

Country Report - Georgia

by Mr. Gocha Janelidze

WIPO-PPO-KIPO EASTERN EUROPEAN REGIONAL FORUM
ON USING INTELLECTUAL PROPERTY (IP) PANORAMA
FOR BUILDING CAPACITY OF SMALL AND MEDIUM-SIZED
ENTERPRISES (SMES) FOR STRATEGIC INTELLECTUAL
PROPERTY MANAGEMENT

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Firstly, let me greet you all cordially and note that it is a great pleasure and honour for me to participate in this forum. I would also like to thank our hosts for the perfect organization of the forum and for distinguished hospitality.

Initially I would like to refer briefly the current climate of small and medium-sized business in Georgia. A developed SME sector is critical for Georgia to ensure future economic growth and stability. SMEs constitute 97% of the country active firms. The survey of 2008 SMEs and sole proprietors revealed the reform efforts of the Georgian government which aimed to strengthen the market mechanism of small and medium sized business development, encompassing in most part reduction of tax levels and licenses for launching business and facilitating the necessary procedures for starting business, issuance of long-term tax credits, have resulted in more hospitable environment of doing business. According to the study, share of the small and medium-sized business in domestic (national) income has increased to about 40%. The whole turnover of the small and medium-sized business has also increased to 35% of that of the total business sector in 2008. The percentage of employees of SMEs is 45% of the whole business sector. Number of registered enterprises has also increased by 28% over the previous year.

However, there are many issues that continue concern entrepreneurs, such as infrastructure development, unequal competition, etc. SME share in GDP remains extremely low - only 10% in Georgia as compared to more than 60% in most EU countries. This is the indicator that further improvement in accordance with best international practice is necessary, aside from the number of steps taken by the Georgian government towards streamlining the regulatory framework for business.

There are some SME Support Projects supported by non-governmental organizations with the objectives to promote the growth of economic activity and private sector development. Available is “Business Consulting Network Georgia” - a wide network of business consulting organizations, which covers branches in diverse cities throughout Georgia, such as:

- Association of Young economists of Georgia (along with Imereti Branch);
- Chamber of Commerce and Industry of the Autonomous Republic of Adjara;
- Telavi and Zugdidi Regional Chambers of Commerce and Industry
- Georgian Rural Development Fund.

The business consulting organization offer consultations on:

- Legal and taxation issues;
- Finance and Accounting Issues;
- Business Planning and Borrowing;
- Business Registration;
- Licenses and Permits;
- Procedures for incorporation;
- Advertising, Communication and Marketing Strategy;
- Hiring and Staffing Issues;
- Design and Structure of Organization;
- ISO standards;
- Investment and Trade Promotion Services and others.

None of the above organizations provides advices on Intellectual Property issues.

It is well recognized by the modern societies that protecting IP rights has become one of the key drivers of business competitiveness. Accordingly, appropriate capacity building in this area is crucial for sustainable development of a country fitting into the developing countries category.

National IP Center of Georgia “Sakpatenti” well recognizes the responsibility to administer the IP system to Georgia and to disseminate IP information to the public and

business communities. Traditional function of an IP office is complemented by additional services - information and promotion services.

Due to the rapid development of Information Technology Sakpatenti delivers products and services through electronic means apart from the traditional ones.

It provides public access to its own paper collections of patents, trademarks and other documents related to the intellectual property area. The later include indices, dictionaries, Official Gazettes or Bulletins, reference books, etc. These paper files, as well as CD-ROMs and other electronic storage media, are maintained in the Office library which is staffed and managed by the core experts skilled in particular languages and assigned to conduct patent searches in different fields of technology.

The patent and trademark bulletins pertaining to the national applications are published monthly to announce the public on the patents or trademarks available for opposition. The library includes the computerized search room as well. Several workstations are available which have access to the office patent and trademark database. Official bulletins are published on the CD-ROM media as well.

Various Guides to patents, trademarks, copyrights etc. are available in the office library and on the Website. Website upgrades and information is regularly enhances in order to meet applicants' wants and needs. Information on applicants and their needs is gathered through Website surveys, including feedbacks and by analyzing database usage statistics.

The English language part of the website provides at least the minimum of the content required for the Industrial Property Offices. The Georgian language part's content of the website is even more extensive. It provides full texts of the international treaties, list of national patent collections and many more. Importantly, some menus offer the links to the pages intended for applicants, wherefrom the fee schedules, list of attorneys, application forms, guide for drafting a patent application along with sample specifications, explanation of examination procedures, etc. can be accessed to. Every menu here contains the item for frequently asked questions and irrefragable answers thereto. The menu related to the geographical indications provides access to the list of appellations of origin registered by SAKPATENTI and detailed information on each of them.

On the home page there are radio buttons providing options for accessing to the databases of national collections of inventions, utility models, industrial designs and trademarks. The databases allow the searches to be performed both in English and Georgian languages.

Sakpatenti distributes free of charge all its official publications: bulletins, the scientific-practical journal, translations of the WIPO books, proceedings of the seminars and conferences held in Georgia, CD-ROM discs containing national patent documentation and that of the CIS countries, legislative and normative literature, etc.

The library of Sakpatenti plays a great role in the dissemination of intellectual property culture. It accumulates all kinds of information relating to the IP sphere. Staff members of the library are engaged in broad educational activity among the visitors (future applicants), offer them various specialized literature, which Sakpatenti purchases abroad, instructions on the use of different databases, recommendations for drawing up applications, samples of patent specifications and other useful information. They practically help the visitors in the retrieval of patent documentation.

The number of users of the library has considerably increased. In most part, users are inventors, representatives of small and medium-sized business, research workers, lawyers, students and retired persons. The list of services offered by the library has extended, e.g. it has become possible to familiarize with the world-famous publications (books, films, CD-ROMs, proceedings of seminars and conferences, related with issues of development of small and medium-sized business.

In 2008 the library replenished the main collections of patent documentation on CD and DVD-ROMs. By December 31, 2008, their total number reached 9874.

The library offers all users access to databases covering a wide range of patent and non-patent documentation and giving an opportunity of carrying out high quality searches. The following databases are available: ESPACENET (database of the European Patent Office), database of ROSPATENT, USPTO database, EAPATIS (database of the Eurasian Patent Organization), ESPACE PRECES, DEPATISNET (database of Germany), DELPHION (database of leading countries), INPADOC, STN (scientific-technical literature) and many more.

In 2008 about more than 300 sophisticated searches were performed. Hundreds of articles were retrieved from leading scientific and technical journals and libraries.

More than 2500 copies of full-texts of national and foreign patents for inventions and utility models were issued to the library users.

Over the last year the resources allotted for subscription of scientific-technical literature was increased twice. The reference patent and legal information is renewed on a regular basis.

Sakpatenti pays great attention to the public outreach activities, issues popular editions on IP matters for the general public, holds joint training seminars. All the events organized by Sakpatenti are covered in the mass media.

Sakpatenti together with the Ministry of Education, the Turkish-Georgian University, participated in the organization of the International Pupils Olympiad. The winners received prizes from the President of Georgia.

The work is under way for the translation of the WIPO publications. In 2008 WIPO comics: *Copyright* (WIPO publication No. 484 (E)), *Patents* (WIPO publication No. 485 (E)), *Trademarks* (WIPO publication No. 483 (E)) were translated and published in the Georgian language. They are specially designed for students, pupils, and the general public.

In 2007 an exhibition hall was opened at Sakpatenti. In 2008 24 exhibitions of specimens of fine arts and decorative-applied art were held. Information about them and all exhibits were published on the Sakpatenti Website.

Several years ago, Sakpatenti started to render free consultations to the applicants on IP protection matters. The consultations aim:

- to foster the use of IP system
- to increase awareness level
- to assist in exploitation of IP information
- to advice public on how best to manage their IP

In result of the consultations rendered to the public it has been revealed that

- only the small part of the population make use of at least one form of protection

- smaller businesses often are not aware of benefits, strategic value of IP
- smaller businesses do not always have resources and capacity to commercialize new products or technologies

As part of its public awareness activities Sakpatenti intends to focus on enhancement of capacity building strategy aiming:

- to improve the innovation performance
- to encourage use of IP system

in order to fill the existing gaps and improve the business profile of the country.

Thank you.