The Lisbon Executive Committee Meeting, which took place from June 16 to 22, 2002, was a great success. Around 350 participants (more than ever before) and 150 accompanying persons from all over the world enjoyed Lisbon and the beautiful country of Portugal. Thanks to the hospitality of the Portuguese National Group of AIPPI under the leadership of their President, Dr. Jorge Cruz, the Delegates were looked after in a most hearty and professional way. The attractive scientific programme proposed by the Programme Committee and executed by the Reporters General Team and the Chairmen and Members of the Working and Special Committees made the event a most memorable and productive one. The success would not have been possible without the support of the Presidents and the Delegates of the National and Regional Groups of AIPPI. On behalf of the Bureau of AIPPI I wish to express our most sincere thanks to all involved in the organisation as well as to all participants of this Executive Committee Meeting.

In this Newsletter you will find executive summary reports on the activities during the EXCO. All those who are interested in more detailed information and on the full text of the Resolutions will find those information on our Website (www.aippi.org). May I take this opportunity to inform you that on our Website under Questions/Committees you will find all AIPPI Resolutions from Q1 to the present Q169. We hope in this way to assist AIPPI Members.

The Bureau of AIPPI is very happy to see that the Association has become more active and attractive on an International as well as on a National level. The Bureau is determined to further activate and stimulate National and Regional Groups in order to make AIPPI even more successful. It is therefore a great satisfaction to note the agreement reached in the Council of Presidents Meeting, where the Presidents of the National and Regional Groups unanimously confirmed their willingness to enhance the effectiveness of AIPPI at a Groups level (full text see: www.aippi.org > News).

In this Newsletter you will furthermore find a report on the scientific programme for our next Executive Committee Meeting, which will take place in Seoul, Korea, from October 11 to 16, 2003. This Meeting will be the first under the new Meetings scheme and will be preceded by an AIPPI Forum, where we expect a high attendance from our Asian colleagues besides our colleagues from around the world. Finally, Reports of Special Committees and of Representatives at GO Meetings will keep you informed on new developments in the IP world.

I wish you some interesting moments with our sixth Newsletter edition.

Vincenzo M. Pedrazzini
Secretary General
Q167 Current Standards for prior art disclosure in assessing novelty and inventive step requirements focused on whether there is a need for further harmonization in the various standards applied to assess novelty and inventive step. This is of particular relevance in the age of electronic communication and web-based disclosure. While the question had addressed all the relevant IP rights, National Groups’ answers suggested that only patents raised significant issues. AIPPI noted that since its origins patent law has adapted to new means of prior art disclosure and that this has been possible without substantially modifying the standards of that disclosure. AIPPI thus resolved that the current standard for prior art should remain — a global test of whether the invention has been made available to the public before the priority or filing date (as appropriate). Any form of publication should be effective, and the existing principles should apply to new media. Disclosures through “telecommunications means” should therefore be part of the prior art, and information should be deemed made available where there is a reasonable possibility that the public can access it. Relevant Authorities were urged to investigate new means of providing evidence.

Q168 Use of a mark “as a mark” as a legal requirement in respect of acquisition, maintenance and infringement of rights considered the development of use of marks, in particular on the internet, as well as by supporters and fan clubs and in parodies. The Working Committee was fortunate to be able to consider both the WIPO Joint Recommendation on the Protection of Marks on the Internet, adopted in September/October 2001 and the decision of the ECJ’s Advocate General in Arsenal v Reed. The WIPO Joint Recommendation sets out a test of “commercial effect” to determine where a mark is being used. The Arsenal case considered a reference from the UK courts on whether a mark shown on a football scarf was a “badge of allegiance” or a trade mark. AIPPI resolved to support the Joint Recommendation and that uses on the internet, by fan clubs and supporters and in parodies should be subject to the same tests as traditional trade mark usage. There should be no specific exemptions simply because marks are used in some new or non-orthodox manner. Executive Committee noted with pleasure that the Advocate General’s opinion referred to the Italian Group’s Report on this question, showing the relevance of AIPPI’s studies in this area.

Q169 Criminal Law sanctions with regard to the infringement of intellectual property rights studied the implementation of Article 61 of TRIPs which provides for compulsory penal sanctions for trade mark counterfeiting and copyright piracy on a commercial scale and for optional sanctions for other commercial infringements of intellectual property rights. AIPPI resolved that criminal procedures and penalties should at least be available in all cases of commercial-scale trade mark counterfeiting, copyright piracy and patent, SPC etc infringement. Criminal liability should depend on the acts being willful and being committed with knowledge or recklessness as to the rights concerned. AIPPI noted that the technical complexity of patent and some design cases was relevant and that there should be a defence of invalidity. The Resolution calls for countries to make a range of penalties available; to allow private prosecutions to be terminated; and for materials submitted in criminal cases to be available for subsequent criminal proceedings.

The debates in Lisbon show that the new working methods can work well and suggest we should have a stimulating time in Seoul next year. The Resolutions are available on our website (www.aippi.org > News > Resolutions).
In Lisbon, the Executive Committee received very interesting Reports from the SCs (for full text see our Website www.aippi.org) and I invite all AIPPI Members to read them as you will benefit from very important and useful information about what is going on internationally. In the following article I will try to summarise the most important issues.

Q109 reported on the most relevant questions in the context of the PCT under discussion in WIPO, like the concept and operation of the designation system according to which it will not be necessary to designate individual countries, since the application will include all contracting States. It also referred to the improved co-ordination of international search and international preliminary examination and the time limit to enter into the national phase.

Q114 reported on the results of the Questionnaire sent to the Groups on the ratification of the 1991 Act of UPOV forming a total of 19 out of 50 who are UPOV members. A report on the countries that have implemented the European Biotech Directive was also included.

Q132 reported on the results of the Questionnaire distributed to the Groups concerning the concept of the word “technical” as a condition for a patentable invention.

Q162 reported on the developments of the European Commission in connection to the proposal for a Community Patent while Q165 referred to the Third Proposal for a Protocol to the EPC with regard to litigation concerning European Patents. A proposal of Resolution was presented and withdrawn in the light of the difficulties in reaching a consensus.

Q170 wrote a Report on the discussions at WIPO in connection to the SPLIT and it was announced that a new Questionnaire relating to the grace period would be distributed among the Groups.

The Report on Q85 included a Draft Resolution in order to ratify an Opinion, previously prepared by the Committee on the reform of the Community Trade Mark Regulation, that the European Commission intends to prepare. The Opinion and the Resolution were approved by the Executive Committee.

Q94 presented a summary of the developments in the field of TRIPS, in particular, in relation to the issues originating from the Doha declaration on public health and patents and the protection of geographical indications.

Q153 reported that the Hague Conference on private international law would probably hold a Diplomatic Conference before the end of 2003 that would concentrate on the so-called core area issues, not including provisions on IP matters, as proposed by AIPPI.

Q160 continues to monitor the developments in the context of ICANN and reported, in particular, on the proposals for the reform of ICANN’s structure and on the new generic TLDs.

Q163 reported on the results of the survey conducted among the Groups on the treatment of attorney/client privilege for patent and trade mark attorneys.

Q166 monitors, for the time being, the work of WIPO on the issue of IP and genetic resources, traditional knowledge and folklore. The Report informed about WIPO Meetings, discussions and important decisions in these subjects.

As the person responsible in AIPPI for directing the studies and discussions, I would like to thank and congratulate the Officers and Members of all the SCs for the time and effort they devote to AIPPI and to encourage them to continue their very important work.
The regular working programme of AIPPI’s Executive Committee Meeting in Lisbon was supplemented by two Extraordinary Sessions under the titles “The Role of IP Rights in the Global Economy” and “The Tension between Competition Law and Intellectual Property Law.”

The Role of IP Rights in the Global Economy

The first session featured speakers from three different perspectives. Chaired by Prof. Dr. Joseph Straus, Director of the Max-Planck Institute for Foreign and International Patent, Copyright, and Competition Law (Munich/Germany), the audience received views from Mr. Brian Yorke, Head of Corporate Intellectual Property of Novartis (Basel/Switzerland), Ms. Bénédicte Callan from OECD (Paris/France) and from Mrs. Esmé Du Plessis, partner of Adams & Adams (Pretoria/South Africa).

The trigger for this session were the recent developments in 2001 and 2002. Namely the Ministerial Declaration of the WTO (“Doha Declaration”) and the discussions in the US (anthrax) and South Africa (HIV pharmaceuticals) led to this topic.

Mr. Yorke gave a view from the perspective of the pharmaceutical industry and also talked about the background of investments in R&D and the pricing policy. The pharmaceutical industry acknowledges the situation in developing countries. These problems, which mainly come from the lack of infrastructure, lack of distribution and tariffs, cannot be blamed on patents. Whereas 98% of the pharmaceuticals contained in the WHO list of Essential Drugs are patent-free, compulsory licenses which are currently in the focus of the discussions will most probably damage IP in general and cause more problems rather than solve them.

Ms. Callan explained the position of OECD which is not directly involved in implementing the Doha Declaration. OECD looks into how countries can help other countries develop the best practices for industrial development. Regarding the impact of IP on economical growth, Ms. Callan referred to a report given by the World Bank (author: Keith Maskus). There is no official position of OECD as to the relationship between IP and public health. OECD supports the Doha Declaration and is taking a more analytical approach trying to distance itself from normative discussions and to identify tools for implementing regimes for the access to pharmaceuticals needed in the countries.

Mrs. Du Plessis took a view from South Africa as a developing country. In the developing countries a lot of sceptical opinions about IP protection can be found stating that IP systems cause high prices for patented products, prevent access to state of the art technology, provide no protection to indigenous knowledge and pose a threat to biodiversity and genetic resources. However, South Africa has seen a shift towards a more objective view. Various Southern African regional initiatives are working on the promotion of development, transfer and mastery of technology. Although modern IP laws exist in many countries, there are still major problems in administrating those laws and in enforcing IP rights. Continuous training is necessary to secure and to endorse the value of IP also for developing countries. This is where AIPPI can play an important role with the help of existing National/Regional Groups and in particular by setting up new Groups wherever possible.

The Tension between Competition Law and Intellectual Property Law

The second Extraordinary Session was...
Mr. Kondo gave an overview of the practice in Japan concerning the enforcement of the Japanese Antimonopoly Law against the use of an IP right in competition. Mr. Kondo described the various categories of activities which are prohibited by the Antimonopoly Law and the actions which can be taken by the Japanese Federal Trade Commission (FTC) in enforcing the Antimonopoly Law. Some precedent cases include decisions about patent pools, the prohibitive filing of trademarks and the bundling of software. An interesting source of information is the website of the FTC which offers among others guidelines for terms and conditions of license agreements (www.jftc.go.jp).

Mr. Cesarini provided an insight of the view of the European Commission. Competition law as well as IP law should have the same goal, i.e. to serve the consumer welfare. The European Court of Justice (ECJ) has established criteria to solve the tension between competition law and IP law. Licenses as one form of the exercise of IPR as well as the refusal of a license may be considered as a conduct which is not admissible under competition law rules. Another issue is the standardization of products or processes. Here the question of compulsory licenses plays a significant role. The Commission will issue an evaluation report on the Regulation 240/96 which deals with the exemption of certain technology transfer agreements from competition law. Various problems are not covered by the Regulation. Its scope does not include copyright agreements or multilateral agreements and it does not provide adequate solutions for patent pools or similar forms of technology transfer. The Regulation may have to be amended for its next term (after 2006).

Mr. Myrick spoke about the issue when the exercise of IP rights can result in the imposition of antitrust liability in the US. After an introduction into the basics of US antitrust law and the general principles of antitrust treatment of the exercise of an IP right, Mr. Myrick referred to some examples of the US jurisdiction of the Supreme Court and of lower US courts. The speaker then gave an overview of the guidance provided by US antitrust enforcers. From the industry perspective, legal certainty also in this field of law is of utmost importance for companies with regard to their business decisions concerning investments in innovating and in obtaining patent protection.
Mr. Thomas first reported that WIPO had received a great number of comments from interested governments, organisations and users and that these comments were taken into account in the preparation of a Memorandum to be submitted to the Assemblies of the Member States of WIPO in September 2002. This Memorandum which seeks to identify issues confronting the international patent system and to provide guidance to the direction of future work efforts has in the meantime been made publicly available via the WIPO website (see www.wipo.int/news/en/index.html).

Mr. Thomas then set out a list of shortcomings of the present system. The international patent system is a patchwork of different systems resulting in duplication of work; the cost of obtaining and enforcing patents is high; the explosion in patent filings has lead to ever increasing workloads of Patent Offices; the processing system is time consuming; and the PCT system covers 116 contracting states, but has only resulted in a partial harmonisation. He also highlighted the driving forces and imperatives which had to be taken into account when discussing potential developments of the patent system: the greater internationalisation of human activity and the possibilities offered by modern information technology; the work-load crisis for Patent Offices; and the fact that developing countries want more tangible benefits.

Mr. Thomas pointed out that many of the submissions had addressed public policy issues, e.g. the controversy that patents may be hindering governments’ attempts to deal with urgent health policy issues (such as HIV/AIDS), or concerns about the granting of patent protection to biotechnological inventions. He questioned whether WIPO was the right forum to address such public policy issues. Another key issue which many of the submissions addressed is that of duplication of work. Industry would favour a “world-patent”. Reducing duplication of work however does not require that a “world patent” be created, so Mr. Thomas said. To enable national and regional patent authorities to make sensible use of the work done by other offices or mechanisms of mutual recognition of such work may be sufficient means to reduce duplication of work. A third issue which was revisited by many of the submissions is that of reliability and predictability of the patent system both for patentees and third parties. Mr. Thomas mentioned in this context that a number of countries in the developing world lacked sufficient suitably qualified practitioners and judges.

Mr. Thomas then addressed possible options to overcome present shortcomings. Many submissions emphasised the necessity to make greater use of regional systems and the importance of substantive harmonisation. But how “deep” does it have to be? He mentioned more radical approaches. For instance, should the system of full search and examination be abandoned? Mr. Thomas also commented on the design strategy. He did not think that an all-embracing (holistic) new approach would be necessary, let alone attainable, but he emphasised that a vision was required. Mr. Thomas stressed the great success of the PCT and suggested that developments of the patent system build on it.

Emphasis was also put on the fact that the WIPO Patent Agenda should complement other ongoing initiatives such as the draft SPLT and the PCT reform. At the end of his very interesting and stimulating speech Mr Thomas highlighted some of the controversial issues which are currently discussed within the framework of these ongoing WIPO projects.
Besides the scientific work performed during the recent EXCO Meeting there were some administrative matters to be dealt with. The highlights were the appointment of a new Vice President of AIPPI, the appointment of three Members of Honour and one Award holder, the change of the Regulations in relation to the Meetings and the agreement of the Council of Presidents to enhance the effectiveness of the National and Regional Groups.

New Vice President of AIPPI

The Swedish Group of AIPPI, organiser of the Congress 2006, has proposed to appoint Örjan Grundén as Vice President of AIPPI. Örjan has served the Association in many functions, i.e. as Member of the Finance Advisory Committee, as Member of Q120 (Policy and Structure of Administration) and as long term President of the Swedish Group of AIPPI. He was appointed unanimously and the Bureau looks forward to welcoming him in the Team.

Members of Honour and Award holder

François Curchod, Switzerland, was honoured for the eminent role he has played as Deputy Director General of WIPO and for the decades of friendship he has shown to AIPPI. Also honoured were Hans Peter Kunz-Hallstein, Germany, and Richard Abnett, United Kingdom, who have served the Association in an extraordinary way as Presidents of their respective National Groups and their activities as Chairmen and Members of several Working, Special and Bureau Advisory Committees. We furthermore had the pleasure to honour Tom Smegal, USA, with the AIPPI Award of Merit for his extraordinary support he has given to the Association in more than 30 years in various functions, ending with President of the US National Group of AIPPI.

Change of Regulations

The need to improve the Meetings of AIPPI has been debated at length since the Council of Presidents Meeting in Oslo in 1999. Several improvements have been introduced since said Meeting. In order to meet the needs of the Members and to involve the Bureau of AIPPI more actively in the organisation and the responsibility of the Meetings, the Executive Committee adopted new Regulations in relation to AIPPI Meetings. The changes were proposed by Q141 (Meetings Advisory Committee) and the Bureau in order to make sure that Meetings become more efficient and more affordable, costwise and timewise. The adopted, new Regulations now clearly define the respective responsibilities and foresee the inclusion of a Central Professional Congress Organiser, guaranteeing that the corporate knowledge is preserved. You can read the new Rules 1 to 7 on our Website (www.aippi.org > Aims & Purposes > Statutes and Regulations of AIPPI).

Agreement adopted by the Council of Presidents

The Council of Presidents recognised in its Meeting, that the National and Regional Groups (NRGs) play a fundamental role in the functioning of the Association and that it is therefore of utmost importance, that they play a more active role than in the past. Specifically the increase of Membership is entirely in the hands of the Groups. After an intense exchange of views, the Council of Presidents unanimously decided to adopt the following agreement.

1. to promote AIPPI’s credibility as a representative international organization through full and active NRG participation in AIPPI’s activities and scientific work;
2. to serve and promote the interests of the NRG’s and their constituent members by fostering a diverse and active membership with access to writing, speaking, and leadership opportunities;
3. to promote the excellence of AIPPI’s scientific work by encouraging the participation of individual NRG members and communicating effectively and promptly, as needed within AIPPI; and
4. to make AIPPI known and communicate its positions at relevant local and regional levels.

For more information on the Executive Committee Meeting please visit our Website at www.aippi.org or order the Minutes of the Session at mail@aippi.org.
It is the strength and a dominant characteristic of AIPPI to devote a great deal of the time at its Congresses and EXCO meetings to discussions of the most current and most topical issues of developments in all areas of intellectual property law at the law making as well as at the law applying level. Choosing the right topics, neither too general, nor too specific, at the right time, not too short-lived, therefore may, eventually, decide on success or failure of the event and also, whether or not AIPPI will be able to express itself on time and have impact on developments of interest to its Members, as well as to the entire IP Community. In order to share this responsibility with as many as possible, the Programme Committee has always been seeking broad input from Presidents of National and Regional Groups as well as from individual Members. Whereas the reactions at the beginning of our endeavour were rather contained, the situation has improved in the meantime significantly.

Based on the input received from National and Regional Groups and its own deliberations in Lisbon the Programme Committee proposed and got unanimously approved by the EXCO the following three questions for Seoul: Issues of co-existence of trademarks and domain names: Public versus private international systems (Q173); Jurisdiction and applicable law in the case of cross-border infringement (infringing acts) of intellectual property rights (Q174); and The Role of Equivalents and Prosecution History in Defining the Scope of Patent Protection (Q175).

Members of AIPPI for more than one hundred years have been familiar with international registration of marks. First and for long based on the Madrid Agreement Concerning the International Registration of Marks of 1891, with the International Bureau acting as international registration authority, and since much more recently, also on the so-called Madrid Protocol of 1989. Although this system has functioned very efficiently and has been over all successful, for reasons such as the “central attack” and accessibility also for pure registration systems, it has not been accepted by many important countries, such as for instance the United States of America. Efforts to persuade the USA and some other countries to join the Madrid Protocol are still on the way. In view of this long lasting developments it must have come as surprise that The Internet Corporation for Assigned Names and Numbers (ICANN), a US-based non-profit private-sector corporation created in 1989 assumed responsibility for the IP address space location, protocol parameter assignment, domain name system management and root server system management functions. ICANN was to serve as an alternative to the traditional model of a multilateral governmental treaty organisation, assuming that a private-sector body would be more efficient and more able to react quickly to a rapidly changing environment as the Internet. It operates under the framework of a Memorandum of Understanding (MoU) with the US Department of Commerce and is the first experiment with having a private organisation managing a complex resource with international implications. Despite some remarkable achievements, such as introduction of competition to domain name registration, implementation of an administrative dispute resolution process for conflicts between trademark owners and domain name registrants, or the creation of several new top-level-domains, ICANN has been subject to severe criticism. In particular, it has been criticised that it lacks clarity about the extent and limits of its responsibilities, as well as transparency and accountability of its decision-making process. Moreover, ICANN seemingly failed to implement structures to
represent interests of Internet stake holders, especially of end users. ICANN President recently initiated a reform process to meet these challenges. Although AIPPI in the past has already informed its Members on ICANN activities, it is time for a comparison of these two, so different systems of international registration and, based on practical experience, elaborate ideas on how to harmonise the respective rules or even merge the two systems under one international umbrella. Q173 will offer an adequate opportunity.

New communication means were also “responsible” for the second question: take a case in which a garage in Germany is diagnosing and repairing a failure of a car’s electronic equipment by being connected to a center, e.g. in Japan. The methods and devices involved are patented in both countries. The center in Japan has a license, which is territorially limited to Japan, the German garage has no licence. Where has the patent been used? In Germany and/or in Japan? Has the Japanese licence covered the respective use? Will Japanese or/and German courts have jurisdiction? Will they apply German or Japanese law? Finally, would the situation be different, if the center be located in Sweden, i.e. a EU Member State, because of the EU wide exhaustion of patent rights? Whereas in the area of trademark and competition law questions of applicable law and jurisdiction in connection with acts committed in cyberspace have already been decided by a number of courts, empirical data in the patent area seem to be rather scarce. Since a considerable increase of cross-border infringement acts can be predicted, evaluations and discussions in the AIPPI within Q174 should contribute to a better understanding of the problem and also indicate balanced and adequate solutions. A challenge for lawyers as well as patent attorneys!

If there is an evergreen area in patent law, it is for sure the never ending effort of courts to find a proper yardstick to determine the scope of protection so as to be commensurate to the contribution of the patented invention to the state of the art. It should, on the one hand, provide adequate protection, but at the same time, on the other hand, take into account the principle of legal certainty, i.e. also the legitimate interests of competitors, who obviously should be able to distinguish between patented, i.e. protected and the free state of the art. How difficult it is to meet with these expectations has best been demonstrated by the US Supreme Court decision in the Festo case of May 28, 2002. The Court of Appeals for the Federal Circuit (CAFC), in its second, en banc attempt held that prosecution estoppel barred the patentee (Festo) from asserting that the accused device infringed its patents under the doctrine of equivalents, because the estoppel arises from any amendment that narrows a claim to comply with the Patent Act, not only from amendments made to void prior art. Moreover, it held that when estoppel applies, it stands as a complete bar against any claim of equivalence for the element that was amended. The Supreme Court granted certiorari, vacated the CAFC judgement and remanded the case. It, first, reaffirmed that equivalents remain a firmly entrenched part of the settled rights protected by a patent (Warner-Jenkinson); but clarified that estoppel not necessarily mandates a complete bar. Whether or not such bar applies, eventually, depends on whether the patentee can demonstrate that the narrowing amendments did not surrender the particular equivalent at issue. Nearly at the same time the German Federal Supreme Court in Kunststoffrohrteil case of March 12, 2002 decided that prosecution history, in principle, has no impact on the scope of protection. However, the Court at the same time imposed more stringent and in the end narrowing rules for applying the doctrine of equivalents when determining the scope of protection. It put much more emphasis than in the past on the question, whether the person skilled in the art would have been able to recognise a particular embodiment as equivalent, not generally in view of the content of description and the state of the art, but specifically having regard to the technical understanding of scope limiting features in a claim itself (e.g. numerical range). The court also explicitly emphasised that its present understanding of the claim interpretation is in line with the case law in the United Kingdom (the Catnic questions). Thus, deliberations in Q175 will, on the one hand provide valuable information on the quite heterogeneous case law related to the interpretation of the scope of protection in a considerable number of jurisdictions and offer the basis for most interesting discussions. It is to be hoped that the resolution finally adopted, will help efforts of the international patent community to find a harmonised solution for this key issue of patent law. 

November 2002
Report on recent developments in the field of TRIPS/WTO

Martin J. Lutz
President of Honour and Chairman Q94

Public Health

After passing the Doha Declaration on TRIPS and Public Health, recognising the conflict between public health and the protection of intellectual property, TRIPS Council’s task was to find a solution reconciling these two goals. In the regular meeting of the Council in March 5–7, 2002, accompanied by a special session dealing with negotiations on a multilateral system for geographical indications for wines and spirits, Council discussed possible solutions. The solutions should relieve the restrictions countries may face in making use of compulsory licensing, particularly if their own pharmaceutical production capacities are low or nonexistent. Members may grant compulsory licenses and they also define under what conditions they are issued.

Members determine themselves what they consider as a national emergency or other circumstances of extreme urgency. In addition, members are not bound to handle the issue of the exhaustion of Intellectual Property Rights (IPR) in a specific manner. The TRIPS Agreement does not prescribe the manner in which this problem ought to be handled on a national level. In accordance with the flexibility in the TRIPS Agreement, stressed in the July 2001 WTO Meeting and reaffirmed in the Doha Declaration on the TRIPS Agreement and Public Health (http://www.wto.org/english/thewto_e/minist_e/min01_e/mindecl_trips_e.htm):

• It approved another extension for pharmaceutical patents for least-developed countries, extending until 2016 the transition period during which these countries do not have to provide patent protection for pharmaceuticals.

• It also approved a waiver for such countries on exclusive marketing rights for any new drug in the period when they do not provide patent protection.

The waiver was to be submitted to the WTO General Council for approval on 8 July 2002. This meeting was adjourned on 8 July, and resumed on 31 July 2002. We are still waiting for further information about the relevant meetings.

Another result of the Doha Convention is a joint study of the relationship between trade rules and public health, published by the World Health Organisation and the World Trade Organisation Secretariat on 20 August 2002 (http://www.wto.org/english/news_e/news02_e/pr310_e.htm). It should give an insight into key issues for those who develop, communicate or debate policy issues related to trade and health, for example in

The Council meetings were followed by another regular meeting in June 25–27, 2002, and a special session in June 28, 2002. These meetings were meant to be a platform to discuss the above mentioned proposals submitted with regard to the issues planned in the March meeting. The special session again dealt with geographical indications for wines and spirits.
the field of intellectual property. The study emphasises that countries, if this is necessary to protect the health of humans, animals or plants, should have the right to take measures to restrict imports or exports of products.

Geographical Indications
A further controversial area is the protection of geographical indications. At present the protection level granted to geographical extensions for wines and spirits is higher compared to all other products. In the opinion of some countries, among them Switzerland, this situation results in an insufficient protection of geographical indications for products other than wines and spirits (e.g. food products, handicraft). These countries consider a uniform protection level for all geographical indications as preferable and necessary to conform to the goals of TRIPS and to general WTO principles. Other countries, including Australia, Canada and the United States wish to maintain the status quo. According to their point of view, disadvantages of an altered system would outweigh potential benefits. Member States submitted various communications outlining their point of view.

The discussion on the relevant provisions, TRIPS Art. 22 and 23, continued at the Ministerial Conference in Doha, Qatar. Article 22 TRIPS covers all products and says that WTO members must provide legal means to protect geographical indications in order to prevent misleading the public and unfair competition. For wines and spirits Article 23 states a higher level of protection. The TRIPS Agreement also states that its members are obliged to negotiate about an increase of the protection of geographical indications under article 23 (Art. 24.1 TRIPS). Further, WTO members have to establish a multilateral system enabling better protection of geographical indications of wines and spirits (Art. 23.4 TRIPS). The TRIPS Agreement does neither state when these negotiations shall take place nor does it set a deadline for the conclusion of such negotiations.

In this respect the main Ministerial Declaration issued at Doha in November 9–14, 2001, determines that members agree to negotiate the establishment of the above mentioned system for the protection of geographical indications by the fifth session of the Ministerial Conference (2003). The TRIPS Council shall address the issues in connection with the possible extension of the protection according to Article 23 TRIPS to additional products. The special session of the TRIPS Council held on March 8, 2002, as well as the meeting held on June 28, 2002, dealt with these negotiations on a multilateral system. The future program is now divided into two phases. The first phase involves further discussion on the different proposals which were previously submitted by Member States. In the second phase, described as the final negotiating phase, members should try to work on a single draft compiled from the above mentioned different proposals (http://www.wto.org/english/news_e/news02_e/trips_si/020308_e.htm).

What else?
Besides that, Council had to discuss a revision of the TRIPS Provisions on Protecting Plant and Animal Varieties, on Protecting Traditional Knowledge and Folklore, and a revision of the whole TRIPS Agreement, as well as incentives for technology transfer to least-developed countries. On August 8, 2002, Council reported:

- Summary of issues raised and points made about the relationship between the TRIPS Agreement and the Convention on Biological Diversity (IP/C/W/368) and Protection of Traditional Knowledge and Folklore (IP/C/W/370); and a
- Summary of issues raised and points made about the review of the provisions of Article 27.3(b) of the TRIPS Agreement (IP/C/W/368).

Further, according to Art. 66 of the TRIPS Agreement, developed countries have to provide incentives to enterprises and institutions to animate them to technology transfer. It is a task for the TRIPS Council now to put in place a mechanism for ensuring the monitoring and full implementation of this obligation. The countries have to provide the Council until the end of 2002 with a detailed report about the achievements of their incentives. The extension of the deadline until the end of 2002, dated 24 July 2002, for the reports about the monitoring mechanism for special and differential treatment to the WTO Committee on Trade and Development is also to be seen in this context.

Outlook
The next meeting of the Council for Trade-Related Aspects of Intellectual Property Rights will be held on 17–20 September 2002. We are expecting further results in the relevant fields, especially within Public Health. The next Ministerial Meeting will be held in Cancun, Mexico, in 2003.
Communications

Article 8, signatures, has been totally reworded, and a new Rule 5bis has been added to the Regulations, in order to deal more generally with communications (defined in a new clause “iiibis” of Article 1). It was felt that the new provisions should be worded in a more comprehensive manner. It was agreed, whenever for a communication a signature is required, to retain the present language of Article 8(4) TLT, its cornerstone, that no Contracting Party may require the certification of any signature, except in the case of a surrender. Since the new provisions will allow Contracting Parties, to exclude the filing of communications on paper, the meeting has also agreed that such filing on paper must be possible for the purpose of receiving a filing date and for complying with a time limit.

Relief in respect of time limits

A new Article 13bis and a new Rule 9 request that Offices grant relief, if a communication is not submitted within a certain time limit set by the Office. There was general agreement that such provisions were useful, even if certain changes as compared to the Patent Law Treaty were proposed (there should be no need for Offices to issue a notification under Rule 9(4) in order to initiate the time limit for filing a request for “continued processing”).

Reinstatement of rights

Some delegations doubted the value of the proposed article 13ter with Rule 10 in the trademark field, fearing a prolongation of procedures. I supported its inclusion, since in the rare cases, where such reinstatement may be requested under the strict conditions provided, the owner of the right would suffer a real loss if that relief were not provided for. It was agreed to adapt the provisions to the needs for trademarks.

Further development of trademark law

Document SCT/8/3 contained a comprehensive set of principles for discussion, whether it was desired to draft specific provisions on such substantive matters, on the following topics: Definition and registrability of a mark, trademark administration, examination, absolute grounds for refusal, conflicts with prior rights, rights conferred by registration, cancellation, requirements of use, use of the mark, and enforcement. It was agreed that the Secretariat should work out proposals for harmonization relating to all the principles listed in the document. Certain additional aspects were proposed to be considered, (such as to provide in the law for a positive right of the trademark owner to use his mark). Additionally provisions dealing with the use of signs such as the ® and “TM” or “SM”, should be proposed. The protection of unregistered marks should in a future meeting be discussed.

Geographical Indications

The representatives of the Member States dealt with the conflicts between geographical indications and trademarks. Currently it seems not possible to reach a solution which was demonstrated by the diversity of the opinions expressed during the debate. Other points of discussion concerned the organisation of the international protection of geographical indications. Many participants were in favour of bilateral agreements, emphasising the difficulty of concluding multilateral agreements beyond the terms of the Lisbon Agreement. The final consensus stated that the protection provided for in the TRIPS agreement must not be undermined.

The meeting ended with the drafting of a working programme for the SCT and it was suggested to extend the discussion to conflicts between geographical indications having the same name, and to conflicts between geographical indications and domain names. The discussion on conflicts between trademarks and geographical indications will continue. The next session of the SCT on these questions will be held in Geneva from November 11 to 15, 2002.
In comparison with the result of the First special Session of the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) (see www.aippi.org > Publications & Services > online Publications > Reports of Representatives at WIPO) some progress could be made with respect to some of the topics discussed. However, the United States upheld the position that the Uniform Dispute Resolution Policy (UDRP) should not be extended to any other intellectual property right than trademarks.

As concerns International Nonproprietary Names (INNs), many delegations now favored the protection of INNs against registration as domain names. However, it was simply agreed that the Secretariat should, in cooperation with the World Health Organization, continue to monitor the situation and if necessary, bring to the attention of the Member States any material change in the situation. As concerns personal names, the meeting stuck to the decision taken in the first Session to recommend no action.

Names and Acronyms of International Intergovernmental Organisations (IGO)
This is the only topic, where a general agreement to recommend a modification of the UDRP was achieved between all represented Member States (75), with the exception of the United States: An IGO should be able to submit a Complaint under the UDRP on the ground that the registration or use, as a domain name, of the name or abbreviation of the IGO that has been communicated under Article 6ter of the Paris Convention, is of a nature to suggest to the public that a connection exists between the domain name holder and the IGO or to mislead the public as to the existence of a connection between the domain name holder and the IGO, and furthermore on the ground that the registration of use as a domain name of a name or abbreviation protected under an international treaty violates the terms of that treaty.

Geographical indications and geographical terms (country names)
The views on the protection of geographical indications were as divided as in the first session. It was therefore recommended that the WIPO General Assembly should decide how the issue of the protection of geographical indications in the Domain Name System should further be dealt with.

More successful was the meeting on the question of country names. Most delegations favored some form of protection against registration or use of such names as a domain name by persons unconnected with the constitutional authorities of the country in question. The delegations, with the exception of the Delegations of Australia, Canada and the United States agreed upon some details of a possible scheme of protection for country names.

Trade names
Also the views as to whether the UDRP should be modified to accommodate trade names continued to be divided. Despite further arguments forwarded by some Member States and by myself (e.g. referring to the definition of business identifiers in the WIPO Joint Recommendation on well known marks as an internationally agreed basis for the understanding of a trade name as a sign distinguishing enterprises from each other) a number of States, in particular the United States, felt that there was no internationally accepted legal basis to underpin the extension. In view of this divergence of positions, it will be recommended to the WIPO Assembly that Member States should keep the matter under review and raise the matter for further discussion if the situation so demanded. Consequently, the International Bureau, respectively the Secretariat of the SCT is released from having to monitor the topic.
Summary of the EC Workshop on the Grace Period Issue
Brussels, June 24, 2002

Heinz Bardehle
Member of Honour and Chairman Q109

At the beginning the AIPPI delegate Heinz Bardehle submitted two basic points:
1. The Grace Period does not change the basic valid rule to deposit a patent application as soon as possible.
2. The Grace Period does not increase any legal uncertainty because the public obtains before the usual official 18 months publication of a patent application an information about a possible patent application which simplifies the watch on officially published patent applications.

The proponents of the Grace Period have underlined particularly the situation of the scientists who are prepared to submit their findings to the public as soon as possible which should be considered as a most welcomed practice. Additionally the need of tests in connection with technical developments has been underlined to which the known examples have been given (agricultures, mechanical technologies, orthopedic devices and uses etc.). An important background to the supporting submissions was the expert opinion of Prof. Dr. Joseph Straus, elaborated on request of the European Patent Office which obviously could not have been ignored by the Commission.

The opponents of the Grace Period maintained their views about legal uncertainty.

The meeting came to the following conclusions:

1. Types of disclosures
   It was generally agreed that each and every novelty destroying publication should come under the Grace Period (see also WIPO Harmonization Treaty SPLT, art. 9, § 1).

2. Duration and reference date
   The majority voted in favour of a Grace Period of only 6 months additionally for a shortening of the term of 18 months up the publication of the patent application. A minority voted for a national Grace Period (before the national filing date), whereas the majority preferred the international Grace Period (before the priority date), because an applicant filing internationally has to take into consideration regularly his applications in foreign countries, for which a national Grace Period would have no effect.

3. Declaration (notification) by the applicant claiming the benefit of the Grace Period
   The declaration supported by a majority should be connected in one way or the other with an advanced publication of the patent application, which, however, could lead to difficulties in connection with foreign application using the full priority year.

4. Requirement to identify the disclosure made by the inventor/applicant
   The majority was in favour of this requirement. A minority rejected this requirement.

5. Possible effect on the publication date (if the benefit of a Grace Period is claimed)
   An advanced publication of the patent application, e.g. 18 months after the first publication, was discussed, however, without a clear result because of the difficulties mentioned under no. 3.

6. Possible “Grace Period Fee”
   The majority rejected such a fee because it would be seen as a punishment of the applicant, though the later applicant would have enriched the public about the scope of his knowledge, which does not deserve punishment.

7. Prior use and intermediate rights
   Thereto the WIPO Patent Harmonization Treaty was taken into consideration (see above), for which the conclusion should be waited.

8. Burden of Proof
   With respect to the burden of proof all participants agreed that the applicant, who requests the advantages of the Grace Period, should have the full burden of proof.
Summary of the Seventh Session of SCP, WIPO
Geneva, May 6 to 10, 2002

Alain Gallochat
Chairman Q170

Some articles were not discussed in details (Article 1 – abbreviated expressions; Article 13 – grounds for refusal of a claimed invention and Article 14 – grounds for invalidation or revocation of a claim or a patent), because it is needed first to finalize the discussions on the other articles. However, a number of delegations from Central and South America supported by African delegations proposed to include in Articles 13 and 14 some provisions dealing with public health, biodiversity, environment… such proposal being strongly opposed by the US delegation.

It must be pointed out that some progress has been made in a number of articles and that for them it still remains only a rewording by the International Bureau; this is the case for Articles 3 (Applications and patents to which the Treaty applies), 5 (Applications), 10 (Enabling disclosures), 11 (Claims), 15 (Review) and 16 (Evidence); quite similarly, Article 17 (Relationship to PLT) has been addressed, but the final and administrative clauses have still to be drafted.

Major problems appeared from Articles 2 (General principles), 4 (Right to a patent), 7 (Observations, Amendments or Corrections of Application), 8 (Prior art) and 12 (Conditions of patentability).

Article 2: a number of delegations from Central and South America, supported by African delegations proposed to make it clear that the SPLT should respect previous international agreements (TRIPs Agreement, Convention on the Biodiversity) concerning public health, biodiversity, environment; this proposal was objected to by the German delegation concerning public health and by the US one for the other commitments.

Article 4: some delegations (Russian and Chinese) demanded the mere deletion of this article while others demanded its keeping although in a revised version.

Article 7: there is a clear division among the delegations, since some countries allow the modifications/corrections of a patent after its grant, while others are opposed to this possibility.

Article 8: the problem of the “earlier applications” lies on their impact on the application (limited to the novelty for most of the delegations, directed to both novelty and inventive step for the US delegation); the issue of a “reasonable” access was not settled.

Article 12: there was a very intense discussion on Article 12.1 where all the national delegations, but one (the US delegation) were in favour of keeping the “technical” character of an invention for being patentable; the problem of the exceptions to the patentable inventions was not solved either. Besides these controversial positions, there was a consensus on Articles 12.2 (Novelty) and 12.3 (Inventive step/non obviousness).

Article 6: (Unity of invention) was mainly discussed, together with the linking and the number of claims, by the Working Group which was set up in November 2001, at the 6th session of the SCP; this Working Group will continue its discussions in the future, but the International Bureau was requested to send previously precise questions to be discussed.

There was also some progress concerning Article 9 (Grace period), for which all the delegations were in favour of putting the provisions in the Treaty, rather than in the Regulations; an issue arose related to intervening rights (Article 9.4).

The 8th session of the SCP is tentatively scheduled for November 18-22, 2002.
On August 19 and 20, 2002 ABPI, the Brazilian group of AIPPI, held its XXIIth Seminar on Intellectual Property in Rio de Janeiro.

The Seminar was attended by 550 people, 90 of which from abroad, from a total of 20 countries. Simultaneous translation was available to and from English and Spanish.

The programme hinged on the impact of Intellectual Property on the business world and addressed issues of both international and local interest, such as the reform of the PCT, the question of fair use in copyright, the discussion of TRIPS, ALCA, MERCOSUL and the MADRID PROTOCOL, the use of electronic documents in the context of Intellectual Property, the new Brazilian Civil Code which will become effective in 2003, the treatment of Intellectual Property in the realm of the Brazilian Constitution and piracy as well as controversial issues now under discussion in the trade mark and patent areas.

The opening speech was delivered by Roberto Castelo, Deputy Director General of WIPO, who presented a comprehensive analysis of the evolution of trade and industry throughout the 19th and 20th century and its influence upon Intellectual Property rights, giving a vision of future developments in the field.

The Seminar took place at the Hotel InterContinental, a beautiful complex facing the São Conrado Beach in South Rio de Janeiro and included social functions, in particular a dinner at Villa Riso, a historical colonial plantation house built in 1700, beautifully restored in its original decor.