

## INTELLECTUAL PROPERTY OWNERS ASSOCIATION (IPO)

### COMMENTS ON TRADITIONAL KNOWLEDGE ISSUES (ANNEX I TO DECISIONS OF THE TENTH SESSION OF THE COMMITTEE)

#### *1. Definition of traditional knowledge (TK) that should be protected.*

As noted in WIPO document WIPO/GRTKF/IC/3/8, the scope of protected subject matter may be kept open-ended and undefined, or it may be limited to specific forms of TK that meet certain criteria. In order to provide certainty to both rightholders and the public, it is important that the scope of protected subject matter be limited to specific TK that meets well defined criteria.

As a fundamental matter, information or knowledge that has entered the public domain cannot be recaptured, as the public has legitimate rights to such information. Indeed, such publicly-available information is often the basis for new inventions or creative works. Thus, in order to be available for protection, protected TK must be defined as that which has not become publicly known. The requirement that TK be secret in order to be protected is analogous to the protections afforded to undisclosed trade secret information in many national and international laws. Generally, trade secret laws require that the information be (1) commercially valuable; (2) not in the public domain; and (3) subject to reasonable efforts to maintain its secrecy. Similar elements should also be required for protected TK.

Discussions relating to the protection of TK in the IGC have also focused on the perceived misappropriation of TK, and in response, recent deliberations have included the possibility of using databases of publicly-known TK as an aid to patent examiners. It is important to note that secret TK would not be available as prior art in the examination of patent applications. Therefore, independently developed inventions that meet the criteria of novelty, inventive step and industrial applicability would not be examples of misappropriation. Conversely, publicly known TK could be cited against such inventions, but such public TK would not be considered protected TK.

#### *2. Who should benefit from any such protection or who hold the rights to protectable traditional knowledge?*

Rights in protected TK would be established by national law, and so the country in which the TK exists should provide the public with advance notice of the class of subject matter that it considers protected TK. It is also the responsibility of the country to fairly allocate the benefit of such protection to its members.

#### *3. What objective is sought to be achieved through according intellectual property protection (economic rights, moral rights)?*

The fair and equitable sharing of benefits arising from the use or commercialization of TK must necessarily allow for access to such TK (WIPO/GRTKF/IC/3/8). The ability to

license, or otherwise transfer, rights in protected TK is a necessary objective. License fees or royalties are possible forms of consideration and may be fairly based on the relative contribution of the TK to the final commercialized product.

Alternatively, holders of TK may determine that they wish to continue to maintain their TK as a trade secret, or to develop or otherwise commercialize their TK without according any rights to third parties. They may even choose to develop their TK into a patented invention, thereby using the patent system to generate greater public benefit as well as revenues.

*4. What forms of behavior in relation to the protectable traditional knowledge should be considered unacceptable/illegal?*

All Members and Observers will likely agree that misappropriation or other unauthorized use of protected TK should be considered illegal. However, this must be distinguished from the use of legitimately-acquired TK, or the use of publicly-known TK. Such authorized or legitimate uses of TK cannot properly be subject to allegations of misappropriation.

*5. Should there be any exceptions or limitations to rights attaching to protectable traditional knowledge?*

As noted above, the guiding factor regarding protection of TK should be that publicly-known TK cannot be recaptured and accorded protection, as society has legitimate expectations that public information will remain in the public domain. In addition, it is necessary to develop a more detailed description of what is protected TK before it can be determined what exceptions or limitation apply. It is also necessary to have a public notice system to apprise the public of what types of subject matter are considered protected TK.

*6. For how long should protection be accorded?*

Trade secrets are generally protected if the information has some commercial value, is maintained as secret, and is subject to reasonable efforts to maintain its secrecy. Such trade secrets are afforded a perpetual term of protection, insofar as each of the three criteria continue to be met. Similarly, TK that has been maintained as secret could also be accorded a perpetual term of protection. In contrast, however, if the TK is patented, licensed or otherwise transferred, or commercialized, or if it becomes public through any other means, it would be necessary to ensure that such TK would no longer enjoy perpetual protection. Such TK may only be subject to a limited term of continued protection – for example, the agreed confidentiality term in a license agreement relating to use of the TK.

*7. To what extent do existing IPRs already afford protection? What gaps need to be filled?*

Under the guidelines outlined above, a review of existing IPRs may establish that sufficient protection is already afforded to TK.

As noted in WIPO document WIPO/GRTKF/IC/2/9, very few Member states responded to questionnaires regarding existing forms of IP protection for TK. Therefore, it is difficult to ascertain what gaps need to be filled, or indeed, if gaps in existing forms of IP exist. This should be the subject of further discussion in future IGC meetings, and WIPO should undertake a gap analysis study to determine to what extent existing trade secret laws adequately protect TK.

*8. What sanctions or penalties should apply to behavior or acts considered to be unacceptable/illegal?*

It is premature to discuss sanctions without a fuller understanding of the metes and bounds of TK to be protected, or even whether a statutory system distinct from existing trade secret laws is necessary to protect TK.

*9. Which issues should be dealt with internationally and which nationally, or what division should be made between international regulation and national regulation?*

This question will require further deliberation and more input from Member countries regarding protection of TK under existing IPRs. Therefore, it is premature to delineate what, if any, regulation may be required at the international level. As noted above, WIPO should undertake a gap analysis to determine to what extent existing national trade secret laws adequately protect TK.

*10. How should foreign rights holders/beneficiaries be treated?*

IPO seeks further clarification on the meaning of the question, and will be happy to offer comments as the meaning of the question is clarified through further discussion in the IGC.