ††
<i>Austria</i>	IV	January 1, 1909	Lisbon: November 30, 1969
<i>Belgium</i> ²	III	July 7, 1884	Lisbon: August 21, 1965
BRAZIL ²	III	JULY 7, 1884	THE HAGUE: OCTOBER 26, 1929
<i>Bulgaria</i>	V	June 13, 1921	Stockholm: May 19 or 27, 1970 ⁵ (substance) † May 27, 1970 (administration) ††
<i>Cameroon</i> ^{1, 2}	VI	May 10, 1964	Lisbon: May 10, 1964
<i>Canada</i> ¹	II	June 12, 1925	London: July 30, 1951 Stockholm: July 7, 1970 ⁴ (administration) ††
<i>Central African Republic</i> ¹	VI	November 19, 1963	Lisbon: November 19, 1963
<i>Chad</i> ¹	VII	November 19, 1963	Stockholm: September 26, 1970
<i>Congo</i> ¹	VI	September 2, 1963	Lisbon: September 2, 1963
<i>Cuba</i> ²	VI	November 17, 1904	Lisbon: February 17, 1963
<i>Cyprus</i>	VI	January 17, 1966	Lisbon: January 17, 1966
<i>Czechoslovakia</i>	IV	October 5, 1919	Stockholm: December 29, 1970
<i>Dahomey</i> ^{1, 2}	VI	January 10, 1967	Lisbon: January 10, 1967
<i>Denmark</i> ⁶	IV	October 1, 1894	Stockholm ⁷ : April 26 or May 19, 1970 ⁵ (substance) † April 26, 1970 (administration) ††
DOMINICAN REPUBLIC	VI	JULY 11, 1890	THE HAGUE: APRIL 6, 1951
<i>Egypt</i> ²	IV	July 1, 1951	London: July 1, 1951
<i>Finland</i>	IV	September 20, 1921	London: May 30, 1953 Stockholm: September 15, 1970 ⁴ (administration) ††
<i>France</i> ^{2, 8}	I	July 7, 1884	Lisbon: January 4, 1962
<i>Gabon</i> ^{1, 2}	VI	February 29, 1964	Lisbon: February 29, 1964
<i>German Democratic Republic</i>	I	May 1, 1903 ⁹	Stockholm: April 26, 1970 ¹⁰
<i>Germany, Federal Republic of</i>	I	May 1, 1903 ⁹	Stockholm: September 19, 1970
<i>Greece</i> ²	V	October 2, 1924	London: November 27, 1953
<i>Haiti</i>	VI	July 1, 1958	Lisbon: January 4, 1962
<i>Holy See</i> ²	VI	September 29, 1960	London: September 29, 1960
<i>Hungary</i>	V	January 1, 1909	Stockholm: April 26 or May 19, 1970 ⁵ (substance) † April 26, 1970 (administration) ††
<i>Iceland</i>	VI	May 5, 1962	London: May 5, 1962
<i>Indonesia</i> ¹	IV	December 24, 1950	London: December 24, 1950
<i>Iran</i>	IV	December 16, 1959	Lisbon: January 4, 1962
<i>Ireland</i>	IV	December 4, 1925	Stockholm: April 26 or May 19, 1970 ⁵ (substance) † April 26, 1970 (administration) ††
<i>Israel</i> ¹	V	March 24, 1950	Stockholm: April 26 or May 19, 1970 ⁵ (substance) † April 26, 1970 (administration) ††
<i>Italy</i> ²	I	July 7, 1884	Lisbon: December 29, 1968
<i>Ivory Coast</i> ^{1, 2}	VI	October 23, 1963	Lisbon: October 23, 1963
<i>Japan</i> ²	II	July 15, 1899	Lisbon: August 21, 1965
<i>Jordan</i> ¹	VII	July 17, 1972	Stockholm: July 17, 1972
<i>Kenya</i>	VI	June 14, 1965	Stockholm: October 26, 1971
<i>Lebanon</i>	VI	September 1, 1924	London: September 30, 1947

Member Country **	Class chosen	Date on which admission to the Union took effect	Latest Act by which the Country is bound and date on which it became bound
Liechtenstein	VI	July 14, 1933	Stockholm: May 25, 1972
Luxembourg ²	VI	June 30, 1922	London: December 30, 1945
Madagascar ¹	VI	December 21, 1963	Stockholm: April 10, 1972
Malawi ¹¹	VI	July 6, 1964	Stockholm: June 25, 1970
Malta ²	VI	October 20, 1967	Lisbon: October 20, 1967
Mauritania ¹	VI	April 11, 1965	Lisbon: April 11, 1965
Mexico ²	III	September 7, 1903	Lisbon: May 10, 1964
Monaco ²	VI	April 29, 1956	Lisbon: January 4, 1962
Morocco	VI	July 30, 1917	Stockholm: August 6, 1971
Netherlands ^{2, 12}	III	July 7, 1884	London: August 5, 1948
New-Zealand ¹	V	July 29, 1931	London: July 14, 1946
Niger ^{1, 2}	VI	July 5, 1964	Lisbon: July 5, 1964
Nigeria	VI	September 2, 1963	Lisbon: September 2, 1963
Norway ²	IV	July 1, 1885	Lisbon: May 10, 1964
Philippines	VI	September 27, 1965	Lisbon: September 27, 1965
POLAND ²	III	NOVEMBER 10, 1919	THE HAGUE: NOVEMBER 22, 1931
Portugal ^{2, 13}	IV	July 7, 1884	London: November 7, 1949
Republic of Viet-Nam ¹	VI	December 8, 1956	London: December 8, 1956
Rhodesia ¹¹	VI	April 6, 1965	Lisbon: April 6, 1965
Romania	IV	October 6, 1920	Stockholm: April 26 or May 19, 1970 ⁵ (substance)† April 26, 1970 (administration) ††
San Marino	VI	March 4, 1960	London: March 4, 1960
Senegal ¹	VI	December 21, 1963	Stockholm: April 26 or May 19, 1970 ⁵ (substance)† April 26, 1970 (administration) ††
South Africa ²	IV	December 1, 1947	Lisbon: April 17, 1965
Soviet Union	I	July 1, 1965	Stockholm: April 26 or May 19, 1970 ⁵ (substance)† April 26, 1970 (administration) ††
Spain	IV	July 7, 1884	Stockholm: April 14, 1972
Sri Lanka ¹	VI	December 29, 1952	London: December 29, 1952
Sweden	III	July 1, 1885	Stockholm: October 9, 1970 (substance) † April 26, 1970 (administration) ††
Switzerland	III	July 7, 1884	Stockholm: April 26 or May 19, 1970 ⁵ (substance)† April 26, 1970 (administration) ††
Syrian Arab Republic ²	VI	September 1, 1924	London: September 30, 1947
Togo ^{1, 2}	VI	September 10, 1967	Lisbon: September 10, 1967
Trinidad and Tobago ¹	VI	August 1, 1964	Lisbon: August 1, 1964
Tunisia ²	VI	July 7, 1884	London: October 4, 1942
Turkey ²	IV	October 10, 1925	London: June 27, 1957
Uganda	III	June 14, 1965	Lisbon: June 14, 1965
United Kingdom ¹⁴	I	July 7, 1884	Stockholm: April 26 or May 19, 1970 ⁵ (substance)† April 26, 1970 (administration) ††
United Republic of Tanzania ¹	VI	June 16, 1963	Lisbon: June 16, 1963
United States of America ¹⁵	I	May 30, 1887	Lisbon: January 4, 1962 Stockholm: September 5, 1970 ⁴ (administration) ††
Upper Volta ^{1, 2}	VI	November 19, 1963	Lisbon: November 19, 1963
Uruguay	VI	March 18, 1967	Lisbon: March 18, 1967
Yugoslavia ²	IV	February 26, 1921	Lisbon: April 11, 1965
Zambia ¹¹	VI	April 6, 1965	Lisbon: April 6, 1965

(Total: 80 countries)

The footnotes are on the next page.

* This list includes all the entities to which the Convention has been declared applicable. It does not imply any expression of opinion as to the legal status of any country or territory or of its authorities.

** Explanation of type:

Heavy type: countries which have accepted the Stockholm Act (1967) in its entirety.

Italics: countries which have accepted the Lisbon Act (1958) and countries which have accepted the Lisbon Act and the Stockholm Act (1967) except Articles 1 to 12 of the latter.

Ordinary type: countries which have accepted the London Act (1934) and countries which have accepted the London Act and the Stockholm Act (1967) except Articles 1 to 12 of the latter.

CAPITAL LETTERS: countries which have accepted the Hague Act (1925).

† “Substance” means Articles 1 to 12 and, unless the date under “administration” is earlier, Articles 18 to 30.

†† “Administration” means Articles 13 to 17 and, unless the date under “substance” is earlier or where there is no entry “substance,” Articles 18 to 30.

- ¹ The Convention was previously applied, as from the dates indicated, on the territories of what are now the following countries: Australia (August 5, 1907), Canada (September 1, 1923), Indonesia (October 1, 1888), Israel (September 12, 1933), Jordan (Cis-Jordan only, September 12, 1933), New Zealand (September 7, 1891), Sri Lanka (June 10, 1905), Trinidad and Tobago (May 14, 1908), U.R. of Tanzania (Tanganyika only, January 1, 1938). The Convention was previously applied, from various dates, on the territories of what are now the following countries: Algeria, Cameroon, Central African Republic, Chad, Congo, Dahomey, Gabon, Ivory Coast, Madagascar, Mauritania, Niger, Republic of Vietnam, Senegal, Togo, Upper Volta.
- ² This country has deposited the notification provided under Article 30(2) of the Stockholm Act. It may thus exercise the rights provided for in Articles 13 to 17 of the Act as if it were bound by those articles. It is considered a member of the Assembly. These two privileges expire on April 26, 1975.
- ³ Australia extended the application of the Convention (Hague Act) to New Guinea and Papua with effect from February 12, 1933, and to Norfolk Island and Nauru with effect from July 29, 1936. Australia extended the application of the London Act to New Guinea, Norfolk Island and Papua with effect from February 5, 1960.
- ⁴ Acceptance excluding Articles 1 to 12.
- ⁵ The date, May 19, 1970, applied to States which, at that date, did not recognize the validity of the accession of the German Democratic Republic.
- ⁶ Including the Faroe Islands.
- ⁷ Denmark extended the application of the Stockholm Act to the Faroe Islands with effect from August 6, 1971.
- ⁸ Including the Departments of Guadeloupe, Guyane, Martinique and Reunion and all Overseas Territories.
- ⁹ Date on which the accession of the German Empire took effect.
- ¹⁰ At that time, a number of States had declared that they did not recognize the validity of the accession of the German Democratic Republic.
- ¹¹ The Convention had applied to Malawi, Rhodesia and Zambia (as component parts of the former Federation of Rhodesia and Nyasaland) from April 1, 1958.
- ¹² The Netherlands extended the application of the Convention to Curaçao and Surinam with effect from July 1, 1890. The application of the London Act was extended to these territories with effect from August 5, 1948.
- ¹³ Including the Azores and Madeira.
- ¹⁴ The United Kingdom extended the application of the Lisbon Act to the Bahamas with effect from October 20, 1967.
- ¹⁵ The United States of America extended the application of the Lisbon Act to American Samoa, Gnam, Puerto Rico and Virgin Islands with effect from July 7, 1963.

II

**Agreement for the Repression of False or Deceptive Indications of Source on Goods
(Madrid Agreement)***

founded by the Madrid Agreement (1891), revised at Washington (1911), The Hague (1925), London (1934), Lisbon (1958),
and supplemented by the Additional Act of Stockholm (1967)

Contracting Country **	Original date on which the Country became bound by the Agreement	Latest Act by which the Country is bound and date on which it became bound (see, however, for some countries, the Additional Act of Stockholm)	Additional Act of Stockholm and date on which the Country became bound by it
Algeria ¹	July 5, 1972	Lisbon: July 5, 1972	July 5, 1972
BRAZIL	OCTOBER 3, 1896	THE HAGUE: OCTOBER 26, 1929	—
<i>Cuba</i>	January 1, 1905	Lisbon: October 11, 1964	—
Czechoslovakia	September 30, 1921	Lisbon: June 1, 1963	December 29, 1970
DOMINICAN REPUBLIC	APRIL 6, 1951	THE HAGUE: APRIL 6, 1951	—
Egypt	July 1, 1952	London: July 1, 1952	—
<i>France</i> ²	July 15, 1892	Lisbon: June 1, 1963	—
German Democratic Republic	June 12, 1925 ³	Lisbon: January 15, 1965 ⁴	April 26, 1970 ⁴
Germany, Federal Republic of	June 12, 1925 ³	Lisbon: June 1, 1963	September 19, 1970
Hungary	June 5, 1934	Lisbon: March 23, 1967	April 26, 1970
Ireland	December 4, 1925	Lisbon: June 9, 1967	April 26, 1970
Israel ¹	March 24, 1950	Lisbon: July 2, 1967	April 26, 1970
<i>Italy</i>	March 5, 1951	Lisbon: December 29, 1968	—
<i>Japan</i>	July 8, 1953	Lisbon: August 21, 1965	—
Lebanon	September 1, 1924	London: September 30, 1947	—
Liechtenstein	July 14, 1933	Lisbon: April 10, 1972	May 25, 1972
<i>Monaco</i>	April 29, 1956	Lisbon: June 1, 1963	—
<i>Morocco</i>	July 30, 1917	Lisbon: May 15, 1967	—
New-Zealand ¹	July 29, 1931	London: May 17, 1947	—
POLAND	DECEMBER 10, 1928	THE HAGUE: DECEMBER 10, 1928	—
Portugal ⁵	October 31, 1893	London: November 7, 1949	—
Republic of Viet-Nam ¹	December 8, 1956	London: December 8, 1956	—
San Marino	September 25, 1960	London: September 25, 1960	—
Spain	July 15, 1892	London: March 2, 1956	—
Sri Lanka ¹	December 29, 1952	London: December 29, 1952	—
Sweden	January 1, 1934	Lisbon: October 3, 1969	April 26, 1970
Switzerland	July 15, 1892	Lisbon: June 1, 1963	April 26, 1970
Syrian Arab Republic	September 1, 1924	London: September 30, 1947	—
Tunisia	July 15, 1892	London: October 4, 1942	—
Turkey	August 21, 1930	London: June 27, 1957	—
United Kingdom	July 15, 1892	Lisbon: June 1, 1963	April 26, 1970

(Total: 31 countries)

* This list includes all the entities to which the Agreement has been declared applicable. It does not imply any expression of opinion as to the legal status of any country or territory or of its authorities.

** Explanation of type:

Heavy type: countries which have accepted the Additional Act of Stockholm (1967).

Italics: countries which have not accepted an Act later than Lisbon (1958).

Ordinary type: countries which have not accepted an Act later than London (1934).

CAPITAL LETTERS: countries which have not accepted an Act later than The Hague (1925).

¹ The Agreement was previously applied, as from the dates indicated, on the territories of what are now the following countries: Israel (September 12, 1933), New Zealand (June 20, 1913), Sri Lanka (September 1, 1913). The Agreement was previously applied, from various dates, on the territories of what are now Algeria and the Republic of Viet-Nam.

² Including the Departments of Guadeloupe, Guyane, Martinique and Reunion and all Overseas Territories.

³ Date on which Germany became bound by the Agreement.

⁴ At that time, a number of States had declared that they did not recognize the validity of the accession of the German Democratic Republic.

⁵ Including the Azores and Madeira.

III

Union for the International Registration of Marks (Madrid Union)*

founded by the Madrid Agreement (1891), revised at Brussels (1900), Washington (1911), The Hague (1925), London (1934), Nice (1957) and Stockholm (1967)

Member Country **	Date on which adhesion to the Union took effect	Latest Act by which the Country is bound and date on which it became bound
Algeria ^{1, 2}	July 5, 1972	Stockholm: July 5, 1972
Austria ¹	January 1, 1909	Nice: February 8, 1970
Belgium ^{1, 3, 4}	July 15, 1892	Nice: December 15, 1966
Czechoslovakia ¹	October 5, 1919	Stockholm: December 22 or 29, 1970 ⁵
Egypt ^{1, 6}	July 1, 1952	Nice: December 15, 1966
France ^{1, 4, 7}	July 15, 1892	Nice: December 15, 1966
German Democratic Republic ¹	December 1, 1922 ⁸	Stockholm: September 19, 1970 ⁹
Germany, Federal Republic of ¹	December 1, 1922 ⁸	Stockholm: September 19, or December 22, 1970 ⁵
Hungary ¹	January 1, 1909	Stockholm: September 19, or December 22, 1970 ⁵
Italy ^{1, 4}	October 15, 1894	Nice: December 15, 1966
Liechtenstein ¹	July 14, 1933	Stockholm: May 25, 1972
Luxembourg ^{1, 3, 4}	September 1, 1924	Nice: December 15, 1966
Monaco ^{1, 4, 6}	April 29, 1956	Nice: December 15, 1966
Morocco ^{1, 4}	July 30, 1917	Nice: December 18, 1970
Netherlands ^{1, 3, 4}	March 1, 1893	Nice: December 15, 1966
Portugal ^{1, 4, 10}	October 31, 1893	Nice: December 15, 1966
Republic of Viet-Nam ²	December 8, 1956	London: December 8, 1956
Romania ¹	October 6, 1920	Stockholm: September 19, or December 22, 1970 ⁵
San Marino ¹	September 25, 1960	Nice: December 15, 1966
Spain ^{1, 4, 11}	July 15, 1892	Nice: December 15, 1966
Switzerland ¹	July 15, 1892	Stockholm: September 19, or December 22, 1970 ⁵
Tunisia ¹	July 15, 1892	Nice: August 28, 1967
Yugoslavia ^{1, 4}	February 26, 1921	Nice: December 15, 1966

(Total: 23 countries)¹²

* This list includes all the entities to which the Agreement has been declared applicable. It does not imply any expression of opinion as to the legal status of any country or territory or of its authorities.

** Explanation of type:

Heavy type: countries which have accepted the Stockholm Act (1967).

Italics: countries which have not accepted an Act later than Nice (1957).

Ordinary type: countries which have not accepted an Act later than London (1934).

¹ The following countries have declared, under Article 3^{bis} of the Nice or Stockholm Act, that the protection arising from international registration shall not extend to them unless the proprietor of the mark so requests: Algeria (July 5, 1972), Austria (February 8, 1970), Belgium (December 15, 1966), Czechoslovakia (April 14, 1971), Egypt (March 1, 1967), France (July 1, 1973), German Democratic Republic (October 25, 1967), Germany (Federal Republic of) (July 1, 1973), Hungary (October 30, 1970), Italy (June 14, 1967), Liechtenstein (January 1, 1973), Luxembourg (December 15, 1966), Monaco (December 15, 1966), Morocco (December 18, 1970), Netherlands (December 15, 1966), Portugal (December 15, 1966), Romania (June 10, 1967), San Marino (August 14, 1969), Spain (December 15, 1966), Switzerland (January 1, 1973), Tunisia (August 28, 1967), Yugoslavia (June 29, 1972). The dates in parentheses indicate the effective date of the declaration in respect of each country.

² The Agreement previously applied, from various dates, on the territories of what are now Algeria and the Republic of Viet-Nam.

³ As from January 1, 1971, the territories in Europe of Belgium, Luxembourg and the Netherlands are, for the application of the Agreement, to be deemed a single country.

⁴ This country has deposited the notification provided under Article 18(2) of the Stockholm Act. It may thus exercise the rights provided for in Articles 10 to 13 of the Act as if it were bound by those articles. It is considered a member of the Assembly. These two privileges expire on April 26, 1975.

⁵ The date, December 22, 1970, applied to States which, at that date, did not recognize the validity of the accession of the German Democratic Republic.

⁶ Egypt and Monaco only recognize trademarks registered under the Agreement *after* the date of their adhesion to the Union.

⁷ Including the Departments of Guadeloupe, Guyane, Martinique and Reunion and all Overseas Territories.

⁸ Date on which Germany adhered to the Union.

⁹ At that time, a number of States had declared that they did not recognize the validity of the accession of the German Democratic Republic.

¹⁰ Including the Azores and Madeira.

¹¹ Spain has declared that it no longer wishes to be bound by instruments earlier than the Nice Act. This declaration became effective on December 15, 1966.

¹² Turkey withdrew from the Union with effect from September 10, 1956. International registrations in effect on that date continue to be recognized by Turkey until they expire.

IV

Union Concerning the International Deposit of Industrial Designs (Hague Union) *

founded by the Hague Agreement (1925), revised at London (1934) and The Hague (1960) ¹, and supplemented by the Additional Act of Monaco (1961) and by the Complementary Act of Stockholm (1967) ²

Member Country **	Date on which adhesion to the Union took effect	Date of accession to the London Act	Date of accession to the Additional Act of Monaco
Belgium	July 27, 1929	November 24, 1939	November 13, 1964
Egypt	July 1, 1952	July 1, 1952	—
France ^{3,4}	October 20, 1930	June 25, 1939	December 1, 1962
German Democratic Republic	June 1, 1928 ⁵	June 13, 1939 ^{6,7}	—
Germany, Federal Republic of ⁸	June 1, 1928 ⁵	June 13, 1939 ⁷	December 1, 1962
Holy See	September 29, 1960	September 29, 1960	—
Indonesia ⁹	December 24, 1950	December 24, 1950	—
Liechtenstein ^{3,8}	July 14, 1933	January 28, 1951	July 9, 1966
Monaco	April 29, 1956	April 29, 1956	September 14, 1963
Morocco	October 20, 1930	January 21, 1941	—
Netherlands ¹⁰	June 1, 1928	August 5, 1948	September 14, 1963
Republic of Viet-Nam ⁹	December 8, 1956	December 8, 1956	—
Spain	June 1, 1928	March 2, 1956	August 31, 1969
Switzerland ^{3,8}	June 1, 1928	November 24, 1939	December 21, 1962
Tunisia	October 20, 1930	October 4, 1942	—

(Total: 15 countries)

* This list includes all the entities to which the Agreement has been declared applicable. It does not imply any expression of opinion as to the legal status of any country or territory or of its authorities.

** Explanation of type:

Heavy type: countries which have accepted the London Act (1934) and the Additional Act of Monaco (1961).

Ordinary type: countries which have accepted the London Act (1934) but not the Additional Act of Monaco.

¹ The Hague Act (1960) is not yet in force.

² The Complementary Act of Stockholm (1967) is not yet in force.

³ This country has acceded to the Hague Act (1960), which is however not yet in force.

⁴ Including the Departments of Guadeloupe, Guyane, Martinique and Reunion and all Overseas Territories.

⁵ Date on which Germany adhered to the Union.

⁶ The German Democratic Republic declared that it considered the Hague Agreement revised at London (1934) as again applicable on the territory of the German Democratic Republic as from the date its declaration was sent by the depositary to the States concerned, that is January 16, 1956. Thereafter, a number of States declared that they did not recognize the validity of this declaration.

⁷ Date of Germany's accession to the London Act.

⁸ This country has acceded to the Complementary Act of Stockholm (1967), which is however not yet in force.

⁹ The Agreement was previously applied on the territories of what are now Indonesia (June 1, 1928) and the Republic of Viet-Nam (October 20, 1930).

¹⁰ Including Curaçao and Surinam.

V

**Union Concerning the International Classification of Goods and Services for the Purposes
of the Registration of Marks (Nice Union) ***

founded by the Nice Agreement (1957), and revised at Stockholm (1967)

Member Country **	Date on which adhesion to the Union took effect	Latest Act by which the Country is bound and date on which it became bound
Algeria	July 5, 1972	Stockholm: July 5, 1972
Australia	April 8, 1961	Stockholm: August 25, 1972
Austria	November 30, 1969	Nice: November 30, 1969
Belgium ¹	June 6, 1962	Nice: June 6, 1962
Czechoslovakia	April 8, 1961	Stockholm: December 29, 1970
Denmark	November 30, 1961	Stockholm: May 4, 1970 ²
France ^{1, 3}	April 8, 1961	Nice: April 8, 1961
German Democratic Republic	January 15, 1965 ⁴	Stockholm: November 12, 1969 ⁴
Germany, Federal Republic of	January 29, 1962	Stockholm: September 19, 1970
Hungary	March 23, 1967	Stockholm: March 18, or April 19, 1970 ⁵
Ireland	December 12, 1966	Stockholm: November 12, 1969, or March 18, 1970 ⁵
Israel	April 8, 1961	Stockholm: November 12, 1969, or March 18, 1970 ⁵
Italy ¹	April 8, 1961	Nice: April 8, 1961
Lebanon	April 8, 1961	Nice: April 8, 1961
Liechtenstein	May 29, 1967	Stockholm: May 25, 1972
Monaco	April 8, 1961	Nice: April 8, 1961
Morocco ¹	October 1, 1966	Nice: October 1, 1966
Netherlands ¹	August 20, 1962	Nice: August 20, 1962
Norway ¹	July 28, 1961	Nice: July 28, 1961
Poland	April 8, 1961	Nice: April 8, 1961
Portugal ¹	April 8, 1961	Nice: April 8, 1961
Soviet Union	July 26, 1971	Stockholm: July 26, 1971
Spain ¹	April 8, 1961	Nice: April 8, 1961
Sweden	July 28, 1961	Stockholm: November 12, 1969, or March 18, 1970 ⁵
Switzerland	August 20, 1962	Stockholm: May 4, 1970
Tunisia	May 29, 1967	Nice: May 29, 1967
United Kingdom	April 15, 1963	Stockholm: November 12, 1969, or March 18, 1970 ⁵
United States of America	May 25, 1972	Stockholm: May 25, 1972
Yugoslavia ¹	August 30, 1966	Nice: August 30, 1966

(Total: 29 countries)

* This list includes all the entities to which the Agreement has been declared applicable. It does not imply any expression of opinion as to the legal status of any country or territory or of its authorities.

** Explanation of type:

Heavy type: countries which have accepted the Stockholm Act (1967).

Ordinary type: countries which have not accepted an Act later than Nice (1957).

¹ This country has deposited the notification provided under Article 16 (2) of the Stockholm Act. It may thus exercise the rights provided for in Articles 5 to 8 of the Act as if it were bound by those articles. It is considered a member of the Assembly. These two privileges expire on April 26, 1975.

² Denmark extended the application of the Stockholm Act to the Faroe Islands with effect from October 28, 1972.

³ Including the Departments of Guadeloupe, Guyane, Martinique and Reunion and all Overseas Territories.

⁴ At that time, a number of States had declared that they did not recognize the validity of the accession of the German Democratic Republic.

⁵ The date, March 18, 1970, applied to States which, at that date, did not recognize the validity of the accession of the German Democratic Republic.

VI

**Union for the Protection of Appellations of Origin and their International Registration
(Lisbon Union) ***

founded by the Lisbon Agreement (1958), and revised at Stockholm (1967) ¹

Member Country	Date on which adhesion to the Union took effect
Algeria ²	July 5, 1972
Cuba	September 25, 1966
Czechoslovakia ²	September 25, 1966
France ^{3,4}	September 25, 1966
Haiti	September 25, 1966
Hungary ²	March 23, 1967
Israel ²	September 25, 1966
Italy ⁴	December 29, 1968
Mexico	September 25, 1966
Portugal ⁴	September 25, 1966
(Total: 10 countries)	

* This list includes all the entities to which the Agreement has been declared applicable. It does not imply any expression of opinion as to the legal status of any country or territory or of its authorities.

¹ The Stockholm Act (1967) is not yet in force.

² This country has accepted the Stockholm Act (1967), which is however not yet in force.

³ Including the Departments of Guadeloupe, Guyane, Martinique and Reunion and all Overseas Territories.

⁴ This country has deposited the notification provided under Article 18(2) of the Stockholm Act. When this Act enters into force, the country will be able to exercise the rights provided for in Articles 9 to 12 of the Act as if it were bound by those articles and will be considered a member of the Assembly. These two privileges will expire on April 26, 1975.

VII

Union Concerning the International Classification of Industrial Designs (Locarno Union) *

founded by the Locarno Agreement (1968)

Member Country	Date on which adhesion to the Union took effect
Czechoslovakia	April 27, 1971
Denmark	April 27, 1971
Finland	May 16, 1972
German Democratic Republic	April 27, 1971 ¹
Ireland	April 27, 1971
Norway	April 27, 1971
Soviet Union	December 15, 1972
Sweden	April 27, 1971
Switzerland	April 27, 1971
United States of America	May 25, 1972
(Total: 10 countries)	

* This list includes all the entities to which the Agreement has been declared applicable. It does not imply any expression of opinion as to the legal status of any country or territory or of its authorities.

¹ At that time, a number of States had declared that they did not recognize the validity of the accession of the German Democratic Republic.

VIII

Patent Cooperation Treaty (1970)¹*Signatory States*

Algeria	Hungary	Philippines
Argentina	Iran	Romania
Austria	Ireland	Senegal
Belgium	Israel	Soviet Union
Brazil	Italy	Sweden
Canada	Ivory Coast	Switzerland
Denmark	Japan	Syrian Arab Republic
Egypt	Luxembourg	Togo
Finland	Madagascar	United Kingdom
France	Monaco	United States of America
Germany, Federal Republic of	Netherlands	Yugoslavia
Holy See	Norway	

(Total: 35 States)

Ratifications

Madagascar
Senegal

Accessions

Central African Republic
Malawi

¹ This Treaty is not yet in force.

IX

Strasbourg Agreement Concerning the International Patent Classification (1971)¹*Signatory Countries*

Austria	Holy See	Norway
Belgium	Iran	Spain
Brazil	Italy	Sweden
Denmark	Japan	Switzerland
Finland	Liechtenstein	United Kingdom
France	Luxembourg	United States of America
Germany, Federal Republic of	Monaco	Yugoslavia
Greece	Netherlands	

(Total: 23 countries)

Ratifications

France
Switzerland
United Kingdom

Accession

Ireland

¹ This Agreement is not yet in force.

Membership of the Administrative Bodies

On December 31, 1972, the membership of the administrative bodies was as follows:

Paris Union

Assembly: Argentina*, Australia, Belgium*, Brazil*, Bulgaria, Cameroon*, Canada, Chad, Cuba*, Czechoslovakia, Dahomey*, Denmark, Egypt*, Finland, France*, Gabon*, German Democratic Republic, Germany (Federal Republic of), Greece*, Holy See*, Hungary, Ireland, Israel, Italy*, Ivory Coast*, Japan*, Jordan, Kenya, Liechtenstein, Luxembourg*, Madagascar, Malawi, Malta*, Mexico*, Monaco*, Morocco, Netherlands*, Niger*, Norway*, Poland*, Portugal*, Romania, Senegal, South Africa*, Soviet Union, Spain, Sweden, Switzerland, Syrian Arab Republic*, Togo*, Tunisia*, Turkey*, United Kingdom, United States of America, Upper Volta*, Yugoslavia*.

Conference of Representatives: Algeria, Austria, Central African Republic, Congo, Cyprus, Dominican Republic, Haiti, Iceland, Indonesia, Iran, Lebanon, Mauritania, New Zealand, Nigeria, Philippines, Republic of Viet-Nam, Rhodesia, San Marino, Sri Lanka, Trinidad and Tobago, Uganda, United Republic of Tanzania, Uruguay, Zambia.

Executive Committee: ORDINARY MEMBERS: Argentina, Australia, Brazil, Cameroon, France, Germany (Federal Republic of), Hungary, Japan, Kenya, Senegal, Soviet Union, Sweden, Switzerland, United Kingdom, United States of America. ASSOCIATE MEMBER: Sri Lanka. *Note:* The members of the Executive Committee remain in office until the end of the ordinary session fixed for September 1973.

Madrid Union (Marks)

Assembly: Algeria, Belgium*, Czechoslovakia, France*, German Democratic Republic, Germany (Federal Republic of), Hungary, Italy*, Liechtenstein, Luxembourg*, Monaco*, Morocco*, Netherlands*, Portugal*, Romania, Spain*, Switzerland, Yugoslavia*.

Committee of Directors: Austria, Egypt, Republic of Viet-Nam, San Marino, Tunisia.

Nice Union

Assembly: Algeria, Australia, Belgium*, Czechoslovakia, Denmark, France*, German Democratic Republic, Germany (Federal Republic of), Hungary, Ireland, Israel, Italy*, Liechtenstein, Morocco*, Netherlands*, Norway*, Portugal*, Soviet Union, Spain*, Sweden, Switzerland, United Kingdom, United States of America, Yugoslavia*.

Conference of Representatives: Austria, Lebanon, Monaco, Poland, Tunisia.

Lisbon Union

Council: Algeria, Cuba, Czechoslovakia, France, Haiti, Hungary, Israel, Italy, Mexico, Portugal.

* Member of the relevant body until April 26, 1975.

Locarno Union

Assembly: Czechoslovakia, Denmark, Finland, German Democratic Republic, Ireland, Norway, Soviet Union, Sweden, Switzerland, United States of America.

Paris Convention

Application of the Transitional Provisions (Five-Year Privilege) of the Stockholm Act

MONACO

The Government of Monaco has notified its desire to avail itself of the provisions of Article 30(2) of the Stockholm Act of the Paris Convention for the Protection of Industrial Property.

This notification entered into force on the date of its receipt, that is, on December 14, 1972.

Pursuant to the provisions of the said Article, Monaco, which is a member of the Paris Union, may, until the expiration of five years from the date of entry into force of the WIPO Convention, that is to say until April 26, 1975, exercise the rights provided under Articles 13 to 17 of the Stockholm Act of the Paris Convention, as if it were bound by those Articles.

Paris Notification No. 41, of December 20, 1972.

TOGO

The Government of Togo has notified its desire to avail itself of the provisions of Article 30(2) of the Stockholm Act of the Paris Convention.

This notification entered into force on the date of its receipt, that is, on December 5, 1972.

Pursuant to the provisions of the said Article, Togo, which is a member of the Paris Union, may, until the expiration of five years from the date of entry into force of the WIPO Convention, that is to say until April 26, 1975, exercise the rights provided under Articles 13 to 17 of the Stockholm Act of the Paris Convention, as if it were bound by those Articles.

Paris Notification No. 40, of December 12, 1972.

Madrid Agreement (Marks)

I. Declaration under Article 3^{bis} of the Nice Act

FRANCE

The Swiss Federal Political Department has addressed the following notification to the Governments of the member countries of the Paris Union:

"By a note dated December 7, 1972, received on December 12, the Embassy of France in Berne notified the Federal Political Department that France intends to avail itself of the right provided for in Article 3^{bis}, paragraph (1) of the

Madrid Agreement for the International Registration of Trade Marks of April 14, 1891, as revised at Nice on June 15, 1957 and, in consequence, that the protection resulting from an international registration of trade marks or marks applicable to services would extend to France only at the express request of the proprietor of the mark.

“In conformity with Article 3^{bis}, paragraph (2) of the said Agreement, the declaration of France will take effect on July 1, 1973.

(Translation)

Berne, January 1, 1973.”

II. Declaration under Article 3^{bis} of the Stockholm Act

GERMANY, Federal Republic of

The Government of Germany (Federal Republic of) deposited, on December 7, 1972, a declaration under which the protection resulting from an international registration will extend to this country only at the express request of the proprietor of the mark.

Pursuant to Article 3^{bis}(2) of the Stockholm Act of the Madrid Agreement (Marks), this declaration will take effect on July 1, 1973.

Madrid (Marks) Notification No. 18, of January 1, 1973.

Strasbourg Agreement

Ratification

SWITZERLAND

The Government of Switzerland deposited on December 20, 1972, its instrument of ratification dated November 17, 1972, of the Strasbourg Agreement Concerning the International Patent Classification of March 24, 1971.

A separate notification will be made of the entry into force of the said Agreement, when the required number of ratifications or accessions is reached.

Strasbourg Notification No. 5, of January 9, 1973.

PLANT VARIETIES

Union for the Protection of New Varieties of Plants in 1972

Member States

At the end of 1972, the Union for the Protection of New Varieties of Plants (UPOV) consisted of the following six member States, no additional ratification or accession having taken place in the course of the year: Denmark, France, Germany (Federal Republic of), Netherlands, Sweden and the United Kingdom.

Diplomatic Conference

A Diplomatic Conference for the Amendment of the International Convention for the Protection of New Varieties of Plants was held in Geneva in November. The purpose of the Conference was to prepare and adopt an Additional Act amending the provisions of the International Convention relating to the contributions of member States of UPOV and, in the event of arrears in the payment of such contributions, to the right to vote. The Conference unanimously adopted such an Additional Act. The Additional Act was signed on November 10, 1972 by the representatives of Belgium, Denmark, France, Germany (Federal Republic of), Italy, Netherlands, Switzerland and the United Kingdom. The Additional Act was deposited with the Government of France and remains open for signature until April 1, 1973¹.

¹ The text of the Additional Act is published in *Industrial Property*, 1972, p. 351.

Council

The Council held its sixth session in November. The six member States of UPOV were represented. Three signatory States (Belgium, Italy and Switzerland) attended the meeting in an observer capacity as did representatives from certain other interested States (Austria, Finland, Hungary, Ireland, Japan, South Africa, Spain and the United States of America) which had been invited to send observers. Apart from administrative matters, such as the accounts for 1970 and the budget for 1973, and some minor amendments to the Financial and Administrative Regulations, the Council invited non-member States which had introduced plant breeders' rights to cooperate with UPOV with a view to harmonizing the variety descriptions. Furthermore, the Council considered other matters for cooperation among the member States and non-member States. The Council established a Technical Working Party for Forest Trees.

Other Bodies of UPOV

The Consultative Working Committee met in April and made preparations for the Diplomatic Conference.

The Working Group on Variety Denominations met in December and considered the question of amending the Provisional Guidelines for Variety Denominations in connection with a “hearing” of the interested professional international organizations.

The Technical Steering Committee met in June and discussed basic questions regarding testing of varieties. The Technical Working Parties met in the course of the year or made progress by correspondence.

CONVENTIONS NOT ADMINISTERED BY WIPO

Contracting States on December 31, 1972

International Patent Institute (IIB)

Hague Agreement of June 6, 1947, establishing
the International Patent Institute
revised at The Hague on February 16, 1961

State	Date on which the State became party to the 1947 Agreement	Date on which the State became party to the 1961 Act
Belgium	June 10, 1949	December 30, 1971
France	June 10, 1949	December 30, 1971
Luxembourg	June 10, 1949	December 30, 1971
Monaco	August 2, 1956	December 30, 1971
Netherlands	June 10, 1949	December 30, 1971
Switzerland	January 1, 1960	December 30, 1971
Turkey	September 28, 1955	December 30, 1971
United Kingdom	August 2, 1965	

African and Malagasy Industrial Property Office (OAMPI)

Libreville Agreement of September 13, 1962, Relating to the
Creation of an African and Malagasy Industrial Property Office

Ratification only

State	Date of relevant law ¹
Congo	L June 15, 1963 D July 27, 1963
Ivory Coast	D March 4, 1963
Niger	L February 6, 1963
Senegal	L July 3, 1963 D November 19, 1963
Upper Volta	L May 10, 1963 D January 6, 1964

Ratification providing for the application of Annex IV

State	Date of relevant law ¹
Cameroon	L June 19, 1963 D August 23, 1963
Central African Republic	L December 7, 1962
Chad	O March 9, 1963
Dahomey	D July 5, 1963
Gabon	L December 20, 1962
Madagascar	L June 12, 1963 D August 28, 1963
Mauritania	L June 19, 1963

Accession: Togo, October 24, 1967

¹ "D" means Decree.
"L" means Law.
"O" means Order.

Council of Europe

European Convention relating to the Formalities required
for Patent Applications (1953)
(Entered into force June 1, 1955)

State	Date of Ratification of or Accession to the Convention
Austria	March 3, 1971
Belgium	March 12, 1965
Denmark	September 3, 1956
France	January 18, 1962
Germany, Federal Republic of	May 17, 1955
Greece *	June 15, 1955
Iceland	March 24, 1966
Ireland	June 17, 1954
Israel *	April 29, 1966
Italy	October 17, 1958
Luxembourg	July 4, 1957
Netherlands	May 9, 1956
Norway	May 21, 1954
South Africa *	November 28, 1957
Spain *	June 28, 1967
Sweden	June 28, 1957
Switzerland	December 28, 1959
Turkey	October 22, 1956
United Kingdom	May 5, 1955

European Convention on the International Classification of Patents for Invention

(including Annex as amended) (1954-1967)
(Entered into force August 1, 1955)

State	Date of Ratification of or Accession to the Convention
Australia *	March 7, 1958
Belgium	May 16, 1955
Denmark	September 23, 1957
France **	July 1, 1955
Germany, Federal Republic of	November 28, 1955
Ireland **	March 11, 1955
Israel *	April 18, 1966
Italy	January 9, 1957
Netherlands	January 12, 1956
Norway	March 11, 1955
Spain *	September 1, 1967
Sweden	June 28, 1957
Switzerland **	December 20, 1966
Turkey	October 22, 1956
United Kingdom **	October 28, 1955

* These States are not members of the Council of Europe.

** In view of their adhesion to the Strasbourg Agreement Concerning the International Patent Classification (1971), these States have denounced the European Convention on the International Classification of Patents for Invention. Their denunciations have however not yet entered into force.

the proposal of the Government of Brazil were submitted in September 1972 to the Paris Union Executive Committee, which decided that the International Bureau of WIPO should analyze the replies, study possible solutions and submit a report to a Committee of Experts.

Pursuant to this decision, and at the invitation of the Director General of WIPO, a Committee of Experts on a Patent Licensing Convention (hereinafter referred to as "the Committee") met in Geneva from October 30 to November 3, 1972.

Thirty-three States had been invited; 27 of them were represented. Five intergovernmental organizations were represented by observers. The list of participants appears at the end of this Note.

The Committee unanimously elected Mr. T. T. Loho (Brazil) as Chairman and Mr. G. Borggård (Sweden) and Mr. Z. Szilvássy (Hungary) as Vice-Chairmen. Mr. J. Voyame (WIPO) acted as Secretary of the Committee.

Deliberations were based mainly on the report prepared by the International Bureau (Analysis of Statements and Written Replies Concerning the Proposal for a Patent Licensing Convention, and Study of Possible Solutions, documents LC/II/2 and 3); the study of possible solutions contained in the report included the examination of a possible Patent Licensing Convention providing for the communication of patent documents, the publicizing of licensing opportunities through national agencies and an international gazette and the establishment of a Committee of Experts; the report also suggested measures which could be taken by national legislation, in the form of special "technology transfer" patents. Draft texts and commentaries were provided in annexes to the report. The Committee also considered two proposals submitted by the Delegation of Brazil, one concerning the establishment of a mechanism for contacts between prospective licensors and prospective licensees, the other suggesting the introduction in national legislation of a special "industrial development" patent (documents LC/II/7 and 8), and a draft of recommendations prepared by the Secretariat concerning the establishment of a Permanent Committee (document LC/II/9).

The Committee considered in particular the following questions: information on existing technology, information on licensing requests and licensing offers, promotion of licensing negotiations, measures which could be taken by national legislation, questions relating to a patent licensing convention and administrative framework for activities envisaged. In particular, the Committee expressed the view that the study of the question of information on licensing requests and licensing offers should continue with particular emphasis on the publication of the requests of developing countries and the creation of agencies for licensing particularly in developing countries. As regards measures which could be taken by national legislation, the Committee agreed that both the industrial development patent, proposed by the Delegation of Brazil, and the technology transfer patent, outlined in the study of the International Bureau, should be further examined.

Upon a proposal of the Delegation of Germany (Federal Republic of), the Committee recommended that the compe-

tent organs of WIPO should at their next sessions set up an international mechanism to facilitate the acquisition of technology by developing countries. Its policy and day-to-day operation should be directed by a Permanent Committee. The Director General was invited to convene first a provisional committee in order to work out detailed proposals to the competent organs of WIPO for the composition of the Permanent Committee, its jurisdiction, program, means of action and financing, taking into account the preparatory work already achieved by the International Bureau of WIPO and the discussions of the present Committee. Particular attention should be paid to the need to coordinate the Permanent Committee's activities with those of other intergovernmental organizations, and those of the future Committee for Technical Assistance to be established under the Patent Cooperation Treaty and its Interim Committee. All countries members of WIPO or of any of the Unions administered by the International Bureau of WIPO should be invited to participate as members of the provisional committee, to which all other countries members of the United Nations, of the specialized agencies of the United Nations system or of the International Atomic Energy Agency should be invited as observers, together with intergovernmental and international non-governmental organizations concerned.

List of Participants *

I. States

Algeria: S. Bouzidi; A. Boussaïd; G. Sellali (Mrs.). Argentina: R. A. Ramayón. Brazil: T. T. Lobo; A. G. de Alencar; A. C. Bandeira; F. M. Perri. Chile: C. Contreras; E. Bucchi de Yopez (Mrs.). Colombia: A. Zuluaga; J. Serna Barhosa. Cuba: F. Ortiz Rodriguez. Czechoslovakia: V. Vaniš; I. Šronek; A. Ringl; J. Špringer; M. Kasalý. Egypt: S. A. Ahou-Ali. France: R. Lahry; P. Pietri; P. Guérin. Germany (Federal Republic of): H. Mast; R. von Schleussner (Mrs.); G. Ullrich. Hungary: Z. Szilvássy; G. Pálos. Iran: M. Naraghi. Italy: R. Messerotti-Benvenuti; A. M. Ferrari; L. Grillini. Ivory Coast: D. Tanoe. Japan: M. Umeda. Mexico: M. Prieto Espinosa (Mrs.); A. Cahrera (Miss). Philippines: T. S. Evalle. Senegal: B. Niang. Soviet Union: L. Inozemtsev; A. Ignatiev; R. Makarov. Spain: A. Fernandez Mazarambroz; J. Delicado Montero Rios. Sudan: M. M. Kanani. Sweden: G. Borggård; S. Lewin; S. Lindström; L. Körner. Switzerland: R. Kämpf; F. Curchod. Thailand: N. Snidvongs. United Kingdom: D. L. T. Cadman. United States of America: J. E. Lysterly; J. J. Sheehan; M. P. Hartman; G. R. Powers; J. M. Lightman. Venezuela: F. Baez Duarte; T. Gonzalez Bolivar (Miss); L. Matos; A. Rodriguez Iturbe.

II. Intergovernmental Organizations

United Nations Conference on Trade and Development (UNCTAD): C. Greenhill; F. R. Fiallo. Acuerdo de Cartagena (Andean Group): A. Vidales. African and Malagasy Industrial Property Office (OAMPI): R. Raparson. Organization of American States (OAS): P. Gonod. Permanent Secretariat of the General Treaty for Central American Economic Integration (SIECA): D. Ramirez.

III. Non-Governmental Organizations

Council of European Industrial Federations (CEIF): G. Alhrechtskirchinger. Federation of Danish Industries: T. Schmidt. International Association for the Protection of Industrial Property (IAPIP): H. Wohlmann. International Chamber of Commerce (ICC): D. A. Was; H. Aspden; H. C. F. Vanderhorgh. Licensing Executives Society (LES): M. B. Finnegan; C. G. Wickham.

* A list containing the titles and functions of the participants may be obtained from the International Bureau.

IV. Officers

Chairman: T. T. Lobo (Brazil); *Vice-Chairmen:* G. Borggård (Sweden); Z. Szilvássy (Hungary); *Secretary:* J. Voyame (WIPO).

V. WIPO

G. H. C. Bodenhausen (*Director General*); J. Voyame (*Second Deputy Director General*); K. Pfanner (*Senior Counsellor, Head, Industrial Property Division*); L. Baeumer (*Counsellor, Head, Legislation and Regional Agreements Section, Industrial Property Division*); A. B. Kecherid (*Legal Assistant, Legislation and Regional Agreements Section, Industrial Property Division*).

Committee of Experts on the International Registration of Marks

(Geneva, December 5 to 12, 1972)

Note *

It is recalled that a Committee of Experts on the International Registration of Marks met in May 1972¹. The same Committee met once again at Geneva from December 5 to 12, 1972, at the *Palais des Nations*.

Thirty-one States and two intergovernmental and fifteen non-governmental organizations, primarily representing trademark owners (particularly private industry), trademark lawyers and trademark agents, attended. The list of participants appears at the end of this Note.

Experts of intergovernmental and non-governmental organizations had the same opportunities to participate in the discussions as governmental experts.

The Committee of Experts was convened to examine the draft of the Regulations under the draft Trademark Registration Treaty ("TRT")².

A draft of the TRT Regulations was prepared by the International Bureau and served as a basis for the discussions of the Committee of Experts.

On the basis of the recommendations made by that Committee, the International Bureau will once more revise the draft TRT Regulations and publish them in the form of a preparatory document for the Vienna Diplomatic Conference on Industrial Property, 1973.

One of the subjects of that Diplomatic Conference — scheduled from May 17 to June 12, 1973 — is the adoption of the TRT and the TRT Regulations.

* This Note has been prepared by the International Bureau on the basis of the documents of the meeting.

¹ *Industrial Property*, 1972, p. 151.

² The draft TRT is described in *Industrial Property*, 1972, pp. 151 and 152.

List of participants **

I. States

Algeria: G. Sellali (Mrs.). Argentina: R. A. Ramayón. Austria: G. Gall; A. Duschaneck. Belgium: J. Degavre. Bulgaria: I. Daskalov. Canada: R. Auger. Czechoslovakia: Y. Prošek. Denmark: R. Carlsen (Mrs.). Egypt: A. M. Rizk; S. A. Abou-Ali. Finland: B. Norring; S. Tanskanen. France: M. Bierry. German Democratic Republic: G. Schumann. Germany (Federal Republic of): E. Steup (Mrs.); G. Rheker (Mrs.); R. von Schleussner (Mrs.). Hungary: E. Tasnádi; G. Bánrévy; M. Bognár (Mrs.). Ireland: M. J. Quinn. Ivory Coast: A. P. D. Tanoe. Japan: S. Otsuka; T. Takeda. Morocco: S. M. Rahhali. Netherlands: E. van Weel; M. van Dam. Norway: L. Nordstrand; R. Røed. Poland: P. Matuszewski; D. Januszkiewicz (Mrs.). Portugal: J. L. Esteves da Fonseca; R. Alvaro da Costa Morais Serrão. Romania: P. Teodorescu. Senegal: Ch. Delgado; P. Crespín. South Africa: T. Schoeman; C. J. Wessels. Soviet Union: V. Ilyin; I. Kulakov. Spain: M. Beguer de Salvador. Sweden: C. Ugglá; B. Lundberg. Switzerland: P. Braendli; F. Balleys. United Kingdom: R. L. Moorby; D. G. A. Myall. United States of America: B. C. Ladd, Jr.; R. Gottschalk; H. J. Winter; D. B. Allen; P. M. Davis (Mrs.); W. G. Reynolds.

II. Intergovernmental Organizations

United Nations Conference on Trade and Development (UNCTAD): H. Cornil; F. Fiallo. Benelux Trademark Office: L. J. M. van Bauwel.

III. Non-Governmental Organizations

American Bar Association (ABA): W. E. Schuyler; G. R. Clark. American Patent Law Association (APLA): N. St. Landau. Asian Patent Attorneys Association (APAA): T. Nishimura; K. Sugimura. Bundesverband der Deutschen Industrie (BDI): W. Boekel. Council of European Industrial Federations (CEIF): W. Mak; D. C. Maday. European Federation of Agents of Industry in Industrial Property (FEMIP): J. de Clerck. Institute of Trade Mark Agents [United Kingdom]: E. R. Wenman; G. A. A. Tuckett. International Association for the Protection of Industrial Property (IAPIP): D. C. Maday. International Chamber of Commerce (ICC): H. von der Hude; Ch.-L. Magnin; W. Mak; M. Röttger; D. A. Was. International Federation of Patent Agents (FICPI): L. Holmqvist. Trade Marks, Patents and Designs Federation [United Kingdom]: J. N. Mason. Union of European Patent Agents (UNEP): L. Holmqvist. Union des fabricants [France]: R. Dusolier; Ch.-L. Magnin. Union of Industries of the European Community (UNICE): P. van Reepinghen; G. Peters. United States Trademark Association (USTA): N. St. Landau.

IV. Officers

Chairman: E. Steup (Mrs.) (Germany (Federal Republic of)); *Vice-Chairmen:* S. Otsuka (Japan); P. Matuszewski (Poland); *Secretary:* K. Pfanner (WIPO).

V. WIPO

G. H. C. Bodenhausen (*Director General*); A. Bogsch (*First Deputy Director General*); J. Voyame (*Second Deputy Director General*); K. Pfanner (*Senior Counsellor, Head of the Industrial Property Division*); L. Egger (*Counsellor, Head of the International Registrations Division*); L. Baeumer (*Counsellor, Head, Legislation and Regional Agreements Section, Industrial Property Division*).

** A list containing the titles and functions of the participants may be obtained from the International Bureau.

ICIREPAT

Plenary Committee

Fourth Session

(Geneva, September 20 to 22, 1972)

Note *

The Plenary Committee of the Paris Union Committee for International Cooperation in Information Retrieval Among Patent Offices (ICIREPAT) held its fourth ordinary session in Geneva from September 20 to 22, 1972¹. With the adhesion, on September 18, 1972, of Cuba to ICIREPAT, the number of participating countries was raised to 21, 18 of which were represented at this session.

A list of participants appears at the end of this Note.

Election of Chairman and Vice-Chairman. The Plenary Committee unanimously elected Mr. R. Gottschalk, Commissioner of Patents, United States Patent Office, as Chairman, and re-elected Mr. E. Armitage, Comptroller General of the United Kingdom Patent Office, as Vice-Chairman of the Plenary Committee for three-year terms.

Past and Current ICIREPAT Activities. The Plenary Committee noted the general report of the International Bureau on the activities of ICIREPAT during the preceding year as well as the activities of the Technical Committees and Advisory Board for Cooperative Systems (ABCS).

The Plenary Committee adopted several recommendations approved by the Coordination Committee (TCC), among which figured a Recommendation concerning Bibliographic Data (Identification by INID Codes and Minimum Required) on the First Page of a Patent Document and in Entries in an Official Gazette², addenda to the Recommendation on a General Magnetic Tape Format for Multilateral Exchange between Patent Offices of Direct-Coded Card-Implemented Shared-Use-System and Like Information, and amendments to the Guiding Principles for Non-Conventional Retrieval Systems and to the Guide for Implementation of Cooperative Indexing for Shared Use Systems in Stages 5 and 6. A revised system of distribution of contributions to ICIREPAT, proposed by the TCC, was approved with some amendments and recommended to the Paris Union Executive Committee for adoption³.

Causes of Limited Acceptability of the Shared Systems Program. The Plenary Committee discussed the preliminary results of the study being carried out by the Technical Committee for Shared Systems (TCSS) and the TCC regarding the causes of limited acceptability of the shared systems program. It decided on guidelines for the continuation of the study.

Use of French and Russian Languages in ICIREPAT. The Plenary Committee recommended for adoption by the Paris

Union Executive Committee⁴ certain amendments to the Organizational Rules of ICIREPAT whereby (a) oral interventions in Plenary Committee sessions are to be made in the English, French or Russian language and simultaneous interpretation is to be provided into the other two languages, (b) oral interventions in sessions of the TCC and the Technical Committee for Standardization (TCST) are to be made in either English or French with simultaneous interpretation into the other language and (c) oral interventions in sessions of the other working groups are to be made in English. Nevertheless, interventions may also be made in other languages in sessions of any ICIREPAT body if the speaker provides for simultaneous interpretation into English. The amended Rules also provide that final reports on sessions of the Plenary Committee, the TCC and all Technical Committees are to be translated into French as well as English and published in both languages.

Program for 1973. The Plenary Committee adopted the draft program for 1973 for submission to the Paris Union Executive Committee⁵. It reads as follows:

ICIREPAT Program for 1973

Draft agreed by the PLC at its 4th Session

Shared Systems

1. Continue work on the Shared Systems Program as regards systems actively progressing towards Stage 5 or 6; in particular:
 - (a) bring the following systems: Steroids, Organo-metallics, and two subsystems of Electrolysis (Electroplating and Electroforming) into Stage 6 as rapidly as possible;
 - (b) establish effective means for monitoring updating indexing and file integrity for systems in Stage 6;
 - (c) providing arrangements can be made to index US documents, and subject to the system reaching Stage 5 early in 1973, complete the system Color TV;
 - (d) study the possibility of indexing in other systems;
 - (e) continue, with a high degree of priority, with work in the field of Digital Computers.

Technical Coordination Committee

2. Continue investigations in connection with limited acceptability of shared systems, particularly the exploration of possible solutions.
3. Continue consideration and elaboration of different aspects of system building and goals with regard to future use of mechanized systems.
4. Promote the integration, within the framework of the ICIREPAT Shared Systems Program, of systems with fully indexed national files produced in individual Offices, with a view to avoiding conflict and duplication of work in overlapping fields by other ICIREPAT Offices.
5. Consider the applicability of mechanized systems designed to perform at lower selectivity while still offering a significant decrease in the number of documents to be searched manually.

* This Note has been prepared by the International Bureau on the basis of the official documents of the session.

¹ A Note on the third session of the Plenary Committee was published in *Industrial Property*, 1971, p. 301.

² See *Industrial Property*, 1972, p. 224.

³ This was adopted without change by the Paris Union Executive Committee on September 29, 1972.

⁴ This was adopted without change by the Paris Union Executive Committee on September 29, 1972, to come into effect on January 1, 1973.

⁵ This was adopted without change by the Paris Union Executive Committee on September 29, 1972.

6. Endeavor to ensure that ICIREPAT keeps abreast of developments in information retrieval outside Patent Offices.
7. Invite participating countries to report annually on progress made in information retrieval in their Offices, and fill the gap caused by the fact that in the last four years no such reports have been produced.
8. Initiate the study of improvements in methods of information retrieval from manual search files, e. g., by the use of abstracts, aperture card files and elimination of duplicate documents.

Technical Committee for Computerization

9. Continue the feasibility study into the usefulness of various computerized or computer-aided storage and retrieval systems of scientific documents, with respect to patent documents (high priority).
10. Maintain an updated survey of existing and planned computer applications to information retrieval both in national Patent Offices and elsewhere.

Technical Committee for Shared Systems

11. Contribute to the work on the Shared Systems Program as described in paragraph 1, as well as to the work related to that Program as outlined in paragraph 2.
12. Continue investigations of the desirability of developing hybrid systems — combined coordinate indexing and classification systems — for shared use, with special attention to additional economic factors that exchange of data on such systems might entail.
13. Study the possibility of cooperation with respect to shared systems among a limited number of Patent Offices.
14. Study the problems of making available to examiners copies of specifications identified as possibly relevant to search needs by computer operations or other mechanical means (high priority).
15. Subject to the work of the Subcommittee on Organic Chemistry not being completed within 1972, continue to pursue actively the work of this Subcommittee and submit the final report including recommendations.
16. Review the evidence inside and outside ICIREPAT on the suitability of keyword systems for patent searches.
17. Consider the elaboration of guidelines for making abstracts of suitable form for screening purposes.

Technical Committee for Standardization

18. Continue to explore the feasibility of establishing recommendations for minimum requirements for official gazette indexes, their organization and mode of presentation.
19. Prepare recommendations on the physical layout of patent documents with particular attention to the possible benefits to be derived from a uniform physical arrangement consistent with the requirements of the PCT (high priority).

20. Identify and study the problems arising from different methods of publication of patent documents, including methods resulting in differences in size, with particular emphasis on the publication of documents in typewritten form.

21. Maintain an updated survey of the existing and planned production of microforms; make recommendations as to the standardization of microforms other than aperture cards for patent documents; investigate the possibilities of coordinating the production of all kinds of microforms with a particular view to avoiding duplication of effort (highest priority).

22. Study the problems which might arise in the replacement of paper copies of patent documents by microform, especially aperture cards, in view of the possible international exchange of such microforms.

23. In consultation with the TCCR, investigate requirements for recording texts and bibliographic data of patent documents in machine-sensible form for phototypesetting or photo-composition. Develop cost data for obtaining full texts of patent documents in machine-sensible form taking into account the fact that the costs of composition can be deducted.

Advisory Board for Cooperative Systems

24. Work on systems agreed by the TCC and those for fields included in the TCSS development proposals.

List of Participants*

I. Member States

Canada: F. W. Simons; J. Corbeil. Cuba: C. Gonzalez Toirac; F. Ortiz Rodriguez. Czechoslovakia: M. Fortova (Mrs.). Denmark: E. Tuxen. Finland: B. Norring. France: F. Savignon; D. Cuvelot; A. Sainte-Marie. Germany (Federal Republic of): A. Wittmann; S. Zimmer; W. Weiss. Ireland: P. Slavin. Japan: K. Otani; K. Takami. Netherlands: J. Dekker. Norway: L. Nordstrand; A. Michaelsen; E. O. Kjeldsen. Romania: L. Marinete; M. Costin (Mrs.); V. Puiu. Soviet Union: E. Artemiev; V. Evgeniev. Spain: C. Marquez Labajo; A. de Sagarminaga. Sweden: G. Borggård; L. G. Björklund. Switzerland: J.-L. Comte; M. Leuthold. United Kingdom: E. Armitage; D. G. Gay; D. C. Snow. United States of America: R. Gottschalk; R. D. Tegtmeyer; R. A. Spencer.

II. Intergovernmental Organization

International Patent Institute (IIB): L. Feyereisen; L. F. W. Knight.

III. Chairmen of the Working Groups of ICIREPAT

Chairman of TCC: G. Borggård; Chairman of TCCR: R. A. Spencer; Chairman of TCSS: L. F. W. Knight; Chairman of TCST: A. Wittmann; Chairman of ABCS: D. C. Snow; Chairman of STC: E. O. Kjeldsen.

IV. Officers of the Session

Chairman: R. Gottschalk; Vice-Chairman: E. Armitage; Secretary: K. Pfanner.

V. WIPO

A. Bogsch (First Deputy Director General); K. Pfanner (Senior Counsellor, Head, Industrial Property Division); P. Claus (Technical Counsellor, Head, ICIREPAT Section, Industrial Property Division); C. F. Gadd (Technical Assistant, ICIREPAT Section); V. N. Roslov (Technical Assistant, ICIREPAT Section).

* A list containing the titles and functions of the participants may be obtained from the International Bureau.

ducive to a growing and general awareness that some Latin American countries were in a position to embark on industrial development programs in a more deliberate and systematic manner. It was realized at the same time that to have industrialization principally oriented toward import substitution — which was the general practice — was inadequate as a policy for economic and social progress, and that it was necessary to set up a heavy industry, producing intermediate goods, durable consumer goods and capital goods that could afford a solution to the problem of the “trade gap” and “trade imbalance.”⁸

5. This process of industrialization with its impetus from outside was not achieved through indigenous technological research and development, but through the application without adaptation of foreign technical know-how, largely created by multinational enterprises.

The fact that Latin America's development has not been achieved through domestic technology results from the combination of two kinds of factors — some cultural, the others institutional — which, according to Jaguaribe⁹, are as follows:

(a) the absence in the cultures of Latin American societies, of ideas and motivations leading to a scientific vision of the world and to its technical manipulation; and

(b) the absence of the necessary conditions enabling and stimulating scientific research and making the use of technology profitable. This has been well illustrated by the data in the Pearson Report¹⁰ and in the studies of the Chilean College of Engineers¹¹, according to which expenditure for research and development in Latin America amounts to only 0.2% of the GNP, while the corresponding figures for the Soviet Union and the United States of America are 4.2% and 3.2% of the GNP respectively, and for most European countries between 1% and 2%. This means that average expenditure for research and development in Latin American countries is one dollar per annum and per head of population, as compared with \$110 and \$8 respectively in the United States of America and China. In other words, while the per capita income in Latin America is theoretically seven times greater than in China, the outlay for scientific research and technical innovation is less than 2% of China's, measured in units of national income.

6. The external impetus for Latin America's development represented a considerable initial advantage. There was no need to re-invent what had already been invented elsewhere, no need to pass through all the stages of technology that had led up to modern processes¹². In other words, Latin America had the “advantage of the late-comers.”¹³ Nevertheless,

⁸ A. Emmanuel, *El intercambio desigual*, Siglo XXI, Mexico City 1972, p. 94.

⁹ Helio Jaguaribe, op. cit. footnote 2, p. 16.

¹⁰ Lester B. Pearson, *Partners in Development*, Report of the Commission on International Development, Praeger Publishers, New York 1969, p. 66.

¹¹ Chilean College of Engineers, “Es imprescindible tener una política tecnológica propia,” *El Cronista Comercial*, March 8, 1972, p. 4.

¹² Graham Jones, *The Role of Science and Technology in Developing Countries*, Oxford University Press, London 1971, p. 1, footnote 2.

¹³ United Nations Conference on Trade and Development (UNCTAD), “Transfer of Technology, including Know-How and Patents”, document TD/B/310, July 1, 1970, p. 1.

because of the way in which the development came about — on the basis of unadapted foreign technology and in a new economic context characterized by the presence of the multinational enterprise — and because of the conditions to which it was subject (which Ribeiro¹⁴ terms “internal constriction and external exploitation”), the industrialization process in the Latin American countries was incapable, as Ribeiro has said, of generating the renovation that it had brought about in other contexts. In the first place, the installation of up-to-date machinery and methods, in the context of the industrialization process, was designed to enhance the role of these countries as producers of raw materials. Secondly, the prime objective was to replace goods formerly imported by goods produced locally by subsidiaries of the major corporations. Thirdly, the development process was held in check by various restrictive factors, such as the foreign ownership of most of the industrial plants, which transformed them into mechanisms for skimming off resources and “re-colonizing” the national economy. Fourthly, there was a predominance of consumer industries, producing increased supplies of luxury articles so that a considerable proportion of national income went into inessential expenditures. That was allowed by the industrialized nations only at a late stage. Fifthly, the Latin American countries were not able to ensure autonomy for the national development process, due to lack of basic industries and machinery-manufacturing plants. Lastly, the factories were operating with imported machinery, the end result of foreign technological development, on which they always remained dependent¹⁵.

7. Latin American authors have given much attention in recent years to the forms, conditions and modalities that have governed industrial development in their countries: Sabato¹⁶ and Viñas¹⁷ in Argentina; Furtado¹⁸, Jaguaribe¹⁹, Ribeiro²⁰ and Dos Santos²¹ in Brazil; Vaitos²² in Colombia; and Wionczek²³ in Mexico. In seeking to account for the backward-

¹⁴ Darcy Ribeiro, *Las Américas y la Civilización*, Centro Editor de América Latina, Buenos Aires 1969, Vol. III: “Los pueblos transplantados. Civilización y Desarrollo,” p. 180.

¹⁵ Darcy Ribeiro, op. cit. and loc cit. preceding footnote.

¹⁶ Jorge A. Sabato, *Ciencia, Tecnología, Desarrollo y Dependencia*, Tucumán 1971.

¹⁷ Ismael Viñas, *Capitalismo, monopolios y dependencia*, Centro Editor de América Latina, Buenos Aires 1972.

¹⁸ Celso Furtado, *Subdesarrollo e Estagnación en América Latina*, Editora Civilização Brasileira, Rio de Janeiro 1966; *Economic Development of Latin America — A survey from colonial times to the Cuban revolution*, Cambridge University Press, Cambridge 1970; *El poder económico: Estados Unidos y América Latina*, Centro Editor de América Latina, Buenos Aires 1971; etc.

¹⁹ Helio Jaguaribe and others, *La dependencia político-económica de América Latina*, Siglo XXI, Mexico City 1970; *Desarrollo económico y desarrollo político*, Eudeba, Buenos Aires 1964.

²⁰ Darcy Ribeiro, *Las Américas y la Civilización*, Centro Editor de América Latina, Buenos Aires 1969; *El sistema de América Latina*, Siglo XXI, Mexico City 1971; etc.

²¹ Theotonio Dos Santos, “La estructura de la dependencia,” *Economía Política del Capitalismo*, Ediciones Periferia, Buenos Aires 1971.

²² Constantine C. Vaitos, op. cit. footnote 40 below, pp. 800 ff; *Transfer of Industrial Technology to Developing Countries through Private Enterprises*, Bogotá 1970; “Transfer of Resources and Preservation of Monopoly Rents,” study presented to the Dubrovnik Conference of the Harvard University Development Advisory Service, 1970; “Considerations on Technological Requirements in Developing Countries with observations on technology licensing agreements,” *Les Nouvelles*, Special Issue, June 1972, pp. 43 ff.

²³ Miguel S. Wionczek, “Los problemas de la transferencia de tecnología en un marco de industrialización acelerada. El caso de Méxi-

ness of our subcontinent, these authors have begun to give some thought to the development process and to question the real value of the foreign technological contribution in that respect.

Their analysis is important because until now — and probably still in the immediate future — Latin American countries have depended on imported technology. Furthermore, the studies show that not everything is idyllic where the transfer of technology is concerned and that, without a clear-cut policy and strategy for its incorporation, it can even be inconsistent with the independent and self-sustaining development of our American countries.

As Prebisch²⁴ has pointed out, scientific and technological progress carries very serious contradictions that were not present in earlier times, at least not in such an acute form, and which account, at least partially, for the inadequate buoyancy of the Latin American economy. These are the negative aspects of access to modern technology. They must be given special attention if Latin America is to avoid — as indeed it must — a situation where the efforts to fill the “technological gap” that separates it from the industrially more advanced countries push the subcontinent into the “technological trap” that Myrdal²⁵ has described so ably in his analysis of the Asian problem.

8. No attempt will be made here to study in detail the contradictions or adverse aspects inherent in the incorporation of foreign technology into the productive structures of the Latin American countries. But it seems appropriate to clarify these contradictions, with the aid of the authors mentioned above, because it was in order to avoid them or to make the necessary corrections that the legislative changes were recently adopted in our countries.

The contradictions in scientific and technological progress are of four kinds:

- (a) economic;
- (b) technical;
- (c) social, and
- (d) political.

Each of these points will be considered.

9. From the economic point of view, the negative aspects inherent in the transfer of technology for the Latin American countries are apparent both from the financial and from the commercial viewpoint.

(a) Financially, the cost arising from contracts for the import of technology is undoubtedly a heavy burden on the balance of payments of Latin American countries.

It must be recognized at the outset, as the de Seynes Report states²⁶, that the repercussions of this cost cannot be

co,” *Comercio Exterior*, Mexico City, September 1971, pp. 782 ff; “Un punto de vista latinoamericano sobre los problemas de ciencia y tecnología,” *Comercio Exterior*, Mexico City, April 1972, pp. 346 ff.

²⁴ Raúl Prebisch, *Transformación y desarrollo. La gran tarea de América Latina*, Fondo de Cultura Económica, Mexico City 1970, pp. 8 and 9.

²⁵ Gunnar Myrdal, *Asian Drama. An Inquiry into the Poverty of Nations*, Pantheon, New York 1968, pp. 1168 ff.

²⁶ Philippe de Seynes, *Foreign Investment in the Developing Countries*, United Nations, Department of Economic and Social Affairs, New York 1968, E/446; Published in *Revista de Derecho Comercial y de las Obligaciones*, No. 11, October 1969, p. 635.

determined easily, for the “technological balance of payments”²⁷ reflects them only partially²⁸.

According to UNCTAD²⁹, the developing countries pay for imported technology in several ways; although a complete enumeration is not possible, some of the more readily identifiable ways are payment:

- “(i) for the right to use patents, licences, know-how and trademarks;
- (ii) for technical knowledge and know-how needed both in the pre-investment and investment stage and in the operation stage;
- (iii) through over-pricing of imports of intermediate products and equipment (“hidden” costs or “price mark-ups”);
- (iv) through profits on capitalization of know-how (acquisition of equity participation in place of other means of payment for transfer of technology); profits on these equity holdings are therefore to be regarded as, in part, payments for the transfer of technology;
- (v) through a portion of repatriated profits of the wholly-owned subsidiaries or joint ventures which do not make specific provision for payments for the transfer of technology;
- (vi) through imports of capital and other technical equipment, the price of which usually allows for the exporter’s valuation of the cost of technology.”

Out of this list, the items covered by (i) and (ii) are termed direct costs; the others fall within the concept of hidden or indirect costs.

With respect to the direct costs — payments for the use of industrial property rights (trademarks and patents, etc.) and for technical aid and services — the official news-sheet of the Council of the Cartagena Agreement, *Grupo Andino*, has reprinted an article by Professor Moisés Ikonickoff on foreign investments in Latin America, originally published in the periodical *Tiers Monde* (October-December 1970), in which it is stated that the cost is very high, varying from 3% to 5% of gross sales, with much higher percentages in the pharmaceutical industry, sometimes as much as 6% to 10% of the capital.

The following table was included in a study by the Council of the Cartagena Agreement:³⁰

*Royalties and Other Payments under North American
Direct Investment in Latin America**

(in millions of dollars)

1961	103
1962	123
1963	124
1964	148
1965	171
1966	176
1967	185 (p)

(p) Preliminary

Source: U. S. Department of Commerce, Survey of Current Business. Various issues.

* Excluding Cuha and Canada, but including other countries not members of the OAS.

²⁷ Constantine C. Vaitos, “Considerations on Technological Requirements in Developing Countries with observations on technology licensing agreements,” *Les Nouvelles*, Special Issue, June 1972, p. 43.

²⁸ UNCTAD, “Transfer of Technology,” TD/106, November 10, 1971, pp. 8/9.

²⁹ *Ibid.*

³⁰ “Los orígenes del Régimen Común sobre inversiones extranjeras,” *Grupo Andino*, No. 1, pp. 1 ff.

The costs are in fact higher for 1969. UNCTAD³¹ reports that in that year and for only six of the Latin American countries (Argentina, Brazil, Chile, Colombia, Mexico and Venezuela), payments for transfer of technology totaled \$ 428.3 million — equivalent to 0.49 % of the gross domestic product and 4.7 % of exports. Nevertheless, the cost is higher still at the present time, for in the case of one country alone — Argentina — a survey of technological payments in 1971, carried out after a study of two thousand contracts by the recently established National Register of License and Know-How Agreements, showed that such payments amounted to \$ 250 million — two and a half times more than originally estimated. The survey also reported cases in which the royalty stipulated was 35 % of sales and other cases concerning chewing gum, where the minimum royalty agreed was \$ 200,000.

Nevertheless, in the majority of cases, the direct cost would seem to represent only a part of the real cost of imported technology. Fajnzylber³², for example, states that if account is taken of the possible economic effects of the restrictive clauses that are generally included in technology transfer contracts, the cost can be much greater. To illustrate this, he cites the case of Chile, where — he says — “while royalty payments reached the figure of \$ 8 million in 1969, total payments under licenses reached \$ 36.7 million. Of these, \$ 20 million was in respect of raw material purchases, \$ 3 million for finished products, \$ 1.8 million for machinery, \$ 2.7 million for the transmittal of profits resulting from participation in the licensee firms, and the rest for other purchases. On the assumption that the de facto monopoly control which the licensor holds for the sale of equipment and inputs to the local firm allows him to raise prices on the international market by 20 %, the real cost to Chile of acquiring technology would be more than 50 % greater than that reflected in direct payments for royalties.”

Among the various factors that make up the indirect cost of technology, over-pricing or “price mark-ups” seems to be the most important.

According to Vaitzos³³, a substantial proportion of the contracts studied in the Andean Group have been found to include “tie-in” clauses requiring the licensee to purchase equipment and intermediate products from the licensor. “Specifically”, he says, “67 % of the contracts studied in Bolivia, Ecuador and Peru included tie-in clauses. In Colombia, 60 % of the contracts examined in the chemical industry and practically 100 % in the pharmaceutical industry included clauses of this kind.”

Still according to Vaitzos, price mark-ups amounted to 16.7 % for the electronics industry in Colombia, 25.5 % for

the chemical industry and 40 % for the rubber products sector³⁴. In the pharmaceutical industry, the average over-pricing on products imported by 17 foreign subsidiaries was 155 %; for domestic firms it was 19 %.

In Chile a sampling covering fifty products revealed over-pricing similar to that in Colombia. According to Fajnzylber³⁵, out of 19 enterprises studied it was found that in six the price mark-ups varied between 0 and 30 %; in three others they varied between 31 % and 100 %; and in ten they exceeded 100 %.

In Peru, the over-pricing varied between 5 % and 300 % in the pharmaceutical industry³⁶; in Ecuador, in the electronics industry, out of 29 imported products, 16 showed over-pricing varying, as in Colombia, from 6 % to 69 %; on seven there was over-pricing of up to 75 %, and on six the average over-pricing was approximately 200 %.

The repatriation of profits by affiliates also affects the foreign exchange cost of technology transfer. In the Consensus of Viña del Mar (Chile) — a document designed to present to the Government of the United States of America the position of the Latin American countries which are members of the Special Committee for Latin American Coordination (CECLA) — concern was expressed over the overall magnitude of the financial outflow to which it had given rise³⁷.

In presenting the Consensus to President Nixon, the Chilean Minister of External Relations stated³⁸:

“It is generally believed that our continent is receiving real aid in financial matters. The figures show the opposite. It can be said that Latin America is contributing to finance the development of the United States of America and of other industrialized nations. Private investments have meant and still mean for Latin America that the amounts transferred out of our continent are several times greater than the amounts invested therein. Our potential capital is becoming impoverished. Profits from invested capital are growing and multiplying tremendously, but not in our countries — in others.

“The so-called aid, with all the conditions which we have experienced, means a market and greater development for the developed countries, but it has certainly not succeeded in offsetting the sums which flow out of Latin America in payment of foreign debts and as a result of the profits generated by direct private investment.

“In a word, we realize that it is more a matter of what Latin America gives than of what Latin America receives. Such a situation is no basis for solidarity or for stable or positive cooperation.”

In order to leave no room for doubt that that is so, the Council of the Cartagena Agreement included the following table by way of illustration in its study on the origins of the common treatment on foreign investments, published in the first issue of *Grupo Andino*:

³⁴ Constantine C. Vaitzos, “Transfer of Resources and Preservation of Monopoly Rents,” study presented at the Dubrovnik Conference of the Harvard University Development Advisory Service, 1970.

³⁵ Fernando Fajnzylber, op. cit. footnote 32, p. 330, which cites the study “Costos implícitos en la transferencia de tecnología: sector farmacéutico,” CORFO, Technological Development Department, Preliminary Report, January 1971, p. 29.

³⁶ Constantine C. Vaitzos, op. cit. footnote 27, p. 46.

³⁷ CECLA, Consensus of Viña del Mar, *Boletín de la Integración*, fourth year, June 1969, No. 43, p. 294.

³⁸ Speech by the Chilean Minister of External Relations, *Boletín de la Integración*, fourth year, June 1969, No. 43, p. 292.

³¹ UNCTAD, Document TD/106, November 10, 1971, p. 12.

³² Fernando Fajnzylber, “La empresa internacional en la industrialización de América Latina,” *Comercio Exterior*, Mexico City, April 1972, p. 338.

³³ Constantine C. Vaitzos, op. cit. footnote 27, p. 46.

*North American Investment and Remittances of Profits
in Latin America**

(in millions of dollars)

	Direct Investment (new)	Profits remitted
1950	38	470
1951	169	581
1952	298	525
1953	142	533
1954	43	545
1950-1954	690	2,654
1955	150	692
1956	587	759
1957	1,075	832
1958	279	599
1959	155	578
1955-1959	2,246	3,460
1960	95	641
1961	173	730
1962	-32	761
1963	69	801
1964	143	895
1960-1964	448	3,828
1965	171	888
1966	190	965
1967	191	1,022
1965-1967	552	2,875
1950-1967	3,936	12,817

Source: U. S. Department of Commerce, Survey of Current Business. Various issues.

* Not including Cuba.

Thus, the net inflow of North American capital over the period considered amounted to \$ 3,936 million, while repatriated profits totaled \$ 12,817 million. In other words, the repatriation of profits represented three times the value of investments made by North American enterprises in Latin America between 1950 and 1967.

10. Examination of the trade aspects of the transfer of technology to the Latin American countries has shown that such transfer is subject to certain limitations which place our countries in a position of weakness whereby they accept those limitations — as stated in an editorial to *Comercio Exterior* with respect to Mexico³⁹ — “in conditions that are prejudicial to their long-term interests.”

These limitations are mainly attributable:

- (a) to the nature of technology;
- (b) to the particular characteristics of the technology market;
- (c) to the character and situation of the purchaser of technical know-how;
- (d) to restrictions imposed in the transfer mechanisms.

³⁹ “Hacia una política en materia de transferencia de tecnología,” *Comercio Exterior*, Mexico City, September 1971, p. 738.

As to the nature of technology, the conceptual approach of Vaitos⁴⁰ is quite clear; he sees it as an economic unit (a merchandise) which enters into productive activities together with other economic inputs such as capital and labor and which has its own market with its own particular structure and properties, mechanisms for determining prices and “quantities,” trading rules and market defects.

The market, for its part, is in a situation where competition is not perfect and there are elements of monopoly. An important reason for this is that almost all the technology currently available is in the hands of the developed countries which, according to the Sussex Group⁴¹, pay 98% of the world expenditure needed for its production. In addition, it is difficult to transfer technology, for one learns only by repeating the experience, learning “by doing” as Jones says⁴²; and technology is protected — although not entirely — by trade secrets or by the specific protection afforded by the exclusive rights of industrial property — specifically, patents.

This monopolistic character of the technology market is further accentuated by a certain intrinsic situation affecting the purchaser. In Latin American countries, technology is imported — as Fajnzylber⁴³ says — by reference to the investment opportunities that emerge in the import substitution process and which entrepreneurs evaluate from a strictly micro-economic point of view, taking account of national markets. In addition:

(a) the prospective purchaser lacks the minimum of basic information needed before he can know what specific information to seek on a particular technology⁴⁴;

(b) generally speaking, he does not know whether or not alternative technology exists; and

(c) in the majority of cases, he does not know on what terms similar contracts have been concluded⁴⁵.

Because of his position of weakness in Latin America, the purchaser of technology has had to accept various restrictions in transfer contracts which excessively limit the use that he can make of his acquisition. Examples are tie-in clauses, grant-back clauses, clauses fixing prices for sale or resale, clauses granting rights to regulate or modify production, distribution or marketing, and clauses providing for participation by the licensor in the firm's preference system. But the most common clauses of this kind are those which prohibit exports⁴⁶. These may be of varying scope: they may for

⁴⁰ Constantine C. Vaitos, “Opciones estratégicas en la comercialización de tecnología: El punto de vista de los países en desarrollo,” *Comercio Exterior*, Mexico City, September 1971, p. 806.

⁴¹ Sussex Group, *Science, Technology and Development. The Case for Reform*, University of Sussex, Brighton 1970.

⁴² Graham Jones, *The Role of Science and Technology in Developing Countries*, London 1971, p. 6, footnote 2.

⁴³ Fernando Fajnzylber, op. cit. footnote 32, p. 337.

⁴⁴ UNCTAD, “Transfer of Technology,” document TD/106, November 10, 1971, p. 4, para. 13. Vaitos calls this “the ignorance factor” in “Opciones estratégicas en la comercialización de tecnología: El punto de vista de los países en desarrollo,” cited in footnote 40.

⁴⁵ Constantine C. Vaitos, op. cit. footnote 40, p. 812.

⁴⁶ In Colombia, out of 66 contracts pertaining to the pharmaceutical, chemical and textile sectors, 56 — i.e. 85% — expressly prohibited exports (Constantine C. Vaitos, op. cit. footnote 40, p. 810). In Mexico, out of 109 contracts examined, 104 contained such a restrictive clause and in 53 there was a complete prohibition (*Comercio Exterior*, loc. cit. footnote 39, p. 738). In Chile, out of 500 contracts studied, only 24 allowed exports (UNCTAD, “Restrictive Business Practices,” TD/122/

instance allow exports to certain countries only, prohibit exports to others or require prior permission to be obtained from the licensor. By means of such a clause, according to Vaitos⁴⁷, the sellers of technology can partition the market of potential purchasers and in this way (a) take advantage of the different elasticities of demand for technology through monopolistic practices that are discriminatory from the territorial aspect and/or (b) pursue different commercial strategies in separate countries, so as to boost overall profits to the maximum (for example, by establishing a subsidiary in one country, forming an association with an enterprise in another and concluding a license agreement in a third country). Be that as it may, there is no doubt that these clauses serve to nullify the effects desired from access to technical know-how — namely, an increase in exports of industrial goods in order to relieve pressure on the balance of payments and reduce dependency on the primary sector.

11. Examination of the problem of the transfer of technology shows that from the technical point of view the negative aspects are no less significant. To a great extent, they derive from the foreign character of technology and also from certain environmental circumstances.

In general terms, the technology incorporated in the production process of the Latin American countries comes from a different economic and social context. It has been developed for markets that are not comparable to those of our countries, and implies an intensive use of capital and the presence of production factors that are not to be found in our countries.

At the same time, their scientific and technological backwardness, and their ignorance in this field, has prevented Latin American countries from seeking alternative technology and making significant efforts to adapt, supplement and improve the technology they do acquire.

This has meant:

(a) that the technology used is unsuitable because it does not generate much employment for either manpower in general or specialized manpower. Furthermore, it is not suited to local conditions, particularly with respect to scales of production, utilization of production factors and degrees of complexity of equipment and control instruments⁴⁸;

(b) that, as a consequence of (a), the possibility of creating indigenous technology is diminished⁴⁹ and the systems in Latin American countries for innovation are displaced; the links are thus weakened between the production system and the political and environmental situation⁵⁰. In particular, no use is made of raw materials and of materials that are scarce or non-existent in the developed countries, the main reason being that the equipment imported does not take such materials into account or is not applicable to them⁵¹;

Supp. 1, January 7, 1972, p. 12, footnote 1). According to Vaitos (op. cit. footnote 27), in Ecuador, Bolivia and Peru, 75%, 77% and 89% respectively of contracts contained the export prohibition clause.

⁴⁷ Constantine C. Vaitos, op. cit. footnote 40, p. 810.

⁴⁸ Argentine Law No. 19231, Statement of Motives, *Boletín Oficial*, September 13, 1971, p. 3.

⁴⁹ Sergio De la Peña, *El autodesarrollo de América Latina*, Siglo XXI, Mexico City 1971, p. 181.

⁵⁰ Manfred Nitsch, "La trampa tecnológica y los países en desarrollo," *Comercio Exterior*, Mexico City, September 1971, pp. 816 ff.

⁵¹ Fernando Fajnzylber, op. cit. footnote 32, p. 335.

(c) that use is made of technology which is becoming obsolete or of equipment that does not belong to the latest technological generation⁵²;

(d) that the technology applied is oriented toward the most modern sector of the economic structure of our countries — which is generally in the hands of affiliates of multinational enterprises, generating income for a few privileged classes⁵³.

12. The liberal and uncontrolled way in which foreign technology has been incorporated in Latin American countries has had definite effects on their social environments which must be taken into consideration.

Furtado⁵⁴ has explained that from the outset the industrial revolution took two forms:

(a) transformation of production techniques, and

(b) modification of consumption patterns so that — in the opinion of Jones⁵⁵ — the technical change affects the way in which people earn their livelihood, their social habits, their entire way of life, and inevitably disrupts established attitudes and practices.

In the Latin American countries, the change in consumption patterns in fact meant that, far from being eliminated, existing social tensions were aggravated by the industrialization process.

At the beginning of the century, Latin American industrialization consisted in the intensive use of the land and labor resources in order to win a footing on the world market for primary products⁵⁶. When, with the slump in raw material prices, that pattern was replaced by industrialization oriented toward import substitution, an economy of urban concentration developed, which caused the urban populations to increase, to the detriment of the rural populations. The import substitution process, for its part, which was largely carried out by local affiliates of multinational enterprises on the basis of foreign technology, was governed by the concern to economize manpower, by the expansion of mass consumption and above all by the manufacture of consumer goods, which not only are unproductive but also prematurely introduced, as Ribeiro says, superfluous and ostentatious consumer habits⁵⁷. While during an initial period they caused a change in the consumption patterns of the high-income categories, they later made an impact, through the influence of social

⁵² Fernando Fajnzylber, op. cit. footnote 32.

⁵³ Manfred Nitsch, op. cit. footnote 50, p. 819.

⁵⁴ Celso Furtado, *Análisis del "modelo" brasileño*, Centro Editor de América Latina, Buenos Aires 1972, p. 10.

⁵⁵ Gram Jones, op. cit., p. 21.

⁵⁶ Celso Furtado, *Economic Development of Latin America. A survey from colonial times to the Cuban revolution*, Cambridge University Press, Cambridge 1970, pp. 250 ff.

⁵⁷ Darcy Ribeiro, *El dilema de América Latina*, Siglo XXI, Mexico City 1971, p. 31. In this connection Fajnzylber notes (op. cit. footnote 32, p. 336) that in Brazil there are more technology import contracts in the beverage sector (20) than in the tractors sector (13); and more for perfumery products, soaps and candles than for machine-tools. While 12.1% of the contracts are in respect of the machinery sector, 14.3% concern pharmaceutical products. 14.7% of the contracts concern licenses for the use of trademarks, while licenses to manufacture account for 11.5%. In Chile the situation is similar: CORFO, Santiago de Chile, January 1971, p. 13 in "Análisis del censo de contratos y regalías efectuado en Chile" states that "for current consumer products for which advertising and trademarks are sales promotion media, there is a tendency to acquire the largest number of licenses. This is the case for cosmetics, pharmaceuticals, clothing, disks and printed matter, foodstuffs and beverages."

communication media, on the lower income categories, which, as Prebisch points out⁵⁸, were continually attracted by the image of a consumer society that was inaccessible to them because of their precarious income.

The increased unemployment resulting from technology developed in large centers, the concentration of urban populations and the needs that this creates for the inhabitants, particularly those on the outskirts⁵⁹, contribute to social tensions which, if unresolved, seek outlets through political channels or through direct and not always peaceful action⁶⁰.

13. For Latin American writers of this generation⁶¹, the manner in which industrialization has come about in their countries has accentuated the dependency on international centers, instead of promoting their self-sufficiency. This is the reason for such terms as "re-colonialist industrialization" (Ribeiro), "industrial satellization" (Galeano) and "industrial neocolonialism" (Urquidi).

According to CACTAL⁶², technological dependence is characterized by the lack of decision-making power in the technical development process, the countries being unable to choose between imported or indigenous technology because their scientific and technological system is either inadequate or has not been properly integrated in the development process.

For Sunkel⁶³ this situation is largely the result of the so-called import substitution process. When the original pattern of trade — exchange of manufactures for raw materials — became obsolescent, the Latin American countries found themselves obliged to make a proportionate reduction in their imports. In order to safeguard their markets, the international enterprises which had until then supplied those countries, established subsidiaries there, thus decentralizing part of their business activities⁶⁴. Under this decentralization, the power of decision nevertheless remained in the hands of the parent company, which in line with its philosophy put its overall interest before the interest of any component. The technology import schemes that it adopted were based on the buoyancy and interest of the developed central economy, thus accentuating still further the dependency of the industrial and technological structure⁶⁵.

⁵⁸ Raúl Prebisch, op. cit. footnote 24, p. 8.

⁵⁹ Eduardo Galeano, *Las venas abiertas de América Latina*, Siglo XXI, Mexico City 1971, p. 387.

⁶⁰ Octavio Ianni, *Imperialismo y Cultura de la violencia en América Latina*, Siglo XXI, Mexico City 1971.

⁶¹ Celso Furtado, *Subdesarrollo y Estagnación en América Latina*, loc. cit. footnote 18, especially Chapter II; Theotonio Dos Santos, op. cit. footnote 21; Fernando H. Cardoso and Enzo Faletto, *Desarrollo y dependencia de América Latina*, Siglo XXI, Mexico City 1971. Raúl Prebisch, *Hacia una dinámica del desarrollo latinoamericano*, Fondo de Cultura Económica, Mexico City 1963; Osvaldo Sunkel, "Política Nacional de desarrollo y dependencia externa," in *Estudios Internacionales*, 1st year, No. 1, Santiago de Chile, April 1967; Victor L. Urquidi, *Viabilidad económica de América Latina*, Fondo de Cultura Económica, Mexico City 1962, etc.

⁶² Conference for the Application of Science and Technology to the Development of Latin America (CACTAL), OEA/Ser. K/XVIII.1 CACTAL, Doc. 4, March 27, 1972, pp. 103/104.

⁶³ Osvaldo Sunkel, "Política nacional de desarrollo y dependencia externa," *Estudios Internacionales*, 1st year, No. 1, Santiago de Chile, April 1967, p. 52. In the same direction, CACTAL, op. cit. preceding footnote, pp. 104/105.

⁶⁴ Celso Furtado, op. cit. footnote 56, p. 170.

⁶⁵ See in this connection: Fernando H. Cardoso and Enzo Faletto, *Desarrollo y dependencia de América Latina*, loc. cit. footnote 61; Helio

To illustrate this dependency, Latin American authors point out that the majority of the patents in force in our countries belong to foreign enterprises, most of them multinational, which do not work them locally. Daniel Chudnovsky and Jorge Katz⁶⁶, in a study on the situation in Argentina, report that in 1968, 60% of the patents were held by nationals of the country, and 40% by foreigners. In Chile⁶⁷ in 1967, 5.5% of the patents were owned by nationals, and 94.5% by foreigners. The figures would seem to be similar in the other countries of the region.

In other words, in the view of these authors, one of the reasons why Latin America's dependency on outside has increased instead of diminished is that there has been no creation of indigenous technology and no "processing" or adaptation and improvement of imported technology, and that industrial growth has been made dependent on techniques developed elsewhere⁶⁸.

II

The Legal Framework

14. As was said earlier, these contradictions, anomalies or negative aspects of technology in the industrialization process — the "undevelopment of Latin America," to use De la Peña's words⁶⁹ — reflected to no small degree in the mechanisms, in particular licensing contracts, through which it operates, have been a matter for concern for Latin American Governments. The Governments have therefore decided that the State should intervene to remedy shortcomings and channel access to technology within technical and legal standards that can assure our nations of autonomous and self-sustaining industrial growth.

This State intervention has come about in two stages:

(a) the first — which began in the early 1960's — was of a fiscal character; its object was to achieve equilibrium in the balance of payments, and consisted in measures to reduce the amount of royalties paid abroad;

(b) the second stage, which came ten years later, took the form of State intervention in the technology transfer mechanism in order to plan the incorporation of know-how, to strengthen the negotiating power of the purchasers and to limit, if not eliminate, the adverse effects that liberalized introduction of technology can have on the industrialization of Latin American countries.

15. Law No. 3470, promulgated in Brazil on November 28, 1958, is characteristic of the first period. Section 74 provided that, for income tax purposes, not more than 5% of the

Jaguaribe and others, *La dependencia político-económica de América Latina*, loc. cit. footnote 19; Celso Furtado, *El poder económico: Estados Unidos y América Latina*, loc. cit. footnote 18.

⁶⁶ Daniel Chudnovsky and Jorge Katz, *Patentes e importación de Tecnología*, Buenos Aires, no date.

⁶⁷ Constantine C. Vaitos, *Patents Revisited*, p. 12.

⁶⁸ Saburo Okita (*Estado y Empresa en la planificación del desarrollo nacional*, Buenos Aires 1972) states: "Imported technology can be an obstacle to progress because it brings dependency for an indefinite period on advisory assistance from foreign countries." In the same direction: Giovanni Russo, *El fantasma tecnológico*, Emece, Buenos Aires 1969, pp. 71-72.

⁶⁹ Sergio De la Peña, *El antidesarrollo de América Latina*, Siglo XXI, Mexico City 1971.

price of the product manufactured or sold may be deducted from the gross profit in respect of royalty payments for the use of patents, trademarks and technical assistance.

Subsequently, on September 3, 1962, Law No. 4131 was promulgated, amended by Law No. 4390 of August 29, 1964 and implemented by Decree No. 55762 of February 17, 1965. This legislation required the registration of licensing contracts with the Central Bank of Brazil for purposes of payment transfers. As a prior requirement, the National Department of Industrial Property (which has now been succeeded by the INPI — see below) must certify that the industrial property rights are in effect in Brazil, and documentary evidence of their validity in the country of origin must also be furnished (Law No. 4131, Section 11).

Under Section 10 of the Law, the Central Bank may, where it deems necessary, verify the administrative or similar technical assistance afforded to enterprises established in Brazil entailing foreign exchange transfers.

The Law does not set any ceiling on the amount of royalty payments. Nevertheless, Section 28 provides that in the event of severe balance of payments difficulties or for other serious reasons, the Central Bank may impose restrictions on remittances, for a limited period, under which payments in respect of royalties or technical assistance may not exceed an annual cumulative value of 5 % of the gross profits of the enterprise concerned.

Royalty payments must be effected in the currency of the country of domicile of the beneficiaries. In cases of national interest however, the Central Bank may authorize remittances in a currency other than that stipulated in the relevant agreements (Decree No. 55762, Section 17).

Later, Colombia followed a similar course; while in principle there is no legal limit on the amounts that may be transferred abroad under this heading, Decision NPE 7/68 provides that technical services (including know-how) and payments in national currency deriving from "royalties and other technical services with an external transfer entitlement" have the net value recorded in the Exchange Office, of which 10 % may be transferred each year by way of capital reimbursement, and 14 % in respect of profits.

In Chile, in order to exercise supervision over royalty payments, the Central Bank established in 1963 a register of license agreements and reserved the right to decide, according to the circumstances of each case, whether or not a given agreement could be recorded. Each application for registration must be accompanied by an explanatory letter indicating the content of the license and its purpose, utility and necessity, together with a draft or copy of the original agreement translated into Spanish⁷⁰.

In Argentina, Law No. 19135, promulgated in 1971 with respect to the automotive industry, provided in Section 30 that "the price and royalties payable by the licensee for the rights acquired by him in pursuance (of contracts) may be charged only on the net profits derived from the goods or services under license and may not exceed 2 % of the net amount of sales thereof."

⁷⁰ Adriana V. de Doren and Alfredo Cordero, *Régimen de licencias en Chile*, Santiago de Chile 1972, p. 1.

Likewise with a view to ensuring balance of payments equilibrium, some countries — Brazil for example — have prohibited the payment of royalties for the use of patents and trademarks as between an affiliate or subsidiary established in that country and the parent enterprise having its headquarters abroad, or where 50 % of the capital carrying voting rights is held, directly or indirectly, by the foreign-based enterprise (Law 4131, Section 14 and Decree No. 55762, Section 20).

More recently, Decision No. 24 adopted by the Commission of the Cartagena Agreement, to which Bolivia, Chile, Colombia, Ecuador and Peru are parties, provides in Article 21 that while industrial property rights — such as licenses for the use of trademarks, patents, know-how and engineering — may not be registered as capital contributions, they give rise to payment of royalties. An exception is provided in the case where such contributions are made by a parent company or its affiliate to a foreign enterprise situated in the region (a foreign enterprise being defined as one in which national investors' capital is under 51 % or if higher, when in the opinion of the competent national authority, that percentage is not reflected in the technical, financial, managerial and business direction of the enterprise (Decision No. 24, Section 1).

16. All these measures, together with others of a specifically fiscal character, have had the effect, where applied, of reducing to some extent the cost — both implicit and explicit — of technology transfer for the balance of payments of the countries concerned.

Nevertheless, as is pointed out in the de Seynes report on foreign investment in the developing countries⁷¹, what is at stake is not only the cost of technology in terms of foreign exchange transfer and foreign control, but also the selection and adaptation of technology and, ultimately, the development of a local aptitude for technological innovation.

Similarly, Wionczek notes⁷² that while measures of this kind have yielded considerable savings in foreign exchange for the countries concerned, in reality they have not tackled the central problem of equitable prices for imported technology, that is to say, the problem of how to obtain the technologies best suited to the industrial enterprises needing them, and best suited to the national economy as a whole, at internationally competitive prices.

This concern, as well as the concern to avoid the adverse effects of access to foreign technology referred to earlier, brought about the second stage of State intervention in the adoption of an appropriate strategy for the marketing of technology.

The initial impulse came from the Council and from the Commission of the Cartagena Agreement, which, in its Decision No. 24 of December 30, 1970, stated the bases considered necessary for remedying the contradictions inherent in technology and for achieving an equitable transfer of know-how. Decision No. 24 establishes a "common treatment" on foreign capital, trademarks, patents, licensing agreements and royalties.

⁷¹ United Nations, Department of Economic and Social Affairs, New York 1968, E/466, Sales No. S. 68. II D 2.

⁷² Miguel S. Wionczek, "Precios equitativos de la Tecnología," *Excelsior*, Mexico City, May 4, 1971.

The Decision, which has been given force of law in Bolivia, Chile, Colombia, Ecuador and Peru⁷³, is primarily designed to specify the technology to be imported by the countries party to it, and to strengthen the negotiating position of those countries.

Article 22 provides as follows:

"National authorities shall undertake a continuous and systematic identification of the technologies available in the world market for the different industrial fields, for purposes of having at their disposal the most favorable and convenient alternative solutions for the economic conditions of the subregion and shall submit the result of their task to the Council. This action shall be implemented in coordination with those adopted in Chapter V of this treatment with respect to the production of national or subregional technology⁷⁴."

Article 48 adds:

"Member Countries bind themselves to keep each other informed and inform the Council regarding the application of the present treatment in their territories and specially as regards the rules contained in Chapter II. Furthermore, they bind themselves to establish a permanent system to exchange information on the authorizations for foreign investment or importation of technology granted in their territories for purposes of facilitating an increasing harmonization of their policies and of improving their negotiation capacity to obtain terms no less favorable, for the receiving country, than those which have been negotiated in similar cases with any other Member Country.

"Furthermore, they bind themselves to closely coordinate their action in international agencies and forums which consider matters related to foreign investments or transfer of technology."

And Article 52 requires the Council:

"(a) to watch over the implementation of and compliance with the treatment and the regulations which might be approved by the Commission in this regard;

(b) to centralize statistics, accounting or information of any other type related to foreign investment or transfer of technology provided by the Member Countries;

(c) to collect economic and legal information on foreign investment and transfer of technology and provide it to the Member Countries; and

(d) to propose to the Commission the measures and the regulations which may be necessary for a better application of the present treatment."

Apart from these positive measures, Decision No. 24 contains provisions designed to avoid the abuses in technology transfer contracts, as mentioned above in connection with the contradictions inherent in imported technology — in particular, with the restrictive clauses customarily included in such contracts, even though they may be prohibited by the domestic legislation of the exporting countries.

The system established under Decision No. 24 consists of mandatory clauses, which must be included in know-how agreements, and prohibited clauses, which must not be included.

The mandatory clauses are set out in Article 19:

"Contracts for importing technology shall at least contain some clauses regarding the following:

(a) identification of the manner in which the technology to be imported shall be transferred;

⁷³ In Chile under Decree No. 482 of June 25, 1971; in Colombia under Legislative Decree No. 1299 of June 30, 1971 (the Decree has however been struck down by the Supreme Court of Colombia on a motion by Mr. James W. Raisbeck — decision of December 30, 1971. It is understood that the Colombian Government has submitted to Congress a draft law designed to remedy the situation); in Ecuador by Decree No. 974 of July 30, 1971; in Peru under Decree No. 18 900 of June 31, 1971.

⁷⁴ The extracts from Decision No. 24 are taken from an unofficial translation prepared by the Secretariat of the Andean Group.

(b) contractual value for each of the elements involved in the transfer of technology expressed in a similar way as that used in the registration of foreign direct investment; and

(c) determination of the time period during which the contract shall be in force."

The prohibited clauses are set out in Article 20:

"The Member Countries shall not authorize contracts for the transfer of foreign technology or use of patents containing:

(a) clauses stipulating that the provision of technology carries with it an obligation on the part of the receiving country or enterprise to purchase capital goods, intermediate products, raw materials or other technologies from given source or to make permanent use of staff appointed by the firm supplying the technology. In exceptional cases, the receiving country may accept clauses of this nature for the purchase of capital goods, intermediate products or raw materials provided that their price falls within the levels prevailing in the international market;

(b) clauses stipulating that the technology-supplying firm reserves the right of establishing the sale or resale prices of the products manufactured on the basis of the respective technology;

(c) clauses stipulating restrictions as to the volume and structure of production;

(d) clauses prohibiting the use of competitive technologies;

(e) clauses stipulating a total or partial purchase option in favor of the supplier of technology;

(f) clauses committing the buyer of technology to transfer to the supplier those inventions or improvements obtained through the use of said technology;

(g) clauses stipulating payment of royalties for unused patents to the holders of said patents; and

(h) other clauses having equivalent effects.

"With the exception of special cases, duly verified by the pertinent agency of the receiving country, clauses prohibiting or in any way limiting the export of the products manufactured on the basis of the respective technology will not be accepted.

"In no case will clauses of this type be accepted with regard to subregional trade or for the export of similar products to third countries."

Similar prohibitions are provided in respect of licensing contracts for the use of foreign trademarks, by Article 25 of the Decision:

"Licensing agreements for the exploitation of foreign trademarks in the area of the Member Countries may not contain restrictive clauses such as:

(a) prohibition or limitation of the export or sale of products manufactured under the respective trademarks or similar products in some given countries;

(b) obligation to use raw materials, intermediate goods or equipment supplied by the trademark holder or its affiliates. In exceptional cases, the receiving countries may accept clauses of this type provided their price is within the levels currently prevailing in the international market;

(c) establishment of sale or resale prices of the products manufactured under the trademark;

(d) obligation to pay the trademark holder royalties for unused trademarks;

(e) obligation to provide permanent employment to personnel provided or appointed by the trademark holder; and

(f) other clauses having equivalent effect."

Having regard to the social effects which the exploitation of foreign trademarks have or have had in the subregion, the countries of the Andean Group have framed a policy designed to discourage consumption of products bearing foreign trademarks, in favor of those incorporating regional technology, to which — as stated in the first sentence of Article 24 — "the Governments of the Member Countries in their purchases shall give preference . . . in the way which the Commission deems appropriate."

The second sentence of Article 24 states:

"The Commission, upon proposal by the Council, may propose to the Member Countries to levy taxes on those products using foreign trademarks which involve payment of royalties when easily available or known technology is used in their manufacture."

17. The same ideas concerning the need to prevent abuses under technology transfer contracts, and to channel and control technology in favor of autonomous industrial development, which gave rise to these provisions in the Cartagena Agreement have been reflected, in almost identical terms, in the legislation recently adopted on this subject in Argentina and Brazil.

Until September 13, 1971, when Law No. 19231 was promulgated, Argentina had no legislation governing technology transfer contracts.

Earlier governments had however given consideration to the matter and the intention to legislate on it was already apparent in Decree No. 46 of June 17, 1970.

Recognizing the country's technological needs, "Politica" No. 100 makes provision for increased State activity in the field of scientific and technical research with a view to creating and adapting production, industrialization and distribution methods in the various sectors of economic activity. It also provides for programs to disseminate the results obtained, through improved communication and cooperation between the State research institutes and the universities and high-level private groups operating in the fields concerned.

Completing the circle, "Politica" No. 101 makes provision for utilizing external opportunities for technology transfer which would contribute substantially to the attainment of development and security objectives, in particular such objectives as can improve the competitive capacity of domestic industry.

Subsequently, account was taken of any deviations or misuse that might have resulted from the relevant agreements; "Politica" No. 116 is designed to prevent contracts for the purchase of technology from containing clauses restricting export and to remove such clauses from existing contracts before they are renewed. In both cases, exceptions are provided for reasons of national interest. With the same objective, "Politica" No. 152 takes account of the need to support financial, scientific and technical assistance programs from external sources which are necessary for national development provided that:

- (a) there are no clauses affecting the national interest;
- (b) there are broad possibilities for participation by national enterprises and entities in the fields of advisory assistance, inspection of works, execution and supply of materials.

On the basis of this policy, which had to some extent been reflected in the limited field of the automotive industry, by Law No. 19135, Law No. 19231 establishes special rules which follow the general lines of Decision No. 24 of the Cartagena Agreement.

The Argentine Law starts with an examination of the national situation, in the statement of motives⁷⁵:

"(a) There are clear indications that in the selection of technology in Argentina, the necessary care is not always exercised. In this respect, one has only to examine the situation of the numerous industrial instal-

lations established on national territory which are oversized in relation to the local market or which entail an excessive proportion of imported inputs due to their dependence on a technology that is not adapted to the conditions prevailing in the country. Furthermore, studies have shown that many of the manufacturing licenses that have been granted relate to outdated technology.

(b) With respect to the price and other conditions attaching to the purchase of imported technology, many national enterprises have accepted very unfavorable conditions due to the lack of necessary technical advice during the negotiations. This has, in some cases, probably resulted in unnecessary recourse to foreign technology. Another matter of public knowledge is the exaggerated acquisition of trademarks by local industries in recent years, often unaccompanied by any transfer of know-how. Furthermore, many agreements prohibit the export of goods manufactured under license, or contain other restrictive clauses that could have been moderated or even removed if the purchasers had negotiated in a rational way or if there had been legislation providing rules favorable to national interests.

(c) The national effort to adapt, assimilate and develop imported technology is clearly inadequate, as evidenced in the very low expenditure of our industrial enterprises on research and development, particularly in comparison with the amounts paid in respect of foreign licenses. According to statistics of the National Council for Science and Technology and the Central Bank of the Argentine Republic, in the year 1968 alone Argentina paid more than US \$ 64 million for patents and licenses; while, in the same year, expenditure by the industrial sector on research and development of technology amounted to only US \$ 5 million."

In order to avoid such an unfavorable situation and to:

(a) channel the import of know-how toward the productive activities that need it, when know-how of local origin does not exist or cannot be acquired in the short term;

(b) ensure that the cost of importation and the related conditions are consistent with the national interest; and

(c) ensure that the importation of know-how does not constitute an obstacle to the country's development and, in particular, to the production of indigenous technology; a National Register of License and Know-How Agreements has been established within the Ministry of Industry Commerce and Mining (INTI) (Decree No. 6187, of December 22, 1971, Section (6)). Its functions include the following:

(a) to record all agreements for licensing and for the transfer of technology (Law 19231, Section 2 and Decree No. 6187, Section 6);

(b) to draw up statistics on the amount of royalties agreed upon and the sums remitted abroad in respect thereof (Law 19231, Section 15);

(c) to carry out comprehensive studies concerning the characteristics of trade in technology and research and development activities in industry, and to make proposals for State industrial policy with regard to trade in technology (Decree No. 6187, Section 11);

(d) to furnish advice to interested parties who seek guidance concerning the negotiation and conclusion of the agreements referred to in the Law (Law 19231, Section 18);

Under Section 2 of the Law, all agreements with regard to the following matters are required to be recorded in the Register:

"(a) licensing the use trademarks;

(b) licensing the use and working of patents;

(c) licensing the use of industrial designs, when these can be appraised;

(d) furnishing technical know-how in the shape of plans, diagrams, models, instructions, formulations, specifications and preparation and training of personnel and other means;

⁷⁵ Law No. 19231, *Boletín Oficial* of September 13, 1971, p. 3; *Industrial Property*, 1972, p. 125.

(e) the provision of detailed engineering for the setting up of installations or the manufacture of products;

(f) technical advice, whether supplied on an occasional, periodical or permanent basis,"

where such agreements:

(a) are capable of producing effects within Argentine territory, and

(b) commit persons or entities domiciled in the country to make payments or render any kind of consideration to persons resident abroad or to foreign entities.

As has been said, registration of such agreements is compulsory. Agreements that have not been registered are legally invalid and unenforceable before the Argentine courts (Law 19231, Section 5). Furthermore, failure to register means that payments or money remittances abroad will not be authorized (Law 19231, Section 12) and such expenses and outlays may not be deducted from business earnings (Law 19231, Section 13).

Having regard to the restrictive clauses in many agreements, Section 3 of the Law forbids the inclusion of provisions to the following effect:

"(a) when the object of the agreement is the use, on an Argentine product, of a foreign trademark or an Argentine trademark registered in the name of a person resident abroad or a foreign entity, without providing any technical contribution or innovation;

(b) when it can be shown that the object of the agreement involves the importation of know-how of a standard already available in the country;

(c) when the price or other consideration is disproportionate to the license granted or the know-how transferred;

(d) when the rights granted are such that they may allow for the direct or indirect control or disturbance of national production, distribution, marketing, investment, research or technological development;

(e) when the agreement contains an obligation to acquire equipment or raw material from a particular source, and outside the country;

(f) when the agreement forbids the export or sale for export of Argentine products, or when the right to sell is made subject to permission from abroad or any limit or control whatsoever is placed on exports;

(g) when the agreement requires the transfer, whether for consideration or not, of any patents, trademarks, innovations or improvements that may have been obtained in the country in connection with the license agreed upon or the know-how conveyed;

(h) when prices are set for the sale or resale of the goods produced in Argentina;

(i) when the trial and adjudication of any suits concerning the interpretation or fulfillment of the agreement is made subject to the jurisdiction of foreign courts. Such suits shall be brought before the competent Argentine courts."

Section 21 safeguards the rights of the parties to agreements:

"Decisions whereby the registration of an agreement specified in Section 2, or of any amendments or extensions thereto, is granted, refused, cancelled or declared to have lapsed, or decisions imposing the penalties prescribed in Section 19, may be appealed before the Federal Court of Appeals. The term for entering appeal shall be ten working days as from the date on which the interested party was served notice of the decision at the address appointed by him in his application for registration. When fines are involved, such appeal may only be entered after payment thereof."

It should be pointed out that Section 3, which enumerates the clauses that may not be included in the licensing agreements, uses the words "may refuse registration." This discretionary power makes the system under the Argentine Law

much more flexible than in similar legislation of other countries, for example, legislation under Decision No. 24 of the Cartagena Agreement.

The principle underlying the Law is that the transfer of know-how gives rise to the payment of royalties. Although the amount is, in principle, left to the discretion of the parties, it is nevertheless subject to certain possible limitations. These are:

(a) the condition in Section 10 of the Law:

"The price or other consideration provided for in the agreements described in Section 2 shall be restricted to the liquid profits generated by the licensed goods or services. When the price or other consideration due is formalized as an investment as the result of the payment of a predetermined lump sum, the foregoing restriction will not apply. The National Executive Power may allow exceptions to the requirement set forth in this Section, as regards those sectors or products in relation to which specific technological know-how is needed in the country according to appraisals and studies made in this connection by the technical bodies referred to in Section 17."

In a certain sense, the supplier of technology is thus compulsorily made a partner of the recipient. This can be explained, however, by the fact that many companies, especially affiliates of foreign enterprises, do not distribute profits because the major part of their profits is transferred abroad in the form of royalties, no doubt in order to benefit from the tax allowances for which such payments qualify;

(b) the condition concerning refusal to register where the price or other consideration is disproportionate to the license granted or the know-how transferred (Law 19231, Section 3(c)), and

(c) the condition in Section 4 of the Law:

"The National Executive Power may set, for particular sectors, activities or specific objects, a maximum percentage rate for payments to be made, or other considerations to be rendered, by the recipients of know-how pursuant to the agreements specified in Section 2. Such maximum rate shall be established according to the nature of the object and the net profits that it generates, the circumstances prevailing in the sector or line of activity, the demands of economic development and national interest."

Section 9 provides that registration lapses:

"... if, within two consecutive years from the date of recordal, the agreement has not been put into practice or has not produced any effect in the country. However, in cases where just cause is shown, the Control Agency for the National Register of License and Know-How Agreements may permit the agreements to be recorded again, provided that the request is made prior to the expiry of the term set in this Section and that the situation referred to in Section 3, paragraph (b) has not materialized."

Section 19 provides that any fraudulent infringements of the Law may be penalized by the Control Agency, by:

(a) cancelling the registration of the agreement in the National Register of License and Know-How Agreements;

(b) levying fines of up to one million pesos;

(c) disqualification of the infringer from engaging in trade or industry, over a period of up to two years;

(d) deprivation of legal capacity, where civil or commercial entities are concerned."

18. In Brazil in recent years, a trend has emerged towards a more comprehensive regulation of the various aspects of the marketing of foreign technology.

On December 11, 1970 the Brazilian Government promulgated Law No. 5648 establishing the National Institute of

Industrial Property (INPI)⁷⁶. In addition to administering, at national level, the rules governing industrial property in the light of its social, economic, juridical and technical functions, the INPI is required to adopt — and this should be emphasized — with a view to fostering the economic development of the country, measures calculated to accelerate and regulate the transfer of technology, and to establish better conditions for negotiating and utilizing patents (Law No. 5648, Section 2).

The evolution of Brazil's legislation can be clearly seen. It has moved on from the stage of State intervention for purely fiscal purposes in the interest of the balance of payments and now extends to the negotiation and utilization of technology.

This orientation has been reaffirmed and further extended by the recent enactment, on December 21, 1971, of Law No. 5772 establishing the new Industrial Property Code⁷⁷.

Under Section 28 of this Law, the owner of a patent may grant licences for its exploitation. Such grant must be effected under an instrument in due legal form setting out the terms relating to remuneration and to the exploitation of the patent, and specifying the number and title of the application or the patent (Section 29).

The remuneration is to be fixed in accordance with the legislation in force and with instructions issued by the authorities responsible for finance and exchange (Section 29(1)).

In line with Decision No. 24 of the Cartagena Agreement and of Argentine Law No. 19231, the Brazilian Law, in Section 29(2), provides that licenses may not impose any restrictions as to the marketing or exportation of the product covered by them, or as to the importation of articles or material necessary for the product's manufacture. In other words, it prohibits tie-in clauses and clauses which prohibit exportation or interfere in the marketing of the products concerned.

As a reaction against the usual practice of stipulating in license contracts that any improvement made by the licensee must be assigned to the licensor, Section 29(3) provides:

"In accordance with the conditions and purposes in this Code, all rights to improvements made by the licensee to the product or process shall belong to him."

Section 30 requires the license contract to be registered at the National Institute of Industrial Property and specifies that such registration shall have no effect as far as royalties are concerned where it relates to:

- (a) a patent granted outside Brazil;
- (b) a patent whose owner is resident, domiciled or established abroad and which does not have the priority provided for in Section 17 of this Code;
- (c) a patent that has expired or that is in the process of annulment or revocation;
- (d) a patent whose previous owner had no right to such royalties."

Section 90 of the Industrial Property Code also allows contracts for the exploitation of marks and publicity slogans or signs. The contracts must be in writing and must mention the application or registration number, the remuneration terms and the owner's obligation to exercise effective control over the description, nature and quality of the articles or services concerned.

⁷⁶ *Industrial Property*, 1971, p. 72.

⁷⁷ *Industrial Property*, 1972, p. 175.

As in the case of patents, Section 90, subsection (1) provides that the remuneration must be fixed in accordance with the legislation in force and with instructions issued by the financial and exchange authorities.

Subsection (2) provides that the contract may not impose any restrictions as to industrialization or marketing, including export.

Subsection (3) requires the contract to be recorded at the National Institute of Industrial Property; subsection (4) makes such recordal invalid as far as the payment of royalties is concerned where it relates to:

- "(a) a registration granted outside Brazil;
- (b) a registration whose owner is resident or established abroad and which does not have the priority provided for in Section 68;
- (c) a registration that has expired or that is in the process of annulment or cancellation;
- (d) a registration in force by virtue of a renewal;
- (e) a registration whose previous owner had no right to such royalties."

As may be seen, in regard to both trademarks and patents the new Brazilian legislation is consistent with the general line followed by the Latin American countries which have adapted their legislation to the requirements of autonomous and self-sustaining industrial development.

19. The purpose of the legislation described in this Study is to channel the whole process of the transfer of technology in ways that are consistent with the interests of the national economy of every Latin American country. In the financial context — in order to protect the balance of payments — these measures have affected the visible price of technology: the transfer of royalties abroad has been limited by general or sectorial rules; remittances by local affiliates to the parent company abroad have been prohibited; the tax allowances and other fiscal advantages have been withdrawn or reduced. With respect to the invisible price of technology, tie-in clauses and clauses whose effect is similar have been made unlawful. To counter the adverse effects that the monopolistic character of the technology market can have on the negotiation of contracts for the licensing or transfer of know-how, provision has been made for State intervention at national level in the negotiation and approval of such contracts, and the negotiating position of the countries has been strengthened by the establishment of regional bodies. Aware of the technical contradictions inherent in "incorporated technical progress," the countries are to make a selection of the technologies best suited to their economic situation, indicating possible alternatives.

In the social context, the principle consideration is to ensure that imported technology does not aggravate existing social tensions and that it is consistent with the needs of the peoples. In the political context, the prime concern has been to ensure that the flow of technology strengthens indigenous creativity and the potential for decision-making.

Whether these objectives will be achieved depends upon the timing and strategy adopted by Latin American countries. But it must be emphasized that the objectives correspond to a legitimate desire that technological progress should promote rather than inhibit the independent development of our countries.

- October 8 to 19, 1973 (Geneva) — International Patent Classification (IPC) — Working Group IV of the Joint ad hoc Committee
- October 22 to 27, 1973 (Tokyo) — Patent Cooperation Treaty (PCT) — Interim Committees for Administrative Questions, for Technical Assistance and for Technical Cooperation, and Standing Subcommittee of the latter
- November 5 to 9, 1973 (Geneva) — International Patent Classification (IPC) — Working Group V of the Joint ad hoc Committee
- November 14 to 16, 1973 (Geneva) — ICIREPAT — Plenary Committee (PLC)
- November 19 to 27, 1973 (Geneva) — Administrative Bodies of WIPO (General Assembly, Conference, Coordination Committee) and of the Paris, Berne, Madrid, Nice and Locarno Unions (Assemblies, Conferences of Representatives, Executive Committees)
Invitations: States members of WIPO, or of the Paris or Berne Union — *Observers:* Other States members of the United Nations or of a Specialized Agency; intergovernmental and international non-governmental organizations concerned
- November 26 and 27, 1973 (Geneva) — Lisbon Union — Council
Members: States members of the Lisbon Union — *Observers:* Other States members of the Paris Union
- November 28 to 30, 1973 (Geneva) — Working Group on Scientific Discoveries
Invitations and observers: To be announced later
- December 3 to 7, 1973 (Geneva) — International Patent Classification (IPC) — Working Group II of the Joint ad hoc Committee
- December 3 to 7, 1973 (Geneva) — ICIREPAT — Technical Committee for Shared Systems (TCSS)
- December 3 to 5, 1973 (Paris) — International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations — Intergovernmental Committee
Note: Meeting convened jointly with the International Labour Organisation and Unesco
- December 5 to 11, 1973 (Paris) — Executive Committee of the Berne Union — Extraordinary Session
Note: Some meetings with the Intergovernmental Copyright Committee established by the Universal Copyright Convention
- December 10 to 14, 1973 (Paris) — ICIREPAT — Technical Committee for Standardization (TCST)
- December 18 to 20, 1973 (Geneva) — Working Group for the Mechanization of Trademark Searches
Object: Report and recommendations to a Committee of Experts on mechanized trademark searches — *Invitations:* Australia, Austria, Belgium, Canada, France, Germany (Federal Republic of), Ireland, Japan, Luxembourg, Netherlands, Soviet Union, Spain, Sweden, United Kingdom, United States of America — *Observers:* Colombia, Benelux Trademark Office

UPOV Meetings

- March 13 and 14, 1973 (Geneva) — Technical Steering Committee
- March 15, 1973 (Geneva) — Symposium Working Party
- April 2 and 3, 1973 (Geneva) — Working Group on Variety Denominations
- April 4 and 5, 1973 (Geneva) — Consultative Committee
- June, 1973 (Avignon) — Technical Working Party for Vegetables
- July 2 to 6, 1973 (London) — Symposium on Plant Breeders' Rights
- October, 1973 (Geneva) — Council

Meetings of Other International Organizations concerned with Intellectual Property

- March 5 and 6, 1973 (London) — International Confederation of Societies of Authors and Composers — Legal and Legislative Commission
- March 13 to 15, 1973 (Rijswijk) — International Patent Institute — Administrative Council
- March 19 to 30, 1973 (Brussels) — European Economic Community — "Community Patent" Working Party
- March 30, 1973 (Paris) — International Chamber of Commerce — Industrial Property Commission
- April 28 to May 1, 1973 (Valencia) — International League against Unfair Competition — Study meetings
- May 7 to 11, 1973 (London) — International Federation of Musicians — Congress
- May 8 to 10, 1973 (Paris) — Unesco International Copyright Information Centre
- May 20 to 26, 1973 (Rio de Janeiro) — International Chamber of Commerce — Congress
- May 22 and 23, 1973 (Malmö) — International Plant Breeders Association for the Protection of New Varieties — Congress
- June 26 to July 17, 1973 (Washington) — Organization of American States — Committee of Governmental Experts on Industrial Property and Technology Applied to Development
- September 10 to 14, 1973 (Stockholm) — International Federation of Actors — Congress
- September 10 to October 6, 1973 (Munich) — Munich Diplomatic Conference for the Setting Up of a European System for the Grant of Patents, 1973
- September 24 to 28, 1973 (Budapest) — International Association for the Protection of Industrial Property — Symposium
- October 28 to November 3, 1973 (Jerusalem) — International Writers Guild — Congress

VACANCIES IN WIPO

Competition No. 198

Counsellor
(or "Legal Assistant"*)

Legislation and Regional Agreements Section
(Industrial Property Division)

Category and grade: P.4/P.3, according to qualifications and experience of the selected candidate.

Principal duties:

The incumbent will assist the Head of the Legislation and Regional Agreements Section in carrying out the duties which fall under the competence of the above-mentioned Section. In particular, he will have the following duties:

- (a) preparing drafts of industrial property model laws and regulations for developing countries and commentaries thereon (including all preparatory documents for meetings of expert committees); acting as assistant secretary in WIPO meetings dealing with these matters;
- (b) undertaking studies on questions relating to regional industrial property agreements;
- (c) undertaking studies on particular aspects of industrial property protection, such as license agreements, know-how and trade secrets, as well as studies concerning the role of industrial property in developing countries;
- (d) representing WIPO in meetings of other international organizations dealing with the questions referred to under (a) through (c).

*Qualifications required **:*

- (a) University degree in law or qualifications equivalent to such a degree;
- (b) wide experience in industrial property law (including its international aspects); thorough knowledge of at least one national law in this field;
- (c) ability to undertake legal studies involving critical analysis and to draft legislative texts (i. e. model laws);
- (d) ability to act as a representative of WIPO in specialized meetings related to the above-mentioned duties;
- (e) excellent knowledge of English; at least a good knowledge of French; knowledge of other major languages would be an advantage.

Revised closing date: March 15, 1973.

* Title applicable if appointment at P.3 level.

** The full range of these qualifications corresponds to an appointment at the P. 4 level.

Competition No. 203

Technical Assistance Project Officer

PCT Section
(Industrial Property Division)

Category and grade: P.4/P.3, according to qualifications and experience of the selected candidate.

Principal duties:

The incumbent will assist the Head of the "PCT" Section in the elaboration and implementation of the Technical Assistance Program under the Patent Cooperation Treaty. His particular duties will be the following:

- (a) cooperation in surveys, studies and elaboration of measures as provided under Chapter IV of the PCT, particularly with a view to organizing technical assistance to developing countries in the fields of patent office administration and organization and of establishment and operation of patent documentation centers;
- (b) participation in the implementation of the program of WIPO in the field defined under (a), including preparation of proposals concerning technical assistance projects, for consideration by the competent international and national bodies;
- (c) preparation of WIPO meetings and drafting of related documents in the field defined under (a), representation of the Organization in such meetings and preparation of reports thereof;
- (d) representation of WIPO in meetings of or with other international organizations and contacts with competent national or regional authorities in the field defined under (a).

*Qualifications required *:*

- (a) University degree in law or in a relevant field of science or technology or qualifications equivalent to such degree.
- (b) Wide knowledge and experience in the field of industrial property, in particular in questions relating to the specific needs of developing countries requiring technical assistance in the organization of Patent Offices and documentation centers. Knowledge of national patent procedures (both in developed and developing countries) and of the PCT system would be an advantage.
- (c) Excellent knowledge of either English or French and a good knowledge of the other language. Knowledge of other major languages, in particular Spanish and Portuguese, would be an important advantage.

Closing date: March 30, 1973.

* The full range of these qualifications corresponds to an appointment at the P. 4 level.

With regard to the posts mentioned above, see also the following page.

Competition No. 204**Counsellor**

(or "Legal Assistant"*)

**General and Periodicals Section
(Industrial Property Division)**

Category and grade: P. 4/P. 3 according to qualifications and experience of the selected candidate.

Principal duties:

The incumbent will assist the Head of the General and Periodicals Section in carrying out various tasks which fall under the competence of the above-mentioned Section. His particular duties will be the following:

- (a) undertaking studies on questions relating to industrial property protection;
- (b) undertaking studies concerning international conventions in the above-mentioned field, including the revision of existing conventions and the setting up of new conventions;

* Title applicable if appointment at P. 3 level.

- (c) dealing with correspondence relating to questions mentioned under (a) and (b);
- (d) participating in WIPO meetings and representing the latter in meetings of or with other international organizations dealing with questions referred to under (a) and (b);
- (e) as necessary, assisting in other tasks within the jurisdiction of the Section (including preparatory work relating to industrial property Seminars).

Qualifications required:**

- (a) University degree in law or qualifications equivalent to such a degree.
- (b) Wide experience in industrial property law (including its international aspects).
- (c) Ability to prepare legal studies and to draft texts of international arrangements.
- (d) Ability to act as a representative of WIPO in specialized meetings relating to the above-mentioned duties.
- (e) Excellent knowledge of either English or French and at least a good knowledge of the other.

Closing date: March 30, 1973.

** The full range of these qualifications corresponds to an appointment at the P. 4 level.

With regard to the posts mentioned above:

Nationality:

Candidates must be nationals of one of the Member States of WIPO or of the Paris or Berne Unions. Qualifications being equal, preference will be given to candidates who are nationals of States of which no national is on the staff of WIPO.

Type of appointment:

Probationary period of two years, after satisfactory completion of which a permanent appointment will be offered.

Age limit:

Candidates must be less than 50 years of age at date of appointment.

Date of entry on duty:

To be agreed.

Applications:

Application forms and full information regarding the *conditions of employment* may be obtained from the Head of the Administrative Division, WIPO, 32 chemin des Colombettes, 1211 Geneva, Switzerland. Please refer to the number of the Competition.