



**LIETUVOS RESPUBLIKOS VALSTYBINIS PATENTŲ BIURAS  
THE STATE PATENT BUREAU OF THE REPUBLIC OF LITHUANIA**

# “Challenges and Possibilities of Industrial Property Rights in Lithuania”

2011-04-12

Vilnius

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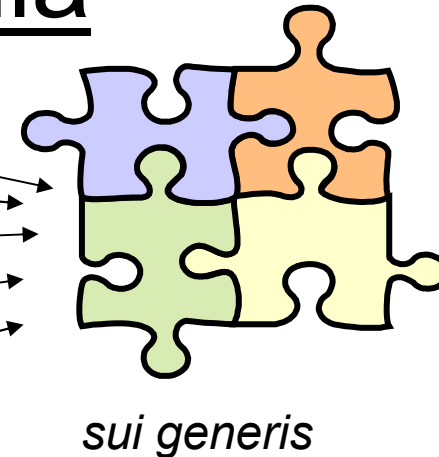
## Content

- Forms of IP protection in Lithuania
- New initiatives
- Expectations and risks
- Impact of new initiatives to the national institutions
- Behaviour of applicants
- Facts and figures
- Conclusions



## Industrial property in Lithuania

- inventions
- design
- Trade marks
- Topographies
- Plant varieties
- Geographical indications – Law on TM
- Unregistered design – OHIM only
- *know how* – unfair competition





## New initiatives in Lithuania - patents

- Law on Patents – new wording
- EU patent
- European and Community Patents Court
- Supplements of the Law on Fees for the Registration of Industrial Property Objects.



## **New initiatives in Lithuania – trade marks**

Amendments to articles 2, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 18, 19, 23, 25, 26, 27, 30, 32, 34, 36, 38, 43, 44 and 47, draft of the eighth paragraph and draft of the amendment to the annex of the law, draft of the supplement with article 23<sup>1</sup> of the Trademark Law:

- To modernise procedures of the trademarks registration (electronic filing, rejection of notorious approval of documents, e-payment, simplification of appeal and opposition procedures)
- To waive registration of licence agreements
- Implementation of provision of the Singapore Treaty (division of the application, publication of international application on SPB web)



## New initiatives in Lithuania - designs

- Amendment to articles 11, 16, 17, 18, 19, 20, 21, 23, 24, 29, 30, 31, 32, 33, 34, 35, 40 and 41 of the Design Law :
  - To modernise procedures of designs registration (electronic filing, rejection of notorious approval of documents, introduction of e-payment, simplification of appeal and opposition procedure)
  - To waive registration of licence agreements in order to enter into force in respect third persons
  - simplification of appeal and opposition procedures (shorten terms, written procedure)



## Expectations/Problems/Risks

The system must be:

1. High quality
2. Cost effective
3. Consecutive
4. Proportional

**Source:** Communication “An Innovation friendly, modern Europe” COM(2006) 589 final



# Expectations

## **Expectations of business:**

1. Cost effective system
2. Simple and fast procedure
3. Clear policy of State support
4. Growing competitiveness

## **Public interest:**

1. Dissemination of information
2. Awareness spread
3. Formation of culture and technical competence
4. Capacity building





## Tools for reaching competitiveness

- ✓ CTM ir RCD – one application, one address, one payment, territory of validity 27 countries (OHIM)
- ✓ EU patent – unitary payment, three languages, unitary procedure, machine translation, to issue at the EPO (COM proposal on language regime of the EU patent and regulation on EU patent)
- ✓ Upon request of 12 EU members (including **LT**) the procedure of enhanced cooperation was launched (doc 18115/10)
- ✓ Unified patent litigation system (Draft agreement on the European and Community Patent Court (7928/09 PI 23 COUR 29) – (negative opinion of ECJ)



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## Risk

### For business:

- 1. Decisions concerning registration might be positive and negative – in latter case registration is deemed null and void in all territory of the EU,
- 2. Abundance of preventive rights
- 3. Loss of competitiveness

### Public and academy:

- 1. Language regime – political and economical factor
- 2. Negative field for creativity
- 3. Loss of competitiveness



## Social and political dimension

- National language is losing its legal status – deviation from EU principles of language equal treatment
- Users of particular country (IP creators and users) is losing information on national language
- The role of national courts - secondary
- The role of national patent offices – supplementary (financing, status, purpose and etc.)



## Positive economic factors

- The costs of granting of patent
- Respect and implementation of single mark principals
- Boosting of Competitiveness
- European behavior



## European patent – article of luxury

- 11 times more expensive than US patent
- 13 times more expensive than Japanese patent
- EP is 9 times more expensive than in Japan and USA

**Source:** Communication from the Commission „Enhancing the patent system in Europe“, COM(2007) 165 final.



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Model	Translation costs	
	Costs per patent (EUR)	Percentage compared to current EP translation costs
European patent (under current system for average EP)	12448	100 %
European patent system under London Agreement for average EP	8800 (filed in DE or FR kalba)	71 %
	8800 (filed in EN kalba)	71 %
Community Patent (under Common political approach of March 2003)	7140	57 %
Community Patent (Commission proposal: translation of claims into the other two EPO languages)	<b>680</b>	<b>5 %</b>



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### Unified patent litigation system – cost benefit

- With introduction of unified system:
    - to avoid 146-311 duplication of infringement cases
    - Savings 10-45 proc – I instance and
    - 11-43 proc. – II instance
  - *In total 148 iki 289 mln. Eur per year*
    - In average:
      - 97.000 – 415.000 € I instance,
      - 83.000- 220.000 € appeal instance
    - The cost of the system **27,5** mln per year, with a capacity of 940 cases
- Source:** prof. Dietmar Harhoff „Economic Cost-Benefit Analysis of a Unified and Integrated European Patent Litigation System”



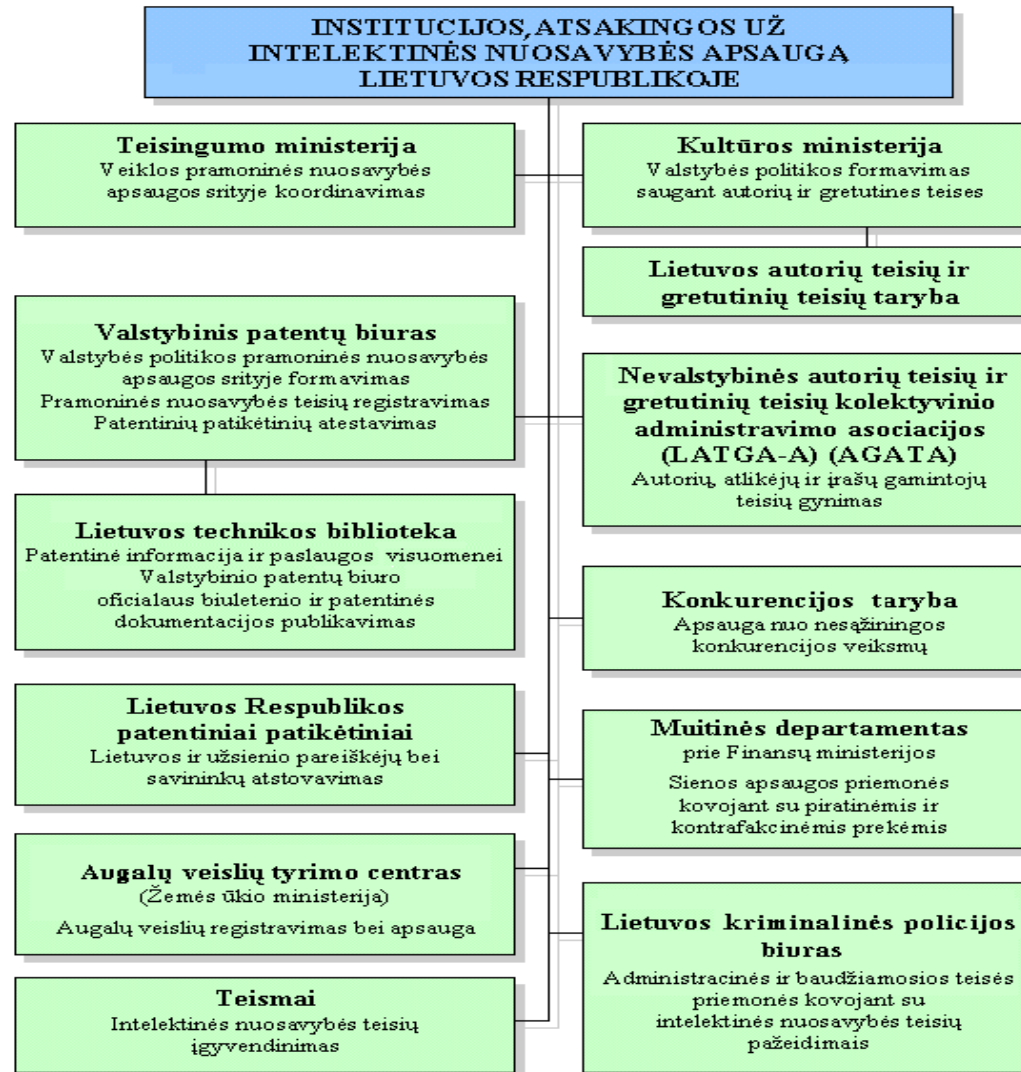
## Impact to the national institutions

- Centrally registered object effects within the national territory (customs, police, courts)
- Minimal influence to the quantity and quality of the object
- Complicated benefit sharing in the national territory – maintenance of rights
- Does not fulfil expectations of national business





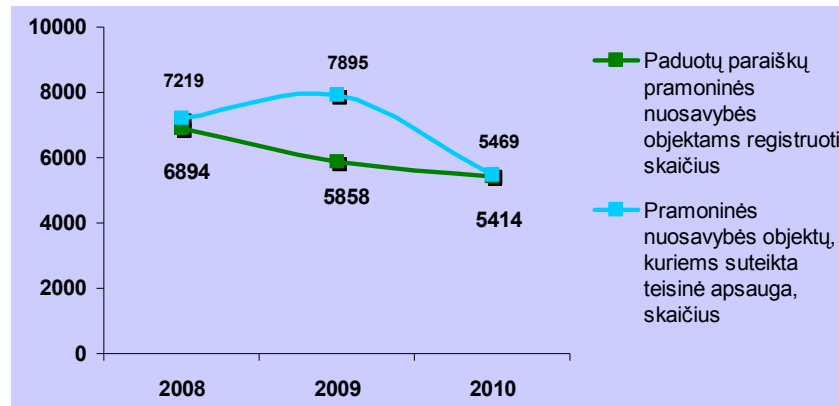
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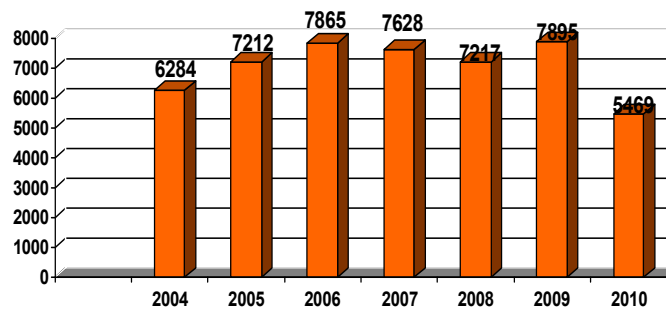


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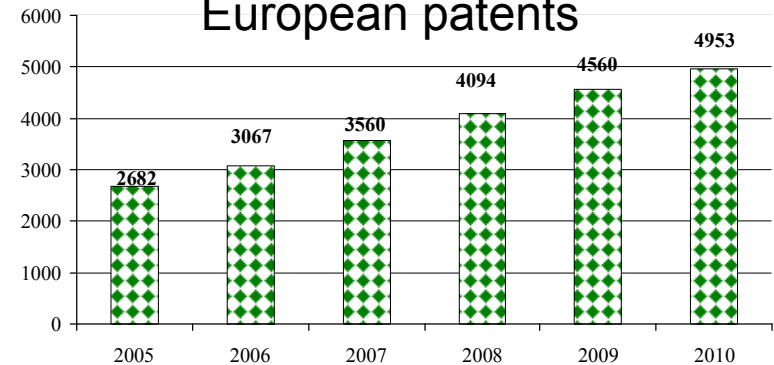
## Impact on applicants behavior (practice)



Madrid protocol  
Registracijų skaičius



European patents

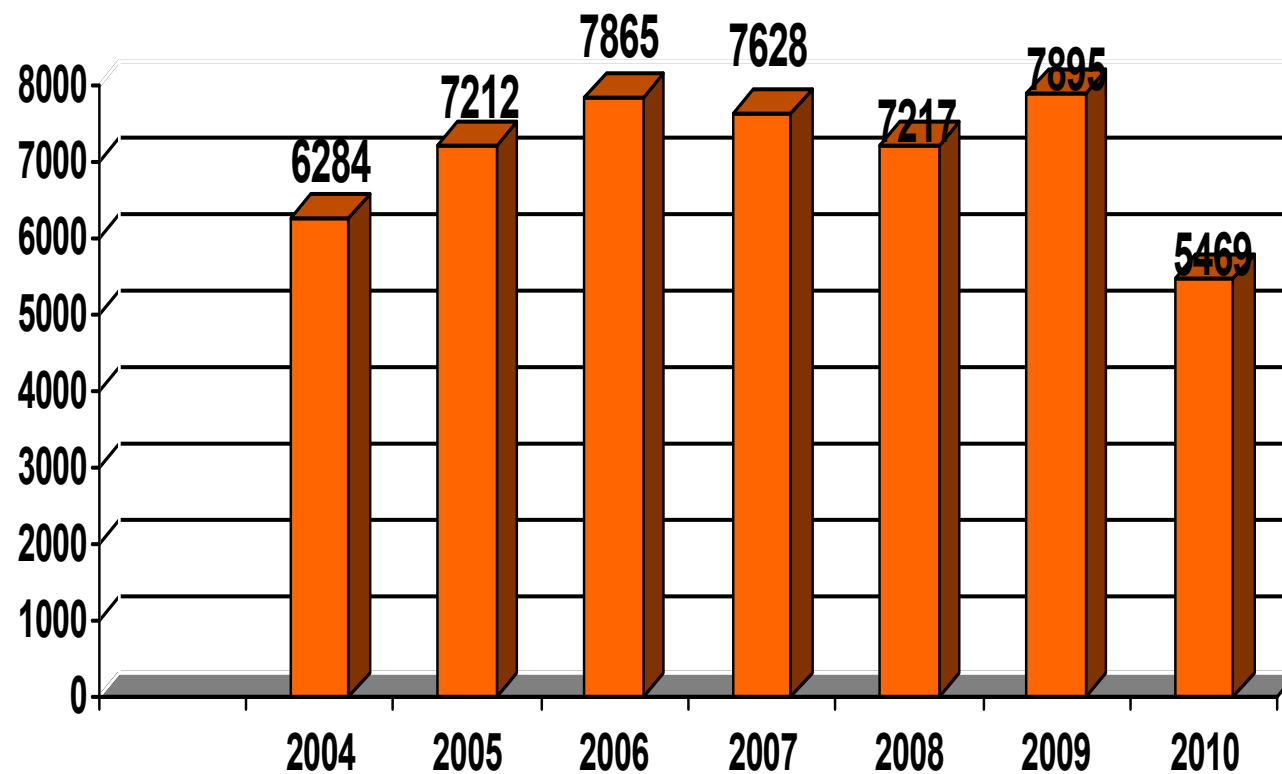




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## Registracijų skaičius





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	Metai		Palyginimas % 2010/2009
	2009	2010	
<b>International patent applications (PCT)</b>	23	9	39
<b>European patent applications (EPC)</b>	13	2	15
<b>International trademark applications under Madrid Protocol</b>	60	65	108
<b>CTM applications</b>	114	94	82
<b>RDC applications</b>	9	15	167
<b>International design applications</b>	1	1	100

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## What is SPB doing?

### Memoranda of Understanding:

- Kaunas University of Technology
- Vilnius Gedimino Technical University
- University of Siauliai
- *Sunrise valley*
- Vilnius Pedagogic University (*expected to sign 04.26*)
- Vilnius University (*expected to sign 04.26*)

**Common goal** – dispersion of information on industrial property, to realize tools of education to the general public on the matters of industrial property, to seek that the established productivity system of scientific institutions gets surplus value from exchange of information, exploit the knowledge of professionals in industrial property information



# LIETUVOS RESPUBLIKOS VALSTYBINIS PATENTŲ BIURAS THE STATE PATENT BUREAU OF THE REPUBLIC OF LITHUANIA

## EU and international projects



WIPO – total budget >230K  
LTL (2011-2012 m.)



EPO – budget – 2,7 mln. LTL



OHIM – budget– 600 K LTL



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# Conclusions

- The system of industrial property had been well established and is functioning more than 20 years
- The main legislative acts have been enacted, Lithuania is a member of all main international treaties agreements and is being integrated to the WIPO, EPO and OHIM environment
- There is enough number of institutions responsible for the protection of IP in Lithuania
- Lack of public knowledge on IP
- Lack of strategic approach for the Government – there is a need for IP strategy approved by the Government
- There is no coordinating institution in respect of enforcement of IP rights.
- Lack of coordinated discussion on IP



**LIETUVOS RESPUBLIKOS VALSTYBINIS PATENTŲ BIURAS  
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**Thank you for  
your attention**



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