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BUREAUX INTERNATIONAUX
RÉUNIS POUR LA PROTECTION
DE LA PROPRIÉTÉ INTELLECTUELLE
GENÈVE, SUISSE

BIRPI

UNITED INTERNATIONAL
BUREAUX FOR THE PROTECTION
OF INTELLECTUAL PROPERTY
GENEVA, SWITZERLAND

PATENT COOPERATION TREATY FINANCING WORKING GROUP

First Session
Washington, June 15 and 19, 1970

REPORT

prepared by the Secretariat

Introduction

1. The Patent Cooperation Treaty (PCT) Financing Working Group (hereinafter referred to as "the Working Group") held its first session at Washington on June 15 and 19, 1970, pursuant to an invitation addressed to its members by the Director of the United International Bureaux for the Protection of Intellectual Property (BIRPI) on April 6, 1970.

2. The Working Group was set up by the Executive Committee of the Paris Union for the Protection of Industrial Property ("Paris Union") in its fourth session. The members of the Working Group are Germany (Federal Republic), Japan, the Netherlands, the Soviet Union, Sweden, Switzerland, the United Kingdom, and the United States of America.

3. All members were represented. The list of participants is attached to this report (Annex B).

4. Mr. G. Borggård (Sweden) was unanimously elected Chairman on the proposal of the Representative of the United States, supported by the Representatives of Japan and the Soviet Union. Dr. Arpad Bogsch (BIRPI) represented WIPO/BIRPI and acted as Secretary of the Working Group.

5. Discussions were based on WIPO/BIRPI document AB/I/11 of March 4, 1970 (hereinafter referred to as "the document").

6. The Secretary stated, and the Working Group agreed, that its function was of an advisory nature and that any final views or commitments by Governments were reserved for the September 1970 administrative meetings of the World Intellectual Property Organization (WIPO) and the Paris Union.

Program for 1971

7. It was the prevailing view of the Working Group that the Patent Cooperation Treaty would probably not enter into force until 1974 or 1975. Some of the Representatives expressed the opinion that the execution of the tasks outlined in paragraph 3 of the document could be spread over a longer period of time than the two or three years mentioned in paragraph 1 of the document and that the program of 1971 could be rather limited and concentrated on some minor tasks. Others expressed the view that, so long as the extent and complexity of the tasks could not be estimated with more accuracy, it would be preferable to start preparations early and with some speed; once the results of the first year's work were known, it would be easier to decide whether the rhythm of the work beyond 1971 need be accelerated or could be slowed down.

8. The Representative of the United States said that many of the tasks enumerated in paragraph 3 of the document had already been carried out under the contract which the US Department of Commerce had concluded with BIRPI and for which that Department had paid approximately $85,000 to BIRPI. The Representative of the United States also said that the work for 1971 should be less extensive than was proposed in the document, or that perhaps no work at all needed to be started in 1971. He expressly reserved his Government's position on these questions.

9. The Secretary said that the tasks mentioned in subparagraph (b), and in subparagraphs (f) to (j), of paragraph 3 of the document were also the subject of the report which BIRPI had established under the contract referred to above and that was why the document spoke of "revising" or "bringing up to date" but that, by virtue of the terms of the contract, the report was not available to others than the US Government. The task concerning documentation (paragraph 3(c) and the relevant part of paragraph 3(e) of the document), a task which was particularly difficult, and required the most man-

power and time, was taken care of in that report only to a very limited extent. He estimated that approximately 75% of the costs mentioned in the document would relate to the task concerning documentation.

10. Subject to the general reservation of the Representative of the United States, the Chairman summed up the views of the Working Group along the following lines:

(i) the program for 1971 should concentrate on and give high priority to the task outlined in subparagraph (c), and the corresponding portions of subparagraph (e), and should generally deal with the other tasks mentioned in paragraph 3 of the document only to the extent that they were needed for the carrying out of that task,

(ii) the program for 1971 should also take into consideration the possible need for preparatory studies in connection with the tasks referred to in Chapter IV of the Patent Cooperation Treaty, a Chapter which did not appear in the Draft of that Treaty and which was of special interest to developing countries.

11. The Secretary said that WIPO/BIRPI would soon issue a revised version of the document taking into account the views summarized in the preceding paragraph. He said that any saving resulting from the recommended reduction of the work on the tasks referred to in the subparagraphs other than subparagraph (c) would probably be needed for the financing of the activities referred to in item (ii) of the preceding paragraph.

Special Contributions

12. The document proposes, in subparagraph (a) of paragraph 13, that the distribution of the special contributions be proportional to the total of the number of "incoming" and "outgoing" applications and that the results so obtained be subject to three corrections, these corrections being outlined in subparagraphs (b), (c), and (d), of the said paragraph. The Representative of the Netherlands proposed that the proportion be calculated on numbers which would consist of the said totals plus the number of applications received in the national Office of the country, that France be not included among the countries to which the correction under subparagraph (c) would apply, and that the correction under subparagraph (d)--which would affect Japan and the Soviet

Union--be not adopted. He gave the following reasons for these proposals: the number of applications received in any country was a reliable indication of the volume of work in each national Office and, since the Patent Cooperation Treaty would be useful to national Offices in general (and not only in connection with international applications), taking such an indication into account would only be equitable; France, since the adoption of her new patent law, was no longer a "registration country"; applying a special criterion vis-à-vis Japan and the Soviet Union was difficult to justify on a logical basis, although the resulting percentages were not unjust taking into account the general position of those countries in the patent field. The Representative of the Netherlands presented a paper showing the percentages and the amounts of the special contributions which would result for each country if his proposal were adopted. That paper is annexed to the present report (Annex A).

13. The Representative of the United States said that he would prefer a distribution based on the sole criterion of the number of national applications with a possible reduction in favor of countries whose national Offices were prospective International Searching Authorities since the latter would have to incur expenses which other countries would not have to incur.

14. The Representative of Switzerland expressed the view that countries whose national Offices were prospective International Searching Authorities should pay more than their share calculated on the basis of the proposals contained in the document or on the basis of the Netherlands proposal since such countries would derive more benefit from the Patent Cooperation Treaty than the other countries.

15. The Representative of the Soviet Union said that distribution should be made on the same basis as provided for in Article 53 of the Patent Cooperation Treaty or on the sole basis of the totals of incoming and outgoing applications, without any corrections.

16. The Representative of the United States said that his country would continue, at least in 1971, to be unable to make contributions in cash and would have to make any contribution in the form of loaning staff (as in the past) or in some other non-cash form.

17. The Representatives of the other countries members of the Working Group declared either that the Netherlands proposal seemed acceptable to them or that, although they would have preferred the proposal in the document, they could also accept the Netherlands proposal.

18. It was emphasized once again that commitments would be made only at the September 1970 meetings.

19. The Secretary said that the revised version of the document would suggest a distribution system according to the proposal of the Netherlands.

20. This report was unanimously approved by the Working Group on June 19, 1970.

[End of document]

Class under Paris Convention	Country	Applications filed in 1968	Number of outgoing applications	Number of incoming applications	Total number of applications	Percentage (100% = 1.464.740)	Share Expressed in	
							US $	Swiss francs
		1	2	3	4	5		
I	United States	93.471	126.420	26.291	246.182	16.81	33.620	145.238
I	Germany (Fed.Rep.)	65.422	71.445	31.417	168.284	11.49	22.980	99.274
I	United Kingdom	61.995	37.846	35.284	135.125	9.23	18.460	79.747
II	Japan	96.710	19.078	25.596	141.384	9.65	19.300	83.376
I	Soviet Union	110.428	4.314	3.950	118.692	8.10	16.200	69.984
I	France	53.656	27.490	36.095	117.241	8.00	16.000	69.120
II	Canada	29.586	5.035	27.995	62.616	4.27	8.540	36.893
III	Switzerland	19.537	23.801	13.609/2	50.142 *	3.42	6.840	29.549
III	Netherlands	18.897	12.836	16.420	48.153	3.29	7.580	28.425
III	Sweden	18.080	10.217	13.338	41.635	2.84	5.680	24.538
I	Italy	31.756	10.994	24.152/2	54.826 *	3.74	7.480	32.313
III	Australia	16.712	1.803	12.511	31.026	2.12	4.240	18.317
IV	Austria	12.732	3.689	10.246	26.667	1.82	3.640	15.725
III	Belgium	17.534	5.260	16.068/2	30.828 *	2.10	4.200	18.144
III	Mexico	14.927	300	11.944	27.171	1.86	3.720	16.070
IV	Denmark	6.415	2.946	5.588	14.949	1.02	2.040	8.813
IV	Czechoslovakia	8.921	3.549	3.042	15.512	1.06	2.120	9.158
IV	Spain	13.780	1.697	9.388/2	19.571 *	1.34	2.680	11.577
III	Brazil	8.210	131	5.447	13.788	0.94	1.880	8.122
IV	Norway	5.249	1.031	4.262	10.542	0.72	1.440	6.221
III	Argentina	7.099	288	4.716	12.103	0.83	1.660	7.171
IV	South Africa	8.583	764	6.191/2	12.442 *	0.85	1.700	7.344

[Follows page 2 of the Annex]

IV	Finland	3.779	954	2.821	7.554	0.52	1.040	4.493
V	New Zealand	3.953	302	2.916	7.171	0.49	980	4.233
V	Hungary	3.217	1.412	1.662	6.291	0.43	860	3.715
III	Poland	6.516	835	1.931	9.282	0.63	1.260	5.443
V	Israel	2.106	606	1.816	4.528	0.31	620	2.678
IV	Yugoslavia	3.150	226	2.144	5.520	0.38	760	3.283
VI	Luxembourg	2.544	432	2.463/2	4.207 *	0.29	580	2.506
IV	Ireland	1.595	216	1.427	3.236	0.22	440	1.901
IV	Rumania	3.133	439	1.140	4.712	0.32	640	2.765
IV	Portugal	1.399	139	1.304	2.842	0.19	380	1.642
V	Greece	2.531	171	1.208	3.910	0.27	540	2.333
VI	Liechtenstein	* *	1.258	* *	1.258	0.09	180	778
VI	Philippines	1.065	28	1.012	2.105	0.14	280	1.210
V	Bulgaria	2.221	236	786	3.243	0.22	440	1.901
	Total	756.309	378.188	366.180	1.464.740	100.	200.000	864.000

* The figures marked with a single asterisk represent the total adjusted according to paragraph 13(c) and (d). The figures in parentheses, which appear below those marked with a single asterisk, represent the nonadjusted total.

* * No separate figures since incoming applications go to the Swiss Office.

[End of Annex]

Annex B

LIST OF PARTICIPANTS

STATES MEMBERS OF THE WORKING GROUP

Germany (Federal Republic)

Dr. Heribert Mast
Ministerialrat, Ministry of Justice
Bonn

Japan

Mr. Kotaro Otani
Director, Third Examination Division, Patent Office
Tokyo

Mr. Yoshiro Hashimoto
Trial Examiner, Trial Division, Patent Office
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Mr. Noriaki Ohwada
Official, International Treaty Division
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Ministry of Foreign Affairs
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Netherlands

Mr. W.M.J.C. Phaf
Head, Legislation and Legal Affairs Department,
Ministry of Economic Affairs
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Soviet Union

Mr. Yevgeniy Artemiev
First Deputy Chairman, Committee on Inventions and Discoveries, USSR Council of Ministers
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Mr. Yuriy Gyrdymov
Section Chief
All-Union Research Institute of State Patent Examination
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Mr. G. Borggård
Director General, National Patent and Registration Office
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Dr. Walter Stamm
Director, Federal Intellectual Property Office
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United Kingdom

Mr. Edward Armitage
Comptroller-General of Patents, Designs and Trademarks, Comptroller of the Industrial Patent & Copyright Department, Board of Trade
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WORLD INTELLECTUAL PROPERTY ORGANIZATION (WIPO); UNITED INTERNATIONAL BUREAUX FOR THE PROTECTION OF INTELLECTUAL PROPERTY (BIRPI)

Dr. Arpad Bogsch
First Deputy Director, BIRPI
Geneva

OFFICERS OF THE SESSION

Chairman: Mr. G. Borggård (Sweden)

Secretary: Dr. Arpad Bogsch (BIRPI)

[End of Annex B]