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Contents

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Notifications Concerning Treaties

WIPO Convention

Accession

MALAYSIA

The Government of Malaysia deposited, on October 1, 1988, its instrument of accession to the Convention Establishing the World Intellectual Property Organization, signed at Stockholm on July 14, 1967, and amended on October 2, 1979.

The said Convention, as amended on October 2, 1979, will enter into force, with respect to Malaysia, on January 1, 1989.

WIPO Notification No. 144, of October 3, 1988.

Madrid Agreement (Marks)

Ratification of the Stockholm Act (1967)

PORTUGAL

The Government of Portugal deposited, on August 22, 1988, its instrument of ratification of the Stockholm Act of July 14, 1967, as amended on October 2, 1979, of the Madrid Agreement Concerning the International Registration of Marks of April 14, 1891.

The Stockholm Act (1967), as amended on October 2, 1979, will enter into force, with respect to Portugal, on November 22, 1988.

Madrid Notification No. 39, of August 22, 1988.

WIPO Meetings

Paris Union

Committee of Experts on the Harmonization of Certain Provisions in Laws for the Protection of Inventions

Fifth Session
(Geneva, June 13 to 17, 1988)

I.
NOTE*

Introduction

The Committee of Experts on the Harmonization of Certain Provisions in Laws for the Protection of Inventions (hereinafter referred to as "the Committee of Experts") was convened to hold its fifth session[1] in Geneva from June 13 to 17, 1988. On June 16, 1988, the Committee of Experts decided to adjourn the session since it could not complete its agenda because of lack of time, and to hold the second part of its session from December 12 to 16, 1988. Consequently, this Note covers the first part of the fifth session of the Committee of Experts. A Note on the second part of that session will be published in due course.

The following States members of the Paris Union for the Protection of Industrial Property were represented: Algeria, Argentina, Australia, Belgium, Brazil, Bulgaria, Canada, Cuba, Denmark, Finland, France, Germany (Federal Republic of), Ghana, Greece, Hungary, Ireland, Israel, Italy, Japan, Madagascar, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Republic of Korea, Spain, Sweden, Switzerland, Soviet Union, United Kingdom, United States of America, Uruguay, Yugoslavia, Zaire (36). The following States members of WIPO were represented by observers: El Salvador, Panama, Peru (3). In addition, representatives of two intergovernmental organizations and 29 non-governmental organizations participated in the session in an observer capacity. The list of participants follows this Note.

The Committee of Experts considered 11 questions: one for the fifth time, three for the third time, six for the second time and one for the first time.

The one question that had already been considered by the Committee of Experts in its first, second, third and fourth sessions (July 1985, May 1986, March 1987 and November 1987) concerns the grace period for public disclosure of an invention before filing an application. This question, which, prior to the first session of the Committee of Experts, had already been considered by the Committee of Experts on the Grace Period for Public Disclosure of an Invention Before Filing an Application, was the subject of a memorandum prepared by the International Bureau of WIPO, whose text was reprinted *in extenso* in *Industrial Property*, 1984, pp. 314 to 327.

The one question already considered by the Committee of Experts in its second and third sessions (May 1986 and March 1987) concerns the extension of process patent protection to products and the reversal of the burden of proof. The memorandum prepared by the International Bureau on that question was reproduced in full in *Industrial Property*, 1987, pp. 276 to 281.

The two questions already considered by the Committee of Experts in its third and fourth sessions (March 1987 and November 1987) concern: (i) the right to a patent where several applications were filed by different applicants in respect of the same invention (previously worded as "the right to a patent where several inventors have made the same invention independently"); and (ii) the extent of protection and the interpretation of patent claims. The memoranda prepared by the International Bureau on those two questions were reproduced in full in *Industrial Property*, 1987, pp. 216 to 234.

The six questions the Committee of Experts had already considered in its fourth session (November, 1987) concern: (i) exclusions from patent protection; (ii) term of patents; (iii) maintenance fees; (iv) provisional

* Prepared by the International Bureau of WIPO.

[1] For Notes on the first, second, third and fourth sessions, see *Industrial Property*, 1985, p.267, 1986, p.309, 1987, p.204 and 1988, p.179.

protection; (v) prior users' rights; and (vi) restoration of the right to claim priority. The memoranda prepared by the International Bureau on the first five questions were reproduced in full in *Industrial Property*, 1988, pp. 192 to 233. The memorandum propared by the International Bureau on the sixth question is reproduced following this Note (document HL/CE/IC/INF/3).

The one question the Committee of Experts considered for the first time concerns the rights conferred by a patent (no memorandum has been prepared on this question).

Six questions were not considered during the first part of the fifth session of the Committee of Experts but are scheduled for consideration at the second part of that session. They concern: (i) requirements for granting a filing date; (ii) the naming of the inventor and declaration concerning the entitlement of the applicant; (iii) manner of description; (iv) manner of claiming; (v) unity of invention; and (vi) prior art effect of applications. Memoranda prepared by the International Bureau were reproduced in full in *Industrial Property*, on the first question, 1986, pp. 312 to 320, on the second question, 1986, pp. 320 to 324, on the third question, 1987, pp. 209 to 216, on the fourth question, 1987, pp. 255 to 264, on the fifth question, 1987, pp. 264 to 270, and, on the sixth question, 1987, pp. 270 to 276.

The discussions of the first part of the fifth session of the Committee of Experts were based on the documents drawn up by the International Bureau and entitled "Draft Treaty on the Harmonization of Certain Provisions in Laws for the Protection of Inventions; Draft Regulations" (HL/CE/V/2) (hereinafter referred to as the "draft Treaty and draft Regulations") and "Corrigendum to document HL/CE/V/2" (document HL/CE/V/2 Corr.), as well as a proposal by the Delegation of the United States of America concerning Rule 304 (Alternative A)(document HL/CE/V/3 Rev.). They are quoted hereafter together with the relevant portions of the report on the first part of the fifth session of the Committee of Experts (document HL/CE/V/4).

After hearing general observations from the Delegation of Brazil, on behalf of the Latin American countries, and the Representative of ALIFAR, the Committee of Experts discussed the various questions submitted to it.

Right to a Patent Where Several Applications Were Filed by Different Applicants in Respect of the Same Invention

Article 301 of the draft Treaty as submitted by the International Bureau to the Committee of Experts read as follows:

> *Where two or more persons have filed applications in respect of the same invention, the application which has the earliest filing date, or, where priority is claimed, the earliest priority date, shall prevail, provided that the applicant of that application otherwise has the right to a patent for the invention.*

The portion of the report of the Committee of Experts concerning the discussion of Article 301 reads as follows:

> The Delegation of the United States of America reiterated the position it had already taken at prior sessions of the Committee of Experts to the effect that it was willing to consider the possibility of accepting the first-to-file system on the condition that the first-to-file provision would constitute part of a balanced treaty package that would benefit inventors in the United States of America and abroad. It had become clear that the Bar in that country was seriously split as to whether or not to support the first-to-file system. If no balanced package could be achieved in the draft Treaty, the Bar would certainly oppose Article 301.
>
> The Delegation of Belgium stated that the draft Treaty should constitute a well-balanced package. As regards Article 301 itself, the Delegation objected to the last proviso, "provided that the applicant of that application [the one that has the earliest filing or priority date] otherwise has the right to a patent for the invention." It felt that the decision as to who had the right to a patent fell within the competence of the courts, and, therefore, the proviso should be eliminated and the text of Article 301 should follow the language of Article 60(2) of the European Patent Convention.
>
> The Chairman, in reply to the statement by the Delegation of Belgium, clarified that the proviso in question established a rule which was generally applicable both to patent offices and to the courts.
>
> In addition, the Secretariat referred to item d. of the Notes on Article 301[2] and stated that it should be studied whether the said proviso was necessary or whether its contents went without saying.
>
> The Delegation of Ghana raised a question as to the geographical scope of Article 301. It was not clear whether the first-to-file rule applied only to applications filed in one and the same country, or whether a foreign senior application could destroy a national junior application.
>
> The Chairman clarified that Article 301 only dealt with applications filed in one and the same country.
>
> The Delegation of Switzerland said that Article 301 should expressly state that the senior application prevailed only if it was published.
>
> The Chairman drew attention to item e. of the Notes on Article 301[3] and stated that it should be studied whether it was necessary to amend that Article in that respect.

[2] The text of item d. read as follows: "The proviso appearing at the end of the Article intends to ensure that the applicant whose application prevails under the 'first-to-file' principle is entitled to receive a patent: if, for example, he has no right to file an application on account of his nationality, or has no right to receive a patent because such right belongs, in respect of the invention in question, to another person (e.g., his employer), his application does not prevail over an application filed by another person who, in fact, has a right to a patent for that invention."

[3] The text of item e. of the Notes read as follows: "If the prevailing application does not lead to the grant of a patent, the 'first-to-file' system does not prevent the applicant of a later application from being granted a valid patent, subject to the case where the former application was withdrawn after having been published: in such case, the grant of a valid patent on the other application is barred by the prior art effect of the former application (see Article 202)."

The Delegation of the United Kingdom supported the position taken by the Delegation of Belgium. It also considered Article 301 an important element of a balanced treaty package, especially in light of the grace period provision, and was also unhappy with the last proviso in Article 301, "provided that the applicant...." It felt that it was more appropriate to leave questions dealing with the right to a patent to national law. For example, under the law of the United Kingdom, many challenges to an applicant's right to a patent did not necessarily entail a failure of the application but could result in the transfer of the application to another person.

The Delegation of Japan supported Article 301, in principle. However, it wanted Article 301 to apply also to the case of several applications filed in respect of the same invention by the same applicant, which it considered not to be covered by the present text of Article 301. It suggested that Article 301 should start with the words "where two or more applications are filed in respect of the same invention...."

The Delegation of Denmark associated itself with the declarations made by the Delegations of Belgium and the United Kingdom.

The Delegation of Italy supported the position taken by the Delegation of Belgium.

The Delegation of the Federal Republic of Germany agreed with the position of the Delegations of Belgium, Denmark, Italy and the United Kingdom.

The Delegation of Australia did not agree on the mere deletion of the last proviso of Article 301, "provided that the applicant...." In view of the preceding words, "shall prevail," such deletion would exclude consideration of the applicant's right to a patent under other provisions of national law.

The Delegation of France suggested that the last proviso of Article 301, "provided that the applicant...," was not directed at its substance but rather at the drafting itself. Therefore, it suggested that the said proviso be either eliminated or placed elsewhere.

The Representative of the European Patent Office (EPO) supported the position of the Delegation of Belgium and the other delegations which had objected to the last proviso of Article 301, "provided that the applicant...." It understood that the said proviso applied to both patent offices and the courts, but this was contrary to many national laws, as many patent offices were not entrusted with the task of deciding on an applicant's right to a patent.

The Delegation of Canada had problems with the wording of the present text of Article 301 because it did not contain the reference to the same invention independently made by several inventors, which had existed in previous drafts but had now been left out. The Delegation proposed that Article 301 read as follows: "where two or more persons have filed applications in respect of the same invention made independently of each other...."

The Representative of UNICE asked whether such practical questions as what constituted the "same" invention, or what to do with the senior application whose disclosure was not as extensive as the one in the junior application, or vice versa, were intended to be developed further in the draft Treaty or to be left to national law.

The Representative of CIPA, CNIPA and EPI supported the position taken by the Delegation of Belgium and the other delegations which had supported it.

The Representative of IFIA urged that a careful examination be made of the first-to-file versus the first-to-invent system, before reaching a final decision on Article 301. Attention was drawn to the fact that inventors frequently needed to test and carry out feasibility studies about their inventions before being able to commercialize them. However, under the first-to-file system, the risk of disclosure fell on the inventor, who was therefore encouraged to keep his invention secret. On the other hand, although some had suggested that the first-to-invent system was burdensome because it raised a potential for interference proceedings, actually only about one percent of patent applications were subject to interference. The potential for interference could be further decreased by providing for more rigorous evidentiary rules. As an alternative, IFIA wanted to propose the Japanese approach, which had seemed to encourage the filing of national applications in that country. In its opinion, this was the result of, in particular, Section 39(6) of Japan's Patent Law, under which a patent application which was not filed by the inventor or his successor in title was not considered a patent application as such. This approach seemed to combine the best of the first-to-file and the first-to-invent systems.

The Representative of FICPI shared the view that Article 301 represented one of the cornerstones of the draft Treaty and constituted an essential element of a balanced treaty package. Article 301 contained a basic principle which, however, should not be confused with such concepts as self-collision and independence of inventions. It, therefore, agreed with the position taken by the Delegation of Belgium and the other delegations which had supported it.

The Representative of AIPLA confirmed what the Delegation of the United States of America had already said as to the serious split which existed in that country regarding a possible change from the first-to-invent to a first-to-file system. AIPLA was willing to consider the first-to-file system but only as part of a well-balanced treaty package.

The Representative of IPTA considered that the elements of a well-balanced treaty package included not only a grace period but also a broad claim interpretation and insurance against self-collision. As regards Article 301 specifically, the Representative thought that the term "applicant" needed clarification and possibly should be defined in the draft Treaty, as, at present, the term was sometimes used in the sense of owner and other times in the sense of the person entitled to file an application.

The Delegation of Japan reiterated its position that, even if the same person filed different applications for the same invention, the later application should be rejected. It did not consider that Article 202(6) covered this question, because the last proviso in that provision, "provided that not more than one patent shall be granted for the same invention," was not clear.

The Representative of PTIC said that if the last proviso of Article 301 "provided that the applicant..." were deleted, as suggested by several delegations and organizations, and taking into account the grace period provision, the possibility of fraudulent applications would be increased. In the United States of America and, until recently, in Canada, applicants were required to submit an oath or declaration stating that they had made the invention independently; if such oath or declaration were found to be false, the right to

the patent would be lost, but the patent office did not have to decide *ex officio* on whether the invention had been made independently. Therefore, it was suggested to return to the earlier concept of independently made inventions.

The Representative of the Commission of the European Communities (CEC) pointed out that Article 301 must be evaluated in the context of the entire draft Treaty, in particular in light of not only the grace period provision but also the proposal on prior users' rights. Therefore, the consequences of the first-to-file system could be further discussed later.

The Delegation of Ghana stated that it did not consider it acceptable that a local company be prevented from patenting an independently made invention only because someone else had already filed an earlier patent application for that invention abroad, as national, independently made inventions contributed to the technological development of a developing country. It was, therefore, suggested that a formula be devised that would combine the advantages of the first-to-file and the first-to-invent systems, in particular taking into account independently made inventions.

The Representative of NYPTC pointed out that the last proviso of Article 301, "provided that the applicant...," was relevant not only in the case of Article 301, which dealt with several applications by different applicants, but also in the case where one applicant filed several applications. Therefore, if it were decided to retain the proviso in question, it should not be included in Article 301 but should constitute a general proviso.

The Delegation of the United Kingdom, in addition to its original statement, pointed out that Article 301 incorporated two main considerations. First, it dealt with the question of which application prevailed when two or more applications had been filed for the same but independently made inventions. The concept of an independently made invention existed in Article 60(2) of the European Patent Convention and, therefore, seemed to be a workable concept in practice. Second, Article 301 dealt with the question of who had a right to apply for a patent, a question which should not be dealt with in Article 301, as the fact that an applicant did not have a right to a patent did not always lead to the failure of the application but, in some cases, could result in its assignment. Therefore, the last proviso should either be deleted or redrafted in the sense that the senior application would prevail subject to the grant of a valid patent. In short, it was suggested that any references to persons be eliminated from Article 301 and that the provision refer only to applications in respect of the same invention.

The Representative of the European Patent Office (EPO) stated that a distinction should be made between three questions: to whom did an invention belong? who should prevail in the case of independently made inventions? and who was entitled to exercise the right to a patent in proceedings before a patent office? Article 301 should address itself primarily to the last two questions, and the answer should be the applicant who was the first to file. The first question, as to whom an invention belonged to, as well as the question of who was competent to decide this, should be left to national law.

The Representative of APAA supported the position of the Delegation of Japan. The objective was to avoid double patenting. Therefore, Article 301 should apply not only in the case of different applicants but also in the case where the same applicant had filed several applications for the same invention. This problem could be resolved by returning to the previous wording of, "where two or more applications are filed in respect of the same invention...." As concerned Article 202(6), one of the main reasons for objecting to that provision was that, if introduced as now drafted, it would not prevent double patenting in the case of the same applicant filing several applications for the same invention.

The Representative of UNICE suggested the following text: "where there are conflicting applications in respect of an invention, the right to priority shall be determined primarily with reference to their respective filing dates, and no account shall be taken of the date on which the invention has been made."

The Representative of the ABA stated that the ABA joined the Delegation of the United States of America and AIPLA in its willingness to consider the first-to-file system, provided it formed part of a balanced treaty package. However, an exception should be made to the general rule set down in Article 301 concerning the derivation situation, namely, the case where the applicant was not the actual inventor but had derived the invention from someone else without the latter's permission.

The Chairman concluded the discussion of Article 301 by summarizing what he considered to be the five principal issues raised. First, there was the principle of the first-to-file system itself, with respect to which the United States of America would take a position only once it would be able to evaluate the entire treaty package. Second, in reply to the concern raised primarily by the Delegation of Ghana, it was clarified that Article 301 applied only to applications filed in one and the same country. Third, it was necessary to define the objectives of Article 301. Many delegations and organizations expressed the opinion that the question of who had a right to a patent should not be among these objectives and should be left to national law. The question of who would make such a determination (the patent office or the courts) should also not be dealt with in Article 301. The only question to be covered by Article 301 should be the case of two different applications for the same invention. In this respect, the first-to-file system was proposed. Fourth, there was the problem raised by the Delegation of Japan regarding different applications filed by the same person for the same invention. It was suggested that no reference be made to applicants, so that such a case would also be covered by Article 301. Fifth, there was the problem raised by the Delegation of Canada with respect to independently made inventions.

Rights Conferred by a Patent

Article 302 of the draft Treaty as submitted by the International Bureau to the Committee of Experts read as follows:

(1) A patent shall confer on its owner at least the right to prevent third parties:

(i) from making, offering, putting on the market or using a product which is the subject matter of the patent, or importing or stocking the product for those purposes;

(ii) from using a process which is the subject matter of the patent.

(2) Any Contracting State shall be free not to consider the following acts as covered by paragraph (1):

(i) acts concerning a specific unit of a product covered by a patent which are done after it has been put on the market by the owner of the patent or with his express consent;

(ii) acts done privately and for non-commercial purposes;

(iii) acts done for experimental purposes relating to the subject matter of the patent or done only for scientific research;

(iv) the extemporaneous preparation for individual cases in a pharmacy of a medicine in accordance with a medical prescription or acts concerning the medicine so prepared.

(3)(a) Subject to subparagraph (b), a patent shall also confer on its owner the right to prevent third parties from supplying or offering to supply a person, other than a party entitled to exploit the patented invention, with means, relating to an essential element of that invention, for putting it into effect, when the third party knows, or it is obvious in the circumstances, that those means are suitable and intended for putting that invention into effect. This provision shall not apply when the means are staple commercial products.

(b) Persons performing the acts referred to in paragraph (2)(ii), (iii) and (iv) shall not be considered to be parties entitled to exploit the invention within the meaning of subparagraph (a).

(4) Articles 5A and 5ter of the Paris Convention are not affected by this Article.

The portion of the report of the Committee of Experts concerning Article 302 reads as follows:

General. The Delegation of Argentina stated that it considered that harmonization implied a broad-based system, with a series of guidelines which could be accepted by all parties. It confirmed that it wished to cooperate in the harmonization endeavor, given that a balance had to be struck between the norms seeking to establish international guidelines, on the one hand, and existing national rules, on the other hand. It pointed out that it did not consider that the draft Treaty was the place where the issue of rights conferred by a patent should be discussed. This question was dealt with in national legislation, given that a reservation had been made in respect of Article 302. It drew attention also to the revision of the Paris Convention which was under way, and to the attempt in the context of that revision to make standards more flexible and to create a flow of technology between inventors and countries granting protection. It added that, while paragraph (4) of Article 302 stated that the Article was not to affect Articles 5A and 5*ter* of the Paris Convention, such a provision could not be supported until the revision of the Paris Convention had been completed. In addition, it reiterated that the Paris Convention had created a system which left for member States the right to establish the criteria for patent protection, whether protection should be extended to processes as well as products, and whether any fields ought to be excluded from patent protection. These were all matters which should continue to be dealt with in the context of the Paris Convention.

The Delegation of Brazil, speaking on behalf of the Latin American countries, drew attention to the Preamble of the draft Treaty, and, in particular, to the fact that the Treaty was supposed to constitute a special agreement within the meaning of Article 19 of the Paris Convention. It pointed out that Article 19 of the Paris Convention required that special agreements concluded under it be compatible with the provisions of the Paris Convention. It also drew attention to the title of the draft Treaty and the reference in that title to the harmonization of "certain provisions" in laws for the protection of inventions. In its view the draft Treaty related not to certain provisions, but to all provisions in laws for the protection of inventions, since many substantive provisions were included in the draft Treaty. It asked whether the establishment in such a treaty of norms and standards on substantive matters, which would go much beyond what was provided for in the Paris Convention, would still be within the scope of Article 19 of the Paris Convention. On behalf of the Latin American countries, the Delegation placed a general reservation on the whole of Article 302.

The Delegation of Cuba stated that its country considered the harmonization process in a positive manner and in this respect adopted a constructive viewpoint. However, it considered that harmonization must be based on the formal aspects of laws, that is, provisions relating to applications and the machinery for processing applications, so as to make different national systems more compatible. It drew attention to the process of the revision of the Paris Convention, under which a number of articles of that Convention were under discussion. It stated that the main virtue of the Paris Convention was its flexibility, which had been achieved by leaving substantive and difficult questions to the decision of member States. On this basis, it considered that Article 302, and certain other Articles in the draft Treaty, were more appropriately considered in the context of the revision of the Paris Convention, and that the draft Treaty should only deal with matters on which agreement could be achieved, and not those on which there was substantial disagreement amongst States.

The Delegation of Ghana stated that Article 302 contained a number of provisions which required extensive consideration. It stated that many of the issues considered in Article 302 had given rise to negotiations for the revision of the Paris Convention, and that it was inappropriate that the draft Treaty should deal with the very issues which had brought about disagreement in relation to the revision of the Paris Convention. It also stated that the conferment of rights by a patent had to be counterbalanced by obligations on the part of the person to whom those rights were granted. It therefore requested WIPO to endeavor to include in the next draft of the treaty a set of provisions relating to obligations of the owner of the patent.

The Chairman summarized the general discussion on Article 302 by stating that the reservations expressed in the statement made by the Delegations of Argentina, Brazil, on behalf of the Latin American countries, and Cuba had been noted by the Committee of Experts.

Article 302(1). The Delegation of Switzerland proposed to extend the right conferred on the patent owner in Article 302(1)(ii) to prevent third parties not only from using a process which is the subject of a patent, but also from offering for use or putting on the market a process which is the subject of the patent. The proposal was supported by the Delegation of the Federal Republic of Germany and the

Representatives of AIPPI, IFIA and MPI, but was opposed by the Delegation of the Netherlands.

The Delegation of the United States of America stated that the patent owner's rights should include the right to prevent third parties from inducing the infringement of a product patent and the use of a process which is the subject matter of the patent. The Representative of MPI agreed that inducement should be prohibited.

The Delegations of Switzerland and the United States of America, and the Representative of AIPPI, stated that a cross-reference should be introduced in the draft Treaty between the provisions in Articles 302 and 303 to make it clear that the derived protection under Article 303 of a product directly obtained by a process that was the subject matter of a patent should extend to all of the rights set out in Article 302 in respect of products, including, in particular, the right to prevent the importation of such products.

The Delegation of Ghana proposed that there should be added at the end of Article 302(1)(i) a proviso directed at ensuring that the rights conferred on a patent owner did not create monopoly rights. The Delegation of the United States of America opposed the proposal on the ground that a draft Treaty on the harmonization of provisions for the protection of inventions was not the proper place to deal with a definition of monopoly or with antitrust considerations.

The Delegation of Portugal proposed that the term "owner" in line one of Article 302(1) should be extended to include a reference to the "successor-in-title" of the owner. The Delegation of Belgium opposed the extension on the basis that Article 302(1) ought to be considered as laying down minimum protection, so that any further elaboration of its provisions would require careful consideration and might necessitate excessive detail.

The Chairman summarized the conclusions of the discussions on Article 302(l) as follows:

(a) there was general agreement on the need to link Articles 302(1) and 303 so as to ensure that the derived protection given to a product directly obtained by a patented process under Article 303 had the same scope of protection as a product under Article 302(1);

(b) there was general agreement that Article 302(1) set a standard of minimum protection which Contracting States would be required to implement;

(c) further consideration needed to be given to the drafting of Article 302(1) and whether the patent owner's rights should include the right to prevent third parties from offering for use a process which was the subject of a patent, and the right to prevent third parties from inducing any of the acts prohibited by Article 302(1).

Article 302(2)(i). Two questions were discussed concerning the operation of Article 302(2)(i)—the meaning of the term "specific unit" used in the provision; and the extent of geographical exhaustion of rights once a product had been put on the market.

The Delegation of Japan sought clarification as to the meaning of the term "specific unit," and asked whether there would be any difficulty in deleting the reference to "a specific unit of a" product, so that the provision related to "acts concerning a product...put on the market." In response, the Chairman stated that the term "specific unit" was intended to cover what was put on to the market by the patent owner. The provision allowed the possibility for a Contracting State to exempt only those acts which related to what the owner had put on the market, rather than any acts relating to the product covered by the patent. In this respect, the Chairman pointed out that two cases could be distinguished—first, the case of the device, apparatus or machine which was produced in individual units, where only those units which had been put on the market by the owner would be subject to the provision; and, secondly, products sold in bulk, where only the quantity put on the market by the owner would be covered by the exception.

The Delegations of Australia and the Soviet Union, and the Representative of AIPPI expressed difficulty with the use of the term "specific unit," stating that it was unclear and could lead to confusion. In particular, the Delegation of Australia pointed out that the term "specific unit" might be interpreted by its national courts as requiring the unit to be identifiable.

The Representatives of CNIPA, EPI, CIPA and UNICE stated that, although the term "specific unit" caused difficulties, it was necessary to find some expression which limited the exception contained in Article 302(2)(i) to acts concerning only those particular products or quantities of products which had been put on the market by the owner. The exception was not intended to exempt acts relating to any products merely because the owner had put on the market certain units or quantities of the product. In this respect, the Representative of UNICE suggested that the opening words of the provision be redrafted so as to read "acts concerning a specific or particular product or quantity of product covered by a patent...."

The Delegation of France proposed the deletion of the words "specific unit."

On the question of the geographical extent of the exhaustion of rights, the Delegation of the United States of America stated that it was opposed to the principle of worldwide exhaustion of rights, and that the draft Treaty should make it clear that Contracting States could only provide for state-wide exhaustion of rights, or for exhaustion of rights within a regional group of States constituting one economic unit. The Delegations of Denmark, Germany (Federal Republic of), the Netherlands and the United Kingdom, and the Representatives of AIPPI, CNIPA, EPI, CIPA, AIPLA and MPI, supported the position of the Delegation of the United States of America that the draft Treaty should not permit worldwide exhaustion of rights, but that Contracting States could provide only state-wide or region-wide exhaustion of rights.

The Delegation of France stated that the choice of the geographical extent of exhaustion of rights should be left to each Contracting State.

The Delegation of Australia stated that the proposal to preclude the choice of worldwide exhaustion of rights ran contrary to a recent review of the patent system which had been conducted in Australia. Although Australian law permitted territorial licensing, it made an exception where the patentee himself put the goods into the market without any restrictions. It stated that it wished to reserve its position on the question, but that, at first sight, the proposal to totally exclude worldwide exhaustion of rights appeared to it, as a technology-importing country, to go too far. At present, it therefore wished to see the text of the draft Treaty remain unchanged in the interest of striking a fair balance between the rights of the owners of patents and the free circulation of goods. It requested that, if the text of the

draft Treaty were to be amended, it would wish that the new provision be placed in square brackets so as to encourage further discussion of the question in future sessions of the Committee of Experts.

The Chairman summarized the conclusions of the discussions on Article 302(2)(i) as follows:

(a) the concept of "a specific unit" of a product was not fully understood or accepted, and had to be re-considered; there seemed to be, however, general agreement that the exemption contained in Article 302(2)(i) was intended to apply only to units or quantities put on the market by the owner; and

(b) the majority was in favor of limiting the right of Contracting States to provide for exhaustion of rights on only a state-wide or region-wide basis, and was against the worldwide exhaustion of rights.

Article 302(2)(ii). The Delegations of Switzerland and Australia, and the Representative of UNICE expressed difficulty with the use of the term "non-commercial." It was pointed out that a process might be worked by public utilities in such a way that no commercial purpose was involved, although clearly an unauthorized use of the invention might be involved. The Delegation of Switzerland suggested that the term "non-professional" might be more appropriately used than "non-commercial."

The Representative of PTIC also expressed concern over the use of the word "privately." While this term was used in national laws, it was pointed out that provision of products by, for example, a mail order service, might be considered to be private transactions, yet should certainly fall within the range of acts which a patent owner should have the right to prevent. It was suggested in this respect that a proviso could be added to Article 302(2)(ii) to the effect that the acts mentioned could be exempted only if they did not have economic significance to the detriment of the patent owner.

The Delegation of the United States of America also drew attention to the practice in its country whereby a person other than the patent owner, who wished to obtain a license to market a medicine covered by a patent, was permitted to use a patented invention, where the patent term was nearing expiration, in order to develop the information necessary to support the license application. It sought clarification that such a use of a patented invention would be considered to be a use for experimental purposes which could be excepted under Article 302(2)(ii) and, to this end, proposed that the following sentence be added to note c., on page 44 of the English text of document HL/CE/V/2: "The development of data solely for submission to a governmental agency to obtain approval for marketing after a patent had expired would be an acceptable 'experimental purpose'."

Article 302(2)(iii). The Delegation of Australia stated that the last part of this provision, which exempted acts "done only for scientific research," might operate to confer a wider exemption than was desirable. It referred to the example of organizations which were devoted to scientific research and stated that these should not be permitted to make or import for use products covered by a patent merely because they were engaged in scientific research. The Delegations of Switzerland and the United States of America, as well as the Representatives of AIPLA, CEIPI, NYPTC and UNICE agreed with the observations of the Delegation of Australia, pointing out that it was not desired to stop scientific research, but that commercial use or sale under the rubric of scientific research should not be exempted. Accordingly, it was suggested that the words "or done only for scientific research" be deleted, as the first part of the provision excepting acts done for experimental purposes was sufficiently wide to exempt the use of an invention in the course of pure scientific research.

The Delegation of Portugal considered that the provision should be left in its present form, since it covered two separate concepts, namely, experimental use and use for scientific research, and that each ought to be exempted. The Delegation of Cuba agreed with the Delegation of Portugal, stating that acts done for scientific research, as opposed to applied scientific research, should be permitted, whether done by private or public entities.

The Secretariat also drew attention to the use of the word "acts" and suggested that the exemption should rather be directed at the execution or carrying out or implementation of an invention for experimental purposes or for purposes of scientific research.

Article 302(2)(iv). The Delegation of Japan pointed out that the limitation of the exception to the preparation of medicines for individual cases "in a pharmacy" raised a difficulty, since, in Japan, doctors were permitted to prepare medicines. It therefore suggested that the words "or by a doctor" be added.

The Delegation of Australia stated that it considered that the wording of the provision was too broad, and drew attention to the situation of a hospital where hundreds of prescriptions might be prepared for individual cases on a daily basis.

The Representatives of the AIPLA, IFPMA and NYPTC supported the deletion of the provision on the basis that it unfairly discriminated against the pharmaceutical industry. In this respect, it was stated that sufficient protection existed for a pharmacist who prepared a medicine on an *ad hoc* basis for an individual case by virtue of the exemptions contained in Article 302(2)(ii) and (iii).

The Delegations of Germany (Federal Republic of), France, Ghana, Japan and the United Kingdom and the Representative of JPA, supported the retention of the existing provision. It was pointed out by the Delegation of the Federal Republic of Germany that similar wording was contained in its national patent law, and that no problems had been encountered with respect to the provision. That Delegation emphasized, however, that the provision should be applied only to exempt the preparation of medicines for concrete individual cases. The Delegation of the United Kingdom also stated that the provision was to be found in its national law, where the provision was considered to be part of the philosophy of not allowing patents for the treatment of the human body.

The Chairman stated, in conclusion, that in spite of certain objections which had been voiced in respect of the provision, the majority of national delegations wished to retain the provision, subject perhaps to some drafting alterations and to the inclusion of preparations by physicians.

In connection with the exclusions allowed in Article 302(2), the Delegation of the United Kingdom pointed out that its domestic law contained exclusions which went further than Article 5*ter* of the Paris Convention referred to in paragraph (4) and exempted in the relevant circum-

stances not only devices but also processes and the stocking of parts for repair.

Article 302(3)(a). The Delegations of Belgium and the Federal Republic of Germany and the Representative of UNICE expressed their satisfaction with this provision in its present form.

The Delegation of the Soviet Union stated that Article 302(3)(a) constituted an undue extension of patent rights, and that the present drafting of the provision could lead to endless repercussions and litigation.

The Delegation of Japan stated that the provision, as presently drafted, was too broad, and that to confer on a patent owner the right to prevent others from supplying or offering to supply a person with means for putting an invention into practice would lead to an extremely powerful patent right. It suggested that line 4 of the provision be redrafted to read "means, relating to that invention, exclusively for putting it into effect."

The Delegations of Ghana, Japan, the Republic of Korea and the United States of America sought clarification as to the use of the term "essential element" of an invention in the provision. It was pointed out by the Secretariat that this term would be discussed in respect of Rule 304 later in the meeting. The Delegations of the United States of America, Japan and the Republic of Korea stated that, to the extent that this term was based on Alternative B of Rule 304, they opposed it.

The Delegation of the United Kingdom expressed difficulty with the exemption from the application of the provision when the means were "staple commercial products." It pointed out that many inventions contained staple commercial products, citing as an example electronic circuitry which contained transistors and resistors, and stated that if such staple commercial products were sold with instructions on how to carry out an invention, the supply should nevertheless be considered to be an infringing act. It accordingly proposed an amendment to the last sentence of the provision so that, if staple commercial products were supplied with an inducement to carry out an invention, the supply would nevertheless be considered to be an infringement. The Delegation of Belgium and the Representative of CNIPA, EPI and CIPA supported the proposal of the Delegation of the United Kingdom.

Extensive discussion took place on whether Article 302(3)(a) should cover both contributory infringement of a patent and inducement to infringe a patent.

The Delegation of the United States of America supported the extension of Article 302(3) to include inducement to infringe a patent, and proposed that a further subparagraph be added to the effect that a patent shall also confer on its owner the right to prevent third parties from actively inducing others to commit an act prohibited under Article 302(I). The Representative of AIPLA supported the proposal that Article 302(3) should be extended to prohibit inducement.

The Representatives of PTIC, MPI and UEPIP stated that they considered that the rights conferred on the owner of a patent should include the right to prevent third parties from inducing the infringement of a patent, but that inducement should be dealt with under Article 302(1). They supported the position that Article 302(3)(a) should be confined to contributory infringement, and that the qualitatively distinct act of inducing the infringement of a patent should be dealt with under Article 302(1).

In summarizing the conclusions of the discussion, the Chairman stated that a distinction should be drawn between contributory infringement of a patent, which involved the indirect exploitation of a patent by the supply of the means of exploiting the patent, on the one hand, and inducement to infringe a patent, which involved more than the mere supply of means and an active incitement to use, by way of, for example, instructions, on the other hand.

Article 302(4). The Delegation of Argentina recalled that it shared the reservation which had been expressed by the Group of Latin American countries in respect of the whole of Article 302. It also pointed out that it was incongruous to include in the draft Treaty the provision contained in Article 302(4) when the revision of the Paris Convention was still under way, and Article 5A of the Paris Convention, in particular, was subject to discussion. In reply, the Director General said that Article 302(4) should be understood as meaning that each Contracting State under the draft Treaty would apply whichever text of the Paris Convention bound it. Corresponding clarification could be made in the draft Treaty itself.

The Delegation of Cuba stated that it shared the general reservation expressed by the Delegation of Argentina with respect to Article 302, but that it agreed with the proposal of the Director General in relation to Article 302(4) that changes subsequently made to Articles 5A and 5*ter* of the Paris Convention should apply.

The Delegation of Brazil stated that it agreed with the general form of words put forward by the Director General, but pointed out that if the revision of the Paris Convention resulted in a renumbering of the Articles of the Paris Convention, the draft Treaty would require amendment, since Article 302(4) made specific reference to Articles 5A and 5*ter* of the Paris Convention. In reply, the Director General suggested that an appropriate form of words could be found referring to all provisions of the Paris Convention applicable to member States which referred to the questions of compulsory licensing and transit. The Delegation of Brazil expressed its agreement with the Director General's proposal.

Extension of Process Patent Protection to Products; Reversal of Burden of Proof

Article 303 of the draft Treaty as submitted by the International Bureau to the Committee of Experts read as follows:

(1)(a) If the subject matter of a patent is a process, the protection conferred by the patent shall extend not only to the process but also to any product directly obtained by the process.

(b) Subparagraph (a) shall apply even if the product obtained by the patented process is not patentable or belongs to an excluded field of technology within the meaning of Article 203(2)(a).

(2)(a) If the subject matter of the patent is a process for obtaining a new product, the said product shall, in the absence of proof to the contrary, be deemed to have been obtained by the patented process.

(b) In the adduction of proof to the contrary, the legitimate interests of the defendant in protecting his manufacturing and business secrets shall be taken into account.

The portion of the report of the Committee of Experts concerning the discussion of Article 303 reads as follows:

General. The Delegation of Brazil, speaking on behalf of the Latin American countries, stated that Article 303 gave rise to great difficulties. The inclusion of Article 303 was, therefore, not a question of harmonization but of uniformization of laws in a substantive way. It proposed the deletion of Article 303 in its entirety.

The Delegation of Argentina also favored the deletion of Article 303. At the same time it called attention to the fact that Article 303 was connected with Article 203, which had to do with the matter of exclusions from patent protection, and pointed out that, in Argentina, the only sector excluded from patent protection was that of pharmaceutical goods, and then for reasons of public health. The extension of protection to products directly obtained by processes would create an insuperable obstacle to the manufacture of products that could be obtained by other processes. It stated that developing countries, and its own country in particular, were concerned with avoiding the risk of the prices of pharmaceutical products increasing as a result of monopolistic protection, a concern which the Health Committee of the United States Congress also considered. Another concern had to do with the trade balance of its country, as the existence of protection would create a monopoly that was liable to cause a worsening of the trade imbalance. The Delegation drew attention to the intermediate developmental stage reached by the pharmaceutical industry in Argentina, and the country's understandable interest in protecting it, which was as great as its interest in technological potential. It stated that a great many foreign firms were working in Argentina, and that the national legislation in force not only had not prevented the operations of those firms, but had allowed them to be established a long time. The introduction of provisions such as Article 303 would have an adverse effect on aspects that were of the utmost importance to the country. With regard to the reversal of the burden of proof, the Delegation declared its opposition to the enactment of provisions that would entail modification of the system of legal presumptions written into the legislation of the majority of the countries present, according to which not innocence but rather guilt had to be proved. This philosophical and conceptual alteration had implications of the utmost seriousness which were not confined to the patent field, but could affect other areas that were perhaps of greater importance.

The Delegation of Uruguay stated that it shared all of the concerns expressed by the Delegation of Argentina, and also supported the statement made by the Delegation of Brazil on behalf of the Latin American countries. It added that the draft Treaty should not introduce concepts which were completely alien to the prevailing situation in various countries.

The Delegation of Cuba expressed its support for the statement made by the Delegation of Brazil on behalf of the Latin American countries and its agreement with the proposal to delete Article 303. It also stated that the wording of Article 303(1)(a) gave rise to concerns which went to the heart of the revision of the Paris Convention, particularly with respect to Article 5*quater* of that Convention. In its view, the proposals contained in Article 303 prejudged the work which was being undertaken on the revision of the Paris Convention.

The Delegation of Ghana stated that Article 303 did not cause problems insofar as traditional industrial products were involved. However, for certain biotechnological inventions, it would be difficult to accept Article 303 in its present form.

Article 303(1)(a). The Delegations of Belgium, Germany (Federal Republic of), the Netherlands, Switzerland, the United Kingdom and the United States of America and the Representative of the ABA, expressed their support for this provision on the basis that it was considered as providing minimum protection and did not prevent a Contracting State from providing additional protection in respect of products obtained by patented processes. They affirmed the fundamental and central importance of providing protection to products directly obtained by patented processes.

The Delegation of Bulgaria stated that, if the text could be made applicable to inventors' certificates, it wished to propose that there be inserted a new subparagraph in Article 303(1) which would allow a Contracting State to make a declaration of non-commitment with respect to the provisions of Article 303.

In concluding the discussions on Article 303(1)(a), the Chairman stated that, while noting the proposal to delete Article 303 that had been made on behalf of the Latin American countries, there was otherwise general agreement that Article 303(1)(a) should operate as a requirement of providing minimum protection. He also recalled that it had been generally agreed that a link should be established between the provisions of Articles 302 and 303, so that the patent owner's rights under Article 302(1) would extend to products enjoying derived protection under Article 303(1).

Article 303(1)(b). The Delegation of the Republic of Korea stated that it considered that this provision provided excessive protection, and that it supported the deletion of the provision.

The Delegation of France asked whether this provision, in its present form, would not be capable of permitting the protection of products excluded from such protection by their very nature. The Delegations of Portugal and the Soviet Union stated that they shared the concerns expressed by the Delegation of France, and that they did not consider that protection should be extended to products which were not otherwise patentable or belonged to an excluded field of technology.

The Delegations of Greece, Netherlands and the United Kingdom expressed some hesitation in relation to the extension of process patent protection to plants or animals, pointing out, with the exception of the Delegation of Greece, that this issue was under review in their respective countries. Concerning the extension of protection conferred by process patents to products, the Delegation of Greece added that it did not agree with such an extension in the case of pharmaceutical products.

The Delegations of Australia, Denmark, Finland, Germany (Federal Republic of), Japan, Switzerland and the United States of America, and the Representatives of CEC and EPO, as well as the Representatives of AIPLA, AIPPI, CEIPI and MPI, supported Article 303(1)(b) in its present form.

In its support of the provision, the Delegation of the United States of America stated that it would be extremely unfortunate if Article 303(1)(b) were deleted, especially in

the field of genetic engineering and biotechnology, where many old products were made in new ways. The provision contained in Article 303(1)(b) operated as a reward for investment and research into new ways of making of products. It pointed out that the protection envisaged in Article 303(1)(b) did not involve removing a product from the market, but only prevented the use of such products as were obtained by the new and patentable process.

In its support of Article 303(1)(b), the Delegation of Australia pointed out that the provision was not aimed at patent protection of products, but rather at the effective enforcement of patent protection for processes. In this respect, it drew attention to the fact that the provision protected products only insofar as they were made by using a patented process and not products *per se*.

In their support of Article 303(1)(b), the Delegations of Denmark and Finland pointed to the experience of their own domestic legislation, where provisions similar to Article 303(1)(b) had operated without problems, even though the provisions extended protection to products which were otherwise non-patentable.

The Representative of EPO pointed out that the principle contained in Article 303(1)(b), while not expressly mentioned in the Community Patent Convention, had been recognized in the preparatory work for the Community Patent Convention in 1975, and that it had been the intention of the drafters of the Community Patent Convention that the principle should apply.

The Delegation of Australia proposed that, in order to clarify the concerns which had been expressed with respect to the operation of Article 303(1)(b), Article 303(1)(b) be deleted and that Article 303(1)(a) be amended so that the last line read "also to any product, whether separately patentable or not, directly obtained by the process."

Article 303(2). The Delegations of Israel, the Netherlands, Portugal, the Soviet Union and Switzerland expressed their support for the substance of the provision in Article 303(2), and emphasized the need for such a provision to assist in the effective protection of patented processes.

In expressing its support for the provision, the Delegation of Israel suggested that the words "in infringement proceedings" be introduced at the commencement of Article 303(2)(a), in order to clarify the field of application of the provision.

In expressing its support for the provision, the Delegation of the Soviet Union stated that the possibility of introducing a similar provision in its domestic law was currently being examined in the Soviet Union.

The Delegation of Sweden, supported by the Delegation of Norway, stated that it had difficulties with Article 303(2), since a proposal to reintroduce a similar provision in its patent law had been rejected in the preparatory work leading to the amendment of its patent law two years ago. It stated, however, that it would consider the provision in a positive spirit.

The Delegation of Switzerland stated that the words "the said product" in line 2 of Article 303(2)(a) could give rise to ambiguities, and suggested that these words be replaced by the words "any identical product." The Delegation of Belgium suggested that the words "the said product" be replaced by the words "any identical product manufactured by a person other than the patent owner." The Delegation of Portugal expressed doubts on the inclusion of the word "identical."

The Delegations of Australia, Israel and the Netherlands expressed concern over the use of the notion of "proof" in Article 303(2). They drew attention to the operation of the provision as an evidentiary rule, and to the distinction in their domestic law between a burden of producing evidence and a burden of proof. In this respect, the Delegation of Australia suggested that the word "proof" be replaced by the word "evidence" where occurring in Article 303. The Delegation of the Netherlands proposed that the wording of Article 303(2)(a) be amended so as to read in its material part, "... the said product shall be deemed to have been obtained by the patented process unless the defendant can establish the plausibility of the contrary." The Delegation of Israel stated that reference to the burden of proof was too onerous, but that its replacement by a burden of evidence would, on the contrary, not be sufficiently strong. It proposed the deletion of the words "in the absence of proof to the contrary" in line 2 of Article 303(2)(a), and the replacement of the word "deemed" in line 3 of the said provision by the word "presumed."

The question of the meaning "new product" in Article 303(2)(a) was discussed at length. Two tendencies with respect to the interpretation of these words emerged in the discussions.

The first view was based on the interpretation of the word "new" as requiring a product to be novel in the patentable sense. This view was advanced by the Delegation of Japan, which also supported the assessment of the novelty of the product at the time of the filing of the application for the patent for the protected process. The Delegations of Ghana, Portugal and the United States of America, and the Representatives of CEC and EPO, as well as the Representatives of AIPLA, CNIPA, EPI, CIPA, JPA, IPTA and UNICE, favored this approach. The Delegation of the Netherlands also understood the word "new" as referring to novelty in the patentable sense, but it pointed out that the prior art under Article 202 should be excluded. The Representative of CNIPA, EPI and CIPA pointed out the need to refer to the priority date of the relevant application in assessing novelty and to exclude the effects of Article 202.

In its support of the first view, the Delegation of the United States of America suggested that Article 303(2)(a) be amended to read as follows: "If the subject matter of the patent is a process for obtaining a product that is new at the time of the filing of the application from which the process patent issued, the said product shall be presumed to have been obtained by the patented process."

In supporting the view that "new" should be interpreted as relating to novelty in the sense of patent law, the Delegation of Ghana and the Representative of UNICE drew attention to the principle under which one would ordinarily attribute the same meaning to the same word used within the same law.

The second view on the interpretation of the word "new" was opposed to attributing to the word the sense of novelty as a patentability criterion. Rather, this latter view was based on an assessment of whether a product was new on the basis of market considerations. It emphasized that the provision in Article 303(2) was intended to operate as a rule of evidence and not as a rule of substance. On this basis, if a product could be shown to be new in the sense of having detectable differences from other products, in such a way that some tangible trace of the use of the patented

process was apparent in the product, then the burden should be placed on the alleged infringer to prove that his product was obtained by a process other than the patented process. This second view was advanced by the Delegation of the Federal Republic of Germany, and supported by the Delegations of Australia, Belgium, France and Spain, and the Representatives of MPI and NYPTC.

In advancing the second view, the Delegation of the Federal Republic of Germany stated that the purpose of the inclusion of the word "new" in a similar provision in its domestic law had been based on the consideration that the owner of the patented process should be in a position to sue an alleged infringer in cases where the product obtained from the process had some particularities by which that product could be differentiated from others.

In its support of the second view, the Delegation of Australia stated that, from the context of Article 303(2)(a), it was apparent that the word "new" could not be used in the sense of patentable novelty, otherwise there would be no need for the provision since the product itself might be patentable.

The Delegation of Belgium pointed out that, if novelty in the patentable sense were required, difficult questions relating to unity of invention would thereby arise.

The Representatives of MPI and NYPTC emphasized the need to consider the purpose behind the rule contained in Article 303(2). This purpose, it was stated, was to provide evidentiary assistance to the owner of the patented process, which should be made available to the owner if he could show in the product in question some characteristics or traces of the protected process.

The Delegation of the Soviet Union stressed the importance of a single understanding of the concept of "new product," and proposed that Article 303(2)(a) be amended to read: "If the product obtained by means of a process which is the subject matter of a patent is new, the said product is deemed to have been obtained by the patented process in the absence of proof to the contrary."

The Delegations of Belgium and Portugal expressed concern over the French text of the words "in the adduction of proof to the contrary" (*"pour l'administration de la preuve contraire"*). The Delegation of Belgium suggested that the French text of the word "adduction" should be *"production"* rather than *"administration."* The Delegation of France favored the retention of the existing French text, pointing out that the word *"production"* in the French language was used in the French Code of Civil Procedure to apply to the production of the proof held by a third party, whereas the words *"administration de la preuve du contraire"* were otherwise used in that Code to refer to the adduction of evidence.

Extent of Protection and Interpretation of Claims

Article 304 of the draft Treaty as submitted by the International Bureau to the Committee of Experts read as follows:

The extent of the protection conferred by the patent shall be determined by the terms of the claims. The description and drawings shall be used to interpret the claims.

Rule 304 of the draft Regulations as submitted by the International Bureau to the Committee of Experts read as follows:

[Alternative A]

(1) A claim shall confer protection against use of the invention involving substitution of an equivalent for any element of that claim, provided that:

(i) the other elements as claimed of the invention or their equivalents are also used,

(ii) the equivalent functions, with respect to the invention as claimed, in substantially the same manner and produces substantially the same result, and

(iii) no statement by the applicant or owner of the patent in the description or the official file of the patent excludes such use of the equivalent from the protection.

(2) A claim for a combination shall not provide independent protection for separate elements of the combination and a dependent claim shall not provide protection for the elements it contains independently of the elements of the claim on which it depends.

(3) Reference signs in a claim to drawings, if any, shall not be construed as limiting the extent of protection conferred under the claim.

(4) Any abstract shall not be taken into account for the purpose of determining the extent of protection conferred by the patent.

(5) No patent owner shall be allowed to interpret the claim or claims of his patent differently in proceedings for infringement and in proceedings for invalidation of the patent where such proceedings are separate from each other.

[Alternative B]

(1) A claim shall confer protection against use of the invention involving all those elements of that claim interpreted in accordance with Article 304 which are sufficient and necessary for the realization of the invention (hereinafter referred to as "essential elements").

(2) A claim shall confer protection against use of the invention involving substitution of an equivalent for any essential element of that claim, provided that:

(i) the other essential elements as claimed of the invention or their equivalents are also used,

(ii) the equivalent functions, with respect to the invention as claimed, in substantially the same manner and produces substantially the same result, and

(iii) no statement by the applicant or owner of the patent in the description or the official file of the patent excludes such use of the equivalent from the protection.

(3) A claim for a combination shall not provide independent protection for separate elements of the combination and a dependent claim shall not provide protection for the essential elements it contains independently of the essential elements of the claim on which it depends.

(4) Reference signs in a claim to drawings, if any, shall not be construed as limiting the extent of protection conferred under the claim.

(5) Any abstract shall not be taken into account for the purpose of determining the extent of protection conferred by the patent.

(6) No patent owner shall be allowed to interpret the claim or claims of his patent differently in proceedings for infringement and in proceedings for invalidation of the patent where such proceedings are separate from each other.

The portion of the report of the Committee of Experts concerning the discussion of Article 304 and Rule 304 reads as follows:

The Delegations of the United States of America, Germany (Federal Republic of), Switzerland and Ghana underlined the importance of this Article and the Rule, stating that this was a cornerstone in the future Treaty on the harmonization of patent laws. This view was supported by the Representatives of the ABA, AIPLA, IPTA, NYPTC, AIPPI, FICPI, MPI and IPO.

The Delegation of France also stressed the importance of this Article and the Rule but pointed out that, in order to be acceptable, the provisions they contained should not be too strict and binding for judges but should rather be guidelines.

The Delegation of Australia favored a less detailed and more general statement along the following lines: "Infringement shall not be avoided by a non-consequential departure from the literal wording of a claim."

The Delegation of Brazil, speaking on behalf of the Latin American countries, expressed a reservation in respect of Rule 304 because it went too far in regulating matters outside of the scope of Article 304.

With respect to Article 304, the Delegation of Switzerland suggested adding the words "of the patent" after the word "claims" in the first sentence of that Article.

The Delegation of Australia suggested replacing the word "shall" in the second sentence of Article 304 by the word "may"; this change was necessary because first one had to examine whether the claims left any ambiguity in respect of what was prohibited and it was only where such an ambiguity existed that an interpretation by reference to the description and drawings was required.

The Delegation of Canada stated that the way the Article was written it appeared that the description and drawings had to be used every time to interpret the claims and this was not desirable. It further stated that the claims should stand on their own. The description and the drawings could be referred to for a better understanding of the claims.

The Secretariat pointed out that the purpose of Article 304 was to give the owner of the patent the right to rely on the description and the drawings for the interpretation of the claims; replacing "shall" by "may" would weaken the position of the owner of the patent.

The Delegation of the United Kingdom referred to the provision in the law of its country according to which the claims were to be considered as "interpreted by the description and the drawings," so that the description and the drawings had to be considered in each case. This view was shared by the Delegation of the Netherlands, which opposed the replacement of "shall" by "may" in the first sentence. The Delegation of Denmark referred to the provision of the law of its country, according to which, in cases of doubt concerning the meaning of the claims, guidance may be taken from the description.

The Secretariat suggested merging the two sentences of Article 304 into one and using an expression such as "the claims in the light of the description and drawings" or "... with due regard to the description and drawings." The Delegation of Australia agreed with this suggestion.

As regards Rule 304 (containing Alternatives A and B), the Representative of UNICE asked why the provisions, which dealt with substantive patent law, were not included in the Article; the Secretariat replied that the said provisions might have to be reviewed from time to time and that this should be done by amending the Regulations without the need for a Diplomatic Conference for the revision of the Treaty, which would require the Contracting States to ratify it again.

The Delegations of Australia, France, the Netherlands, Switzerland and the Representatives of AIPPI and FICPI were in favor of Alternative B. The Delegations of Bulgaria, Germany (Federal Republic of), Ghana, Greece, Hungary, Ireland, Israel, Italy, Japan, Poland, the Soviet Union, the Republic of Korea, Sweden, the United Kingdom, the United States of America, as well as the Representatives of AIPLA, UNICE and JPA, preferred Alternative A.

The Representative of CIPA, CNIPA and EPI was not in favor of Alternative B, but could not support Alternative A either because both alternatives, in the view of that Representative, went too far in regulating the interpretation of claims; he preferred to provide for a more general rule, for example, along the lines of Article 69 of the European Patent Convention and the Protocol on the interpretation of that Article adopted at the Munich Diplomatic Conference.

With respect of Alternative A of Rule 304, the Delegation of the United States of America presented a proposal contained in document HL/CE/V/3 which was subsequently revised (document HL/CE/V/3 Rev.) and which reads as follows:

"(1) A claim shall confer the rights specified in Article 302 against any product or process that falls within the literal wording of that claim.

(2) Rule 304 [Alternative A] paragraph 1.

(3) The fact that the product or process is different from the examples disclosed in the patent, includes additional features not found in the disclosed examples, lacks features found in the disclosed examples, or does not achieve every object or possess every advantege set forth in the patent shall not avoid infringement under paragraphs (1) or (2)."

In introducing this proposal, the Delegation of the United States of America stated that the purpose of the proposed provisions, which had to be added to the provisions as contained in the draft Rule presented by the International Bureau, was to instruct courts in respect of the interpretation of claims and to ensure that the protection to be granted was commensurate with the claims. The proposal was supported by the Representatives of AIPLA, IPTA and UNICE.

The Representative of JPA stated that the proposal of the Delegation of the United States of America would create difficulties in Japan where a court in infringement proceedings was bound to treat all claims as valid.

The Committee of Experts considered Alternative A of Rule 304 as amended by the proposal of the Delegation of the United States of America (document HL/CE/V/3 Rev.). Consequently, paragraph (1) of that Rule was considered to be paragraph (1) in the proposal of the Delegation of the United States of America, paragraph (2) would be the old paragraph (1) of the draft prepared by the

International Bureau, paragraph (3) would be the text proposed by the Delegation of the United States of America and paragraph (4) and the following paragraphs would be the old paragraphs (2), etc., of the draft prepared by the International Bureau.

The Delegation of Ghana expressed its preference for the WIPO draft.

With respect to paragraph (1) (proposal of the Delegation of the United States of America), it was queried whether the expression "wording" should be qualified by the adjective "literal." The Delegation of the United States of America said that that adjective could be deleted. Subject to this amendment, the Delegation of the United Kingdom supported the proposal of the Delegation of the United States in principle but suggested that the opening words would need to be redrafted, since it is a patent which confers rights whereas claims determine the extent of protection.

The representative of PTIC suggested that paragraph (2) of Alternative A of Rule 304 (old paragraph (1) of the draft prepared by the International Bureau) was too broad and that the doctrine of equivalents should not be applied to the essential features of the claim while equivalents could be applied to the actual elements in the claims.

As regards paragraph (2) (old paragraph (1) of the draft prepared by the International Bureau), it was generally agreed that that paragraph should include a word like "furthermore" or "also" and that the so-called "doctrine of equivalents" had to be included in Rule 304. In this connection, in particular, the following problems were raised.

The Representative of JPA suggested adding the words "where appropriate" before the words "provided that"; this would ensure the required flexibility for the said provision, without affecting the desired function of the doctrine of equivalents. The Delegation of the United States of America opposed the suggested amendment.

The Delegation of Japan reserved its position concerning the suggestion made by the Representative of JPA concerning the inclusion of the words "where appropriate." It also pointed out that the factor of obviousness and easiness should be considered when substitution of an equivalent is applied.

The Delegation of the United Kingdom indicated that although it had expressed a preference for Alternative A, this did not mean that it was content with the text proposed. In the United Kingdom, there was a doctrine of "purposive construction" involving consideration of the functions of integers. The Delegation was opposed to the provision of any form of "blank cheque" such that action could be taken against alleged infringers whose inventions were in fact different. The Delegation suggested clarifying the expression "elements" in item (i) to make clear that integers are meant, not mere features. It also supported adding the words "where appropriate" as suggested by the Representative of JPA. The Representative of UNICE suggested using the expression "part" or "component." The Representative of CIPA, CNIPA and EPI pointed out that it was possible to have one equivalent for several elements.

With respect to item (ii), the Delegation of the Federal Republic of Germany indicated that the requirement that the equivalent function in substantially the same manner should be interpreted in a broad sense; thus a transistor was an equivalent of a valve because it fulfilled the same function as the valve, namely, the amplification of electrical current.

With respect to item (iii), the Delegation of Switzerland pointed out that the said subparagraph should be applied only to restrictions made because of prior art, but not to restrictions made for other reasons.

As regards paragraph (3) (document HL/CE/V/3 Rev.), the Delegation of the United States of America stated that the purpose of this provision was to oblige the judge not to look only at the examples given by the applicant, but to determine the scope of protection on the basis of the claims, so that he should not exclude infringement merely because the mode of carrying out the invention used by the defendant did not correspond to any of the examples given in the description. The Delegations of the Soviet Union and Bulgaria stated that there was no need for including paragraph (3) of the proposal of the United States of America. The Delegation of Brazil also expressed doubts with respect to paragraph (3) of the said proposal and reserved its position. Several delegations and representatives of observer organizations, while basically in agreement with the proposal, expressed concern with respect to the drafting of the said paragraph. As an alternative text, the Representative of MPI suggested: "the interpretation of a claim shall not be limited by the examples or embodiments contained in the description."

The Delegation of Ghana pointed out that several developing countries had in their patent laws the "doctrine of equivalents" in relation to interpretations of patent claims. While supporting the inclusion of the "doctrine of equivalents" it stressed that it could foresee difficulties in relation to independent inventions originating from geographically different regions of the world and in the case where there was reasonable doubt that the inventors had any access to each other's work.

With reference to Rule 304(5) of the draft prepared by the International Bureau, the question was raised whether it was not advisable to expressly state in Article 304 that what was to be covered by that Article was the scope of protection against infringement. Thus, Rule 304(5) could possibly be deleted.

The Delegation of Japan pointed out that it was not appropriate to limit in any way the right of the patent owner in court proceedings to advance or argue various interpretations of the claims.

In conclusion, it was agreed that the International Bureau should prepare a new draft of Article 304 and Rule 304 taking into account the questions raised and suggestions made in the discussions of the Committee of Experts.

Term of Patents

Article 305 of the draft Treaty as submitted by the International Bureau to the Committee of Experts read as follows:

(1)(a) The term of a patent shall be 20 years from the filing date of the patent application.

(b) Any national law may provide for a term longer than that referred to in subparagraph (a).

(2)(a) Notwithstanding paragraph (1)(a) and subject to subparagraph (c) and paragraph (3), any Contracting State whose national law provides for a shorter term than that

referred to in paragraph (1)(a) may declare, at the time it deposits its instrument of ratification or accession, that it does not consider itself bound by paragraph (1)(a).

(b) Any Contracting State making a declaration under subparagraph (a) shall do so in writing, specifying the term of the patent under its national law.

(c) Any Contracting State making a declaration under subparagraph (a) shall, with respect to the term specified in its declaration, not be bound by paragraph (1)(a) for a period of [5] [10] years from the date on which the declaration was received by the Director General.

(d) Any declaration made under subparagraph (a) may be withdrawn at any time by notification addressed to the Director General.

(3) Notwithstanding paragraph (2)(c), where the Contracting State making a declaration under paragraph (2)(a) is regarded as a developing country in conformity with the established practice of the General Assembly of the United Nations, the period fixed in paragraph (2)(c) shall be of [10] [20] years.

The portion of the report of the Committee of Experts concerning the discussion of Article 305 reads as follows:

General. The Delegation of Brazil stated on behalf of the Latin American countries that this Article, together with Article 203, concerned issues where national laws and practices were the most divergent, as shown in the documents prepared by the International Bureau (documents HL/CE/IV/INF.1 Rev.1 and HL/CE/IV/INF.2 Rev.1). It pointed out that the term of patents had always been determined by national laws and that the Paris Convention did not deal with that question. It further stated that what was proposed in Article 305 could not be considered as harmonization but rather as uniformization and wondered whether this was possible and desirable. The Delegation declared that, as it stood, the Article was not acceptable; it therefore expressed reservations on Article 305.

The Delegation of Argentina stated that it agreed with the statement of the Delegation of Brazil. It further underlined that, according to WIPO publications, patent protection was meant for the protection of inventors and the promotion of inventions, and to provide access to technology by developing countries. As regards the term of 20 years for patents proposed in Article 305, the Delegation of Argentina considered it to be too long as it was not consistent with the present state of technological development in which innovations facilitate the development of other, more complex inventions with a speed which tended to render the first innovation obsolete. It stated that its domestic law envisaged a general term of protection of 15 years, which it considered to be entirely reasonable. It added that, from a philosophical point of view, the proposed Article 305 was in contradiction with the Paris Convention and that there was a necessity to find a certain degree of flexibility in Article 305.

The Delegation of Algeria stated that it had reservations regarding Article 305, and that it supported the statement of the Delegation of Brazil.

The Delegation of the Federal Republic of Germany stated that this Article was one of the cornerstones of the draft Treaty. It further stated that, since there were wide divergences in national laws, it was necessary to harmonize the matter. It considered that Article 305 was a well-balanced proposal and that it could be accepted subject to some amendments.

The Delegation of Belgium stated that it considered Article 305 to be important because it accomplished harmonization. However, it indicated that, in certain countries, there were different types of patents or titles of protection which lasted either six or more years. The Delegation of Belgium wondered whether the names of the other forms of protection would have to be changed with a view to avoiding confusion with the term "patent."

The Delegation of the United States of America agreed with the observations of the Delegation of the Federal Republic of Germany and stated that Article 305 was a necessary element of a balanced package in the draft Treaty.

The Delegation of Portugal stated that a term of 20 years was ideal, but only if all the States had the same term of protection. If harmonization was sought, longer periods should not be permitted under Article 305.

The Delegation of France stated that, as a whole, Article 305 was acceptable.

The Delegation of Canada stated that it supported Article 305. It indicated that its present legislation provided for a term of 17 years from the grant of the patent, but that new legislation would be enacted which would provide for a term of 20 years from the filing date of the patent. Therefore, for a number of years, two systems would simultaneously operate in Canada and it was therefore important that Article 305 accommodate the need for transition.

The Delegation of Denmark stated that it welcomed Article 305 which it considered left a considerable amount of flexibility to the States.

The Delegation of Ghana, speaking for African countries south of the Sahara, declared that harmonization had been carried out with respect to English-speaking African countries in the context of the African Regional Industrial Property Office (ARIPO) and with respect to French-speaking African countries in the framework of the African Intellectual Property Organization (OAPI), but stressed that harmonization was not to be equated with uniformity. It therefore welcomed the basic principles of Article 305 since this Article took into consideration the situation of countries with lower levels of industrial development.

The Delegation of the Republic of Korea declared that it supported Article 305, but wished to know what was the criterion for the choice of a 20-year term calculated from the filing date. The Secretariat replied that the said term had been chosen because, on the one hand, calculating the duration from the filing date reduced the difference between the expiration dates of patents for the same invention in different countries and, on the other hand, 20 years was the most frequent term adopted in national laws.

The Director General stated that the fact that there was a great variety of national solutions with respect to the duration of patents and that the Paris Convention did not deal with the matter, spoke in favor of, rather than against, harmonization. On the other hand, in order to take into account the special situation of developing countries, it was proposed to include special provisions for them. A different regime for developing countries was provided for in the Appendix to the Paris Act of the Berne Convention for the Protection of Literary and Artistic Works and was under consideration in the ongoing revision of the Paris Convention. Experience in the case of the Berne

Convention had shown that it was a condition for progress, as would also be expected in the field of industrial property.

Article 305(1). The Delegation of the United States of America stated that, while it supported the 20-year term, it proposed an amendment to paragraph (1)(a), so that the term be measured from the filing date of the earliest application in that country in which the applicant is entitled to a patent. The Delegation emphasized that, in its country, it was possible to file a patent application and subsequently follow this application with a continuing application or a continuation in part. It was important that, if its country was to amend its national law to adopt the 20-year term from the filing date, it should be the filing date of the earliest application in that country, so that if applicants were to file a string of continuing applications, the 20-year term would nevertheless have commenced to run from the filing date of the said earliest application.

The Delegations of Belgium, Germany (Federal Republic of) and the Netherlands stated that they supported paragraph (1) of Article 305, but were opposed to the amendment proposed by the Delegation of the United States of America unless it was clarified that internal priority should be excluded from the scope of that amendment.

The Delegation of the United Kingdom stated that it supported in general paragraphs (1)(a) and (b). It agreed with the position of Belgium, the Federal Republic of Germany and the Netherlands regarding the prevention of prejudice to internal priority. Nevertheless, it welcomed in principle the proposal made by the Delegation of the United States of America that patent protection should start from the filing date of the original application and not from the date of filing of a continuation in part.

The Delegation of Japan, supported by the Delegation of the Republic of Korea and the Representative of JPA, stated that an old-fashioned invention should not be protected by a patent. Therefore, it stated that extension after 20 years should only be granted in special cases which should be indicated in the Treaty and which were mentioned under note d. on page 52 of document HL/CE/V/2.[4]

The Delegation of Australia stated that, in its domestic law, there existed a 16-year term from the filing date for standard patents, and a six-year term for petty patents. A recently proposed amendment would provide the possibility of a four-year extension for standard patents for pharmaceuticals. The Delegation stated that, at this stage, it could not support the proposed 20-year term.

The Delegation of the Federal Republic of Germany, supported by the Delegations of Japan and the Republic of Korea, stated that paragraph (1), while only dealing with patents of inventions, should not be considered as preventing national laws from providing for a different term of protection for other forms of protection such as utility models.

The Delegation of Spain stated that it fully agreed with the text of Article 305(1).

[4] Item d. of the Notes read as follows: "Paragraph (i)(b) makes it clear that the 20-year term fixed in subparagraph (a) is a minimum. National laws would therefore continue to be free to provide for a longer term or to grant extensions in special cases (e.g., inordinately long delays in the marketing of a protected product caused by administrative procedures (e.g., the authorization by health authorities of the sale of drugs) that are necessary before the marketing of the product or the actual use of the invention on a commercial scale."

The Delegation of the Soviet Union stated that, according to note d. on page 52 of document HL/CE/V/2, the 20-year term was to be considered as a minimum. It drew attention to the fact that, in practice, 20 years was a maximum term in a number of countries. Therefore, it could be more appropriate to fix a minimum period in paragraph (1)(a), leaving to national laws the possibility of granting longer terms in accordance with paragraph (1)(b). The Delegation further stated that an extension of the term should, however, only be granted in certain circumstances, which should be specified in paragraph (1)(b).

The Delegation of Poland stated that it supported the observations of the Delegation of the Soviet Union. It furthermore expressed reservations on paragraph (1)(a) with respect to the 20-year term since it considered that the term should be no longer than 15 years from the filing date.

The Delegation of Israel stated that it supported Article 305 and indicated that three additional points should be explained in the notes. These additional points related to substantial amendments made after the filing date of the patent application, the question of priority date and the question of patents of addition, which it considered should only remain in force as long as the main patent was in force.

The Delegation of Bulgaria stated that it considered Article 305 to be very important, but did not agree that the length of the term should be 20 years, since the average term of protection of most countries was 15 years. Therefore, it supported the proposal of the Soviet Union and Poland that the term should be 15 years from the filing date in paragraph (1)(a), with a possibility of an extension for five years in paragraph (1)(b).

The Delegation of the Republic of Korea proposed that the term of a patent should be calculated from the date of grant of the patent and not from the filing date of the application.

The Delegation of Brazil stated that there was a contradiction between the notes and text of the draft Treaty in document HL/CE/V/2, since the notes referred to a maximum duration. It proposed that, in order to accommodate the interests of the various countries, paragraph (1) should be amended to read as follows: "The minimum term of a patent is 15 years from the date of filing." Paragraph (1)(b) and the reservation clauses of paragraphs (2) and (3) might then be deleted.

The Delegation of the Federal Republic of Germany stated that paragraphs (1)(a) and (b) should be compatible with provisions on internal priority and that, in case of internal priority, the term of patents should start from the filing date of the later application. Moreover, in case of withdrawal of a first application and the filing of a second application for the same invention, the term of protection should start on the filing date of the second application.

The Representative of UNICE stated that he agreed with the amendments of paragraph (1)(a) which had been proposed by the Delegation of the United States of America. He wondered whether there was any room in paragraph (1)(a) or (b) for the possibility of a minimum term of protection starting from the date of grant of the patent, since in practice a large part of the 20 years would be devoted to the prosecution of the patent application before grant, and enforcement could be delayed for a long time.

The Representative of CEC underlined the importance of the term of patents in a balanced patent system, and stated that 20 years for patents should be considered as an

optimum, and that certain circumstances should enable an extension of the term.

The Representative of UEPIP stated that he was satisfied with the existing text of paragraph (1)(a) and (b) and agreed with the proposal of the Delegation of the United States of America to limit the term of the patent in cases of continuation applications to the maximum duration counted from the filing date of the original application. In this respect, he suggested that the following sentence be added to paragraph (1)(a): "However, if the application claims the benefit of the filing date of one or more preceding applications, filed more than one year before the application in question, the term will be 20 years from the filing date of the earliest preceding application." The Representative of IPTA stated that he supported this compromise proposal.

The Representative of CNIPA, EPI and CIPA stated that paragraph (1)(b) should apply both generally and in particular circumstances.

The Representative of IFIA stated that he supported Article 305 and underlined that the term of patents should be adjusted to the lead time needed for pioneer inventions.

The Representative of CEIPI stated that a term of protection of 15 or 20 years was reasonable.

The Representative of ATRIP asked whether it was a permissible addition to establish a minimum term of protection starting from the date of grant of the patent. The Secretariat answered that it would be allowable provided that the 20-year minimum term from the date of filing was thereby satisfied.

The Representative of AIPLA emphasized that, in the United States of America, the term of a patent was 17 years from the date of grant and that, in practice, some patents issuing today were based on patent applications which had been delayed by examination and had been filed as early as the 1950s or 1960s. He further stated that, because of the average duration of examination, a term of patent of 15 years from the filing date would lead in fact to an effective protection of 10 years or less.

The Chairman summarized the conclusions of the discussion on Article 305(1)(a) and (b) as follows:

(a) a general reservation had been made in respect of Article 305 by the Delegation of Algeria and the Latin American delegations participating;

(b) a majority of delegations and representatives favored the filing date of the patent application as the starting point of the term of patents, and not the internal or international (Paris Convention) priority date; the notes should specify that, in certain cases, however, such as continuations in part and divisional applications, the starting point would be the earliest filing date;

(c) the text of Article (305)(1)(a) and (b) clearly did not include other titles of protection, such as inventors' certificates and utility models;

(d) several delegations were in favor of a minimum term of 20 years, while a few delegations favored a minimum term of 15 years;

(e) the proposal was made to codify in Article 305(1)(b) the special cases when extensions of the term could be granted.

Article 305(2). The Delegation of Argentina stated that a clarification was needed since there appeared to be a contradiction between paragraphs (2)(a) and (c) as regards the date on which the declaration would become effective.

The Delegation of Canada, with which the Federal Republic of Germany agreed, stated that paragraph (2) should take into account problems raised by transition periods, where in a given country, two systems for the term of patents were applicable due to the enactment of a new law.

The Delegation of the Republic of Korea stated that it agreed with paragraph (2).

The Delegation of the Federal Republic of Germany, with which the Delegation of Switzerland and the Representative of CNIPA, CIPA and EPI agreed, stated that it agreed with Article 305(2), but considered that the effort of harmonization should be realizable in the forseeable future. The period during which a declaration by a Contracting State would be effective should therefore not start with the declaration made by it but with the first entry into force of the Treaty.

The Delegation of the United States of America, with which the Delegations of Japan and United Kingdom agreed, stated that it was not in favor of Article 305(2), since it considered that no possibility of reservations should be provided for Contracting States. It indicated that, when a country adhered to a treaty, the law of that country should already have been amended and adjusted to the treaty.

Article 305(3). The Delegations of the United States of America and Japan and the Representative of AIPLA indicated that they were not in favor of Article 305(3).

The Delegation of the Federal Republic of Germany pointed out that, as it had suggested in respect of paragraph (2)(c), the starting date of the transition period should be the entry into force of the Treaty.

The Delegation of the United Kingdom stated that it accepted the principle of paragraph (3), but that the period fixed should not exceed 10 years.

The Delegation of Ghana welcomed this paragraph, although it felt that there was a need for some redrafting.

The Delegation of the Republic of Korea agreed with paragraph (3) because it offered more flexibility for developing countries.

The Representative of AIPPI stated that he had no objection in principle with respect to Article 305(2) and (3), but he pointed out that the transition period should not exceed five years in paragraph (2) and 10 years in paragraph (3).

The Delegation of Brazil stated that its proposal for amending Article 305(1) to fix a minimum term of 15 years would entail the deletion of paragraphs (2) and (3). If its proposal were not accepted, a more favorable treatment for developing countries should be provided for.

Maintenance Fees

Article 306 of the draft Treaty as submitted by the International Bureau to the Committee of Experts read as follows:

(1) Any Contracting State may require, for the maintenance of an application or a patent, that fees be paid at yearly intervals.

(2)(a) The due date for the payment of the maintenance fees shall be the last day of the month of the anniversary of the filing date of the application.

(b) Article 5bis(1) of the Paris Convention is not affected by subparagraph (a).

(3) No maintenance fee shall be required for the first two years following the filing date of the application.

The portion of the report of the Committee of Experts concerning the discussion of Article 306 reads as follows:

General. The Delegations of Belgium, Denmark, Germany (Federal Republic of), Hungary, the Netherlands, the Soviet Union, Sweden and Switzerland, and the Representative of FICPI expressed support in principle for the effort to achieve harmonization with regard to maintenance fees in Article 306. It was pointed out, however, that, because of the divergencies of practice in the various countries, harmonization in respect of maintenance fees would be a difficult exercise. The effort to achieve harmonization was nevertheless considered to be an important one, since it could greatly assist the task of inventors and their agents in the maintenance of patents.

The Delegation of Poland opposed the inclusion into the draft Treaty of any article dealing with maintenance fees, and stated that that question should be left to national law.

The Representatives of EPO and NYPTC suggested that Article 306 should contain only a general provision in respect of maintenance fees, while the detailed provisions should be dealt with in the Regulations.

The Representative of IFIA stated that maintenance fees should not become "expropriation fees" for inventors, and should be based on income received and should not be required to maintain applications. He considered that harmonization of maintenance fees would not necessarily assist inventors, since it was often more effective for inventors to seek fair treatment in respect of maintenance fees on a national level than to seek amendments to any principles contained in an international treaty.

In reply to a question raised by the Delegation of Ghana, it was stated that Article 306 was not intended to harmonize the level of fees nor the currencies in which they had to be paid.

Article 306 (1). The Delegation of Canada, with which the Delegations of Australia, Japan and the United States of America and the Representatives of AIPLA and IPO agreed, opposed the requirement that maintenance fees be paid at yearly intervals. In this respect, it was stated that intervals for the payment of maintenance fees should not be less than one year, but States should be free to provide for longer intervals. It was pointed out that the payment of maintenance fees at intervals longer than one year was often administratively easier for both patent owners and industrial property offices. It was also considered that the possibility of paying maintenance fees in advance ought to be preserved. The Delegation of Canada also stated that the timing for payment of fees should be left to the national offices.

The Delegation of Sweden stated that it was in agreement with the principle of harmonizing maintenance fees, but that Article 306(1) should be divided into two sentences in order to clarify the optional character of a system of annual fees.

The Delegations of Greece and the Netherlands and the Representative of UEPIP stated that they were in favor of yearly intervals. In this regard, the Representative of UEPIP stressed the simplification which would thereby be achieved for the management of patents.

The Delegation of the United Kingdom stated that it was not opposed to the concept of annual payments, but wondered whether this was a matter which required harmonization.

The Delegation of Japan asked whether an office would be free not to require the payment of maintenance fees before grant of a patent. The Secretariat answered in the affirmative.

Article 306(2)(a) and (b). The Delegation of Greece supported the wording of paragraphs (2)(a) and (b).

The Delegation of the Soviet Union proposed that paragraph (2)(a) be amended to read: "The term for the payment of maintenance fees shall expire on the last day of the month in which the application has been filed." It considered that the new wording would give the opportunity to preserve 12 possible due dates and to effect payments on any day of the month.

The Representative of NYPTC suggested that paragraph (2)(a) should be supplemented with a provision enabling Contracting States to grant a grace period in case the due dates for payment of maintenance fees were not observed.

The Delegation of the Federal Republic of Germany, with which the Delegations of the Netherlands and Sweden and the Representatives of EPO, AIPPI, FICPI, PTIC, CIPA, CNIPA, EPI and UEPIP agreed, proposed to modify the wording of paragraph (2)(a) and to provide, as the due date, the first day of the month following the month of the anniversary of the filing date.

The Delegation of the United Kingdom stated that it disagreed with the principle of one due date for the payment of maintenance fees, pointing out that considerable difficulties of a logistical nature might arise from the necessity for industrial property offices to handle a large number of payment documents simultaneously.

Referring to a remark made by the Secretariat that it was envisaged that the provisions of the PCT would prevail over the provisions of the draft Treaty, the Representative of the EPO asked for clarification of the relation of the draft Treaty to other international treaties, for example, regional patents systems such as that provided for in the EPC, stating that this problem should be dealt with in connection with the final provisions of the draft Treaty.

Article 306(3). The Delegation of Hungary expressed doubts concerning the mandatory character of paragraph (3). It mentioned the practice of reduced fees provided for in its domestic law as an example of other methods of partially relieving applicants of the burden of paying fees.

The Delegation of Israel proposed that the two-year period in paragraph (3) should be linked to the date of the grant of the patent. It further stated that there should be a possibility of paying fees in advance for 20 years.

The Delegation of the United States of America pointed out that the time period specified in paragraph (3) was perhaps too short, since under Chapter II of the Patent Cooperation Treaty (PCT) the national phase would not commence for two and a half years after the filing or priority date.

The Delegations of Greece and Japan stated that paragraph (3) presented certain difficulties for their countries. The Delegation of Japan also noted that it was theoretically possible that the processing of an application might be completed before the expiration of two years from the filing date and that, in such a case, the patent office should be in a position to request maintenance fees, though according to established principles in its country, such payment was linked to the commencement of patent protection. The Delegation of Greece reserved its position on Article 306(3).

The Representative of AIPPI supported paragraph (3), noting that its goal was to reduce the expenses of applicants. He suggested that the term in paragraph (3) be increased from two to three years.

The Delegation of France, supported by the Representative of CEIPI, considered that this provision was arbitrary and suggested that no maintenance fees could be required before at least provisional protection was available.

Provisional Protection

Article 307 of the draft Treaty as submitted by the International Bureau to the Committee of Experts read as follows:

(1)(a) The applicant shall have the right to a reasonable compensation from any person who has used the invention claimed in the patent application between the date of the publication, if any, by the industrial property office of his application and the end of the pendency of the application, provided that the use was of a nature which would have constituted an infringement had a patent already been granted.

(b) Any national law may provide that court proceedings concerning the said compensation may be initiated only after the grant of the patent.

(c) Where and to the extent to which the patent application is denied, is withdrawn, lapses or otherwise does not lead to the grant of a patent and the person using the invention has paid a compensation, such compensation shall be restituted.

(d) In the case of a patent application filed under the Patent Cooperation Treaty or a treaty providing for the grant of regional patents, the date on which the right to compensation referred to in subparagraph (a) starts shall be, for all designated States, the date on which the patent application is published under the relevant treaty, subject to any provisions in that treaty dealing with translations into an official language of the designated States.

(2) Any Contracting State shall have the right to provide for a protection benefiting the applicant which is more extensive than the right to compensation referred to in paragraph (1).

The portion of the report of the Committee of Experts concerning the discussion of Article 307 reads as follows:

The Delegation of Japan expressed hesitation concerning Article 307 and indicated that it would be difficult for an enterprise to watch all patent applications which had been published; therefore, if Article 307 was to be included in the Treaty, each national law should be free to make the obligation to pay compensation dependent on a warning by the patent applicant.

The Delegation of the United States of America, while favoring a cautious approach with respect to Article 307, drew attention to the fact that under the law of its country a notice to an alleged infringer of a patent was required for obtaining damages for infringement after grant of a patent and that such a notice should also be required for obtaining any compensation for acts that occur before the grant of the patent.

The Delegation of Australia said that in its country difficulties would arise for innocent infringers if there was an obligation to pay damages without prior knowledge of the existence of the patent.

In respect of the expression "publication, if any," it was agreed that this meant that Article 307 applied only to countries providing for a publication of a patent application by the industrial property office, either *ex officio* or at the request of the applicant (if such request was permitted under the applicable law) and to countries designated in an international application published under the Patent Cooperation Treaty (PCT).

The Delegation of the Federal Republic of Germany, supported by the Representative of FICPI, proposed reinforcing paragraph (1)(a) by providing, as provisional protection, the same rights as if a patent had been granted and to add a proviso that a Contracting State would be free to grant only reasonable compensation. The Delegation of the United States of America opposed this proposal, stating that reasonable compensation should be the rule while States should be free to go further.

The Delegation of Israel raised the issue that a defendant in a law suit for reasonable compensation before the grant of the patent has no defense comparatively to a defendant after the patent has been granted as, in the first case, the defendant cannot invoke invalidity of the patent to be granted. It was replied that such a defense should be possible and that this followed from the words "which would have constituted an infringement had a patent already been granted" (an invalid patent could not be infringed).

The Delegation of the United States of America proposed that the word "may" in paragraph (1)(b) be replaced by "shall." This view was supported by the Delegations of Spain, Finland and the Netherlands; whereas the Delegations of France and Denmark stated that, before the grant of the patent, it should be possible to initiate a law suit for infringement but that the judge would suspend the proceedings until after the grant of the patent. The Delegation of Belgium stressed that provisional protection was useful only if it could be invoked before the grant of the patent. The Delegation of France also proposed that this right to compensation be given by notification of the application for a patent to any person having used the claimed invention.

The Delegation of the United Kingdom was in favor of the principle contained in Article 307 and considered that national legislation could ensure sufficient safeguards for third parties. The law of its country, for example, required likelihood that a patent would be granted when assessing the amount of compensation.

The Delegation of the United States of America wondered whether a reasonable compensation was due if the claims in the application differed from the claims in the granted patent. In reply the Delegation of the United

Kingdom said that compensation was due only to the extent that an infringement fell within the scope of the claims in the application as published and the patent as granted.

The Delegation of Japan proposed the insertion of "or the date of publication of the translation" after the words "under the relevant treaty" in paragraph (I)(d) of Article 307.

The Representatives of AIPLA, IPTA, IPO and NYPTC supported the view expressed by the Delegation of the United States of America according to which, because a notice of infringement was a fundamental condition for any infringement suit, such a notice should be required also as a precondition for any law suit in respect of compensation before the issue of the patent. Moreover, the word "may" in paragraph (1)(b) should be replaced by "shall." In addition, these Representatives drew attention to the problems arising from changes—either by narrowing or broadening—in the claims after filing the application. In conclusion, these Representatives stated that the proposed Article 307 would encounter substantial opposition if not redrafted as indicated. The Representative of NYPTC added that Article 307 would offer an unfair advantage to PCT applications in the United States of America, in particular if they were drafted in a foreign language. The Representative of IPTA questioned whether provisional rights should be accorded to an applicant who had not requested an examination.

The Representative of the ABA expressed the view that the concept of Article 307, as currently written, would encounter substantial opposition in the United States, since the current draft provides for enforcement, in any member State which publishes its applications, of a pending application in which the claim might never be granted. Article 307, as written, was a vast departure from current United States law in that no actual or constructive notice is required and no claim definition is available.

The Representative of APAA stated that Article 307 in its present form was unacceptable. Compensation should be possible only after publication, for opposition purposes, of the examined application. A provision along the lines of Section 48*sexies* of the Japanese Patent Law was recommended, according to which priority had to be given in the examination of patent applications to inventions which were commercially worked.

The Representative of PTIC stated that Article 307 would be acceptable only if certain safeguards were inserted, in particular to the effect that proceedings should take place only after grant and that the decision to grant compensation should be appealable.

The Representative of UEPIP, while supporting the Article as a whole, suggested reviewing the drafting of paragraph (1)(a) and (c), in particular in order to make it clear that the "person" referred to in those provisions should not include the beneficiary of a license.

The Representative of CIPA, CNIPA and EPI supported Article 307, subject to the inclusion of a notice requirement and of such safeguards as mentioned by the Delegation of the United Kingdom. The grant of the patent applied for should be a mandatory requirement not for the commencement of legal proceedings, but for the enforcement of any judgment obtained in such proceedings. Restitution of compensation should be limited to that obtained under paragraph (1)(a).

The Representative of FICPI supported Article 307 in general, but stressed, in particular, that early and full protection was needed in an early publication system because of the increasing time required for the examination of patent applications and in view of a general need to strengthen protection for inventions.

The Chairman, concluding the discussions of Article 307, said that, in view of the position expressed by several delegations and observer organizations, the said Article should be presented in square brackets for the next session of the Committee of Experts.

Prior Users' Rights

Article 308 of the draft Treaty as submitted by the International Bureau to the Committee of Experts read as follows:

Any person who, before the filing date or, where priority is claimed, before the priority date of the application, and within the territory of the Contracting State concerned,

(i) has used, for commercial purposes, the invention which is claimed in the application; or

(ii) has made effective and serious preparations for using, for commercial purposes, the invention referred to in (i)

shall have the right to continue to use the said invention freely, despite the grant of a patent on that application, provided that he can prove that his knowledge of the invention was not by reason or in consequence [of acts committed by the owner of the patent or his predecessor in title or] of an abuse committed with regard to the owner of the patent or his predecessor in title; such right cannot be assigned or transferred by succession except as part of the enterprise of the said person.

The portion of the report of the Committee of Experts concerning the discussion of Article 308 reads as follows:

The Delegations of Australia, Belgium, Bulgaria, Cuba, Denmark, Finland, Germany (Federal Republic of), Ghana, Greece, Ireland, Italy, the Netherlands, Norway, Poland, the Soviet Union, Sweden, Switzerland and the United Kingdom, as well as the Representatives of CEC, CNIPA, EPI, CIPA, EFPIA and FEMIPI, expressed their support in principle for Article 308, and welcomed its inclusion in the draft Treaty.

The Delegation of the United States of America stated that its domestic law did not include prior users' rights, and that Article 308 needed to be approached with caution. It stated that, at first sight, the Article seemed to be contrary to the purpose of the patent system of promoting the disclosure of technology, but it recognized that there might be reasons to include such an article in the draft Treaty if the first-to-file system were adopted in the draft Treaty. However, it considered that Article 308 should be narrowly drawn and carefully confined.

The Representative of IPTA stated that, while it understood the concerns expressed by delegations that Article 308 should contain a well-confined right, it wished also to draw attention to a recent poll that had been conducted of research directors in corporations in the United States of

America, which had indicated that such research directors who had been surveyed were in favor of a prior user's right by two to one, if the first-to-file system were adopted.

The Delegation of the Federal Republic of Germany proposed that line 1 of Article 308 be amended so as to reflect that the relevant time for assessing whether a prior use had taken place was "at the date of filing," rather than "before the filing date." The Delegations of Australia, Finland, France, the Netherlands and Sweden supported the amendment proposed by the Delegation of the Federal Republic of Germany. The Representative of UEPIP also supported the amendment proposed by the Delegation of the Federal Republic of Germany, but drew attention to the last sentence of Article 4B of the Paris Convention, which referred to "rights acquired by third parties before the date of the first application," and asked whether the proposed amendment would not run contrary to this provision of the Paris Convention and proposed the wording "before and up to the filing date," in order to exclude situations where the prior user had stopped the use before the filing date.

The Delegation of the Netherlands raised the question of the territorial application of Article 308. It stated that the expression "the territory of the Contracting State" in lines 2 and 3 should be expanded to read "the territory of the Contracting State or its continental shelf." It also pointed out that the permitted use by a prior user should be confined to use in the territory of the Contracting State or its continental shelf where the prior use had occurred.

The Representative of AIPLA stated that the limitation of prior users' rights to permitted use in the territory of the Contracting State where the prior use had occurred was too restrictive. He pointed out that effective and serious preparations for use of an invention, for example, by way of research and development, could occur in several countries. He therefore suggested further consideration of the deletion of the words "within the territory of the Contracting State concerned" in Article 308.

The Delegation of Switzerland drew attention to the phrase "for commercial purposes" in subparagraphs (i) and (ii). It stated that the phrase raised similar difficulties to those which it had expressed in respect of the phrase "for non-commercial purposes" in Article 302(2)(ii). A prior use might relate to a non-commercial purpose, such as use by a public utility, and yet should be entitled to the privilege established by Article 308. The Delegation of Switzerland favored the use of an expression such as "for professional purposes" instead of "for commercial purposes."

The Delegation of Belgium also expressed concern over the use of the phrase "for commercial purposes," on the basis, however, that the phrase seemed to be incompatible with the requirement that the prior use be in secret, as mentioned in note c. on page 60 of document HL/CE/V/2, in order to qualify for the privilege in Article 308 (because otherwise, there was no valid patent). The phrase "for commercial purposes" seemed to imply an open, public use of the invention. The Representative of UNICE expressed its support for the observations made by the Delegation of Belgium, stating that it must be made clear in Article 308 that the prior use was not a public use. He drew attention, in this respect, to the words used in the United Kingdom patent legislation, which referred to "an act which would constitute an infringement of the patent."

The Delegation of Japan stated that it considered that the words "effective and serious" qualifying the word "preparations" in subparagraph (ii) were ambiguous, and proposed that they be deleted as unnecessary.

The Delegation of the United States of America opposed the deletion of the words "effective and serious" in subparagraph (ii), stating that a prior user's right should only arise when there had been an actual use or a serious investment with the intention of use prior to the filing date. The Delegations of Denmark and Norway also favored the retention of the words "effective and serious" as a necessary qualification of the type of preparations which should give rise to a prior user's right.

The Delegation of France stated that further consideration should be given to the phrase "effective and serious preparations" in subparagraph (ii) pending the outcome of a proposal of the CEC, which was presently considering the problem. In effect, it was necessary to consider the case where a disclosure of the invention would be followed by a corresponding application for a patent but where that application would have been preceded by another application covering the same subject matter but made by another applicant.

The Delegations of Belgium, Denmark, Finland, Italy, Norway, Spain, Switzerland, and the United States of America, and the Representatives of EFPIA, FCPA, FEMIPI and UEPIP supported the deletion of the word "freely" in line 8, and the limitation of the prior user's right to use within the scope of the previous use of the invention. The Delegation of France proposed that the words "use freely" be replaced by the words "exploit in a personal capacity." The Delegations of Australia, Germany (Federal Republic of) and Japan supported the deletion of the word "freely" in the sense that it implied unrestricted use. They considered that the prior user's right should be restricted to the scope of the previous use of the invention, but agreed that such right should be "free" in the sense of not requiring payment.

While there was general agreement in favor of such a restriction, several different formulae were advanced as to the way in which the restriction should be formulated. The Delegation of Japan proposed that the text be amended to read "shall have the right to continue the said invention within the scope of those commercial purposes." The Delegation of Italy proposed that the permitted use should relate to use "within the scope of the previous use." The Delegation of Belgium suggested that the restriction could be formulated so that the right to continue to use would be "in his personal capacity under the same conditions as hitherto." The Delegations of Denmark, Finland, the Netherlands, Norway and the United States of America drew attention to the problems which the preceeding alternative formulae posed where the prior use related to effective and serious preparations or research, rather than actual use. In such circumstances, if the right to continue to use was limited to use "within the scope of the previous use," it might be interpreted as prohibiting any commercial application which was the direct outcome of the effective and serious preparations, an interpretation which would be undesirable. In this respect, the Delegations of Denmark, Finland and Norway proposed the use of words similar to those in their domestic laws, which permitted the prior user to continue to use the invention in a manner which retained the general character of the previous exploitation.

The Delegation of the United Kingdom emphasized that prior users' rights should only relate to the actual acts

begun or seriously prepared for which would constitute infringement.

The Delegation of Poland supported the opinion expressed by the previous speakers with respect to the limitation of the prior user's right to use within the scope of the previous use of the invention but it indicated that it was in favor of the proposal written into Article 308 which provided that the prior user shall have the right to continue to use the said invention freely. The Delegation understood the word "freely" to mean free-of-payment use of the invention.

The Representative of IPTA also drew attention to the need to find a satisfactory limitation on the prior user's right, which related to the previous use, but which would not have the effect of wiping away substantial research investment because of inevitable changes in the use which were consequent on the adaptation of a research use through engineering to an application. He stated that the scope of use permitted should include the expected commercialized form of the invention.

As regards the question of the burden of proof in respect of Article 308, the Delegation of the Soviet Union stated that the fact of an infringement of the rights of a patent owner should be proved by the patent owner himself, whereas, as presently drafted, Article 308 reversed this principle and required the prior user to prove his innocence. It proposed that the Article be redrafted so as to make it clear that the burden of proof rested on the patent owner. The Delegations of Cuba and Poland supported the proposal of the Delegation of the Soviet Union.

Expressing sympathy with the view that a prior user should not necessarily have to prove innocence, the Delegation of the United Kingdom suggested deleting the words "he can prove that."

The Delegation of the Netherlands stated that it sympathized with the view that the prior user should not necessarily have to prove the negative proposition that his knowledge of the invention was not by reason or in consequence of the owner of the patent or an abuse of the rights of the owner of the patent. It stated, however, that the question of the attribution of the burden of proof should be left to Contracting States. The Delegations of Denmark and Norway also favored the view that the burden of proof be left to each Contracting State to determine.

The Delegation of Australia and the Representatives of FCPA, EFPIA and FEMIPI stated that the burden of proof was likely to shift during the course of proceedings, and that both the patent owner and the prior user would be required to prove certain facts.

The Delegation of France and the Representatives of AIPLA and UNICE supported the position that the prior user should bear the burden of proving that the prior use was in good faith, at least in cases where the grace period would be involved. In this respect, it was pointed out that the right accorded to prior users constituted a derogation of the patent owner's rights and a privilege to the prior user. It was, consequently, quite reasonable that the person seeking the privilege should bear the onus of proof.

The relationship between Article 308 and Article 201 was discussed in some detail.

The Delegations of Australia, Belgium, Denmark, Ireland, Norway, Sweden and the United Kingdom and the Representatives of CIPA, EFPIA, FCPA, FEMIPI and UEPIP supported the deletion of the words contained in square brackets in Article 308. In this regard, it was pointed out that Article 308 provided a necessary balance with the grace period, and that, if an inventor made a disclosure without any reservation of his rights, he must know that he incurs the risk that a third party might start to use the invention in good faith, thereby giving rise to a prior user's right. The Representative of FCPA stated that he preferred a more comprehensive expression than "abuse," so that rights of prior use would not originate too easily.

The Delegation of France and the Representatives of the AIPLA and UNICE supported the retention of the words contained in square brackets on the basis that a prior user should not be able to acquire any rights if his use derived from a disclosure made by the inventor. It was stated, in this respect, that, if the words in square brackets were deleted, little of substance would remain of the grace period.

The Delegation of the United States of America stated that the word "enterprise" in the last line of Article 308 required clarification. The Representative of AIPLA agreed with the observation of the Delegation of the United States of America and stated that the last part of Article 308 needed to be clarified so as to make it clear whether a prior user's right could be assigned or transferred by succession only if the entire business of the prior user was transferred, or if it could be transferred with that part only of the business which related to the use of the invention.

In relation to the general drafting of Article 308, the Delegation of Spain suggested that consideration should be given to proceeding on the basis of what the patent owner could or could not do, rather than what the prior user could or could not do.

The Representative of CEC stated that, while she agreed in principle with Article 308, further thought was needed on the way in which it was drafted, particularly in the light of the draft Treaty as a whole. She pointed out that there were several variables contained in Article 308, and that the Article operated on the basis of the concept of "clean hands." She drew attention to the view that the notion of clean hands constituted one basis on which the Article might be drafted, and that an alternative, or additional, basis might be a "pure system" dealing with situations in which the same invention was made independently by two or more persons.

The Chairman summarized the discussions as follows:

(a) there was a consensus in favor of the principle expressed in Article 308, subject to the hesitations expressed by the Delegation of the United States of America;

(b) there was general agreement that the first line of Article 308 should be redrafted so that the time for the assessment of a prior user's status was at any stage up to and immediately prior to the filing date;

(c) a number of views had been expressed with respect to the territorial operation of Article 308, and it needed to be clarified that the prior user's right was confined to a territory in which the patent applied and in which the previous use had taken place, it being understood that a country was free to include its continental shelf in the notion of "territory";

(d) the phrase "commercial purposes," where occurring in subparagraphs (i) and (ii), required clarification; it was considered that the phrase should cover a use or acts which would constitute an infringement were it not

for the operation of Article 308, and which took place in secret;

(e) opinions differed as to the words "effective and serious" which qualified the word "preparations" in subparagraph (ii), and consideration should be given to the use of the concept of investment, including research investment, which had been suggested by some delegations;

(f) as to the word "freely" in line 8, it was clear that this was intended to indicate that the prior user's right was to be available without royalties, but that the present use of the word created ambiguity by possibly suggesting that the prior user's right could extend to any purpose or use; in the latter respect, there was general agreement that the prior user's right should be limited by words which indicated that the permitted use related to the previous use or preparations;

(g) as regards the burden of proof, a number of delegations were in favor of the burden being placed on the patent owner, while a number were in favor of the burden resting with the prior user; in any case, good faith on the part of the prior user was a condition for Article 308 to apply;

(h) a majority of delegations had favored the deletion of the words in square brackets, but some had supported their retention; this matter should be considered in close connection with Article 201, and final consideration of it should be reserved until after the position in connection with the grace period was made clear;

(i) the word "enterprise" in the last line required further clarification.

Restoration of the Right to Claim Priority

Article 309 of the draft Treaty as submitted by the International Bureau to the Committee of Experts read as follows:

(1) Any person who, [Alternative A: *in spite of having taken all due care required by the circumstances*] [Alternative B: *due to the interruption of the mail service*], *was unable to observe the twelve month-period referred to in Article 4C(1) of the Paris Convention for the filing of a subsequent application and, therefore, has lost his right to claim priority for that application under Article 4A(1) of the Paris Convention shall, upon request, have his right restored.*

(2) The request for restoration shall be filed within [one] month from the day on which the cause for the non-observance ceased to exist, but not later than [two] months from the expiry of the priority period. The subsequent application must be filed not later than the request for restoration.

(3) The request for restoration shall be made in writing, stating the grounds on which it is based.

(4) Any national law shall be free to:

(i) require evidence of the facts on which the request for restoration is based;

(ii) make the restoration of the right to claim priority subject to the payment of procedural fees.

The portion of the report of the Committee of Experts concerning the discussion of Article 309 reads as follows:

The Representative of FICPI expressed his support for the inclusion of Article 309 in the draft Treaty. He noted that restoration of the right to claim priority might be considered as compensation for *force-majeure* circumstances which had affected the applicant. On this basis, he favored Alternative A, since it did more justice to the applicant. While agreeing with the advantages of Alternative A as stated in the Notes to Article 309, he disagreed with the alleged disadvantages also stated there, and added that the procedure of restoration would not go, in terms of time and effort, beyond the usual procedures within a patent office. Alternative B treated restoration in a very narrow way, and was of minor assistance to applicants, since an interruption of the mail service might be foreseen by a very cautious applicant, but the loss of the letter containing an application could not be foreseen. Moreover, the very notion of "interruption of the mail service" was not quite clear. The Representative of FICPI also stated that only the two-month time limit for filing the request for restoration in paragraph (2), starting at the expiration of the priority period, should be maintained.

The Delegation of Switzerland recalled that its domestic law contained provisions on restoration of the right to claim priority and that the matter had not raised any difficulty in practice. It supported Alternative A, and doubted the necessity of fixing any time limits in paragraph (2), proposing the inclusion of a provision giving freedom of choice to Contracting States. It also suggested that paragraph (4) be supplemented with a cross reference to Article 308, so that the Contracting States would take corresponding measures in order to secure the rights of third parties who, *bona fide*, started using the invention between the expiration of the 12-month priority period and the eventual restoration of the priority right.

The Delegation of Belgium expressed general doubts and reservations regarding Article 309. The possible adoption of restoration of the right to claim priority had been studied in Belgium, and was considered as an unbalancing issue leading to disturbing consequences, both for applicants and third parties.

The Delegation of the United States of America stated that it was strongly in favor of Article 309 and, in particular, of Alternative A. It also supported the two-month time limit in paragraph (2) and suggested that a new provision be incorporated in paragraph (2), so that any person, by paying a fee (which should be quite considerable), might have his priority right restored without having to produce evidence that he had taken "all due care."

The Delegation of Japan expressed doubts regarding Alternative A, since it considered that its implications were not clear and that a judge dealing with restoration cases would face difficulties in determing the existence of "due care." The Delegation suggested limiting Alternative A by adding specific cases.

The Delegation of the Republic of Korea stated that it could accept Article 309 in principle. It supported Alternative B, since Alternative A lacked concrete examples.

The Delegation of Australia stated that it generally supported the principle of restoration. Its domestic law already contained a broader provision, which was necessarily used mostly by foreign applicants. It considered Alternative B to be too restrictive. If the two-month period in Alternative A were to be a maximum permissible period, the Delegation could see merit in the proposal of

the Delegation of the United States of America for restoration in return for the payment of a fee.

The Secretariat pointed out that the proposed Article 309 was considered to represent the maximum which might be required from the Contracting States.

The Delegation of the Netherlands stated that it considered that Alternative A was better than Alternative B, but expressed hesitations whether its country could accept such an Article at all. It also expressed itself in favor of one time limit in paragraph (2) and supported the proposal of the Delegation of Switzerland in respect of paragraph (4), which was aimed at securing the rights of third parties through a cross reference between Articles 308 and 309(4).

The Delegation of Ghana stated that an applicant seeking restoration should be able to be required to provide to the patent office additional information on the facts on which the request was based. It also supported the proposal of the Delegation of the United States of America for restoration in return for the payment of a fee.

The Delegation of Italy supported Article 309 and, in particular, Alternative A. It proposed fixing, in paragraph (2), a two-month time limit for filing the request for restoration.

The Delegation of Poland supported Article 309 and, in particular, Alternative A. It suggested that the right to claim priority be available only in special, exceptional situations caused by circumstances of a *force-majeure* nature. It also supported paragraph (2). The Delegation proposed that paragraph (4) should provide for the obligatory presentation by the applicant of evidence of the facts on which the request was based.

The Delegation of the Soviet Union supported Article 309 and, in particular, Alternative A, since it considered Alternative B to be too restrictive. It further noted that Alternative A was rather indefinite and supported the proposal of the Delegation of Poland regarding the exhaustive list of *force-majeure* circumstances which might prevent the applicant from timely filing of and the patent office from timely consideration of the application.

The Delegation of Cuba supported generally Article 309 and, in particular, Alternative A and noted that the proposal of the Delegation of Poland might be helpful. It agreed that the two-month time limit in paragraph (2) was sufficient. It also agreed with the proposal of the Delegation of Switzerland in respect of paragraph (4), aimed at securing the rights of third parties through a cross-reference with Article 308.

The Delegation of the Federal Republic of Germany expressed its hesitations regarding Article 309, which it stated that it could accept, however, if a majority of countries did so. Since Alternative B was too restrictive, the Delegation was in favor of Alternative A. It also preferred one two-month time limit in paragraph (2).

The Delegation of Spain stated that Article 309 created problems for its country. If the Article were to be accepted, a provision dealing with third parties' rights seemed necessary.

The Delegation of France joined the reservations expressed by the Delegations of Belgium and Spain. It also stated that in no event should negligence on the part of the applicant or his agent lead to restoration. Only *force-majeure* circumstances should serve as possible grounds for restoration. The Delegation of France stressed that, once the draft Treaty embodying the restoration provision was concluded, there might be a conflict between the Paris Convention and that Treaty, which might put the courts in a very complicated situation when dealing with cases involving parties of which one was a national of a State bound by both the Paris Convention and the harmonization treaty and the other a national of a State bound only by the Paris Convention.

The Delegation of the United Kingdom joined the reservations expressed by the Delegations of Belgium, Spain and France. It supported generally Alternative A if Article 309 were to be accepted.

The Representative of EPO supported, in principle, Article 309, but noted that the Article caused some hesitations. He further stated that, due to the variety of national procedures, it would be very difficult to predict how Article 309 might be implemented. He suggested that a provision be adopted leaving the choice of the applicable remedy to national or regional patent systems, in particular because Article 122 of the EPC excluded expressly restoration in respect of the priority year.

The Representative of IPO stated that an article on restoration was highly desirable. He favored Alternative A and a two-month time limit in paragraph (2). He also considered the proposal of the Delegation of the United States of America for restoration in return for payment of a high fee to be very interesting. He proposed substituting the words "all due care" in paragraph (1) for "all reasonable care under the circumstances." The Representative also noted as one of the key problems the necessity to check the absence of abuse on the part of the applicants and their agents when dealing with restoration.

The Representative of AIPLA supported Article 309 and, in particular, Alternative A. He also favored the proposal of the Delegation of the United States of America for restoration in return for payment of a high fee and a two-month time limit in paragraph (2).

The Chairman summarized the discussions on Article 309 as follows:

(a) he noted that a clear majority of the delegations supported Article 309; whereas the Delegations of Belgium, France, Germany (Federal Republic of), the Netherlands, Spain and the United Kingdom expressed hesitations or reservations concerning that Article;

(b) a majority of the delegations favored Alternative A, which should, in the view of several delegations, be supplemented with a list of *force-majeure* circumstances;

(c) a majority of the delegations preferred one (generally two-month) time limit in paragraph (2);

(d) a proposal was made by the Delegation of the United States of America, supported by several delegations and observer organizations, to provide for restoration against payment of a (considerable) fee as well as the proposal by the Delegation of Switzerland, supported by several delegations, to supplement paragraph (4) with a cross reference to Article 308 aimed at securing the rights of third parties required further consideration.

Exclusions from Patent Protection

Article 203 of the draft Treaty as submitted by the International Bureau to the Committee of Experts read as follows:

(1) Patents shall be available for inventions in all fields of technology.

(2)(a) Notwithstanding paragraph (1) and subject to subparagraph (c) and paragraph (3), any Contracting State whose national law excludes from patent protection inventions belonging to certain fields of technology ("excluded fields of technology") may declare, at the time it deposits its instrument of ratification or accession, that it does not consider itself bound by paragraph (1) with respect to inventions belonging to the excluded fields of technology.

(b) Any Contracting State making a declaration under subparagraph (a) shall do so in writing, specifying the excluded fields of technology.

(c) *Any Contracting State making a declaration under subparagraph (a) shall, with respect to the excluded fields of technology specified in its declaration, not be bound by paragraph (1) for a period of [5] [10] years from the date on which the declaration was received by the Director General.*

(d) Any declaration made under subparagraph (a) may be withdrawn at any time, totally or partially, by notification addressed to the Director General.

(3) Notwithstanding paragraph (2)(c), where the Contracting State making a declaration under paragraph (2)(a) is regarded as a developing country in conformity with the established practice of the General Assembly of the United Nations, the period fixed in paragraph (2)(c) shall be of [10] [20] years.

The portion of the report of the Committee of Experts concerning the discussion of Article 203 reads as follows:

The Delegation of the United States of America stated that it strongly supported the concept of Article 203. It suggested that a clarification should be made in paragraph (1) or in the relevant notes indicating that patents should be available for product and process inventions. It finally stated that, as for Article 305 on the term of patents, it considered that the provisions in paragraphs (2) and (3) of Article 203 were not appropriate, since the national law of a country should be in full compliance with the text of the Treaty at the time of adherence to the Treaty.

The Delegation of Brazil, speaking on behalf of the Latin American countries, stated that it had problems with this Article, which were similar to those relating to Article 303. It considered that for many developing countries this matter raised great difficulties and the proposed Article 203, instead of seeking harmonization, created new obligations. It also pointed out that, if Article 203 were retained, it should be clarified that it was, in fact, dealing with prohibition of exclusions. In conclusion, it stated that, as it stood, Article 203 should be deleted from the draft Treaty.

The Delegation of Denmark, speaking on behalf of countries members of the European Patent Organisation (EPO) and its observer States, stated that it was not yet prepared to grant patents for certain inventions in the field of biotechnology, to the extent that this would go beyond Article 53(b) of the EPC and the relevant provisions of the national laws of countries party to the EPC. It further stated that the subject of exclusions from patent protection should be reexamined in the light of the results of the discussions taking place in the WIPO Committee of Experts on Biotechnological Inventions and Industrial Property. It pointed out that a decision at this stage on Article 203 would be prejudicial to the discussions in the aforementioned Committee. Finally, it stated that transitional provisions permitting the maintenance of exclusions for some time were understandable in order to take into account the needs of some States.

The statement made by the Delegation of Denmark on behalf of EPO Member States and its observer States, was supported by the Delegations of Belgium, Germany (Federal Republic of), Finland, France, Italy, the Netherlands, Norway, Spain, Sweden and the United Kingdom.

The Delegation of Japan stated that inventions should not be excluded from patent protection because they belonged to certain technological fields. It therefore supported paragraph (1) of Article 203 and agreed with the proposal of the Delegation of the United States of America to delete paragraphs (2) and (3).

The Delegations of France and Italy supported the Delegation of the United States of America as regards the clarification of Article 203(1) with respect to process and product inventions.

The Delegation of the United Kingdom welcomed the inclusion of Article 203 and the effort made to limit exclusions from patentability. The Delegation pointed out that paragraph (1) needed clarification as to the meaning of the terms "inventions" and "fields of technology." These terms should be defined, since, if national laws were free to define these terms, there was a risk that paragraph (1) of Article 203 would have no force. Moreover, it had doubts as to whether essentially biological developments concerning the breeding of plants and animals should be patentable. The Delegation of France suggested, with respect to fields of technology, to make a reference to inventions susceptible of industrial application.

The Delegation of the Republic of Korea stated that further clarifications were needed in paragraph (1) with respect to the terms "all fields." It further stated that problems would arise in respect of certain biotechnological inventions and that, in any case, the provisions of paragraph (1) would have difficulties in attracting a wide range of support if the provisions of paragraphs (2) and (3) of Article 203 were not maintained.

The Delegation of Argentina declared its support for the statement by the Delegation of Brazil. It also pointed out that States should retain the option of deciding whether or not there should be areas excluded from patent protection. It also pointed out that this basic reasoning was the same as that formulated in the statement by the Delegation of Denmark. The explanation why Argentina considered that the Article should be deleted had been given in the course of the discussion of other provisions, to which reference was therefore made. The reasons pertaining to the economy, public health and the progress of scientific research, for which the State was allowed a degree of latitude with respect to the appropriate legislation, were principles that could not be ignored, and the provision proposed did not solve the substantive problems associated with those questions.

The Delegation of Brazil stated that, if Article 203 were retained, paragraph (1) could be maintained with a minor amendment and a new paragraph (2) should be added, with the consequent deletion of paragraphs (2) and (3) of the present text. Article 203 would then have the following wording: "(1) Patents shall be available for inventions in

different fields of technology. (2) Notwithstanding paragraph (1), any national legislation may provide for exclusions from patent protection in a certain number of fields of technology, provided that such exclusions are motivated by reasons of social security, public health, national defense or national development."

The Delegations of Argentina, Cuba and Ghana supported the amendments proposed by the Delegation of Brazil and considered that it was a very positive and useful solution. The Delegation of Argentina stated that the proposal of the Delegation of Brazil seemed to open new fields for future discussion which should be further explored.

The Delegation of Israel stated that, in principle, it supported paragraph (1) of Article 203 in its form and the amended paragraph (2) as proposed by the Delegation of Brazil with the deletion of the words "social security" and "national development."

The Delegation of Canada stated that it had problems with the terms "fields of technology" in paragraph (1), which required further study. Furthermore, it stated that it would have problems with the non-exclusion of some fields of technology, such as living matter, methods of treatment and computer programs.

The Delegation of Australia stated that it had difficulties as regards the terminology, but that it fundamentally supported the principle underlying paragraph (1) of Article 203 that an invention should not be excluded from patent protection merely because it falls within a particular field of technology.

The Delegation of Uruguay expressed reservations on the present wording of Article 203. It also stated that in its national law there were not many exclusions from patentability, but that the grounds for exclusion were important, since they were based on development concerns.

The Representative of PTIC supported the position adopted by the Delegation of the United States of America. It also stated that there was a need for a more precise definition of technology.

The Representatives of IPTA and AIPLA stated that they supported the statement made by the Delegation of the United States of America, since they considered that paragraph (1) of Article 203 was another cornerstone of the harmonization Treaty.

The Representative of CEC pointed out that Article 203 should be retained in the draft Treaty, but that further consideration was needed on certain biotechnological inventions, so that a worldwide solution could be reached.

The Chairman summarized the conclusion of the discussions on Article 203 as follows:

(a) a number of delegations and representatives supported in principle paragraph (1) of Article 203, subject to precisions regarding product and process inventions. Some of these delegations and representatives rejected paragraphs (2) and (3);

(b) the Delegation of Denmark, on behalf of EPO Member States and its observer States, supported in principle the draft Treaty but raised the problem of patentability of certain biotechnological inventions, which was being studied in a WIPO Committee of Experts, and stated that Article 203 should therefore be re-examined in the light of the results reached in that Committee of Experts;

(c) the Delegation of Brazil, on behalf of the Latin American countries, had expressed the wish that Article 203, as it stood, should be excluded from the draft Treaty. In its own name, it had proposed an alternative drafting, in the event that Article 203 was maintained.

Grace Period

Article 201 of the draft Treaty as submitted by the International Bureau to the Committee of Experts read as follows:

(1) A patent shall not be refused or held invalid by virtue of the fact that a disclosure was made which may affect the patentability of the invention that is the subject of an application for that patent or of that patent, provided that the said disclosure was made:

(i) by the inventor, or

(ii) by a third party, other than an industrial property office, based on information obtained from, or in consequence of acts performed by, the inventor, or

(iii) by an industrial property office in the form of an official publication, pursuant to an application filed without the consent of the inventor and based on information obtained from, or in consequence of acts performed by, the inventor,

and provided that the said disclosure occurred not more than 12 months before the date on which the application for that patent was filed by the inventor or, where priority is claimed, before the priority date.

(2) For the purposes of paragraph (1), "inventor" also means a co-inventor or the co-inventors as well as any natural person or legal entity other than the inventor who or which is entitled to the grant of a patent for the invention at the date of the application, such as his successor in title or an employer automatically entitled to the invention, and "third party" means any natural person or legal entity other than the inventor as defined in this paragraph.

(3) For the purposes of paragraph (1), "disclosure" means making available to the public by written or oral means, or by use or in any other way.

(4) For the purposes of paragraph (1), the applicant or the owner of the patent shall have the burden of proof in respect of the conditions stated in that paragraph.

The portion of the report of the Committee of Experts concerning the discussion of Article 201 reads as follows:

Given the short time left before having to adjourn the meeting, the Chairman invited delegations and organizations to give a brief overview of how their positions on Article 201 had developed since the last session of the Committee of Experts.

The Delegation of Belgium stated that, in previous meetings, it had opposed a grace period. However, taking into account the importance of the harmonization effort within the framework of WIPO, and recognizing that harmonization was not just a matter of delegations trying to adjust the draft Treaty to their own national laws, it was ready to accept the principle of a grace period in the spirit of compromise.

The Delegation of Denmark informed the Committee of Experts that renewed discussions with interested circles in that country revealed a readiness to accept the concept of a grace period, as proposed in Article 201, but on the condition that such a concession would instigate reciprocal concessions from other parties, in particular in relation to the first-to-file system and other elements of the draft Treaty, such as rules on the interpretation of claims, with the hope that such concessions would bring the parties closer to achieving a global worldwide harmonization in the patent field.

The Delegation of Ireland stated that there was now a general feeling in that country in favor of a 12-month grace period, but only in the context of a balanced harmonization package which would include, amongst other measures, acceptance of the first-to-file system by the United States of America.

The Delegation of Sweden, supported by the Delegation of Greece, indicated that its renewed consultations with interested circles in that country had not revealed any significant change in their opposition to a grace period as set down in Article 201. This did not mean, however, that eventually those countries would not be ready to consider the harmonization treaty as a whole.

The Delegation of the United States of America welcomed the progress made towards an acceptance of a grace period, which showed that a harmonization package was beginning to take form. However, it pointed out that the grace period constituted only one of a number of very important provisions that would have to be included in a complete treaty package before the Delegation would be in a position to even recommend the draft Treaty to its industry and Congress.

The Delegation of Ghana declared that it needed to consult the competent authorities of its country before taking a formal position on the question of the grace period.

The Delegation of Finland explained that interested circles in its country continued to object to a grace period because they thought it entailed more disadvantages than advantages. However, they were aware that the grace period should be seen in the entire context of harmonization, and, in that light, they were not entirely negative with respect thereto.

The Delegation of France stated that certain interested circles in its country continued to regard unfavorably the adoption of a grace period, but that, however, like the Delegation of Denmark, it considered the introduction of a grace period could be accepted within the framework of an entire treaty package which should also tackle not only the first-to-file question but also other questions, such as the scope of protection and the interpretation of claims.

The Delegation of Poland stated that it was ready to accept a six-month grace period.

The Delegation of the United Kingdom wished to clarify the purpose of a grace period provision in the draft Treaty. Article 201 should be intended to provide a "safety net" for applicants, which would prevent their own disclosures from prejudicing their patent applications; it should not be intended to provide some type of advance right in relation to potential infringers.

The Delegation of Cuba supported a six-month grace period and expressed its agreement with the declaration made by the Delegation of the United Kingdom.

The Representative of ICC wished to inform the Committee of Experts that ICC was in favor of a grace period.

The Representative of CIPA would welcome a six-month grace period.

The Representative of UEPIP stated that, after difficult discussions within its membership, its Organization overwhelmingly accepted the principle of a grace period.

The Representative of PTIC referred to the recent meeting of AIPPI in Sydney, where that Organization had supported a 12-month grace period.

The Representative of JPA stated that its Organization was in favor of a six-month grace period.

The Representative of IFIA expressed strong support for Article 201.

Closing Declarations

Closing declarations were made by the Delegations of Brazil (on behalf of the Latin American countries) and Argentina. They expressed their support for the harmonization process but called attention to the different stages of development reached by various countries and the different national interests that entailed. WIPO, as the universal organization in the field of intellectual property, should take into account the interests of all countries. The Delegation of Brazil stated that Articles 203 and 303, as contained in the draft Treaty, were unacceptable for the Latin American countries, and that those countries placed a reservation on Articles 302, 304 and 305 and Rule 304 but supported, in principle, all the other provisions contained in the draft Treaty.

LIST OF PARTICIPANTS**

Member States

Algeria: D. Hadj-Sadok; A. Deghdak. **Argentina:** A.G. Trombetta. **Australia:** P.M. Thomas; D.J. Ryan. **Belgium:** D. Vandergheynst. **Brazil:** P.R. de Almeida. **Bulgaria:** M. Tosheva. **Canada:** J.H.A. Gariépy; A.M. Troicuk. **Cuba:** M. Jiménez Aday. **Denmark:** L. Østerborg; H. Jespersen. **Finland:** E.-L. Vilkkonen; E. Hakli; E. Nuorlahti-Solarmo. **France:** M. Guerrini; J. Divoy. **Germany (Federal Republic of):** I. Koch; H. Bardehle; W. Niedlich. **Ghana:** M. Abdullah. **Greece:** A.-C. Kouroupaki. **Hungary:** I. Iványi; Z. Szabó; M. Sümeghy. **Ireland:** B. O'Farrell. **Israel:** Y. Tsur. **Italy:** M.G. Fortini; M. Carro Sciamanna. **Japan:** K. Nemoto; Y. Masuda; H. Niihara. **Madagascar:** P. Verdoux. **Mexico:** A. Fuchs. **Netherlands:** W. Neervoort. **New Zealand:** H. Burton; A. Macey. **Norway:** P.T. Lossius; E.-A. Lillefuhr. **Poland:** G. Lachowicz. **Portugal:** J. Mota Maia. **Republic of Korea:** T.J. Kim; S.-H. Maeng; T.-C. Choi. **Soviet Union:** G. Gourianov; A. Kortchaguine. **Spain:** A.-C. Ortega Lechuga. **Sweden:** R. Halvorsen; B. Sandberg. **Switzerland:** J.-L. Comte; E. Caussignac; P. Messerli; F.A. Jenny. **United Kingdom:** A. Sugden; J. Sharrock. **United States of America:** D.J. Quigg; M.K. Kirk; L.J. Schroeder; R.F. Burnett. **Uruguay:** R. Gonzáles Arenas. **Yugoslavia:** R. Tešić. **Zaire:** M.M. Mantuba.

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

Observer States

El Salvador: M.A. Gallegos. **Panama:** M. Saavedra Polo. **Peru:** R. Saif.

Intergovernmental Organizations

Commission of the European Communities (CEC): S. Jessel; L.M. Ferrão; C. Bail. **European Patent Office (EPO):** G.D. Kolle; G. Metaxas; A.G. Remond; R. Teschemacher.

Non-Governmental Organizations

American Bar Association (ABA): J.K. Uilkema; L.B. Mackey; H.F. Manbeck, Jr. **American Intellectual Property Law Association (AIPLA):** J.A. de Grandi; H.C. Wegner; E.T. Wheelock; H.R. Workman. **Asian Patent Attorneys Association (APAA):** N. Ogawa. **Bundesverband der Deutschen Industrie (BDI):** H.J. Schulze-Steinen. **Center for International Industrial Property Studies (CEIPI):** B. de Passemar. **Committee of National Institutes of Patent Agents (CNIPA):** R.C. Petersen. **European Council of Chemical Manufacturers' Federations (CEFIC):** R. Quick; G. Tasset. **European Federation of Agents of Industry in Industrial Property (FEMIPI):** G. Tasset. **European Federation of Pharmaceutical Industries' Associations (EFPIA):** G. Tasset. **Federal Chamber of Patent Attorneys (FCPA):** G. Schmitt-Nilson. **Institute of Professional Representatives Before the European Patent Office (EPI):** R.C. Petersen. **Intellectual Property Owners, Inc. (IPO):** D.W. Banner; R.C. Witte. **International Association for the Advancement of Teaching and Research in Intellectual Property (ATRIP):** J. Pagenberg; W. Fryer. **International Association for the Protection of Industrial Property (AIPPI):** M. Santarelli. **International Chamber of Commerce (ICC):** J. Buraas; S. Vidal-Naquet. **International Federation of Industrial Property Attorneys (FICPI):** K. Raffnsøe; J. Beier; G. Schmitt-Nilson. **International Federation of Inventors' Associations (IFIA):** C.P. Feldmann; M.A.G. Desoutter; P.J.H. Berna. **International Federation of Pharmaceutical Manufacturers Associations (IFPMA):** R.A. Armitage. **International Patent and Trademark Association (IPTA):** W.S. Thompson. **Japan Patent Association (JPA):** T. Okada. **Latin American Association of Pharmaceutical Industries (ALIFAR):** M.N. Levis. **Licensing Executives Society (International) (LES):** C. Wickham. **Max Planck Institute for Foreign and International Patent, Copyright and Competition Law (MPI):** J. Pagenberg. **New York Patent, Trademark and Copyright Law Association, Inc. (NYPTC):** S. Helfgott; W.J. Brunet. **Pacific Industrial Property Association (PIPA):** R.C. Witte. **Patent and Trademark Institute of Canada (PTIC):** R.E. Mitchell. **The Chartered Institute of Patent Agents (CIPA):** R.C. Petersen. **Union of European Practitioners in Industrial Property (UEPIP):** R. Goetz. **Union of Industries of the European Community (UNICE):** R.S. Crespi.

Bureau

Chairman: J.-L. Comte (Switzerland). *Vice-Chairmen:* M. Abdullah (Ghana); G. Gourianov (Soviet Union). *Secretary:* L. Baeumer (WIPO).

International Bureau of WIPO

A. Bogsch *(Director General)*; A. Schäfers *(Deputy Director General)*; F. Curchod *(Director, Office of the Director General)*; L. Baeumer *(Director, Industrial Property Division)*; F. Gurry *(Head, Industrial Property Law Section, Industrial Property Division)*; J. Quashie-Idun *(Head, Developing Countries Section, Industrial Property Division)*; H. Lom *(Senior Legal Officer, Industrial Property Law Section)*; B. Ibos *(Legal Officer, Industrial Property (Special Projects) Division)*; S. Zotine *(Legal Officer, Industrial Property (Special Projects) Division)*; T. Niinomi *(Associate Officer, Industrial Property Law Section)*.

II.

RESTORATION OF THE RIGHT TO CLAIM PRIORITY

(HL/CE/IV/INF/3)

Memorandum of the International Bureau of WIPO

I. Introduction

1. The present memorandum is intended to give a general picture of the situation in various countries concerning the restoration of the right to claim priority (hereinafter referred to as "restoration") under the Paris Convention for the Protection of Industrial Property (hereinafter referred to as the "Paris Convention"), where an applicant for a patent[5] has failed to meet the 12-month time limit for claiming priority under Article 4 of the Paris Convention.

2. The Paris Convention does not provide for a possibility of restoration. It only provides for an extension where the last day of the priority period is an official holiday or a day when the industrial property office is not open for the filing of applications; in that case, the period is to be extended until the first following working day (see Article 4C(3) of the Paris Convention). The said case does not require further consideration in the present memorandum. Since the Paris Convention is silent on the question of restoration, that is, since it neither requires nor prohibits it, member States are free to provide or not to provide restoration.

3. Following the recommendations expressed by a number of delegations at the third session of the Committee of Experts on the Harmonization of Certain Provisions in Laws for the Protection of Inventions (March 1987) (document HL/CE/III/7, paragraph 199), the International Bureau sent to all States party to the Paris Convention, as well as to the African Regional Industrial Property Organization (ARIPO), the European Patent Office (EPO) and the African Intellectual Property Organization (OAPI), a circular asking for information concerning the possibility of restoration of the right to claim priority. Replies were received from Argentina, Australia, Austria, Canada, Chad, Cuba, Denmark, the Dominican Republic, the German Democratic Republic, Greece, Hungary, Ireland, Israel, Japan, Mauritius, Mexico, Monaco, Morocco, the Netherlands, Niger, Nigeria, Norway, Portugal, the Republic of Korea, Rwanda, Sweden, Switzerland, Tunisia, the United Kingdom, the United States of America, Yugoslavia (31 countries) and the European Patent Office. The present memorandum was prepared on the basis of those replies. They are summarized in the Annex to this document.

[5] In this memorandum, the expression "patent" is to be understood as referring also to an inventor's certificate, to the extent that Article 4I(2) of the Paris Convention applies.

II. Existing Provisions and Practices With Regard to Restoration

4. The problem of restoration is dealt with differently in the countries covered by the present memorandum; they may be grouped in the following categories:

A. Countries having no provisions or practice in respect of restoration;
B. Countries having provisions or practice expressly excluding any possibility of restoration;
C. Countries allowing restoration only in case of an interruption or subsequent dislocation in the delivery of mail;
D. Countries allowing restoration only in case of circumstances beyond the control of the person concerned;
E. Countries allowing restoration in case of circumstances beyond the control of the person concerned, and in case of error, omission or similar reasons.

5. As regards the countries allowing restoration (categories C, D and E), various provisions exist regarding the request for restoration, in particular regarding time limits for filing the request, formal requirements and fees, and the rights of third parties concerned. Those provisions are referred to in the Annex to this document.

6. In the following chapters, the countries covered by the present memorandum are listed according to the categories referred to.

A. Countries Having No Provisions or Practice in Respect of Restoration

7. The following 19 countries fall into this category: Argentina, Chad, Cuba, Dominican Republic, Greece, Hungary, Ireland, Japan, Mauritius, Mexico, Monaco, Morocco, Niger, Nigeria, Republic of Korea, Rwanda, Tunisia, United States of America, Yugoslavia. In a number of those countries, for example, Hungary, Japan, Morocco, Nigeria and the United States of America, the absence of a relevant provision is understood as non-availability of any restoration, whereas in other countries such an absence does not necessarily lead to such a conclusion and the matter may be considered as an open question.

B. Countries Having Provisions or Practice Expressly Excluding Any Possibility of Restoration

8. The following five countries fall into this category: Denmark, German Democratic Republic, Netherlands, Norway, Sweden.

C. Countries Allowing Restoration Only in Case of an Interruption or Subsequent Dislocation in the Delivery of Mail

9. The following fall into this category: Canada, United Kingdom, European Patent Office (EPO). It is to be noted that the countries falling into categories D and E also allow restoration in case of an interruption or subsequent dislocation in the delivery of mail because the said reason is a special case of circumstances beyond the control of the person concerned.

D. Countries Allowing Restoration Only in Case of Circumstances Beyond the Control of the Person Concerned

10. The following three countries fall into this category: Austria, Israel, Portugal. It is to be noted that the countries falling into category E allow, in addition to other reasons, also restoration in case of circumstances beyond the control of the person concerned.

E. Countries Allowing Restoration in Case of Circumstances Beyond the Control of the Person Concerned, and in Case of Error, Omission or Similar Reasons

11. The following two countries fall into this category: Australia, Switzerland.

[Annex follows]

ANNEX

Laws and Regional Treaties

1. This Annex contains summaries of the information received from 31 countries and the European Patent Office (EPO) in respect of restoration of the right to claim priority. Such information consists of references to any applicable legislative provisions and any relevant practice of the industrial property office or to the absence of such provisions or practice. It is to be noted that provisions concerning the backdating of a date of receipt to a date of mailing are not referred to in the summaries, since this is not a case of restoration.

2. *Argentina.* There is neither legislation nor practice concerning restoration of the right to claim priority.

3. *Australia.* Restoration ("extension") is possible under Section 160 of the Patents Act 1952, as amended to 1982, on the basis of the following grounds:

(i) an error or omission on the part of an officer or person employed in the Patent Office;
(ii) an error or omission on the part of the person concerned, or of his agent or attorney;
(iii) circumstances beyond the control of the person concerned.

Except where the error or omission has occurred solely within the Patent Office, a declaration is to be lodged in support of the application for restoration, and a fee is to be paid. Where the period of time applied for exceeds three months, the request for restoration must be advertised to afford third parties an opportunity to oppose allowance thereof. Where restoration is granted, there is provision for protection or compensation of persons who may have availed themselves of the invention (the subject of the patent application concerned) or who may have taken steps to do so.

4. *Austria.* Restoration is possible under Section 129 of the Austrian Patent Law of 1970, as amended in 1984 and 1986, if a person was prevented by an unforeseeable or unavoidable event from observing the time limit in question. The petition for restoration is to be filed within two months from the day on which the impediment ceased to exist and, in any case, not later than 12 months from the expiry of the time limit concerned (Section 131). Procedural fees are payable (Section 132). A copy of the petition is to be supplied to any adverse party in the case (Section 131). Restoration is not binding on anyone who began to use the invention or made arrangements for such use after the expiry of the priority right and before the day of official publication of restoration (Section 136).

5. *Canada.* The Canadian Patent Act and Rules do not provide for the making of exceptions to the priority time limit. However, the "Postal Services Interruption Relief Act" of 1965 provides that, where, as a result of the interruption of normal postal services in Canada, a person has suffered loss or hardship by reason of his failure to comply with any time requirement or period of limitation contained in any law of Canada, he may apply to a judge of the Exchequer Court of Canada for relief (Section 3).

6. *Chad.* There is neither legislation nor practice concerning restoration of the right to claim priority.

7. *Cuba.* There is neither legislation nor practice concerning restoration of the right to claim priority.

8. *Denmark.* Section 72 of the Patents Act of 1967, as last amended in 1984, allows restoration for time limits to be observed before the patent office but expressly excludes a possibility of restoration of the right to claim priority.

9. *Dominican Republic.* There is neither legislation nor practice concerning restoration of the right to claim priority.

10. *German Democratic Republic.* The patent law does not provide for the possibility of restoration of the right to claim priority. Pursuant to Section 15(3) of the Decree on Proceedings before the Office for Inventions and Patents for Ensuring Legal Protection of Inventions of 1983, Section 27 of the Patent Act, dealing with exemptions from the consequences of failure to observe prescribed time limits, does not apply to the period for claiming priority.

11. *Greece.* There is no provision in the patent law concerning restoration. The Greek Patent Office recently considered a patent application filed three days after the expiry of the 12-month time limit, the applicant's representative invoking *force majeure* to justify the delay. The patent was granted but without the priority. The case is pending in the State's Council.

12. *Hungary.* The Hungarian law does not provide for any possibility for restoration of the right to claim priority.

13. *Ireland.* The Irish patent legislation contains no provision on restoration of the right to claim priority. Neither are there any court decisions or patent office practice under which restoration may be obtained.

14. *Israel.* According to Section 164 of the Patents Law of 1967, the Registrar may, if he sees reasonable grounds for doing so, extend any time prescribed by the Law for the doing of anything at the patent office or before the Registrar, provided that the priority time limit may be extended if the Registrar is satisfied that the application in Israel was not filed in time because of circumstances over which the applicant and his representative had no control and which they could not have prevented from arising. According to patent office practice, the applicant is required to file an affidavit explaining the circumstances of the delay and to pay an extension fee.

15. *Japan.* There is neither legislation nor practice in this country concerning restoration of the right to claim priority.

16. *Mauritius.* There is neither legislation nor practice concerning restoration of the right to claim priority.

17. *Mexico.* The patent law does not provide for the possibility of restoration of the right to claim priority.

18. *Monaco.* There is no legislative provision permitting restoration of the right to claim priority, and the industrial property office has never admitted such a possibility.

19. *Morocco.* Section 19 of the Industrial Property Law of 1916 provides that failure to observe the 12-month time limit results in losing the right to claim priority. No court decision has been rendered on this matter.

20. *Netherlands.* Section 17A(2) of the Patents Act excludes the applicability of restoration to the 12-month right to claim priority. This non-applicability has been confirmed by a decision of the patent office.

21. *Niger.* Since this country is a party to OAPI, the provisions of the Bangui Agreement of March 2, 1977, have the effect of national law. (No reply was received from OAPI.)

22. *Nigeria.* Once an applicant loses his priority right under Section 27(2) of the Patents and Designs Act of 1970, it cannot be restored to him. There are neither court decisions nor practice allowing restoration.

23. *Norway.* Under Norwegian patent law, there is no way in which the applicant may restore his right to claim priority where the 12-month time limit has been missed. Such restoration is expressly excluded in Section 72 of the Patents Act.

24. *Portugal.* Section 146 of the Code of Civil Procedures provides for restoration in the case where an unforeseeable event which cannot be influenced by the interested person prevented the required action. This general rule may be applied to patent matters; however, there exists no corresponding practice within the patent office since nobody ever applied for restoration of a missed time limit for claiming priority. When applying Section 146, courts have considered that a delay in postal delivery of 24 hours was not a reason for restoration, whereas a delay of three days was such a reason, and that sickness which does not prevent contact with a lawyer and delays because of complications in transit were no reason for restoration.

25. *Republic of Korea.* Under the patent law, there is no possibility of claiming the right of priority where the applicant failed to meet the 12-month time limit.

26. *Rwanda.* The patent legislation in this country does not contain any provision pertaining to restoration of the right to claim priority.

27. *Sweden.* Section 72(3) of the Patents Act of 1967 expressly prescribes that the 12-month time limit for claiming priority cannot be restored. A Government Committee commented that a possibility of restoration would cause considerable uncertainty regarding the rights of third parties. In a case decided by the Supreme Administrative Court, the refusal by the Patent Office to extend the time limit by one day was confirmed.

28. *Switzerland.* Sections 47 and 48 of the Patent Law of 1954, as revised in 1976, and Sections 15 and 16 of the Patent Ordinance provide for the possibility of restoration (including the case where the time limit for claiming priority has been missed) under the following conditions:

(a) A written request for restoration is to be filed.
(b) The time limit for filing the request is two months from the day when the impediment ceased to exist but not later than one year from the expiry of the time limit concerned.
(c) The facts forming the basis of the request are to be stated, in particular the dates of the beginning and of the cessation of the impediment.
(d) The applicant has to demonstrate that non-observation of the time limit concerned is not due to his fault.
(e) When filing the request for restoration, the applicant has to accomplish the act of claiming priority.
(f) The fee for restoration (150 Swiss francs) is to be paid.

The following grounds have been recognized in decisions granting restoration:

— an illness (insofar as it caused the missing of the time limit);
— an error (FBDM[6] 1974 I 52);
— a confusion of patents or of signs distinguishing files (FBDM 1974 I 32);
— a strike within the postal service (FBDM 1976 I 51);
— an error within the postal service (FBDM 1970 I 18);
— an impeding intervention of unauthorized persons (FBDM 1973 I 65).

29. *Tunisia.* There is no legislation nor any court decision permitting restoration of the right to claim priority.

30. *United Kingdom.* Under Section 120 of the Patents Act of 1977 and Rule 111 of the Patents Rules of 1982, the 12-month time limit for claiming priority is extendible if the 12 months expire on a day which is certified as being one on which there is a general interruption or subsequent dislocation in the United Kingdom postal services. The period is automatically extended to the next "normal" working day.

31. *United States of America.* There are no laws, regulations or administrative practices concerning restoration of the right of priority lost on account of late filing.

32. *Yugoslavia.* The Law on the Protection of Inventions, Technical Improvements and Distinctive Signs of 1981 does not provide for the possibility of restoration of the time limit for claiming priority.

33. *European Patent Office (EPO).* Under the European Patent Convention (EPC), no restoration of the applicant's right to claim priority is allowed if he has missed the 12-month time limit. However, pursuant to Rule 85 of the EPC Regulations, which in general deals with the extension of time limits, the 12-month time limit is automatically extended if it expires on a day on which the EPO is not open for receipt of documents or ordinary mail is not delivered in the locality in which the EPO is located or there is a general interruption or subsequent dislocation in the delivery of mail in a Contracting State or between a Contracting State and the EPO (with respect to parties resident in the State concerned or having appointed representatives with a place of business in that State; in the case where the State concerned is the State in which the EPO is located, the provision applies to all parties).

[End of Annex and of document]

[6] "FBDM" is the abbreviation of *Feuille suisse des brevets, dessins et marques.*

III.

DURATION OF PATENTS AND MAINTENANCE FEES

Corrigendum to Document HL/CE/IV/INF/2 as It Appeared in the May 1988 Issue of *Industrial Property*[7]

Page 227: Paragraphs (e) and (f) should read:

(e) Duration, *counted from the date the complete specification is lodged:*

(i) *16 years:* Australia;[12] Ireland;[13] Malawi;[14] New Zealand;[13] Zambia;[13]
(ii) *14 years:* India (except for process inventions for manufacturing food or medicine, for which the duration is five years from the date of sealing of the patent, or seven years from the date on which the complete specification was filed, whichever period is shorter).

(f) Duration, *counted from the date of grant of the patent:*

(i) *17 years:* Canada; Philippines; United States of America;[15]
(ii) *16 years:* Bangladesh;[16] Pakistan;[16]
(iii) *15 years:* Bolivia; Iceland; Malaysia; Portugal; Sri Lanka; Uruguay;
(iv) *14 years:* Mexico; Trinidad and Tobago;
(v) *5, 10 or 20 years:* Haiti (the law does not appear to indicate on what the actual duration depends);
(vi) *5, 10 or 15 years:* Argentina, depending on the invention's merits and the wishes of the applicant (the decision is made by the National Directorate of Industrial Property); Dominican Republic;
(vii) *5 or 10 years:* Venezuela, depending on the will of the applicant;
(viii) *5 years:* Colombia;[17] Ecuador;[17] Peru.[17]

Page 228: Subparagraph (b)(ii) should read:

	covers period to
(ii) on the *second* anniversary of the filing date of the application:	
EPC	3rd anniversary of filing
China	3rd anniversary of filing

[7] The footnotes referred to in the corrected text below are not amended and are, therefore, not reproduced here.

Denmark	3rd anniversary of filing
Egypt	3rd anniversary of filing
Finland	3rd anniversary of filing
Germany (Federal Republic of)	3rd anniversary of filing
Netherlands	3rd anniversary of filing
Norway	3rd anniversary of filing
Sweden	3rd anniversary of filing
Switzerland[19]	3rd anniversary of filing

Page 229: Paragraph (h) should read:

	covers period to
(h) *due within two months after the date of grant:*	
Bulgaria	anniversary of filing which is the first after grant
Mexico	3rd anniversary of grant
Mongolia	last day of second month after first anniversary of grant
Soviet Union	anniversary of filing which is the first after grant

Pages 229 and 230: Subparagraph (a)(iii) should read:

(iii) due on the third, fourth, etc., anniversary of the filing date of the application:
EPC
China[23]
Denmark
Egypt
Finland
Germany (Federal Republic of)
Netherlands
Norway
Sweden
Switzerland[24]

Page 230: Subparagraph (a)(vii) should read:

(vii) due on the anniversary of the filing date of the application which is the first, second, etc., after grant:
Bulgaria
Nigeria
Romania[25]
Soviet Union.

Studies

Stimulating Inventive Activity in Enterprises— Employees' Invention Systems: Systems for Supporting Inventive Activity

M. YOKOYAMA*

Employees' invention systems adopted by enterprises were primarily set up as a system of compensation for inventions of employees, but now they also serve as one of the positive factors for supporting inventive activities in enterprises.

The purpose of this article is to report on the current state of the employees' invention system in Japan as a system for supporting inventive activities, based on a recent investigation conducted by the Invention Research Institute of the Japan Institute of Invention and Innovation (JIII) on its own initiative and which can be summarized as follows: period of investigation: September 10, 1986, to October 20, 1986; subject of investigation: 220 enterprises and 23 research institutes.

The investigation was conducted first using questionnaires and thereafter interviews were made based on the results of the questionnaires.

1. Employees' Invention System and Suggestion System

In order to train engineers to become inventors, it is always necessary for them to be given the appropriate training. Creative engineering is a field of study which can provide procedures for such training, and it has been actively studied and put into practice in recent years. On the other hand, it is also important to provide an environment which helps the engineers to make inventions. Although it is recognized that factors such as "interest" of engineers, "enthusiasm" of managers or "mental pressure" on engineers may be effective prerequisites for the creation of new ideas, more systematized and scientific measures should be taken for this purpose.

The suggestion system, or in other words the so-called "O and M" (organization and method) system, is the measure taken by most of the enterprises for this purpose. It should be noted that, particularly in Japanese manufacturing enterprises and research institutes, the employees' invention system and study committees related to that system constitute nuclei of their technical development strategies.

The employees' invention system originated during the creation and development of the suggestion system (or O and M) and has been developed together with that system.

The first suggestion system appearing in history is believed to be the one put into effect in the Denny Dockyard (William Denny, shipbuilder) in Scotland in 1880. That system had two-sided objectives for promoting both labor management and technical development. The system presently found also has such two-sided objectives, but a greater importance is put on the latter.

2. Introduction of Employees' Invention System

As a result of the above-mentioned investigation, it was found that the percentage of enterprises having an employees' invention system was as high as 96%, while it was 73% in 1979. Figure 1 shows the number of Japanese enterprises that have formulated provisions on employees' invention systems and the year in which they were adopted. It is apparent that the number of enterprises has increased rapidly since 1960. This increase is due to the fact that provisions on employees' inventions were expressly provided for by the Japanese Patent Law[1] and development of technologies was activated together with the economic growth in these years.

In reply to the question on the main reasons for adopting the provision, 92.9% of the replying enter-

* Manager of the Training Center for Industrial Property, International Division, Japan Institute of Invention and Innovation (JIII), Tokyo.

This article was presented as a lecture at the IFIA—WIPO Symposium on Creativity and the Promotion of Inventive Activities, Beijing, October 10 to 14, 1988.

[1] See *Industrial Property Laws and Treaties*, JAPAN — Text 1-002.

prises mentioned the motive of encouraging employees to make inventions. It can be seen from this fact that the employees' invention system has been well rooted in Japanese enterprises as a positive measure for promoting employees' inventions (see Fig. 2). Further, as is apparent from Figure 3, small enterprises have a tendency to attach more weight to research and development activities.

3. *Effect of the Employees' Invention System*

In Figure 4 various effects are arranged in order of merit. It can be seen how important is the role that this system plays in promoting inventions. In fact, much incentive is given to the engineers by evaluating correctly and compensating appropriately their successful achievements according to the system.

Evaluation of inventions is one of the most important tasks in patent management.

Figures 5 and 6 give details of evaluation of patents.

Referring to Figure 5, higher marks are given to the following items: No. 2, "originality of invention or device"; No. 3, "extent of monopoly of the right"; and No. 12, "technical value obtained by working inventions." The occasions when the inventions are evaluated in the course of obtaining patent rights are "when applications are filed," "when requests for examination are filed," "when patents or utility models are registered," and "when inventions are put into practice by the enterprises themselves," according to the majority of answers to the questionnaires.

It also can be said that, in an enterprise, several divisions or special committees other than the patent division are also in charge of evaluating inventions at various stages of their development and that they cooperate in this work as one of the strategies of the enterprise. Table 1 shows, as an example, divisions in charge of various stages of evaluation in a particular enterprise.

4. *Employee Reward System*

Figure 7 shows the percentage of enterprises having adopted an employee reward system among all the enterprises investigated in the present research. Details of the system were also investigated and Figure 8 shows criteria for rewarding employees for their inventions, devices or creations. It is notable that originality follows economic value as the most important criteria.

Referring to Figure 9 showing effects which are brought about by this system, many enterprises replied that the system is very effective in encouraging employees to exhibit their originality and ingenuity. Thus, it can be said that the system has a great importance in promoting inventive activities systematically.

The reward system is not limited to private enterprises. Inventors as well as entrepreneurs will be greatly honored if they are rewarded by the Government or authoritative organizations. Such honor is a great incentive not only for managers and executives but also for employees.

In Japan, we have some national prizes such as the Purple Ribbon Medal and the Blue Ribbon Medal.

In particular, the national prizes for achievements in scientific and technological fields are some of the most important awards in our country. In addition, the Government (the Science and Technology Agency) has some systems for rewarding notable inventions and deserving persons. Further, the JIII has had the System of National Commendation for Invention since 1919 that rewards inventors for inventions which are effective and have been actually worked successfully in industry. This system has authority as the oldest system in Japan and as the prize awarded by the Imperial Family.

Figure 1: Years of Formulation of Related Regulations

(205 samples)

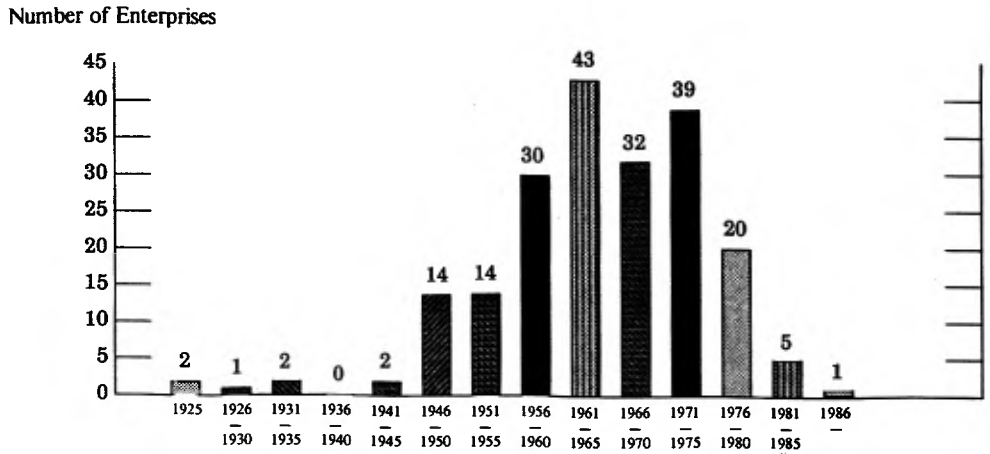
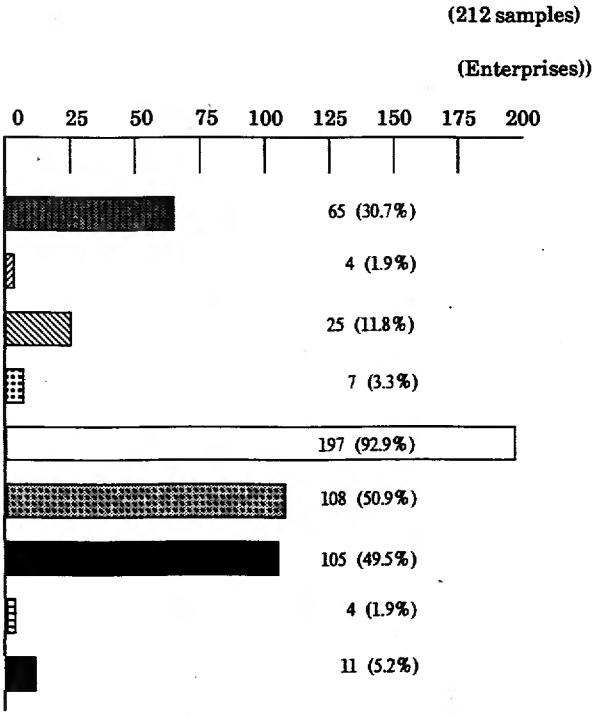
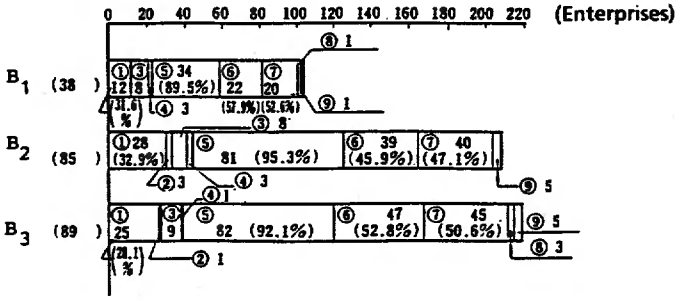


Figure 2: Motives for Adopting Regulations
(multiple answers allowed)



1. To increase applications
2. To establish new research divisions
3. To complement research divisions
4. Necessity of joint applications with other companies
5. To encourage employees to make inventions
6. To active the enterprise as a whole
7. To avoid unnecessary problems in dealing with inventions
8. To comply with demands of employees
9. Miscellaneous

Figure 3: Motives for Adopting Regulations Classified by Scales of Enterprises



B_1 (less than one billion yen)

B_2 (from one billion to 10 billion yen not inclusive)

B_3 (10 billion yen and over)

① To increase applications

② To establish new research divisions

③ To complement research divisions

④ Necessity of joint applications with other companies

⑤ To encourage employees to make inventions

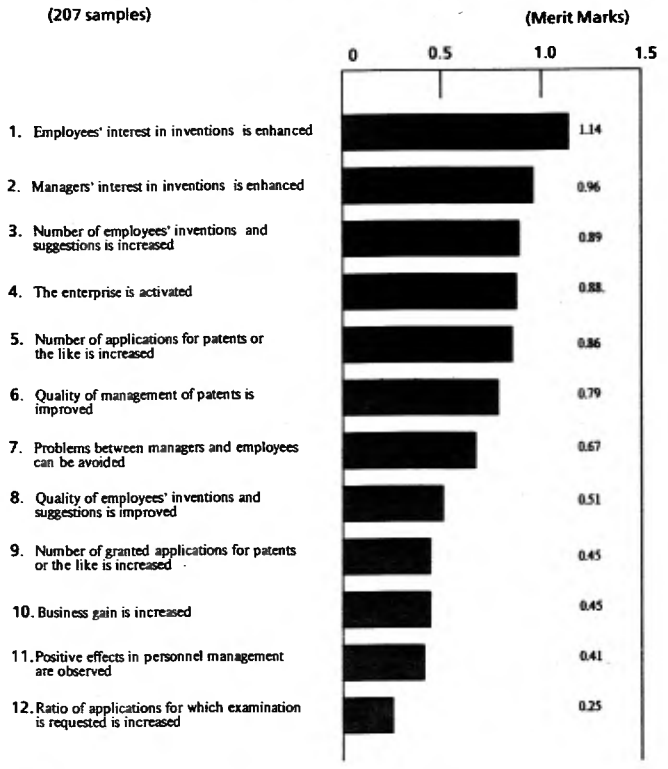
⑥ To activate the enterprise as a whole

⑦ To avoid unnecessary problems in dealing with inventions

⑧ To comply with demands of employees

⑨ Miscellaneous

Figure 4: Effects of Adopting Regulations on Employees' Inventions

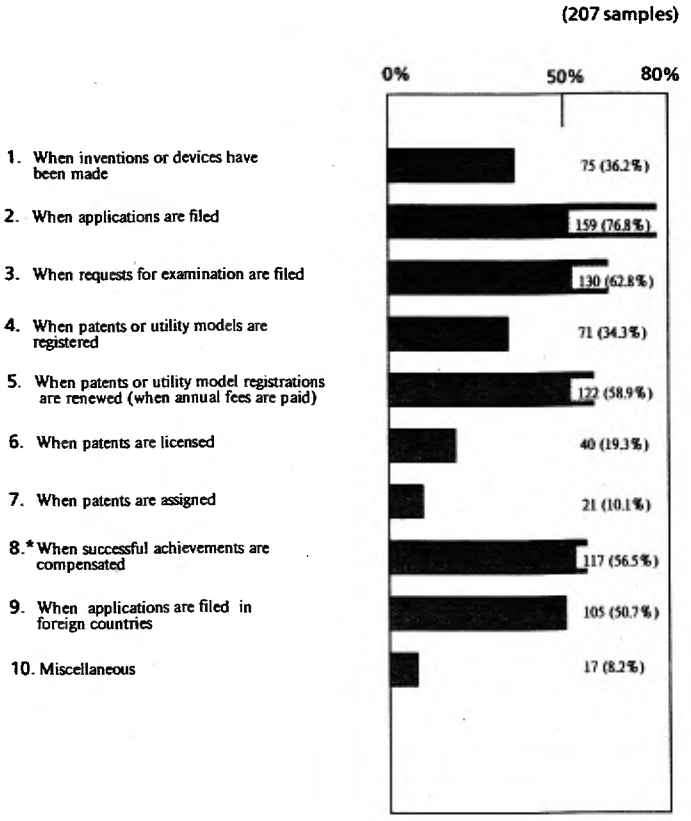


Note: Merit marks = { (1. very effective) x 2 + (2. effective) x 1 + (3. not effective) x 0 } / number of replying companies.

Figure 5: Weight of Various Items in Evaluating Inventions and Devices (Total)

	Evaluation Items	Marks
1.	Motives of inventions or devices	0.95
2.	Originality of inventions or devices (novelty and inventive step)	20.74
3.	Extent of monopoly of the right (scope covered by the right)	15.53
4.	Degree of effort made by inventors	0.97
5.	Job evaluation according to positions of inventors	0.29
6.	Correlation with technologies possessed by enterprises themselves	5.23
7.	Absence of alternative techniques	4.25
8.	Impact of invented technique	2.50
9.	Extent of utilization of conventional techniques	0.68
10.	Containment effect to others' techniques	8.33
11.	Degree of difficulty of related technical fields and problems to be solved	1.30
12.	Technical value obtained by working inventions	12.52
13.	Degree of difficulty of working invention (feasibility)	6.57
14.	Share of the right among analogous products	3.42
15.	Advertising effect	1.23
16.	Profit amount (ratio)	7.32
17.	Investment by enterprises (personnel and money)	0.90
18.	Lifetime of invented techniques	3.34
19.	Contribution to cost reduction	2.75
20.	Miscellaneous	1.18
	Total	100.00

Figure 6: Occasions of Evaluating Employees' Inventions



* When inventions are put into practice by the enterprises themselves.

Table 1: Divisions in Charge of Evaluation at Various Stages -- Case of Company A

	Time of evaluation	Divisions in charge
1.	Inventing	Section chief having direct control over inventors
2.	Filing Application	Chief of the division in charge of patent affairs
3.	Requesting examination	Chief of the division responsible for patent affairs, inventors and section chief having direct control over inventors
4.	Renewing or abandoning rights (paying annual fees)	Committee (chief of the division in charge of patent affairs, chief of the general affairs division, chief of the management division, chief of the accounting division, chief of the business division and executives in charge of technical affairs)
5.	Licensing	Idem
6.	Assigning	Idem
7.	Compensating for achievement	Idem
8.	Filing foreign application	Committee (chief of the division in charge of patent affairs, chief of the general affairs division, chief of the management division, chief of the accounting division, chief of the business executives in charge of technical affairs) and chief of the international division)
9.	Miscellaneous	Idem

Figure 7: Ratios of Enterprises Adopting and Not Adopting the Rewarding System

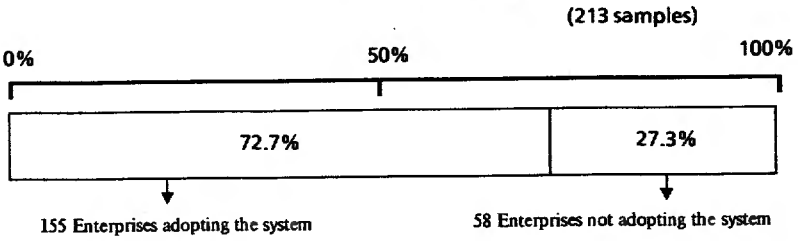


Figure 8: Criteria for Rewarding Inventions, Devices and Creations

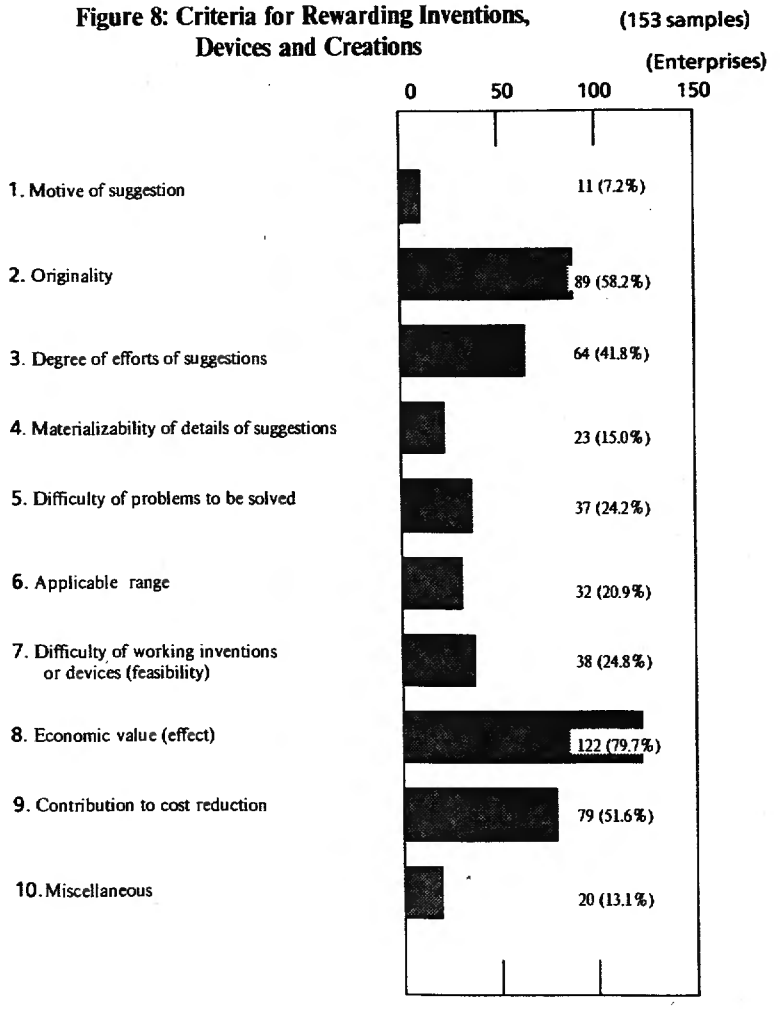
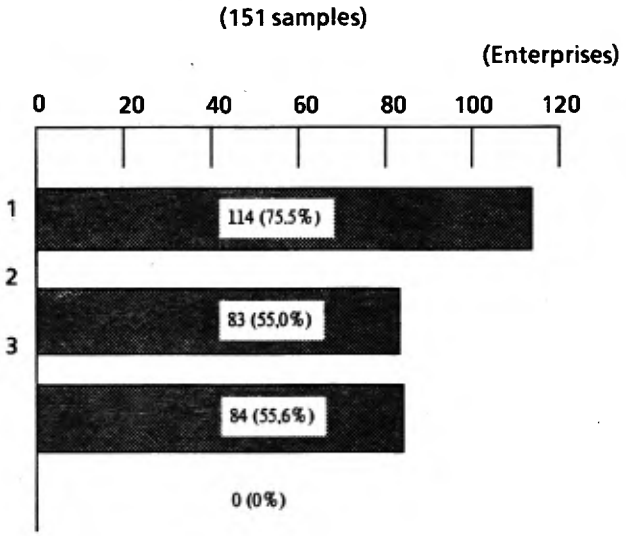


Figure 9: Effects of Adopting the Reward System

1. Employees are encouraged to show their originality and ingenuity
2. Effective stimulus is given not only to rewarded inventors but also to other employees
3. Morale of the enterprise as a whole is enhanced
4. Miscellaneous



News Items

ARIPO

Director General,
African Regional Industrial Property
Organization (ARIPO)

We have been informed that Mr. Anderson Ray Zikonda has been appointed Director General of ARIPO.

BANGLADESH

Controller of Patents and Designs

We have been informed that Mr. Md. Abul Kalam Azad has been appointed Controller of Patents and Designs.

JAPANESE PATENT OFFICE

Introduction of an Accelerated Examination and Accelerated Appeal Examination System for Working-Related Design Applications of Particular Urgency*

Note for Foreign Applicants

1. For the purpose of improving examination and appeal examination efficiency and expanding information services, including the field of design registration, the Japanese Patent Office has consistently promoted the "paperless system," the total office automation concept, and has taken such comprehensive measures in the long-term perspective as the arrangement of examination standards, giving guidance to domestic corporations on the strict selection of applications to be examined and studying the design protection system to be newly adopted in Japan.

2. In addition to the above long-term, complete measures, the Japanese Patent Office has decided, for the purpose of dealing with the matter of illegally copied designs, to introduce on a trial basis the Accelerated Examination and Accelerated Appeal Examination System for Working-Related Applications for design registrations which need to be examined and registered urgently.

For patents and utility models, on the other hand, the System of Accelerated Examination and Accelerated Appeal Examination for Working-Related Applications was introduced on February 1, 1986,** and has been operated on a trial basis since then.

3. Where applications for design registration or appeals against examiners' final refusals are found to qualify for the accelerated examination or accelerated appeal examination, after the party requesting the accelerated procedure has provided sufficient grounds for it, the examinations or appeal examinations are initiated promptly and their examination or appeal examination period is reduced.

4. To be eligible for accelerated examination and accelerated appeal examination, applications must be

* This Note and the Guidelines were prepared and translated into English by the Japanese Patent Office.

** See *Industrial Property*, 1986, pp. 41 *(Editor's note)*.

received after March 1, 1988, according to the following implementation policy:

(1) On the introduction of the accelerated examination and accelerated appeal examination system, part of the examination facilities will be assigned to accelerated examination and accelerated appeal examination, due allowance being made for the effect on applications not eligible for accelarated examination and accelerated appeal examination.

(2) The system will operate on a trial basis for the time being. The conditions governing applications for design registrations or appeals against examiners' final decisions of refusal eligible for this system, and also other conditions, will be reviewed in accordance with the number of applications for accelerated examination and accelerated appeal examinations or other factors.

(3) The system will be used only for "working-related applications that need to be registered urgently."

(4) The words "working-related applications that need to be registered urgently" mean that the applicant or licensee has already worked the design concerned and that it should be protected urgently, in cases where an unlicensed third party has been working the design or has apparently almost completed preparations for such working.

(5) An applicant who applies for an accelerated examination or accelerated appeal examination is requested to submit the necessary documents, such as result of a prior design search.

(6) Every applicant is requested to select strictly his applications for accelerated examination or accelerated appeal examination, so that the best use may be made of the system.

Guidelines for an Accelerated Examination and Accelerated Appeal Examination System for Working-Related Design Applications of Particular Urgency

TABLE OF CONTENTS

I. Introduction

1. Background

(1) The number of applications for design registration filed with the Japanese Patent Office is still at its high level of more than 50,000 a year, which reflects the vitality of design development in commercial goods. At present the number of pending design applications at the Japanese Patent Office is in excess of 120,000, and the delay in examination has reached two years and three months. What is more, the number of pending design disputes is approaching 7,000, and the delay in design litigation averages four years and five months.

(2) To cope with these situations in the field of design protection as in others, the Japanese Patent Office has consistently promoted the paperless system, the total office automation project, as a means of improving examination and appeal examination efficiency and expanding information services, and has taken comprehensive measures in a long-term perspective, such as arranging examination standards, guiding domestic corporations to make a strict selection of their applications to be examined and studying a new design protection system to be adopted in Japan.

(3) As an immediate measure to meet applicants' needs before the introduction of such comprehensive measures, the accelerated examination and accelerated appeal examination system has been adopted for working-related applications of particular urgency. The intention is to minimize the possible adverse effects of a delay in examination and appeal examination.

2. Implementation Policy

(1) When the accelerated examination and accelerated appeal examination system is introduced, part of the examination capability will be allocated for accelerated examination and accelerated appeal examination, with due regard to the effect on applications not eligible for accelerated examination and accelerated appeal examination.

(2) For that reason, the system will be put into experimental operation in an initial stage under certain conditions, notably limitation to only those working-related applications that are of particular urgency.

(3) In this connection, the applicants or agents concerned will be requested to submit the necessary information, for example documents of prior designs, to justify accelerated examination and accelerated appeal examination so that the purpose of the accelerated procedure may be fulfilled. At the same time, they will be requested also to make a strict selection of those applications that they really wish to be dealt with under the accelerated procedure in order that the assigned objective of that procedure may be fully respected.

II. Accelerated Examination System

1. Accelerated Examination

(1) Applications eligible for accelerated examination.

The Japanese Patent Office may apply accelerated examination to design applications that satisfy both the conditions mentioned below:

(a) an application for design registration that the applicant, or one who has been granted a license (licensee) from the applicant in respect of the design, has already worked[1] and for which he is urgently in need of registration. The words of "urgently in need of registration" mean that the design concerned should be protected as a matter of urgency where a third party,[2] without any license, has been working the design or has manifestly almost completed preparations for such working;

(b) examination by an examiner has not yet started.

[1] "Working of a design" means any act of manufacturing, assigning, leasing, displaying for the purpose of assignment or lease, or importing, the articles to which the design has been applied, as set forth in Section 2(3) of the Design Law.

[2] "Third party" means any person other than the applicant and those who have obtained licenses from the applicant.

(2) Accelerated examination procedures.

(a) When the "Explanation of Circumstances Necessitating Accelerated Examination" is submitted to the Patent Office, a supervisory primary examiner of the corresponding examination division decides whether or not the application is eligible for accelerated examination. The decision is not notified in writing.

(b) An examiner promptly starts the examination of the application selected by the supervisory primary examiner as being eligible for accelerated examination and conducts the entire examination process up to the final decision without delay.

(c) As for the description of the status of working or the grounds for urgency under the "Explanation of Circumstances Necessitating Accelerated Examination," those two circumstances may be confirmed by a hearing or on-the-spot inspection if subsequently considered necessary.

(3) Public access to documents.

The "Explanation of Circumstances Necessitating Accelerated Examination," like other design application documents, is open to public inspection.

(4) Announcement in the Official Design Gazette.

Design applications that have been subjected to the accelerated examination procedure shall be mentioned in the Official Design Gazette as follows:

(a) special identification in the table of contents;

(b) mention of "application subjected to accelerated examination" in the official publication of design applications.

2. Submission Procedures—Submission of "Explanation of Circumstances Necessitating Accelerated Examination"

(1) Submitter.

The submitter of the "Explanation of Circumstances Necessitating Accelerated Examination" seeking accelerated examination of a working-related application of particular urgency may not be other than the author of the application concerned.

(2) Submission of documents.

Accelerated examination request documents are either submitted direct at the receiving window (Second Application Division, Japanese Patent Office; 3-1, Kasumigaseki 1-chome, Chiyoda-Ku, Tokyo, Japan) or mailed to the Director General, Japanese Patent Office (4-3, Kasumigaseki 3-chome, Chiyoda-Ku, Tokyo 100, Japan) with the indication "Explanantion of Circumstances Necessitating Accelerated Examination" on the envelope.

(3) Period for submission.

The "Explanation of Circumstances Necessitating Accelerated Examination" may be submitted at any time after the application for design registration has been made.

(4) Fee.

No fee is charged for the submission of the "Explanation of Circumstances Necessitating Accelerated Examination."

(5) Documents to be submitted.

Documents concerning accelerated examination (the "Explanation of Circumstances Necessitating Accelerated Examination") should be submitted separately for each application requiring accelerated examination (see II. 3, below, for the preparation of the "Explanation of Circumstances Necessitating Accelerated Examination"). The documents submitted are not returned by the Patent Office.

3. Preparation of the "Explanation of Circumstances Necessitating Accelerated Examination"

(1) Form.

Explanation of Circumstances Necessitating Accelerated Examination

Date:

To: Mr. (Director General of the Japanese Patent Office)

1. Identification of the case:
2. Article to which the design is applied:
3. Submitter (Applicant)
   Domicile (Residence):
   Name: (seal)
4. Agent
   Domicile (Residence):
   Name: (seal)
5. Status of working
   (1) Working-related act (specify)
   (2) Period of working of the design
   (3) Documents or material indicating the working of the design
6. Explanation of the grounds for urgency
7. Results of investigation into prior design applications filed
8. Disclosure of the design in the submitter's applications
9. List of attached documents or material

(2) Bibliography.

The spaces for "Bibliography" (1-4) are to be completed in the following manner:

(a) the design application number should be entered in "Identification of the case";

(b) the article given in the application as that to which the design is applied should be entered in "Article to which the design is applied";

(c) if possible, the respective telephone numbers should be entered alongside the domicile under the headings "Submitter (Applicant)" and "Agent."

(d) other instructions are the same as in items 1-3, proviso to 4, 6, 7, 10 and 12-14 of the Notes on Form No. 1 of the Regulations under the Patent Law as applied *mutatis mutandis* pursuant to Section 11(1) of the Regulations under the Design Law.

As to the date of submission, the date of direct submission at the receiving window of the Japanese Patent Office or the date of mailing or receipt by the post office should be inserted, whichever is applicable.

(3) Status of working.

The space for "Status of working" in the "Explanation of Circumstances Necessitating Accelerated Examination" should be completed as follows:

(a) Working-related act to be specified—

The act should be specified, with details of whether, having been performed within Japan by the applicant or by his licensee, it comes under manufacture, use, assignment, lease, display for the purpose of assignment or lease, or importing into Japan.

(b) Period of working of the design—

The time at which the working-related act started must be stated. If, for example, the working-related act is manufacture, the entry may be as follows:

"Manufacture since .... 19.."

(c) Submission of documents or material indicating the working of the design

Material indicating the working of the design should be submitted, for example catalogs, newspapers, magazines or books (or copies thereof), or articles manufactured (or photos thereof).

(4) Grounds for urgency.

The "Explanation of the grounds for urgency" space should be used to set forth the circumstances that have created the need for urgent registration of the design, notably the fact of a third party having, without the applicant's consent, already worked the design or manifestly scheduled the start of working of the design. This space should also be used (a) to identify the third party, (b) to describe the working-related act of the third party, (c) to specify the time at which the working-related act of the third party began and (d) to identify reliable documents or other material showing the working-related act of the third party.

If the material necessary to justify the urgency falls within the scope of corporate secrecy and its submission may interfere with business dealings, its omission may be allowed on an indication that the applicant is prepared to clarify the relevant matters in a hearing. The proceedings of such a hearing shall not be open.

(5) Prior design search.

When the "Explanation of Circumstances Necessitating Accelerated Examination" is submitted, a description of the prior design investigation is requested so that the objectives of accelerated examination may be achieved. The prior design investigation should preferably be made in the following manner.

(a) Documents to be investigated

(i) The documents to be investigated must include at least the Japanese Official Design Gazette.

(ii) Where the design in the application relates to one of those listed below (under 4), the results of the prior design investigation made by the

Federation of Organized Design Protection in Japan and the cooperating organizations listed after it will also be requested.

(b) Extent of investigation

(i) The extent of the prior design investigation in terms of classification is the subclass of the Japanese Design Classification (third column of the attached first table according to the Regulations under the Design Law) to which the article of the application investigated belongs.

(ii) The extent of the investigation in time is 15 years before the filing date of the application.

(c) Results of investigation

(i) Copies of prior design documents are attached.

(ii) If no prior design document has been found, documents on material that indicates the general state of design forming the background to the design submitted for registration are attached.

(iii) The name of the organization shall be indicated as for the articles listed under 4, below.

(6) Disclosure of the design in the submitter's design applications.

For the purpose of efficient examination of "similar design" criteria under Section 10 of the Design Law, the space for "Disclosure of the design in the submitter's applications" is to be completed in the following manner:

(i) The extent of disclosure should be all those designs relevant to the assessment of compliance with the registration requirements of Similar Design Application (Section 10) that relate to the application to be examined under the Accelerated Examination System. The articles embodying the designs must all belong to the same subclass of the Japanese Design Classification (third column of the attached first table according to the Regulations under the Design Law) as the article of the application investigated belongs. All those designs included in similar design applications filed on or before the date of the application filed by the submitter are to be included.

(ii) Disclosure is effected by the indication of design application numbers.

4. Inquiries

(1) Inquiry Window.

An answer by telephone is given to any inquiry from an applicant (or his/her agent) on matters relating to accelerated examination.

Inquiry Window:
Design Division
First Examination Department
Japanese Patent Office
Telephone: 03-(581)-1101.

List of articles to be subjected to supplementary investigation, and organizations entrusted with prior design investigation:

Articles	*Organizations*
Watches and lighting equipment	Federation of Organized Design Protection in Japan
Projectors, movie cameras, exposure meters, cameras, camera lenses and tape recorders	Japan Machinery Design Center
Chairs (of metal), reels for fishing, kitchen ware (except for ceramic) and cigarette lighters	Japan General Merchandise Promotion Center
Chairs (except for metal), handles for furniture, ornamental metal fittings for furniture, tables, desks, cupboards, sideboards, bookshelves and hinges for furniture	Japan Furniture Design Center
Tiles and kitchen ware (ceramic)	Japan Pottery Design Center

III. Accelerated Appeal Examination System

1. Accelerated Appeal Examination

The procedures for accelerated examination will apply correspondingly to accelerated appeal examination. Those procedures that are markedly different are presented below.

(1) Appeal cases eligible for accelerated appeal examination.

The Japanese Patent Office may use accelerated appeal examination for appeal cases concerning design applications that satisfy all the conditions specified below.

(a) The appeal case is against an examiner's decision to refuse an application for a design that the appellant or one whom the appellant has granted a license in respect of that design (licensee) has already worked[3] and needs to register urgently. The words "needs to register urgently" mean that the design concerned is in urgent need of protection, notably where a third party,[4] without any license, has been working the design or has manifestly almost completed preparations for such working.

(b) No appeal examination has yet commenced before the appropriate collegial body.

(c) The appeal case is against the examiner's decision of refusal.

[3] "Working of design" means any act of manufacture, assignment, lease, display for the purpose of assignment or lease, or importing, of the articles to which the design has been applied, as set forth in Section 2(3) of the Design Law.

[4] "Third party" means any person other than the appellant and those who have obtained licenses from the appellant.

(2) Accelerated appeal examination procedures.

(a) When the "Explanation of Circumstances Necessitating Accelerated Appeal Examination" is submitted to the Patent Office, the appeal examiner-in-chief of the corresponding appeal examiners' group decides whether or not the appeal case is eligible for accelerated appeal examination. The decision is not notified in writing.

(b) If the appeal case is a case considered eligible for accelerated appeal examination by the head of the appeal examiners' group, the collegial body responsible promptly commences the examination and conducts the entire appeal examination process up to the final decision, including the opposition procedure.

(c) As for the entries in the space for the status of working and grounds for urgency in the "Explanation of Circumstances Necessitating Accelerated Appeal Examination," a request for a hearing or for suitable measures may be made if necessary.

(3) Public access to documents.

The "Explanation of Circumstances Necessitating Accelerated Appeal Examination" remains open to public inspection, like other appeal case documents concerning designs.

(4) Announcement in the Official Design Gazette.

The procedure for inclusion in the Official Design Gazette laid down for accelerated examination applies also to accelerated appeal examination.

2. Submission Procedures—Submission of "Explanation of Circumstances Necessitating Accelerated Appeal Examination"

(1) Submitter.

The submitter of the "Explanation of Circumstances Necessitating Accelerated Appeal Examination" may not be other than the appellant in the appeal case concerned.

(2) Submission of documents.

Documents concerning accelerated appeal examination ("Explanation of Circumstances Necessitating Accelerated Appeal Examination") shall be either submitted direct at the receiving window (Clerical Division, Appeal Department, Japanese Patent Office; 3-1 Kasumigaseki 1-chome, Chiyoda-Ku, Tokyo 100, Japan) or mailed to the Director General, Japanese Patent Office (4-3, Kasumigaseki 3-chome, Chiyoda-Ku, Tokyo 100, Japan) with the words "Explanation of Circumstances Necessitating Accelerated Appeal Examination" marked on the envelope. In the case of foreign appellants, the submission of documents is made by agents who have their domicile or residence in Japan.

(3) Period for submission.

The "Explanation of Circumstances Necessitating Accelerated Appeal Examination" may be submitted at any time after the appeal document has been filed.

(4) Fee.

No fee is charged, as in the case of accelerated examination.

(5) Documents to be submitted.

The documents concerning accelerated appeal examination ("Explanation of Circumstances Necessitating Accelerated Appeal Examination") are to be submitted separately for each appeal case requesting accelerated appeal examination. For the preparation of the "Explanation of Circumstances Necessitating Accelerated Appeal Examination," see III.3, below.

The documents submitted are not returned by the Patent Office.

3. Preparation of "Explanation of Circumstances Necessitating Accelerated Appeal Examination"

(1) Form.

Explanation of Circumstances Necessitating Accelerated Appeal Examination

Date:

To: Mr. (Director General of the Japanese Patent Office)

1. Identification of the case:
2. Article to which the design is applied:
3. Submitter (Appellant)
   Domicile (Residence):
   Name: (seal)
4. Agent
   Domicile (Residence):
   Name: (seal)
5. Status of working
   (1) Working-related act (specify)
   (2) Period of working of the design
   (3) Documents or material indicating the working of the design
6. Explanation of the grounds for urgency
7. Rebuttal of the examiner's reasons for refusal
8. List of attached documents or material

The "Explanation of Circumstances Necessitating Accelerated Examination" may be quoted in the space for "Status of working" if there has been no subsequent change in the status of working as given in spaces 5 and 6, above.

(2) Bibliography.

The space for bibliography (1 through 4) in the "Explanation of Circumstances Necessitating Accelerated Appeal Examination" is to be completed as follows:

(a) The appeal case number and design application number shall be entered in "Identification of the case."

(b) The article indicated in the appeal document as being that to which the design is applied is to be entered in "Article to which the design is applied."

(c) Under the headings "Submitter" and "Agent," the telephone number of the submitter or his agent should if possible be entered alongside the respective domicile.

(d) The other instructions are the same as in items 1-3, 6, 7, 10 and 12-14 of the Notes on Form No. 1 of the Regulations under the Patent Law, as applied *mutatis mutandis* pursuant to Section 11(1) of the Regulations under the Design Law.

The date of delivery to the Appeal Examination Department, Japanese Patent Office, in the case of direct submission, or the date of mailing or receipt by the post office in the case of mailing, should be entered as the date of submission.

(3) Status of working.

The "Status of working" space in the "Explanation of Circumstances Necessitating Accelerated Appeal Examination" should be completed as follows:

(a) Working-related act to be specified

It should be specified here, with a description, whether the act performed within Japan by the appellant or his licensee comes under manufacture, use, assignment, lease, display for the purpose of assignment or lease, or import into Japan.

(b) Period of working of the design

The starting date of the working-related act should be given here.

If, for example, the working-related act is manufacture, the description may be as follows:

"Manufacture since ....19.."

(c) Submission of documents or material indicating the working of the design

Documents or material indicating the working of the design should be submitted, for example catalogs, newspapers, magazines or books (or copies thereof), or articles manufactured (or photos thereof) that indicate the working of the design.

(4) Grounds for urgency.

In the space for "Explanation of the grounds for urgency," the circumstances that have created the need for urgent registration of the design should be described, such as the fact of a third party, without consent of the applicant, having already worked the design, or manifestly planned to start the working of the design. In addition, the description should also (a) identify the third party, (b) specify the working-related act of that third party, (c) give the time at which the working-related act of the third party began and (d) name reliable documents or other material showing the working-related act of the third party.

If the material necessary for explaining the above grounds falls within the scope of corporate secrecy and its submission may interfere with business dealings, its omission may be allowed on an indication that the applicant is prepared to clarify the matters concerned in a hearing. The proceedings of such a hearing will not be open.

(5) Rebuttal of the examiner's reasons for refusal.

The space for "Rebuttal of the examiner's reasons for refusal" is to be used for a coherent presentation of arguments against the examiner's reasons for refusal, with references to the allegedly corresponding prior design as described.

4. Inquiries

(1) Inquiry Window.

An answer by telephone is given to any inquiry from an appellant (or his/her agent) on matters relating to accelerated appeal examination.

Inquiry Window:
Clerical Division
Appeal Examination Department
Japanese Patent Office
Telephone: 03-(581)-1101.

Corrigendum to the Calendar of Meetings

WIPO Meetings (page 403)

1988

December 5 to 7 (Geneva) (in place of December 5 to 9)	Madrid Union: Preparatory Committee for the Diplomatic Conference for the Conclusion of Two Protoco Relating to the Madrid Agreement for the International Registration of Marks.
December 9 (Geneva) (in place of December 19)	Information Meeting for Non-Governmental Organizations on Intellectual Property.

Calendar of Meetings

WIPO Meetings

(Not all WIPO meetings are listed. Dates are subject to possible change.)

1988

November 7 to 22 (Geneva)

Committee of Experts on Intellectual Property in Respect of Integrated Circuits (Fourth Session)

The Committee will examine a revised version of the draft Treaty on the Protection of Intellectual Property in Respect of Integrated Circuits and studies on the specific points identified by developing countries.
Invitations: States members of WIPO or the Paris Union and, as observers, other States members of the Berne Union, as well as intergovernmental and non-governmental organizations.

November 14 to 22 (Geneva)

Preparatory Meeting for the Diplomatic Conference for the Conclusion of a Treaty on the Protection of Intellectual Property in Respect of Integrated Circuits

The Preparatory Meeting will decide what substantive documents should be submitted to the Diplomatic Conference—scheduled to be held in Washington, D.C. in May 1989—and which States and organizations should be invited to the Diplomatic Conference. The Preparatory Meeting will establish draft Rules of Procedure of the Diplomatic Conference.
Invitations: States members of WIPO or the Paris Union and, as observers, intergovernmental organizations.

December 5 to 9 (Geneva)

Madrid Union: Preparatory Committee for the Diplomatic Conference for the Conclusion of Two Protocols Relating to the Madrid Agreement for the International Registration of Marks

This Committee will make preparations for the Diplomatic Conference scheduled for 1989 (establishment of the list of States and organizations to be invited, the draft agenda, the draft rules of procedure, etc.).
Invitations: States members of the Madrid Union and Denmark, Greece, Ireland and the United Kingdom.

December 12 to 16 (Geneva)

Committee of Experts on the Harmonization of Certain Provisions in Laws for the Protection of Inventions (Fifth Session; Second Part)

The Committee will continue to examine a draft treaty on the harmonization of certain provisions in laws for the protection of inventions.
Invitations: States members of the Paris Union and, as observers, States members of WIPO not members of the Paris Union and certain organizations.

December 12 to 16 (Geneva)

Executive Coordination Committee of the PCIPI (Permanent Committee on Industrial Property Information) (Third Session)

The Committee will review the progress made in carrying out tasks of the Permanent Program on Industrial Property Information for the 1988-89 biennium. It will consider the recommendations of the PCIPI Working Groups and review their mandates.
Invitations: States and organizations members of the Executive Coordination Committee and, as observers, certain organizations.

December 19 (Geneva)

Information Meeting for Non-Governmental Organizations on Intellectual Property

Participants in this informal meeting will be informed about the recent activities and future plans of WIPO in the fields of industrial property and copyright and their comments on the same will be invited and heard.
Invitations: International non-governmental organizations having observer status with WIPO.

1989

February 20 to March 3 (Geneva)

Committee of Experts on Model Provisions for Legislations in the Field of Copyright (First Session)

The Committee will work out standards in the field of literary and artistic works for the purposes of national legislation on the basis of the Berne Convention for the Protection of Literary and Artistic Works.
Invitations: States members of the Berne Union or WIPO and, as observers, certain organizations.

April 3 to 7 (Geneva)

WIPO Permanent Committee for Development Cooperation Related to Copyright and Neighboring Rights (Eighth Session)

The Committee will review and evaluate the activities undertaken under the WIPO Permanent Program for Development Cooperation Related to Copyright and Neighboring Rights since the Committee's last session (March 1987) and make recommendations on the future orientation of the said Program.
Invitations: States members of the Committee and, as observers, States members of the United Nations not members of the Committee and certain organizations.

May 1 to 5 (Geneva)

WIPO Permanent Committee for Development Cooperation Related to Industrial Property (Thirteenth Session)

The Committee will review and evaluate the activities undertaken under the WIPO Permanent Program for Development Cooperation Related to Industrial Property since the Committee's last session (May 1988) and make recommendations on the future orientation of the said Program.
Invitations: States members of the Committee and, as observers, States members of the United Nations not members of the Committee and certain organizations.

May 8 to 26 (Washington, D.C.)

Diplomatic Conference for the Conclnsion of a Treaty on the Protection of Intellectual Property in Respect of Integrated Circuits

The Diplomatic Conference will negotiate and adopt a Treaty on the protection of layout-designs of integrated circuits. The negotiations will be based on a draft Treaty prepared by the International Bureau. The Treaty is intended to provide for national treatment and to establish certain standards in respect of the protection of layout-designs of integrated circuits.
Invitations: States members of WIPO or the Paris Union and certain organizations.

Other Meetings Concerned with Industrial Property

1988

November 7 to 11 (Buenos Aires)	Inter-American Association of Industrial Property (ASIPI): Congress
November 28 to December 2 (Strasbourg)	Center for the International Study of Industrial Property (CEIPI): The European Patent—Seminar on Practical Aspects of Drafting Claims and Oppositions
December 5 and 6 (Ithaca, New York)	Cornell University, Department of Agricultural Economics: Animal Patent Conference (Consideration of Applicable United States and International Law, Technicalities of Deposit Requirements, Status of Animal Science Research into Potentially Patentable Animal Types, Anticipated Impact of Patents on Livestock Breeding Sector and Production Agriculture, and Perspectives of Farmers and Those Concerned About Ethical Issues Involved)
December 5 to 9 (Munich)	European Patent Organisation (EPO): Administrative Council

1989

January 23 to 27 (Strasbourg)	Center for the International Study of Industrial Property (CEIPI): The European Patent—Seminar on Legal Problems