



Workshop on PCT Fee Reductions for Universities

WIPO

Impact of Fee Reductions on Ability of Universities to Access the Patent System – Developing Country Experience

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Table of Contents

1. Background

**2. Data of Brazilian
Universities**

**3. Impact on PCT Fee
Reductions**

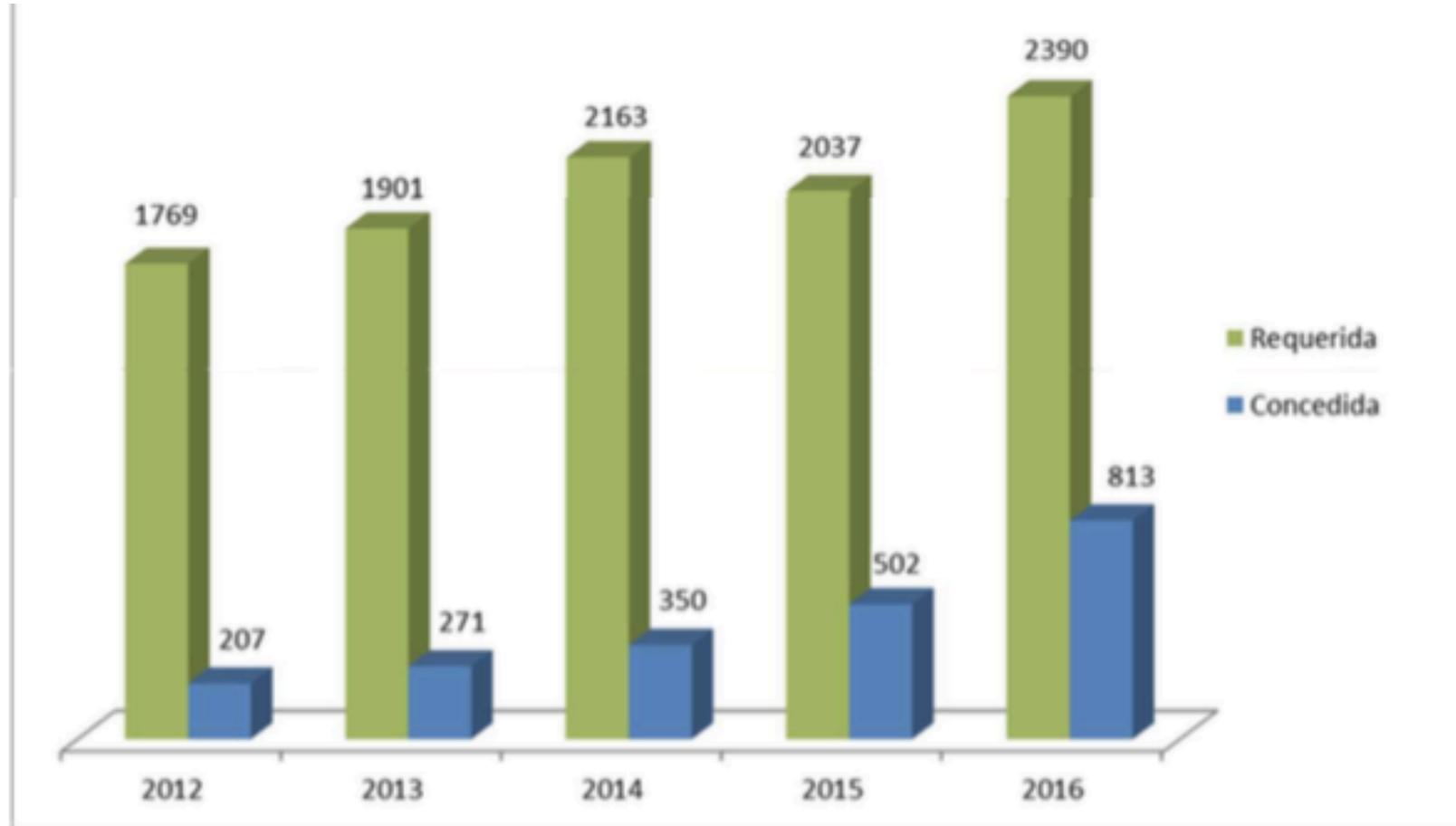
**4. Suggestions and
final remarks**

Background

- Brazilian Universities patenting activities before 2004.
- The impact of Technological Innovation Law on patenting activities in universities.
 - TTOs
 - Statistics - FORMICT
- The role of the Brazilian Office (INPI) and FORTEC (2006) in disseminating the intellectual property system among universities.
- The impressive growth of patenting activities in universities:
 - As of 2007, 860 patent applications have been filed by universities, of which 90% are in Brazil only.
 - In 2016, 1.481 inventions applications and 60 utility models were filed at the Brazilian Office (INPI) (FORMICT, 2017).
 - From 2012 to 2016, a total of 10.260 IP protections were required only by universities.

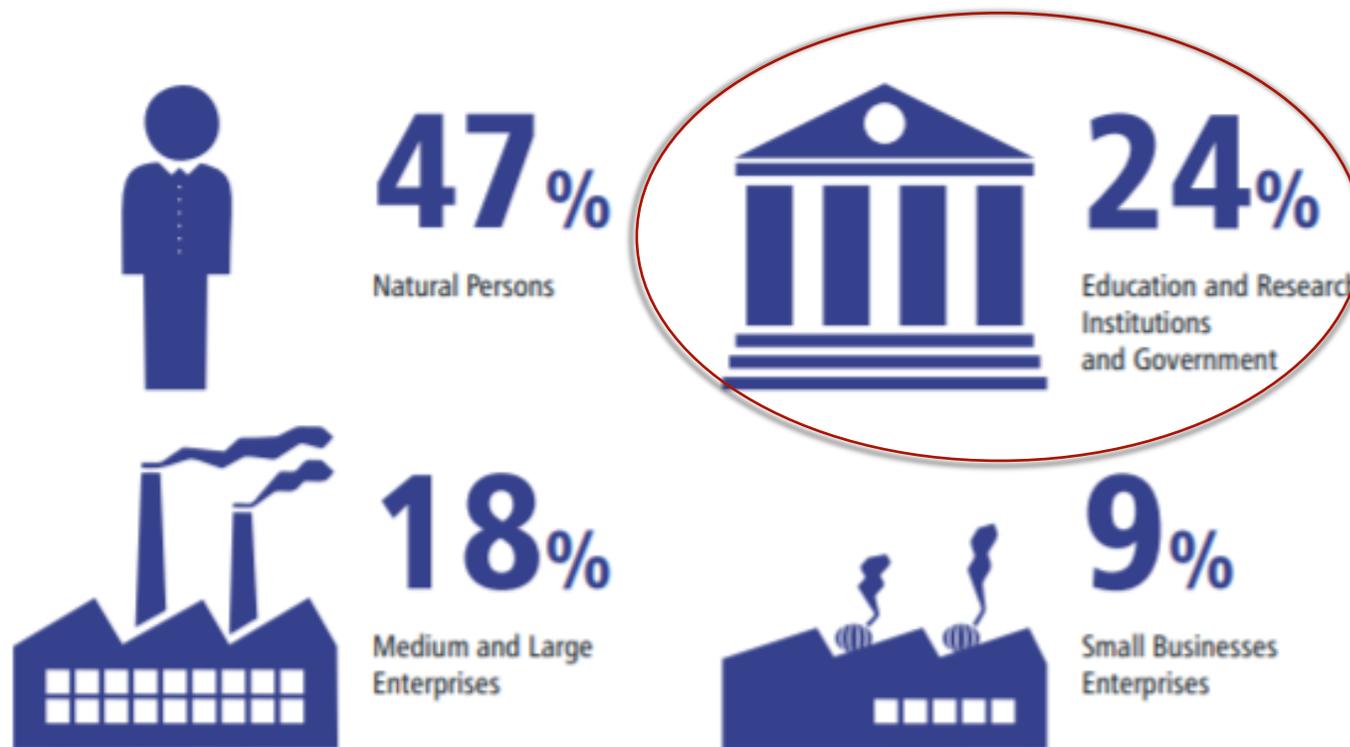
Comparison of the number of protection requests (2012-2016)

Source: FORMICT, MCT, 2017.



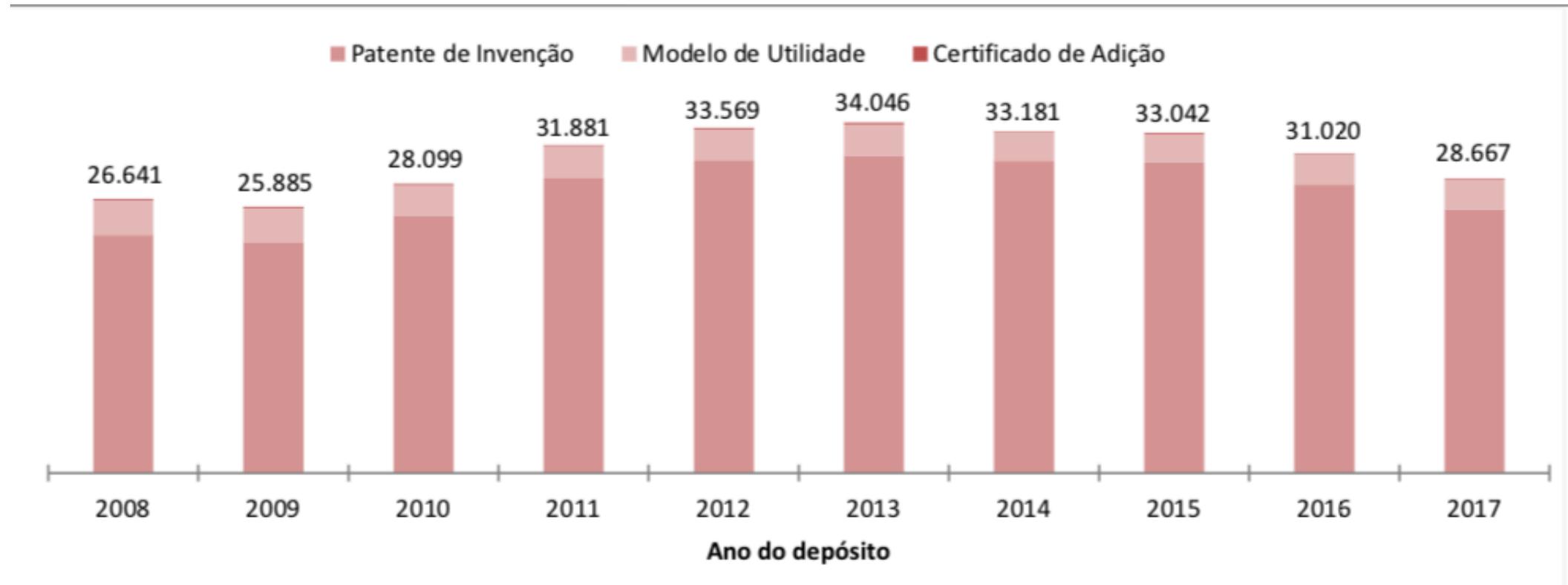
Invention Patent Applicants – Residents in Brazil -

Source: INPI 2017 Activity Report.



Patents applications filed (IP+UM+CA)

2008-2017



Source: INPI, Economic Affairs Advisory, BADEPIv5.0, 2018

Top 10 Patent Applicants in Brazil in 2017

Position	Applicant	Number of filings	% of participation
1	UNIVERSIDADE ESTADUAL DE CAMPINAS	77	1,4
2	UNIVERSIDADE FEDERAL DE CAMPINA GRANDE	70	1,3
3	UNIVERSIDADE FEDERAL DE MINAS GERAIS	69	1,3
4	UNIVERSIDADE FEDERAL DA PARAÍBA	66	1,2
5	UNIVERSIDADE DE SÃO PAULO	53	1,0
6	UNIVERSIDADE FEDERAL DO CEARÁ	50	0,9
7	CNH INDUSTRIAL DO BRASIL	35	0,6
8	UNIVERSIDADE FEDERAL DO RIO GRANDE DO SUL	34	0,6
9	PONTIFÍCIA UNIVERSIDADE CATÓLICA DO PARANÁ	31	0,6
10	UNIVERSIDADE FEDERAL DO PARANÁ	31	0,6
TOP 10		516	9,4

Source: INPI, Economic Affairs Advisory, BADEPIV5.0, 2018

PCT Top 10 Applicants in Brazil

Source: WIPO Statistics Database last updated 3/2018

PCT Applicant	2015	2016	2017
Universidade Estadual de Campinas – UNICAMP	1	27	24
NATURA Cosméticos S.A.	3	3	17
Robert Bosch Limitada	4	3	14
Universidade Federal de Minas Gerais – UFMG	10	5	13
Rhodia Poliamidas e Especialidades Ltda.	3	7	11
FMC Technologies do Brasil Ltda.	2	7	9
Mahle Metal Leve S.A.	18	13	7
Universidade Estadual Paulista Julio de Mesquita Filho	8	6	7
Oxiten S.A. Indústria e Comércio	2	3	6
WEG Equipamentos Elétricos S.A - Motores	6	6	6

PCT filing fees in Brazil

Code	Service	Price in R\$*	Discount price**
284	<p>Application for examination of invention via PCT for applications already examined by INPI as ISA / IPEA (exempted from petition)</p> <ul style="list-style-type: none"> - Up to 10 (ten) claims - Above to 10 (ten) claims 	<p>390,00 (US\$ 105.00)</p> <p>Add an additional value of R\$ 100,00 by claim from the 11th to the 15th, from R \$ 200.00 per claim from the 16th to the 30th and from the R \$ 500.00 per claim from the 31st onwards.</p>	156,00 (US\$ 42.00)
285	Application for utility model examination via PCT for applications already examined by INPI as ISA/IPEA (exempted from petition)	295,00 (US\$ 79.00)	118,00 (US\$ 32.00)

*conversion rate 1US\$ = R\$ 3.70 (6/6/18)

PCT filing fees in Brazil

Code	Service	Price in R\$*	Discount price**
201	Transmission of international application filing under PCT - By electronic means - On paper	175,00 (US\$ 48.00) 260,00 (US\$ 70.00)	70,00 (US\$ 19.00) 104,00 (US\$ 28.00)
266	International search under the PCT (rule 16-PCT) - By electronic means - On paper	1.685,00 (US\$ 455.00) 2.525,00 (US\$ 682.00)	674,00 (US\$ 182.00) 1.010,00 (US\$ 273.00)
268	International exam under the PCT (rule 58-PCT) - By electronic means - On paper	630,00 (US\$ 170.00) 945,00 (US\$ 255.00)	

*conversion rate 1US\$ = R\$ 3.70 (6/6/18)

Discounted compensation

- ** Reduction of up to 60% in the amount of remuneration to be obtained by:
- natural persons (only if they do not hold equity interest in a company in the branch to which the item to be registered belongs);
 - microenterprises,
 - individual micro-entrepreneurs and small businesses, as defined in Complementary Law 123 of December 14, 2006;
 - cooperatives, as defined in Law No. 5,764 of December 16, 1971;
 - **teaching and research institutions;**
 - non-profit entities, as well as public bodies, when referring to their own acts, as stipulated in this resolution.
 - The discount does not apply to all codes.

PCT filings by universities

- A survey is being carried out by FORTEC (Torkomian & Soares), and the preliminary results show that:
- Of the 61 respondents, only 12 NITs* (19.7%) filed PCT applications in 2016, totaling 72 requests (average of 6 applications per applicant).
- On the other hand, 24 NITs (39.3% of respondents) answered that by the end of 2016 they filed a total of 696 PCT applications (average of 29 requests per candidate).

*NITs = Brazilian TTOs

Impact of reducing PCT fees

- First of all, the reduction of PCT fees **is not an end in itself**. It is only a measure of **flexibility** in collecting PCT fees.
- What is the **main reason** for reducing costs of PCT?
 - Increase the **participation** of universities of developing countries **in the PCT filings**?
 - Increase the **participation** of universities of developing countries in **innovation** and in **international technology transfer**?
 - OR **Both**?
- If the reason is the first one, then OK, it is a **very good measure** itself: reducing costs, the universities will certainly be **more motivated** to file their patents in the PCT.
- Institutions with generally **tight budgets** for investing in IP protection will, of course, fully support this initiative.
 - For example, PUCRS has spent an average of only US\$ 5,000/year during the last 10 years.

Impact of reducing PCT fees

- More important than **quantitative indicators** should be the **impact** of the technology transfer.
- What proportion of PCT filings result in patents granted or related commercially successful inventions?
- Therefore, the goal should always be the **quality of patents** so that universities succeed with their patents after the deposit to **successfully bring** their results to market. The aim should be to increase the number of inventions which are commercially viable.
- If we have this in mind, to **increase the performance** of those universities in innovation or international technology transfer, reducing costs of PCT is very welcome but **will not be enough**.
- In this case, it is necessary to **implement** other measures that **encourage** and **foster** innovation and technological development in universities.
 - Assistance in a **very early stage of the process**.
 - **Training programs** for universities only on patenting strategies, including under the PCT, that would include seminars, workshops and online courses for staff working in such institutions, particularly technology transfer and licensing offices, in countries that require such training.

Impact on innovation

There is another issue related to **innovation** and **technology transfer**:

- Is the amount charged on PCT filings a reason for the **low performance** of developing countries universities **in innovation**?
- What is the percentage of university patents coming from these countries have the effective potential to be **appropriated by companies abroad**?
 - This is directly linked to the **quality and impact of research** carried out in developing countries.
 - Many developing countries are very good at scientific publications, but not at **turning science into GDP**.
- The **role of national government** in promoting a change in the national mindset:
 - intellectual property as the **main driver of innovation**,

Suggestions and final remarks

- More than the value of the fees charged in the processing of the PCT, the cost of the national phases is a major obstacle to technology transfer.
- National phases are usually the more expensive one of the international patent filing process.
- Therefore, as a suggestion, a more complete package of measures could be put in place by WIPO, which would include negotiating with regional / national offices, in order to reduce costs of these patents for the national phases.
 - In general, it takes more time to find a partner before the deadline of PCT, particularly in the Health sector.
- Without these measures, just reducing costs of PCT can be innocuous, without a more expressive impact in terms of technology transfer.

Thank you!

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