

MAIN PROGRAM 13

Patent Cooperation Treaty (PCT) System

13.1 Management and Operation of the PCT System

13.2 Automation of the PCT System

13.3 Legal Information and Development of the PCT System; Training and Promotion Services

Main objectives:

- ◆ To facilitate the patenting of inventions internationally, in particular by the filing of a single international patent application having effect in multiple countries.
- ◆ To provide the services required of the International Bureau under the PCT, including the processing of an expected 123,000 international applications during the 1998-99 biennium.
- ◆ To modernize PCT administration through re-engineering of processes and increased use of automated information systems.
- ◆ To develop a system for electronic filing of international applications.
- ◆ To facilitate and accelerate access by the public to technological information contained in international applications.
- ◆ To promote and develop the use of the PCT system worldwide, and to support its use by producing training materials, presenting seminars on PCT procedures, and providing legal and procedural advice to users of the system and national Offices.
- ◆ To improve the legal framework of the PCT to make its use easier and more effective for the user and the participating Offices.
- ◆ To encourage more countries to adhere to the PCT and to assist developing and other countries to take advantage of the possibilities offered by the PCT when establishing and developing national patent systems.

Current situation

The PCT system continues to expand rapidly, with sustained annual growth rates in the filing of applications of about 15%. The 101,713 international applications filed in 1996-97 have had a total equivalent effect of about 6 million national applications. This growth is a good indication of the health of the Treaty, but it creates continuous challenges for the International Bureau which must handle increasingly large volumes of applications within established tight deadlines. Contracting States also look to the PCT system to facilitate resolution of issues facing national and regional patent administrations, and to make national and regional patent systems work better. Users of the PCT system expect it to operate simply, cheaply, securely and effectively in the pursuit of national and regional protection for inventions.

**Strategy
for the
future**

The steeply increasing PCT workload creates a need for increased resources, streamlined working procedures and long term investment in office automation. The PCT system will be made more user friendly, reachable and usable throughout the world, both for applicants and Contracting States, through information dissemination and assistance in development and improvement of legal and administrative infrastructures. The following indicators reflect the current and expected overall situation for the PCT:

PCT	1996 Actual	1997 Actual	1998 Expected	1999 Expected
Number of international applications	47,291	54,422	59,000	64,000
Number of demands under Chapter II	33,046	40,382	44,000	48,000
Number of designations	2,656,853	3,463,147	4,400,000	5,700,000
Number of IAs received at RO/IB	1,500	1,619	2,200	2,700
Number of published pamphlets	42,186	50,320	55,000	60,000

**Expected
results**

- ◆ The services required under the PCT will be provided in a manner which fully satisfies both users of the system and national Offices from the viewpoints of speed, reliability and cost-effectiveness.
- ◆ The growth in the number of users and of Contracting States is expected to continue.
- ◆ The PCT legal framework will be further improved and simplified, and greater awareness will be promoted in developing countries concerning the benefits of the PCT.

Sub-program 13.1

Management and Operation of the PCT System

Objectives:

- ◆ To examine and process international applications accurately, as provided by the PCT, Regulations and Administrative Instructions, and to furnish documentation to patent offices.
- ◆ To produce and publish a consistently high quality PCT Gazette and PCT pamphlets, containing the international applications and related information.
- ◆ To ensure a high level of quality and timeliness in translations of titles, abstracts and textual matter in drawings, and of international preliminary examination reports.
- ◆ To process the increasing number of international applications filed directly with the International Bureau as receiving Office (RO/IB), sustaining a high quality of work and pursuing means of office automation resulting from electronic filing.
- ◆ To develop management strategies in response to the increase in international filings.

Examination activities

Background The Office of the PCT examiners perform formal examination of incoming international applications, and deal with application files from the moment the record copy is received at the International Bureau up to the beginning of the national phase (at 20 or 30 months from the priority date). Some of the bibliographic data appearing on the request, as well as certain indications relating to defects noted in the application, are input into a data base. These data are used to produce requisite notifications and to monitor relevant time limits. The Office of the PCT generates a series of documents (e.g. notifications), and maintains an archival system for current and non-current files.

- Main activities**
- ◆ Formal examination of international applications and of demands for international preliminary examination under Chapter II; contacts with patent offices, applicants and agents.
 - ◆ Capture of bibliographic data and dispatch of notifications to patent offices, applicants and agents; supply of forms and required documents to patent offices; review of files before publication.
 - ◆ Monitoring of time limits pertaining to international applications (including those to be observed by receiving Offices, International Searching Authorities and International Preliminary Examining Authorities).
 - ◆ Interfacing of existing computer systems within the Office of the PCT so as to increase the efficiency of examination procedures.
 - ◆ Ongoing compilation of statistics.
 - ◆ Communication on request of documents needed by patent offices for the national phase.
 - ◆ Maintaining an information service to respond to inquiries concerning the PCT.

- Expected results**
- ◆ Continued high quality processing of incoming international applications, and increased quality and efficiency in examination-related functions achieved through computerization and electronic document management.
 - ◆ Productivity gains through training and deployment of staff, emphasizing individual skills and qualifications.

Publication activities

Background The Office of the PCT publishes international applications promptly after the expiration of 18 months from the priority date (or earlier at the applicant's express request). Data is input and proofread by publication date minus four weeks, when preparations commence for publication. Applications are published in the form of pamphlets and, with assistance from outside parties, in a weekly bilingual Gazette in paper form and in a Gazette in electronic form. Preparation, printing and distribution of pamphlets, and dispatch of priority documents, are undertaken by various services within the International Bureau in coordination with the Office of the PCT.

- Main activities**
- ◆ Entry of texts and data required for completion of application record and publication, and proofreading of these texts and data.

- ◆ Scanning and mounting of drawings for publication, and preparation of master copies for printing of pamphlets.
- ◆ Preparation of pamphlet front pages, and of Sections II and III of the Gazette.
- ◆ Migration of copying and dispatch of priority documents from paper based to electronic form.

Expected results

- ◆ Continued production of high quality PCT Gazette and PCT pamphlets both on paper and in electronic form, and integration of appropriate computer technologies to automate the production of PCT pamphlets, including their front pages.
- ◆ Productivity gains through training and deployment of staff, emphasizing individual skills and qualifications.

Translation activities

Background

The Office of the PCT is charged with the translation into English and French, for international publication, of titles, abstracts and any text which appears on drawings published with abstracts, and the translation into English, as required, of international preliminary examination reports. PCT translation activities include overseeing translation of elements of international applications submitted in Chinese and Japanese.

Main activities

- ◆ Translation into English and French of international application titles, abstracts and drawings, on the full range of technology; translation of international preliminary examination reports into English; revision of translations.
- ◆ Reviewing subcontractors' translations of abstracts and international preliminary examination reports into English from Chinese and Japanese.
- ◆ Translation of titles and abstracts of international applications modified by International Searching Authorities for the purpose of their republication.
- ◆ Implementation of new information technologies relevant to the PCT translation environment, including development of translation tools such as electronic dictionaries and on-line reference sources.
- ◆ Refinement of technical terminology and updating of correlative data bases.

Expected results

- ◆ Provision of required high quality translations in an efficient, timely manner.
- ◆ Improvement of work processes through use of new translation tools and information technologies as well as improved staff skills; productivity gains through training and deployment of staff, emphasizing individual skills and qualifications.

Receiving Office activities

Background

Main activities

Expected results

Management and Operation of the PCT System (in thousands of Swiss francs)												
Sub-program 13.1	Official Travel and Fellowships			Contractual Services				Operating Exp.		Equipment and Supplies		
	Staff Missions	Part. Govt Officials	Fellowships	Conferences	Consultants	Publishing	Other	Premises & Maint.	Comm. & Other	Supplies & Materials	Furniture & Equipment	
Total	25,140	602	158	-	100	300	2,250	7,800	4,100	6,300	2,990	540

Sub-program 13.2

Automation of the PCT System

Objectives:

◆

To implement a global information and document management system for the Office of the PCT.

◆

To establish generalized solutions for electronic data exchange, electronic publishing and the dissemination of PCT information.

Background Database systems are currently used to process and publish international applications, but the contents of international applications and related documentation are still processed, stored and distributed primarily in paper form. In 1997, a detailed study reviewed the

complex information and document management needs of the PCT system, and made recommendations for the phased implementation of a global computerized information and document management system. This sub-program includes initiatives and activities to be undertaken during the 1998-99 biennium, leading towards a full implementation of such a system. Development and implementation are expected to take three to four years and entail a transition from paper files through increased use of documents stored as facsimile images to a paperless office of fully electronic documents.

**Main
activities**

- ◆ Ensuring the continued smooth functioning of existing PCT computer systems to accommodate PCT rule changes, increasing numbers of international applications and year 2000 related issues, while monitoring, maintaining and improving the efficiency, reliability and maintainability of these systems.
- ◆ Design and implementation of improvements to the current system for processing international applications, with higher reliance on information technologies and corresponding re-engineering of working procedures.
- ◆ Development of a new system for the Office of the PCT capable of handling complex electronic documents and of supporting automated processes. A proposal to be financed by the Special Reserve Fund for Additional Premises and Computerization will be presented in a separate document.
- ◆ Progressive elimination of paper files by implementing new computer systems able to handle complex electronic documents and support automated processes.
- ◆ Streamlining of the filing process and subsequent verification of international applications by providing applicants with means for electronic filing and validation.
- ◆ Promotion of the use of the PCT/EASY electronic filing software, expansion of that software to permit filing and processing of demands under Chapter II, and assistance in the development of national versions of the EASY software as means of facilitating conversion of national applications into international applications.
- ◆ Implementation of measures to ensure the continued security, authenticity and integrity of PCT data.
- ◆ Increasing on-line access to PCT documents and information.
- ◆ Work towards development and harmonization of the electronic receiving Office function, allowing receiving Offices to receive, process and transmit international applications filed in electronic form.
- ◆ Preparation and servicing of advisory meetings with PCT Offices and Authorities on technical and automation issues.

**Expected
results**

- ◆ Completion of tendering for procurement of a new computer and document management system for the Office of the PCT, followed by system design and delivery of early stages of the system (process control, storage and imaging sub-systems).
- ◆ The PCT publication system will be enhanced to support new electronic publishing requirements.
- ◆ Electronic links will have been developed between the PCT computer systems and other industrial property offices (see Main Program 12) in order to start receiving international

applications filed in electronic form, exchange PCT information in such form with these offices, and provide information electronically for public dissemination.

- ◆ Technical cooperation with other PCT Authorities and involvement in the standardization work carried out or overseen by other bodies will have been significantly reinforced.
- ◆ Productivity gains through training and deployment of staff, emphasizing individual skills and qualifications.

Automation of the PCT System (in thousands of Swiss francs)												
Sub-program 13.2	Official Travel and Fellowships			Contractual Services				Operating Exp.		Equipment and Supplies		
	Staff Missions	Part. Govt Officials	Fellowships	Conferences	Consultants	Publishing	Other	Premises & Maint.	Comm. & Other	Supplies & Materials	Furniture & Equipment	
Total	6,684	165	80	-	70	489	-	3,000	1,410	-	50	1,420

Sub-program 13.3

Legal Information and Development of the PCT System; Training and Promotion Services

Objectives:

- ◆ To increase, among users, potential users, governments and intergovernmental organizations, awareness and knowledge of the PCT, its use and benefits.
- ◆ To encourage participation in the PCT system by more States and more users.
- ◆ To improve the legal framework for, and to simplify and render more economical, the obtaining of patent protection worldwide by use of the PCT.
- ◆ To assist and cooperate with governments of developing countries to secure the greatest possible benefits from the PCT and, for countries not yet party to the PCT, to support their adherence to the treaty, consistent with national objectives and requirements.
- ◆ To advise governments of developing countries on legal and technological implications of the PCT system to increase the efficiency of national systems for the protection of inventions, and to facilitate access to technological information.

Background The legal and information services provided by the International Bureau, and the coordination by the International Bureau of the activities of Offices and Authorities performing functions under the PCT, ensure the smooth functioning and continued growth of the PCT system as the principal means of facilitating the obtaining of patent protection worldwide. The detailed procedures under the PCT allow the system to operate harmoniously in conjunction with national and regional patent systems and safely from the point of view of users. Now that the PCT is finding wide acceptance among both States

and users, further efforts are needed to amend procedures (and hence the implementing Regulations) to make the PCT system simpler, more flexible and accessible, and to harmonize procedures in national Offices.

In undertaking these services, particular attention is to be paid to the needs of developing countries, which comprise 42 (45%) of the 95 Contracting States. The PCT offers important possibilities to developing countries in establishing or developing patent systems in support of the more general objective of economic development, whether those systems provide for simple registration of patent rights or some degree of substantive examination of patent applications.

Main activities

- ◆ Expanded assistance, advice, and training to users, potential users and their representatives (such as patent attorneys and agents) in response to growth in PCT use and the number of Contracting States.
- ◆ Coordination of the activities of the receiving Offices, International Searching and Preliminary Examining Authorities, and designated and elected Offices, and provision of assistance, advice and training to those Offices and Authorities; participation in meetings of the Eurasian Patent Organization and the European Patent Organisation.
- ◆ Promotion of the PCT system by encouraging accessions to the PCT and by advising potential users on its use and benefits.
- ◆ Organization of and participation in meetings, seminars, training courses and other activities (where appropriate, in cooperation with other program areas), and missions by staff members and consultants or experts, as well as invitations for officials of PCT Contracting States to the headquarters of WIPO for training and discussions.
- ◆ Publication and dissemination of texts and informative material on the PCT, both in paper form and by such other means as the Internet and CD-ROMs (including legal notifications and information of a general character in Section IV of the PCT Gazette, the PCT Applicant's Guide and its regular updates, the PCT Newsletter, the text of the PCT itself, the implementing Regulations, the Administrative Instructions, the Guidelines for receiving Offices and for international search and international preliminary examination, and the PCT Forms).
- ◆ Provision of in-house training to staff of the Office of the PCT so as to maintain high quality handling of the international applications filed.
- ☐ Preparation and servicing of advisory meetings with PCT Offices and Authorities and users of the PCT system to discuss practical questions of implementing PCT procedures, to collect information on the use of the PCT, and to review and update procedures, in particular as required by rapidly changing technologies and by the needs of developing countries; including meetings of the International Searching Authorities and the International Preliminary Examining Authorities (PCT/MIA), the PCT Committee for Administrative and Legal Matters (PCT/CAL), and other meetings of *ad hoc* advisory groups on legal issues.
- ◆ Taking into account the advice given by the various PCT Committees and the views of interested Offices and Authorities and users of the PCT system, preparation of proposals for amending the PCT Regulations for consideration by the PCT Assembly and for

modifying the Administrative Instructions, including Forms and the various Guidelines under the PCT.

- ◆ Development and improvement of the legal framework for the electronic filing and transmission of documents relating to international applications, between users and Offices and Authorities and between Offices and Authorities.
- ◆ Provision of tailored recommendations to interested governments of developing countries on how to make best use of the PCT, based on the collection of data on the actual use of the patent system in such countries, with due regard to the specifics of each region, and the carrying out of studies on the specific circumstances present in certain countries or regions.
- ◆ Provision of a framework for the exchange of views and experiences among interested countries; carrying out of comparative studies, taking into account the various levels of economic development of those countries.
- ◆ Training in PCT procedures of officials from developing countries which are PCT Contracting States, at the time of adherence to the PCT and by regular refresher and updating training courses in Geneva thereafter.
- ◆ Promote greater reliance among developing countries on the PCT for the establishment, development and maintenance of national patent systems.

Expected results

- ◆ Enhanced awareness and knowledge of the PCT, its use and benefits.
- ◆ Cost-effective functioning of the PCT system to more effectively meet the needs of interested governments and intergovernmental organizations, and of its users.
- ◆ Increase in the number of Contracting States and of international applications.
- ◆ Improved legal framework for, and simplified, more economical means of, obtaining patent protection worldwide via the PCT including filing and communication by electronic means.
- ◆ Harmonization of search and examination practice through improved guidelines and solutions for questions and problems resulting from new technologies.
- ◆ Greater reliance among developing countries on the PCT for the establishment, development and maintenance of national patent systems.

Legal Information and Development of the PCT System; Training and Promotion Services (in thousands of Swiss francs)											
Sub-program 13.3	Official Travel and Fellowships			Contractual Services				Operating Exp.		Equipment and Supplies	
	Staff Missions	Part. Govt Officials	Fellowships	Conferences	Consultants	Publishing	Other	Premises & Maint.	Comm. & Other	Supplies & Materials	Furniture & Equipment
Total	1,604	100	713	-	-	200	250	-	-	200	141

Program Budget Summary

Patent Cooperation Treaty (PCT) System (in thousands of Swiss francs)												
		Official Travel and Fellowships			Contractual Services				Operating Exp.		Equipment and Supplies	
		Staff Missions	Part. Govt Officials	Fellowships	Conferences	Consultants	Publishing	Other	Premises & Maint.	Comm. & Other	Supplies & Materials	Furniture & Equipment
Sub-program 13.1	25,140	602	158	-	100	300	2,250	7,800	4,100	6,300	2,990	540
Sub-program 13.2	6,684	165	80	-	70	489	-	3,000	1,410	-	50	1,420
Sub-program 13.3	1,604	100	713	-	-	200	250	-	-	-	200	141
Total	33,428	867	951	-	170	989	2,500	10,800	5,510	6,300	3,240	2,101

Staff needs and costs

13 Professional and 11 General Service staff will be required for carrying out the new activities and for managing and administering the increased volume of registration activities. The proposed number of additional posts is significantly lower than allowed under the applicable methodology for establishing PCT posts approved by the PCT Assembly, taking into account expected further productivity gains due to automation. If the implementation of the planned automation is slower than expected, the proposed number of posts will be adjusted accordingly. If the estimated level of registration activities will, in fact, be less or more than forecast in this program and budget, the proposed number of posts will be reduced or increased accordingly.

The high volume of activities to be implemented in the framework of this program, will require a substantial increase in the cost of General Service staff hired on a short-term basis. This will limit the number of regular staff and related costs in the light of the forthcoming modernization of the PCT operations.

Posts	1996-97	1998-99	Variation
Directors (incl. 1 DDG)	6	6	0
Professionals	44	57	13
General Service	177.5	188.5	11
Total	227.5	251.5	24

Staff costs (in thousands of Swiss francs)	Budget 1996-97	Budget 1998-99	Variation
Salaries of regular staff	39,510	50,015	
Salaries of short-term staff	2,411	6,480	
Social charges + other personnel costs	12,958	16,405	
Total staff costs	54,879	72,900	32.8%

Comparative Budget Summary

MAIN PROGRAM 13: Patent Cooperation Treaty (PCT) System	(In thousands of Swiss francs)					
	Budget 1996-97	Budget 1998-99	Variation			
			Program		Cost	
			Amount	%	Amount	%
Program Activities	34,064	33,428	(2,041)	-6%	1,405	4.1%
Staff Costs	54,879	72,900	17,966	32.7%	55	0.1%
TOTAL	88,943	106,328	15,925	17.9%	1,460	1.6%