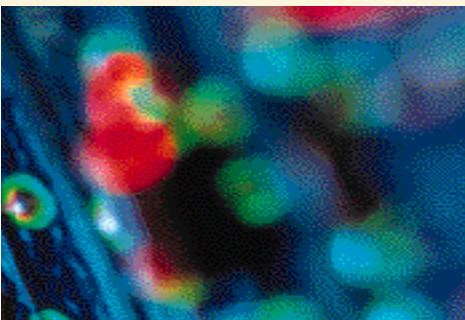


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Photos: TIB

Message from the

Message from the Director General



1998 was the first full year of a new chapter in the history of our Organization.

The Organization rededicated itself to its mission of promoting the worldwide protection of intellectual property through international cooperation, thereby ensuring that the rights of creators and owners of intellectual property are used to create real wealth as well as foster technological, cultural and social progress.

The year began with a concerted push to initiate change and renewal throughout the Organization, in line with a new vision of a dynamic, forward-looking organization serving its member States, the market sector, and civil society; a vision founded on the twin pillars of transparency and accountability in all aspects of the planning, programming and implementation of WIPO's activities and budget.

Considering that implementation of the new 1998-99 program, based on clear objectives, began only after approval of its content by the member States in April, and that the secretariat worked in an environment of intense reorganiza-

tion and change, I have every reason to be proud of what was accomplished. The highlights of the year's main achievements and the report as a whole are an ample testament to this.

The Organization's achievements could not have been realized without the full support and involvement of four parties to whom I wish to express my deep appreciation and gratitude.

First, my colleagues of the secretariat. The year brought many challenges, both internal and external. Yet there was a sense of rebirth, rediscovered motivation, a release of verve and energy, a new meaning to team work. They shared, and were sustained by, a firm belief that they were working for the common good of all levels of society in the member States.

Second, the governments of the member States, the owners of the Organization, and especially their representatives in Geneva. Their constant support, understanding and active participation were crucial to the realization of the new vision and the innovative program directions.

Director General

Third, the market sector, the users in industry of WIPO's global protection systems as well as intellectual property owners who follow closely our standard-setting activities. This group has been equally helpful. Their feedback and suggestions in open dialogues, their participation in meetings and their ever-increasing use of WIPO's services are central to the continuing health and relevance of the Organization.

And last, but certainly not least, Mrs. Sheila Batchelor of Canada, Chair of the WIPO General Assembly, the Organization's highest decision-making body. Mrs. Batchelor has been indispensable and indefatigable. Her contributions



Mrs. Sheila Batchelor

throughout the year at every crucial juncture along the road traveled were immeasurable. She transformed the role of the Chair of the General Assembly, while her strict neutrality and generosity of spirit marked her as a unique friend and mentor for me personally, and a beacon for my colleagues in the secretariat and the Organization as a whole.

To sum up, 1998 was a year of real challenge and solid achievement. We have laid a strong foundation for the future of the Organization.

Dr. Kamil Idris

A handwritten signature in black ink, consisting of a stylized 'K' followed by a series of loops and a final flourish.



Photos: TIB

Highlights

Highlights in 1998

Photo: TIB



- Member States approved in March a results-based program and budget for the biennium 1998-99. The approved expenditure of about 383 million Swiss francs was an increase of 25% over that for the 1996-97 biennium. The budget surplus was estimated at 17 million Swiss francs.
- The cooperation for development program was allocated about 60 million Swiss francs for the 1998-99 biennium, a 35% increase over the previous biennium. In 1998, this program directly benefited almost 11,000 men and women in 122 developing countries.
- The Distance Learning Center of WIPO's Worldwide Academy began use of video-conferencing in training courses and began preparations for Internet-based courses to begin in 1999.
- Approval in March by the member States of about 24 million Swiss francs for the initial creation (preparatory work began in the year) of a WIPO-led global intellectual property information network (WIPOnet).
- International patent applications under the Patent Cooperation Treaty (PCT) totaled just over 67,000, an increase of 23.1% over the total for 1997.
- Fees for international PCT applications were reduced by 15% effective January 1, 1998, thanks to the improved financial situation and greater efficiency of PCT operations.
- Member States approved in March 40 million Swiss francs to further computerize the operations of the Patent Cooperation Treaty over the next few years, beginning in 1998.
- International trademark registrations in the Madrid system exceeded 20,000 for the first time, a rise of 5% over 1997.
- Creation and commencement of work of three Standing Committees dealing respectively with patent law, copyright law as well as the laws on trademarks, industrial designs and geographical indications.
- WIPO undertook an international consultative process to develop recommendations for intellectual property issues, including dispute resolution, associated with Internet domain names. The process began in July and culminated in December with the publication of an Interim Report concerning WIPO's draft recommendations.
- Holding of the first WIPO international Roundtable on Intellectual Property and Indigenous Peoples in July 1998, a forum for exploring the intellectual property needs of indigenous peoples who are holders of traditional knowledge, innovations and culture.
- Approval by member States of 82.5 million Swiss francs in September for the construction of a new office building with a minimum of 500 work places, a new conference

room for some 600 delegates and additional parking space. Also in September, WIPO acquired the land adjacent to the existing WIPO headquarters on which the new building would be built.

- The first stage of an international architectural competition for the above-mentioned construction projects was launched at the beginning of November. The competition is to select the winning design according to architectural, functional and cost criteria.

- In July the member States approved an additional sum of 30.4 million Swiss francs for the renovation, modernization and extension of the existing premises of the World Meteorological Organization (WMO). A preliminary renovation of those premises is expected to start in the second half of 1999, after those premises have been vacated by WMO.

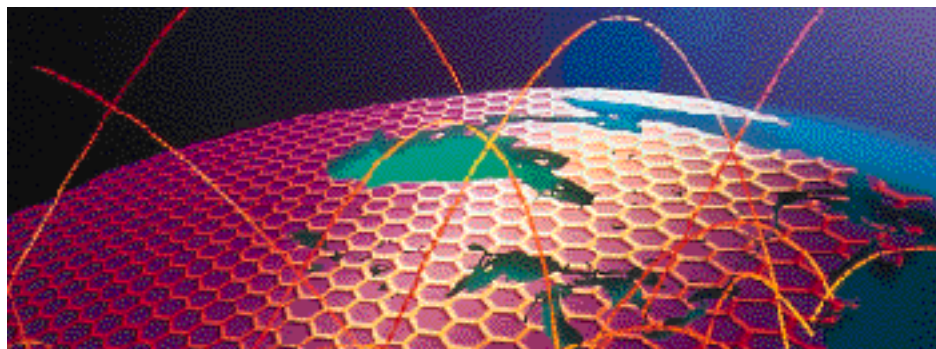
- A new corporate look for WIPO was developed throughout the year in the context of an active public outreach program by the Organization. Associated with

this, a new Information Center was opened in September to provide information on WIPO and intellectual property.

- The new look WIPO Internet site and subsidiary sites had an average of 18,000 hits per day or about 540,000 hits per month.
- Four Internet electronic forums were created to facilitate speedy, timely, and cost-effective worldwide participation in WIPO's consultations with the

public and private sectors in member States on various issues.

- A joint WIPO-WTO (World Trade Organization) initiative was launched in July to help developing countries meet their year 2000 commitments under the WTO Agreement on the Trade-Related Aspects of Intellectual Property Rights.
- A record 83 accessions or ratifications were received for 15 treaties.



Photos: TIB

Program and Budget

Program and Budget for 1998-1999

In March 1998, the Director General presented to the member States for their consideration his results-based program and budget proposal for the biennium 1998-99. This was a ground-breaking approach in the history of the Organization and was universally saluted by the member States. The proposal was contained in a document that identified clearly the objectives, main activities and expected results by each of the 19 main programs as well as their sub-programs, with their corresponding budgetary figures.

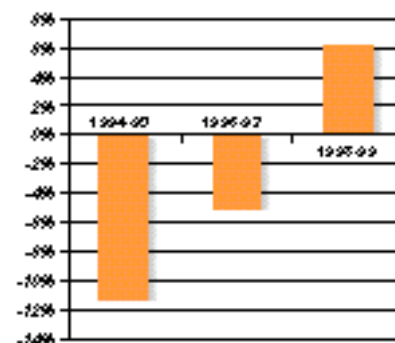
The program was approved in March, with a budget of about 383 million Swiss francs and a surplus of 16.5 million Swiss francs. The approved budget was an increase of 25% over that for the previous biennium of 1996-1997. Such a large increase reflected the member States support of the Director General's vision for the Organization and the

new initiatives which he proposed that the Organization undertake in the coming two years.

Resources for cooperation for development and the WIPO World-wide Academy (benefiting both developing countries and certain European and other Asian countries) amounted to some 60 million Swiss francs, an increase of 35% over the previous biennium. Money for the worldwide registration services (for patents, trademarks and industrial designs) rose by 17.4%.

Thanks to the improved financial situation of WIPO and greater efficiency, the fees payable for international patent applications (under the Patent Cooperation Treaty (PCT)) were reduced by 15% with effect from January 1, 1998, while contributions by member States were to be reduced by 10% from January 1, 1999.

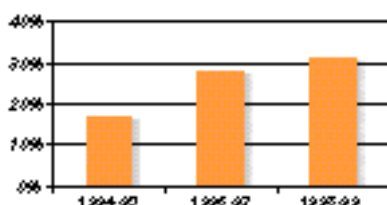
*Comparative trends:
excess of budgeted income growth
over expenditure growth*



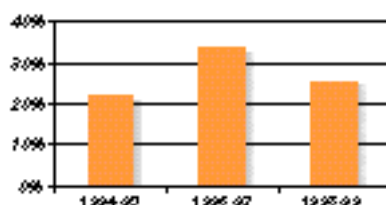
Work on this new program and budget in fact started in November 1997, immediately after the Director General assumed the reins of the Organization. Because of the new approach taken, the secretariat devoted much time and effort to the task. The preparations went hand-in-hand with an informal consultation process initiated by the Director General that had not before taken place in past program and budget exercises. To ensure that the views and expectations of member States were fully reflected, three rounds of such consultations with the member States took place in late 1997 and early 1998, culminating in the smooth approval of the draft program and budget. Informal exchanges of views with relevant market sector interest groups were also held.

The highlights of the approved program together with their main activities and achievements are

Budgeted income growth



Budgeted expenditure growth



described throughout the annual report.

Special Projects and Investments

When approving the program and budget for 1998-1999, the Member States also approved the use of important sums of money from the WIPO Special Reserve Fund (accumulated from the surpluses from past financial periods) to finance two major special projects:

- 40 million Swiss francs for further **computerization of the services under the Patent Cooperation Treaty**.
- an additional amount of 25 million Swiss francs for the initial creation of a WIPO-led **global intellectual property information network (WIPOnet)** which will link together the intellectual property offices, and their databases, of all of WIPO's member States (see elsewhere in this publication under WIPOnet) and other intellectual property information services.

Internal Oversight and Productivity

In line with the Director General's commitment to the member States to **ensure transparency and accountability in the planning and implementation of WIPO's program and budget**, as well as to **promote efficiency in the use of resources**, the Office of Internal Oversight and Productivity was created early in the year.

This office coordinated and oversaw the preparation of the Director General's results-based program and budget proposal for the biennium 1998-1999.

After an interval of scarcely six months, the Office launched and coordinated in October the preparation of the Director General's proposed program and budget for the biennium 2000-2001.

In addition to its program and budget preparation functions, the Office worked hard on developing appropriate managerial processes to underpin the implementation of the 1998-1999 program and budget. The processes included the delegation of a certain authority and flexibility in use of resources to Program Managers (of the rank of Director or higher) when implementing their programs according to approved work plans.

A major accomplishment of the office was the **introduction of a computerized Budget Expenditure Tracking System**, known within the WIPO secretariat as BETS. Under this system, each program manager had direct on-line access to the latest information on actual expenditure, commitments and remaining budgetary resources, thereby enabling him to better plan and use the remaining funds.

A study was conducted on how the Organization could best meet the need for better internal monitoring and evaluation of program and budget implementation as well as addressing the specific concerns of member States on this question.



WIPO's Cooperation for Development Program

Towards the Year 2000

Much of the work of WIPO's regional cooperation bureaus in 1998 was shaped by a single pressing issue: **the January 1, 2000 deadline for developing countries** which are members of the World Trade Organization to bring their national legislation and administrative structures **into line with provisions of the Agreement on the Trade-Related Aspects of Intellectual Property Rights (TRIPS)**.

Legal and technical assistance to these countries intensified in 1998 through a variety of venues. Legal support for the drafting of intellectual property laws and regulations reached record levels, with 39 draft laws on various issues prepared by

WIPO upon request from 21 developing countries. Some 48 developing countries were provided, upon request, with comments on the compatibility of existing or draft legislation with the TRIPS Agree-

ment. Such legal issues were discussed with authorities of 29 countries and organizations through WIPO staff missions and consultations in Geneva.

Building human resource and institutional capabilities to implement TRIPS requirements was a key focus throughout 1998. In addition to training courses and



Discussing enforcement issues at a symposium for judges from Caribbean countries



Representatives from Arab countries meet to examine intellectual property issues

specialized meetings dealing with legal and administrative aspects of TRIPS, various high-level, regional policy meetings were convened by WIPO in Cairo, Bamako, Dhaka, and Islamabad, complemented by national sessions in eight developing countries in the four geographic regions. As part of its joint initiative with the WTO, WIPO hosted a one-day joint symposium in Geneva on "The Process of Implementation of the TRIPS Agreement."

The task of conforming with the TRIPS Agreement is seen as a challenge for developing countries because of the complexities of intellectual property laws and their enforcement. However, the process provides an opportunity to use intellectual property protection to accelerate economic, social, and cultural development, as well as to increase awareness of **intellectual property as a key natural resource in developing nations.**

Enforcement: A Key Issue

One aspect of intellectual property highlighted by the TRIPS agreement is the question of enforcement. During 1998, this issue was integrated into WIPO's training programs around the world. Senior customs officials from 15 countries attended a pilot orientation program, which included visits to national enforcement offices in Europe.

Various training courses and briefings concerning enforcement provisions of the TRIPS Agreement were organized throughout the four regions. A special WIPO Academy session for enforcement officials was held in November in Washington, D.C.

The training and seminars focused on a **variety of aspects of enforcement**, including the following:

- policy and practical implications of implementation of TRIPS Agreement requirements

- general obligations under TRIPS concerning enforcement
- civil and administrative procedures and remedies
- the challenge of piracy and counterfeiting
- special requirements related to border measures; criminal procedures
- legal, administrative and judicial implications for developing countries in establishing appropriate enforcement infrastructures
- litigation and alternative dispute resolution
- private sector issues regarding enforcement
- national, regional, and international cooperation and coordination on enforcement.



Participants in an Academy training session at WIPO headquarters in Geneva

Worldwide Academy and Distance Learning Take Shape

The year witnessed the creation of the WIPO Worldwide Academy, an institution dedicated to optimizing the use of national intellectual property systems by **enhancing human resource development** programs at national and regional levels. The beneficiaries were principally those working in intellectual property offices, academia, and research institutions.

A key means to achieving that on a global basis is through the **use of the most advanced technology** available. The WIPO Academy has embraced the use of the **Internet, digital multimedia technology, and video conferencing** to better extend its reach to intellectual property and academic institutions worldwide.

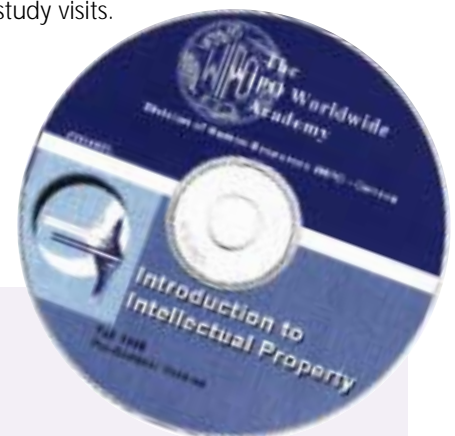
A first step was the creation of an Internet-reactive CD-ROM providing an introduction to intellectual property in electronic form. The

CD-ROM was designed principally to form part of the Academy's distance learning program, but can also be used as background information for those attending Academy sessions – which deal with policy and special issues such as enforcement and the TRIPS Agreement – as well as introductory courses on intellectual property. Work was begun during the year on a more detailed introductory course on the Internet platform. The pilot course is expected to be launched in mid-1999.

While some distance learning, especially that on the introductory level, can be managed solely by the Worldwide Academy, more advanced studies require **collaboration with academic institutions**. Foreseeing that need, the Academy negotiated in 1998 several partnership agreements with institutions such as the University of South Africa (UNISA), the Queen Mary and Westfield College of the University of London, and Cornell University in the United States. Fur-

ther collaborations were established with the European Patent Office, the German Patent and Trademark Office, and the British Copyright Council. Agreements were also reached with the African Intellectual Property Organization (OAPI) and the African Regional Industrial Property Organization (ARIPO) to strengthen regional training capacities and to coordinate with other universities in those regions. This approach will be duplicated in other regions in 1999.

The Academy's efforts in 1998 reached a wide audience: some **484 participants attended 60 interregional courses and seminars**, and 84 officials from all regions attended five Academy sessions in Geneva. An additional 161 individuals participated in study visits.



Building Lasting Institutions

While meeting TRIPS Agreement requirements is a pressing, time-sensitive issue for the Cooperation for Development program, a **long-term, ongoing goal** continues to define all its work: that of building and strengthening institutions – both national and regional – that deal with intellectual property matters. This involves identifying and training a core of intellectual property experts in developing countries, as well as building the technological means – such as databases, information systems, and Internet-based documentation – to better disseminate up-to-date information on intellectual property law and protection.

Throughout the year, WIPO staff members and consultants traveled extensively to developing countries to consult and advise governments and other national and regional institutions on a wide range of policy and administrative matters. Such matters included developing and carrying out action plans to strengthen services and other support for industry, inventors and creators.

Indeed, one of the main achievements of WIPO's cooperation for development program in 1998 was a significantly broader dissemination of information on the intellectual property system and the promotion of its potential benefits to a larger and more varied target audience. Special efforts were made to bring together an array of target groups: government administrators, policy-makers, development managers, legislators, the judiciary, customs and police officials, attorneys, research and development institutions, associations of inventors, financial and business groups, as well as authors, artists, and performers.

The efforts showed positive results. During the year, 43 developing

country nationals acted as experts and 147 as resource persons in seminars and workshops, a more than 30 percent increase over 1997. **Overall, a total of 179 national and regional events** were held in the **four developing regions, reaching more than 10,000 participants**. These were complemented by 184 tailor-made training programs designed for developing country government officials in cooperation with intellectual property and academic institutions in both industrialized and developing countries. WIPO is continuing to build on these efforts and will further develop the resources – both human and material – to advance its work in the developing world.



The new China Intellectual Property Training Center receives a full collection of WIPO publications



Photo: TIB

WIPO's Least Developed Countries Unit

The growing complexity of intellectual property issues in developing countries creates a unique set of challenges which call for unique solutions. In 1998, responding to a need confirmed by the member States, WIPO created a special unit to ensure that the needs of the most disadvantaged of developing countries are met.

"I consider it to be the responsibility of an international organization to endeavor, through its program of cooperation for development, to mitigate the disadvantageous effects of rapid change on the developing and least developed countries."
Dr. Kamil Idris

The **Least Developed Countries Unit**, formed in October 1998, is mandated to improve the overall capacity of LDCs to respond to intellectual property opportunities created by the rapid globalization of the world economy. Indeed, globalization brought on by technological advances involves perhaps the most fundamental redesign of the world's political and economic arrangements since

the industrial revolution. Countries that are less able to take advantage of the resulting opportunities are at risk of being further marginalized.

Of 48 countries on the United Nations list of least developed countries, 39 are members of WIPO. **WIPO has some 44 projects in 38 LDCs.**

The new Unit coordinates the Organization's technical cooperation activities in LDCs, to ensure that they focus on the specific requirements of the countries concerned and complement the technical cooperation programs of other agencies. In close cooperation with the Organization's regional bureaus, the LDC Unit designs programs tailored specifically for individual LDCs.

These programs focus on strengthening the managerial and technical capacities of the public and private sectors to develop appropriate policies and service infrastructures that will support intellectual property rights. Technical assistance concentrates on training and human resources development; helping to introduce

new national legislation or enhance existing legislation; preparations for the implementation of the Agreement on the Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) before the January 1, 2006 deadline; technology transfer; and the use of the Internet and electronic commerce.

Photo: www.arttoday.com



As part of the effort to **build lasting intellectual property institutions**, special attention is given to enacting laws, rules and regulations that govern such intellectual property issues as industrial designs, geographical indications, unfair competition, and plant varieties. The Unit also addresses intellectual property questions regarding the **protection of traditional knowledge and indigenous technology and folklore** as they relate to the development needs of the LDCs.

Cooperation with Countries in Transition

While the majority of countries in transition in Central Asia, Central and Eastern Europe, and the Baltic countries have already acceded to the Paris Convention, the Berne Convention, the Patent Cooperation Treaty, and the Madrid Agreement/Protocol, they are still progressing towards meeting the requirements of the TRIPS Agreement. As many are recently independent countries preparing new legislation and building new institutions, their needs vary. WIPO's programs in these areas focused on both general "awareness building" training as well as more specific seminars relating directly to the implementation of TRIPS-related requirements.

The secretariat's activities in these regions stressed **enhancing the skills of managers and staff of industrial property and copyright offices** to help modernize intellectual property administrations. Some 800 participants from 28 countries attended meetings throughout the region, all of which promoted a better understanding of the requirements of the TRIPS Agreement. Many of the meetings also discussed recent developments relating to intellectual property aspects of information technology and electronic commerce as well.

WIPO provided **legislative advice** to the governments of six countries – Belarus, Bulgaria, Georgia, Lithuania, Romania, and the Russian Federation – on modernizing national intellectual property legislation to make it compatible with the TRIPS Agreement as well as other WIPO-administered treaties.

Indeed, during 1998, 17 countries from Central Asia, Central and Eastern Europe, and the Baltic countries deposited some 40 instruments of accession or ratification to various WIPO-administered treaties throughout the year (see chart, p. 34).

In a more general effort to foster the development and promotion of the use of intellectual property in the countries in transition, WIPO held **five training and awareness seminars** which

attracted 700 participants from 14 countries. Included among the subjects discussed were the economic importance of intellectual property, the use of modern technical means of patent information, licensing, and new developments in the international protection of copyright and related rights. These meetings enabled the participants to familiarize themselves with the various aspects of intellectual property, to recognize the value of intellectual property rights, and better understand their importance in key areas of economic activity and development. Such training is helping to provide a firm foundation for further development of intellectual property institutions in both the public and private sectors.



Some of the 800 participants, from 28 countries, who attended WIPO meetings in the region in 1998

Harmonization

Harmonization of Intellectual Property Laws and Practices

One of the principal tasks of WIPO is to promote the harmonization of intellectual property laws, standards and practices among its member States. This is achieved through the progressive development of international approaches in the protection, administration and enforcement of intellectual property rights.

Standing Committees

Accelerating the growth of international common principles and rules governing intellectual property calls for ways and means other than diplomatic conferences and treaties. As a result, three Standing Committees were established, one to deal with copyright matters, one with patent matters and one with matters relating to trademarks, industrial designs and geographical indications. Each Committee is designed as a streamlined means by which member States may set priorities, allocate resources and ensure coordination of work.

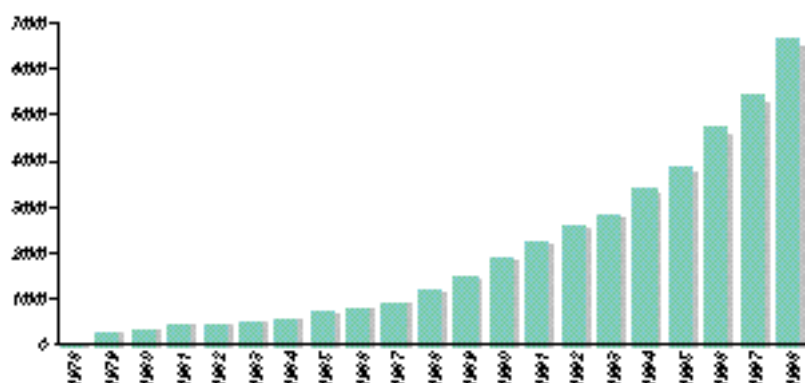
At their first meeting, the two latter Committees authorized the WIPO secretariat to establish an Internet-based electronic forum to facilitate and accelerate discussions among members. Membership of each Committee is made up of the WIPO member States, selected intergovernmental organizations and international non-governmental organizations. Each of the three Standing Committees met in one or more sessions in the course of 1998.

Patents

The Standing Committee dealing with patent law met in June and November. Discussions were dedicated to the [draft Patent Law Treaty](#) which covers administrative or formal requirements for the filling of patent applications in patent offices. The aim of the proposed treaty is to harmonize procedures for patent applications around the world. The Committee decided that the draft Treaty could be negotiated and established by a [Diplomatic Conference tentatively scheduled for May/June 2000](#).

The Committee also agreed that its next session in the first half of 1999 would deal only with the

draft Treaty and [the issue of lower fees for applicants from developing countries](#). In the meantime, the WIPO secretariat will carry out a [study on the interface between the draft treaty and the Patent Cooperation Treaty](#).



Promotion of WIPO "Internet" Treaties

In December 1996, the WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonogram Treaty (WPPT) were established. These two treaties are often called the WIPO "Internet" treaties because they contain, among others, provisions which aim at preventing unauthorized access to and use of creations (such as books, articles, music, songs, films, images) on the Internet or other digital networks.

Given the increasing pervasiveness of the Internet in international commerce, the importance of

these treaties is immense. Throughout 1998, the WIPO secretariat expended considerable efforts in promoting adhesions to them and hastening their entry into force. Such efforts included consultations with member States, discussions with various private sector interest groups, as well as regional seminars to explain the treaties.

During the year, there was a noticeable increase in understanding of those treaties in many parts of the world. The direct result was that by the end of 1998, six States had adhered to the WCT and four to the WPPT. Implementing legis-

lation was under preparation in a number of countries. For each treaty to come into force, at least 30 States must adhere to it; consequently, much work remains to be done.



Trademarks

The Standing Committee dealing with the law of trademarks, industrial designs and geographical indications met in July. This session dealt essentially with organizational and procedural matters. The Committee also reviewed issues pertaining to the protection of well-known marks and other matters to be discussed at its next meeting in early 1999. Priority on future work was given to completing the [legal provisions for protecting well-known marks](#) and on questions regarding [the use of trademarks on the Internet](#).

Copyright and Related Rights

The Standing Committee dealing with copyright questions met in November. The members discussed the [protection of audio-visual performances, databases and the rights of broadcasting organizations](#). On the first matter, the advisability of an international Protocol to the WIPO Performances and Phonograms Treaty (established in 1996) or of an independent treaty remained open. However, to facilitate further consideration, the WIPO secretariat would collate proposals from the members in preparation for regional consultative meetings to be held before the May 1999 session of the Committee. The Committee agreed it would then decide whether to rec-

ommend to the Assemblies of the WIPO member States to convene a diplomatic conference on a new international instrument.

On the protection of databases, the Committee agreed to pursue discussions and a study on the economic impact of such protection on developing countries. Regional consultations were planned for the second quarter of 1999.

As for the protection of the rights of broadcasting organizations, proposals were placed on the agenda for the Committee's May 1999 meeting, with regional consultations to be held in the second quarter of 1999.

Global Protection Systems

Of most direct benefit and interest to the market sector and enterprises are WIPO's international registration services. Such services are provided in close cooperation with the industrial property administrations of countries which have adhered to the Patent Cooperation Treaty (PCT system), the Madrid Agreement for the International Registration of Marks and/or its Protocol (commonly known as the Madrid system) and the Hague Agreement for the International Deposit of Industrial Designs (the Hague system).

Simply described, the above-mentioned treaties facilitate the obtaining (in the case of the three systems) and maintaining (in the case of the Madrid and Hague systems) of international protection for inventions, marks and industrial designs by, on the one hand, offering to an enterprise or individual wishing to obtain protection the right to file a single international application which will

be treated as if separate applications had been filed in multiple countries and, on the other hand, in the case of the Madrid and Hague systems, by maintaining international registers of marks and industrial designs. These international systems are administered by WIPO. The advantages of such international procedures are that they greatly simplify procedures for the applicant, offer wider options, speed up processing and reduce cost.

It therefore is not surprising that WIPO's services in this area are widely used and enjoy healthy growth rates. Fees, which are determined by the member States, are charged to applicants and users for the services provided.

Collectively, WIPO's global protection systems generated in 1998 total gross revenue of about 174 million Swiss francs or the equivalent of 52% of the projected total fee income for the biennium 1998-1999.

Patents

PCT applications in 1998 totaled just over 67,000, representing an unprecedented rise of 23.1% over the total for 1997. The WIPO secretariat itself, acting as a receiving Office of international applications, enjoyed an astonishing rise of 32.8% over 1997, receiving about 2,200 applications from 49 countries. Notwithstanding these and other demands on the PCT administration at WIPO, all time limits and other obligations under the PCT and its Regulations were honored.

Because the services are provided to demanding users in industry and business, it is essential that they be efficient and cost-effective. Throughout 1998, WIPO registration services were constantly upgraded. Revisions of the PCT system were made to further rationalize and simplify procedures. Those revisions took the form of modifications to the Regulations, administrative instructions, forms, receiving Office guidelines, international search guidelines and international preliminary examination guidelines as well as to the PCT Applicant's Guide.



One of more than 20,000 trademarks registered under the Madrid system in 1998

In parallel, about 40 million Swiss francs were approved for a major computerization project for the PCT system, to be carried out over several years. Preliminary steps were taken in the course of the year to implement the project whose main features are:

- introducing an electronic document management system for processing the large numbers of applications
- developing an electronic filing software
- communicating electronically between WIPO and the PCT national and regional administrations of member States
- developing new standards for electronic filing, coding and transmission of data.

The PCT Gazette containing information on published PCT applications became available in April 1998 in CD-ROMs and on the Internet. The full contents of all international applications published since the PCT began operations in 1978 are now available on 880 CD-ROMs. The published PCT applications continued to be available in one of seven publication languages: Chinese, English, French, German, Japanese, Russian and Spanish.

Although the PCT has been a great success story since its inception, the WIPO secretariat continued to actively promote its wider adherence by countries and more intensive use by industry. At the end of 1998, 100 countries were party to the PCT. The potential for continued PCT growth remains great.

Marks

In 1998, international registrations under the Madrid Agreement and the Madrid Protocol overtook the landmark figure of 20,000 for the first time, with an increase of 5% over the 1997 figure. Renewals of international registrations (about 5,800), for their part, grew by almost 19% compared to 1997. In all, registrations and renewals outpaced 1997 by close to 8%.

Like the PCT system, the Madrid system benefited in 1998 from continuing computerization with the objective of making operations more efficient and speedy.

In December 1998, a major milestone was attained in the area of communications with the trademark administrations of the Madrid States, with the electronic receipt, from the Swiss administration, of the first electronic international application. The data of this application was automatically loaded onto the Madrid system database, without additional work by the WIPO secretariat. At the other end of the processing chain, the WIPO secretariat was able to send electronically notifications to six offices

of Madrid members. It is expected that in the course of 1999, electronic notifications will be accepted by a number of Madrid members as the sole means of communication, thereby significantly reducing paper and mailing costs.

In 1998, 12 countries became bound by the Madrid Protocol, with three of them adhering as well to the Madrid Agreement. At the end of the year, the Madrid system had 59 contracting States. As the latter figure is only about a third of the world's countries, the potential for growth of the Madrid system remains enormous.

Throughout the year the WIPO secretariat undertook many activities which aimed at making the system better known to potential member States and at promoting greater use by current member States. Such promotional activities included study visits to WIPO, advisory missions to countries, training on the job and at WIPO, seminars, the production of a video on the Madrid Protocol as well as improving and updating relevant information on the WIPO Internet site.

Industrial Designs

During the year under review, the number of international deposits of industrial designs under the Hague system was constant (3,970) compared to 1997. Renewals (almost 2,500), on the other hand, rose by 11% compared to 1997.

Despite the number of deposits remaining constant, the secretariat responded to several significant developments throughout the year:

- changes in procedures, following the entry into force, in the last quarter of 1997, of important amendments to the Hague Regulations, which made the system more user-friendly
- computerization of registration procedures after a seven month testing period from June to December, leading to a complete electronic database on all international deposits currently in force being available at the WIPO secretariat from January 1, 1999
- work on the electronic publication on CD-ROM of new deposits, permitting the discon-



tinuation, from the beginning of 1999, of paper publication of designs

- associated with the above-mentioned electronic publication was a change to some regulations and administrative instructions
- preparation and distribution, in six languages, of the working documents for the **Diplomatic Conference in June-July 1999** which aims to establish a new Act of the existing Hague Agreement. The new Act, if established, will be attractive to countries which have so far stayed outside the system. In connection with the Conference, a Preparatory Meeting took place in October 1998 which adopted the draft agenda of the Conference and its draft rules of procedure. **The Conference will be held in Geneva.**

Standing Committee on Information Technologies Begins Work



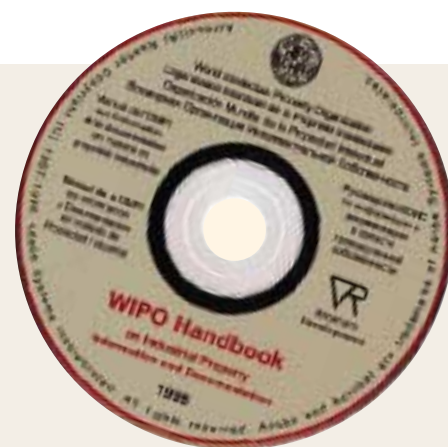
Among the most crucial issues affecting member States and the intellectual property community in an increasingly digitalized age is the assurance of technical standards in the process of providing intellectual property information. The Standing Committee on Information Technologies (SCIT) was established to oversee the development of such standards and to promote the exchange of information via networks such as WIPOnet.

In its first plenary session, held in June, the SCIT adopted a work plan and established three working groups: the Information Infrastructure Working Group (IIWG), the Standards and Documentation Working Group (SDWG) and the Information Security Working Group (ISWG). The three groups met jointly in November to discuss the technical, operational, and procedural aspects of the development of WIPOnet.

The IIWG reviewed efforts to assess the variations in data automation and access arrangements among member States and assure a base-level capability for all intellectual property offices worldwide through WIPOnet. The SDWG considered

further development of the WIPO Intellectual Property Digital Library (IPDL) project to include the availability of the full text of international applications filed under the PCT and the inclusion of intellectual property collections hosted on behalf of member States. The SDWG considered conducting a series of pilot projects that would explore different technical approaches to promoting widespread development and use of IPDLs at the national level.

Of primary importance in the development of standards for electronic exchange of unpublished, confidential data is the question of security. The ISWG considered a number of technical issues relating to security, including a proposal for a pilot project to exchange secure, authenticated requests for priority documents via WIPOnet. The project would use digital certificates and digital signatures to assure the confidentiality of priority document exchange among intellectual property offices. This type of secure, electronic exchange would greatly reduce the cost and resources consumed by processing and transmitting such requests in paper form.



Elsewhere on the digital front, The WIPO Handbook (Handbook on Industrial Property Information and Documentation) was published in CD-ROM format. The handbook is the authoritative source for all WIPO Standards and provides comprehensive information on various matters regarding patents, trademarks and industrial designs.

The effort to make WIPO standards available via the WIPO web site continued throughout the year. By the end of the year, some 19 WIPO standards and three important surveys were available on the web site. In addition, four WIPO standards were revised during the year to promote a clear and uniform presentation of data contained in patent documentation.

WIPO_{NET}

WIPO_{NET} Prepares for Launch

A recurrent theme in much of WIPO's work is the importance of **exploiting leading-edge technology** to its fullest extent in all areas of promoting and protecting intellectual property. The Organization itself took several major steps in that direction during 1998 by advancing **the creation of WIPO's Global Information Network**, popularly known as the WIPOnet.

In June, the Standing Committee on Information Technologies (SCIT), which is comprised of WIPO member States and certain international governmental and non-governmental organizations, endorsed measures to establish the network, **which will provide network ser-**

vices to intellectual property offices worldwide. The SCIT's endorsement followed an approval by the Assemblies of Member States in March, 1998, allocating a budget of some 24 million Swiss francs for the project in the 1998-99 biennial budget.

Through its secure, private network, WIPOnet will greatly facilitate **the rapid exchange of data** between intellectual property offices worldwide, provide e-mail and videoconferencing services, and provide access to huge amounts of data via the Intellectual Property Digital Libraries. It will provide a means for **electronic filing** by the public of international

patent applications filed under the PCT, assuring a secured, timely transmission of confidential text and images contained in international patent applications.

Users will have access to distance learning facilities offered by the WIPO Worldwide Academy (see p.10). A 24-hour "help desk" will be staffed by technicians conversant in the six WIPO working languages.

WIPOnet will be continuously upgraded to offer a full range of services to members of the worldwide intellectual property community. It will ultimately serve as **a vehicle for discussion of innovative ideas** for using information technology, as well as **a means for implementation of new initiatives** involving information technology and the promotion and protection of intellectual property.

Deployment of WIPOnet is expected to begin in July, 1999.



Photo: TIB

Launch of WIPO's Intellectual Property Digital Library (IPDL) Project

The WIPO Global Information Network (WIPOnet) will provide a number of new opportunities to intellectual property offices, such as the use of the network to facilitate exchange of intellectual property information provided through Intellectual Property Digital Libraries (IPDLs).

As a prototype of the kind of facilities that IPDLs will provide, WIPO launched a new service on April 2, 1998, providing comprehensive public searchable access to a patent information database of PCT Gazette data via the WIPO web site. The database provides the first page data (bibliographic data, abstract and drawing) of more than 100,000 applications published under the Patent Cooperation Treaty (PCT) and supports fully searchable information retrieval and display.

The IPDL will be expanded in spring 1999 to include the "Madrid Express," devoted to providing searchable access to trademarks filed under the Madrid system.

A number of intellectual property offices providing digital library access similar to the WIPO IPDL, will ultimately be linked through WIPOnet, providing truly global accessibility to intellectual property information.

Information Technologies Continue to Develop at WIPO

Further upgrading of the secretariat's information technology systems continued throughout the year, with the installation of some 300 new personal computers. Nearly half the secretariat staff were trained and integrated onto WIPO's internal network, which employs an updated network system. Servers were upgraded and added to enhance the network performance and a new e-mail system was initiated to allow staff on mission access to internal e-mail.

Improvements in information technologies helped streamline a wide

variety of activities in the secretariat. Several new programs or enhancements introduced or tested during the year brought advanced technical capabilities in financial analysis, budget planning, travel authorizations, as well as managing human resource records for personnel administration and payroll tracking.

By the end of the year, all of WIPO's major information technology systems were compliant with year 2000 requirements. Further testing will take place in the first half of 1999.

Photo: TIB



Electronic Commerce

Electronic Commerce; Internet Domain Names

Intellectual property rights are of central importance in maintaining a stable and positive environment for the development of electronic commerce. In response to the rapid rise of electronic commerce, and to member States' request that WIPO look into the intellectual property aspects of such commerce, an Electronic Commerce Section was established in 1998. It has the task, among others, of coordinating the many programs and activities of WIPO which deal directly or indirectly with the intellectual property aspects of electronic commerce.

Internet Domain Names

In July 1998, the Section began managing an international consultative process to address the intellectual property and related dispute resolution issues associated with Internet domain names. This consultative process was designed to facilitate wide international participation from both the public and private sectors that were concerned with the use and future directions of the Internet in general and domain names in particular. Consultations took the forms of traditional written proposals and comments, an electronic forum set up by WIPO and a series of regional consultation meetings in different parts of the world from September through November 1998. In December 1998, WIPO published an **Interim Report** called

"The Management of Internet Names and Addresses: Intellectual Property Issues." It contains the findings and draft recommendations dealing with the following four topics:

- best practices designed to minimize conflicts arising from domain name registrations
- the need for uniform dispute resolution procedures
- protection for famous and well-known marks
- the impact of adding new top-level domains on intellectual property.

Some **key recommendations** in the report are:

- best practices for registration authorities and users which minimize conflicts due to domain name registration; the best practices focus effective contractual arrangements for such registration
- reliable contact details to be provided by applicants for registration, with cancellation of the domain name in case of non-compliance
- the existence of databases containing such contact details, while accommodating privacy concerns associated with access to such databases
- a uniform administrative dispute resolution procedure which resolves domain name conflicts quickly and relatively cheaply, with an on-line option
- effective prohibition of abusive domain name practices to take care of the concerns of owners of famous and well-known marks
- possible controlled introduction of new generic top level domains (gTLDs).

WIPO Arbitration And Mediation Center

Given the widespread interest on the subject, **the views of over 1,000 persons, including representatives of companies, associations, governments and inter-governmental organizations from the public and private sectors, were taken into account** in preparing the interim report.

These representatives either attended the regional consultations or sent comments through the electronic forum set up by WIPO to receive views and suggestions. The special WIPO Internet site containing information on the domain name consultations had an average of about 82,000 hits per month after it was set up in July 1998.

The interim report will be finalized in mid-April 1999, after another round of international consultations. Thereafter, **WIPO's final recommendations in the April report will be presented to the member States and presented to the Internet Corporation for Assigned Names and Numbers.**

The Center was set up in 1994 to provide for a cheaper and speedier alternative to the normal judicial process for the settlement of intellectual property disputes between private entities. These parties often exploit their intellectual property rights across borders, and the arbitration and mediation procedures offered by WIPO can be used internationally.

In 1998, the Center continued to provide information to interested circles, making referrals for arbitrators and mediators, drafting rules and organizing training. About 90 paying participants attended the Center's training programs in 1998. The Center's staff regularly provided legal information and assistance concerning the WIPO contract clauses for intellectual property dispute resolution. These

WIPO clauses are particularly found in licensing agreements. An important patent mediation under the WIPO Rules took place in 1998, and nine other informal referrals were made. Another successful event was the adoption of WIPO's Mediation Rules by the European textile design industry as a standard feature of its new Stop Copy Designs scheme.

The Center concentrated on developing an **Internet-based on-line arbitration facility** aimed at making dispute resolution faster and less costly and expected to be operational in 1999. In 1998, three Internet services providers adopted this on-line facility, while many other parties expressed their interest in using this facility in view of the growth of electronic commerce.

Photo: TIB



Intellectual Property and Global Issues

Rapid technological advance, economic globalization and the growing importance of intellectual property in this context require **active study of the links between intellectual property and global issues** such as traditional knowledge, biotechnology, biological diversity, folklore, environmental protection and human rights.

In 1998, WIPO undertook a number of missions and organized two international roundtable discussions. The missions, to the South Pacific, South Asia, Africa and North America **investigated the needs and expectations of certain holders of traditional knowledge** with respect to the intellectual property system.



Some fine examples of Mayan work in Guatemala

WIPO Studies the Needs of Indigenous Peoples

WIPO hosted in July a roundtable discussion on intellectual property and indigenous peoples. Some 200 representatives of indigenous groups from Africa, the Americas, Asia, Europe, and the South Pacific attended the two-day gathering. They shared experiences and aspirations concerning the protection of traditional knowledge, innovations, and culture by means

of intellectual property. Representatives of governments, inter-governmental organizations and non-governmental organizations also attended. Chief among the outcome was the participants' desire for WIPO to

organize further discussions on the subject on a regular basis.

WIPO also began preparations for carrying out a pilot project to document traditional knowledge formations, and studies on the ways information technology could protect and conserve traditional knowledge and cultural heritage. Significant progress was made towards completion of a feasibility study in a regional system of collective copyright management in the Caribbean region.



Inuit artist with soapstone (left) and whale-bone (right) carvings

Organization for the future

WIPO Reaches Out to the Public

In 1998, the secretariat launched a concerted effort to promote an understanding of the role of intellectual property, the need for its protection, and the work of WIPO in those areas, through a multi-fronted campaign reaching out to the general public and the intellectual property community. A new – and still evolving – corporate image pervaded all aspects of the Organization's outreach program, emphasizing the point that WIPO is "an organization for the future."

WIPO – Live on the Web

Harnessing the power and global reach of information technology, WIPO revamped and expanded its web site, making it more attractive, accessible, efficient, and user friendly. More information – including all the Organization's main documents and major printed publications – were made available, reaching the equivalent of some 55,000 document pages. By year-end, the number of visitors to the WIPO site and its subsidiaries had more than tripled, reaching an average 18,000 visits per day, an audience otherwise unattainable by conventional means. Presently on line in English, French, and Spanish, the site's reach and accessibility will expand further with the completion of an Arabic version of the site, begun in late 1998.

Besides reaching a large, world-wide audience, the web site pro-



In August 1998, more than 100,000 pages of information were transferred via the WIPO web site every week [http:// www.wipo.int](http://www.wipo.int)

vided efficiencies in the work of the secretariat as well. For example, member States can now download documents instantaneously, reducing time spent in processing requests, reprinting and distribution, as well as mailing costs. The internal "Intranet" site has created enhanced communication within the secretariat, helping to promote among the staff a deeper understanding of and commitment to the Organization's mission.

Press & Publications

Press and Publications

WIPO actively increased contacts with and coverage from the more traditional media as well. Over fifty press releases and updates, new press kits and interviews with senior WIPO staff resulted in an unprecedented 400 articles and reports on the Organization and its work in major international publications as well as radio and television outlets. Coverage was by no means confined to the media of industrialized nations. The global outreach, in tandem with the Organization's work in developing countries, resulted in a significant increase in the coverage of WIPO activities within the African, Asian,

and Latin American regions. The reports were accurate, objective, and generally reflected favorably on the Organization.

As part of its effort to especially target the general public, WIPO redoubled its efforts in general publications. Some 35 new information products were created during the year. Chief among these was an 18-page general information brochure, with a strong graphic content and simple, explanatory language for the general interest reader. Summaries of the 21 WIPO-administered treaties were

produced for inclusion in a special folder to be handed out at seminars, workshops, and training courses. The WIPO Magazine debuted mid-year, a full-color mix of news and feature stories designed to serve as a bridge between the Organization and intellectual property professionals as well as the general public. As are all new general information products, the magazine is available on the WIPO web site. A completely revised new edition of the popular reference work "Intellectual Property Reading Material" was issued.



A New Information Center

In another effort to open its doors to the general public, WIPO in September inaugurated its Information Center. Housed in WIPO's Geneva headquarters, the Center features exhibitions on various aspects of intellectual property, WIPO publications, a cyber-corner featuring interactive computer learning, and a special collection of gifts with an intellectual property theme.

The Center's first exhibit, "Women Invent", opened in September and generated extensive media coverage, both locally and internationally. By year-end, some 1,400 visitors – many of them school children – had toured the exhibit, which offers portraits of women inventors and their inventions, covering the spectrum from award-winning schoolgirls to Marie Curie. The exhibit will travel abroad during 1999.



Part of the "Women Invent" exhibit in the new Information Center

The WIPO Library – open to the public, worldwide

Having moved to new premises at the end of 1997, the WIPO Library was able to accommodate an increase in visitors from the general public in 1998. In addition, a continuing project to place the library's entire catalogue online – amounting to some 34,000 books and publications – progressed throughout the year, to be completed in 1999. An increased use of e-mail to respond to requests from researchers in member States further extended the library's accessibility. The library expanded its collection by more than 3,000 new acquisitions, many in new areas of interest such as biotechnology, electronic commerce, and traditional knowledge. Research services were provided to users worldwide. Visits from the public are welcome.

Market sector and civil society

Working with the Market Sector and Civil Society

The market sector and civil society together constitute one of the two major constituencies of WIPO, the other being the member States. In recognition of the growing importance of the market sector in the work and financial well-being of the Organization, the Non-Governmental and Enterprise Affairs Division was created in 1998. This Division oversees relations and cooperation with NGOs and with industry. In 1998, the Division organized meetings between the secretariat and a number of NGOs to explore closer cooperation. Further, this Division, which provides the support for the **Industry Advisory Commission**, took all the major preparatory steps for the Commission's inaugural meeting in February 1999.

In 1998, **there were 141 international non-governmental organizations with observer status in WIPO**. They were invited to meetings of working groups, Standing Committees and the Assemblies

and other decision-making bodies of the member States of WIPO, depending on the subjects being discussed. As observers, they had the right to express their views at those meetings and to present papers and proposals. For certain meetings, national NGOs could and were also invited, on a case-by-case basis.

Almost all the observer NGOs of WIPO have long-established interest in one or more aspects of intellectual property. Their main interest in following WIPO's work involves two areas. The first is the progressive development of global intellectual property laws and standards. The second is the international protection services provided under the Patent Cooperation Treaty, the Madrid system for the international registration of trademarks and the Hague system for the international deposit of industrial designs.

For a number of years, certain NGOs have also been cooperating

with WIPO in a third area: providing support in kind for the latter's cooperation for development program, with benefits for all the partners concerned, i.e. the target developing countries, the NGOs themselves and WIPO. **The support of national NGOs can be a determining factor in WIPO's relations with a given member State**, particularly regarding accessions to the treaties providing global protection services.

In the course of 1998, a wider variety of NGOs took an interest in WIPO. These were NGOs that were interested in one or another of the new global intellectual property issues taken up by the Organization, such as the intellectual property aspects of traditional knowledge, folklore, biodiversity and protection of the environment. In this way, **more broad-based NGOs representing varied public-interest groups are expected to follow the work of WIPO**.

WIPO and WTO: Looking Ahead to the Year 2000

The World Trade Organization (WTO) is one of WIPO's key institutional partners. Since the two organizations concluded their cooperation agreement in 1995, they have worked closely together in making available information on the intellectual property laws of their members, implementing Article 6ter of the Paris Convention for the TRIPS Agreement, and offering legal-technical assistance and technical cooperation to their developing country members.

During 1998, WIPO and WTO intensified their common efforts to assist developing countries in meeting their obligations under the TRIPS Agreement by the January 1, 2000 deadline. The commitment of the two organizations to this important objec-

tive was reaffirmed by the joint initiative launched by Dr. Kamil Idris and WTO Director General, Dr. Renato Ruggiero, in July. The initiative aims at maximizing the use of the two organizations' available resources at this critical juncture through improved planning and coordination of their technical cooperation activities.

On September 16, eminent specialists from government and industry joined senior WIPO and WTO officials in a joint symposium.

sium to review the implementation of the TRIPS Agreement. Many officials from capitals and local diplomatic missions and a wide range of NGO representatives participated. Several joint activities were planned for 1999.

During the year, WIPO was represented at all meetings of the WTO General Council and Council for TRIPS and acquired observer status in the Committee on Trade and the Environment. WTO officials were regular observers in WIPO meetings.



*WIPO and WTO officials
at the joint symposium held
by the two organizations*

The Director General's Foreign Visits

In 1998, the Director General visited 16 countries:



The Director General is welcomed during his visit to Iran



Cooperation with United Nations Family



Meeting participants, in the grounds of the United Nations building in Geneva

Recognizing the potential synergy available, WIPO embarked on a **course of more active, substantive cooperation** with the United Nations and the family of specialized agencies and bodies. The aim was to release that synergy for mutual benefit, **raise the profile of WIPO**, and contribute to **better understanding of intellectual property issues** in intergovernmental discussions of new global issues like environmental protection, biodiversity, biotechnology and human rights.

The first step was the transformation of the New York Liaison Office, run for years by a single person, into a five-person **WIPO Coordination Office** led by a senior staff member; their mission is to raise the level of WIPO's profile in the United Nations in New York, to seek out areas of mutual cooperation and to undertake public outreach activities in the public and private sectors in North America.

A cooperative relationship much appreciated by the beneficiary third parties was work on a joint project between WIPO and the International Telecommunications Union based in Geneva. This project is to assist the Geneva diplomatic offices of the member States of the two organizations in establishing an electronic information network called the **Geneva Diplomatic Community Network**. WIPO's contribution consists of providing computer workstations, training, Internet connections and some staff support.

A number of joint activities were also undertaken with other United Nations bodies, notably a **panel discussion on intellectual property and human rights** held with the United Nations High Commissioner for Human Rights as part of the 50th Anniversary of the Universal Declaration on Human Rights, as well as preparations for regular seminars and briefings in New York with the United Nations Institute for Training and Research and the United Nations Department of Public Information.

The level of WIPO's participation in meetings of United Nations bodies increased especially with the Economic and Social Council, United Nations Conference on Trade and Development, World Health Organization, World Bank, United Nations Environment Program, United Nations Development Program, Office of the United Nations High Commissioner for Refugees as well as United Nations Administrative Committee on Coordination.

Secretariat

Secretariat: Human Resources

The **Human Resources Management Division** was established at the beginning of the year. The renaming of what had been known as the Personnel Division reflects the new acknowledgement of both the Director General and the member States, that **WIPO staff members constitute a precious resource of the Organization**. The staff members should therefore be motivated, trained and nurtured so as to carry out their duties even better and more efficiently.

In line with this new emphasis, a **Staff Development Section (SDS)** and a **Medical Unit** were added to the work of the Division. The SDS organized training activities that went beyond the traditional language and computer courses to include management and communication skills. Basic management training was started with the help of an external firm of consultants. Work began on establishing a **staff self-learning center** which is expected to open in early 1999. Medically qualified staff was recruited for the in-house Medical Unit, which began operations in July. Also initiatives were taken to improve staff medical and accident insurance.

By the end of the year, much progress had been achieved in establishing **new human resource management policies** and procedures dealing with staff performance management, career development based on merit evaluation, guidelines for promotion, and recruitment of consultants and short-term employees.

In the course of the year, 77 competitions were organized for recruitment to the same number of posts, and over 2,300 applications were received. In addition, some 3,200 unsolicited applications for employment were received.

As of December 31, 1998, the secretariat was comprised of about

690 staff members coming from some 71 countries. Nearly 240 of them were in the "professional" category and 450 in the "general service" or support category.

Their diverse cultures and backgrounds brought a wide diversity of perspectives and ideas that enriched the work environment.

Some 57% of the total WIPO staff members were women. In line with the Director General's commitment to the member States to address the gender question at the higher levels of management, three women were promoted to the grade of Director in September of the year, bringing to four the total number of women Directors.



WIPO staff at work in the Document Production Unit

Languages

As an intergovernmental organization, WIPO uses many languages in its work, whether in the documents and publications produced, or in discussions or negotiations in meetings. In 1998, for all major meetings and preparatory documents, interpretation and texts were available in the six official United Nations languages, namely, **Arabic, Chinese, English, French, Russian and Spanish**. In

respect of the Patent Cooperation Treaty, some operations and information products are also in German and Japanese.

As much as possible, the secretariat ensured that participants in meetings, especially in WIPO, were supported by documents and interpretation in the languages desired. Because of the high cost involved, the full range of language facilities was not always

possible. Nonetheless, steps were taken to enhance facilities by evaluating systems for **computer-assisted searching of documentation, and voice recognition**.

In an informal context, the corridors of WIPO, which each year welcome thousands of delegates from around the globe, and house staff members from all the continents, constitute an aural microcosm of the world.

Publications Production

The internal printing plant in WIPO was re-equipped with state-of-the-art laser printers. That modern service produced some 105 million printed pages during 1998. This impressive output was achieved with fewer machines and a reduction in staff.

In addition, 110 publications were outsourced to outside printers in 1998.

Top Management

The Organization's top management team, led by the Director General, was comprised of the following persons:

Deputy Directors General

Roberto Castelo (Brazil)
François Curchod (Switzerland)
Shozo Uemura (Japan)

Assistant Directors General

Anthony Keefer (Canada)
Carlos Fernández Ballesteros (Uruguay)
Mihály Ficsor (Hungary)

The latter two ADGs retired from their posts at the end of the year.

Conferences and Meetings

Over the course of the year, WIPO organized **in Geneva 58 meetings** of member States (with the participation of observers). They were attended by over **5,000 participants**. Interpretation in the various languages used was provided by 490 freelance interpreters.

In the member States, WIPO organized, often in cooperation with one or more entities of the government or private sector, another **220 seminars**, courses and conferences. Attendance in those events amounted to **12,000 persons**.

For these various meetings, some 2,800 documents in the various languages were distributed.



WIPO staff consult during a meeting at headquarters

WIPO Premises: Architectural Competition

As the work of the Organization has grown increasingly complex in recent years, the demand for more space to accommodate increased staffing levels grew as well. In 1998, the members of the secretariat were housed in some ten different buildings at varying distances from the headquarters building. Recognizing the problem this situation posed and acknowledging future staff extension projections, the member States in 1998 approved the construction of a new office building to provide at least 500 new workplaces, a new conference center that would seat 600 delegates, and additional parking space. The new complex will be built on existing land as well as on a plot adjacent to WIPO's headquarters, purchased by the Organization in June. The new premises are expected to be **completed by the end of 2002**. A sum of 82.5 million Swiss francs was approved from WIPO Special Reserve Fund.

WIPO launched an **international architectural competition** for the project in November. The plans call for the building to be linked to

the main WIPO building, which will itself undergo an enlargement and restructuring of its lower floors. Key factors in the design will be the incorporation of the latest information technology to meet the demands of the secretariat, as well as the new structure's material and aesthetic integration with WIPO's present buildings.

At the same time, the member States also approved a sum of 30.4 million Swiss francs for the renovation, modernization and extension of the existing premises of the World Meteorological Organization. The makeover of these premises is expected to begin in the latter part of 1999, after the premises are vacated by WMO.

Photo: Jean-Claude Brutsch



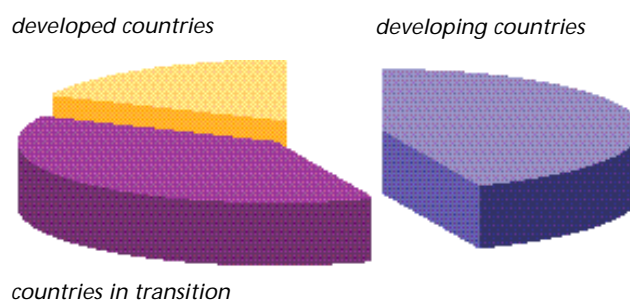
WIPO headquarters in Geneva showing the plot (lower right) where the new annex building will be constructed

New Members and New Accessions

The year witnessed a dramatic rise in the total number of accessions or ratifications to WIPO's treaties, rising to 83 in 1998 from 60 the year before. Membership of WIPO today is 171 countries. The following figures reflect the additional countries ratifying or acceding to the treaties indicated, which are in force, with the second figure in brackets being the total number of States party to the corresponding treaty by the end of 1998.

- WIPO Convention: 6 (171)
- Paris Convention for the Protection of Industrial Property: 8 (151)
- Patent Cooperation Treaty: 6 (100)
- Madrid Agreement Concerning the International Registration of Marks: 4 (51)
- Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks: 14 (36)
- Trademark Law Treaty: 11 (22)
- Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks: 6 (58)
- Locarno Agreement Establishing an International Classification for Industrial Designs: 5 (35)
- Strasbourg Agreement Concerning the International Patent Classification: 4 (43)
- Vienna Agreement Establishing an International Classification of the figurative Elements of Marks: 2 (13)
- Budapest Treaty on the International Recognition of the
- Deposit of Microorganisms for the Purposes of Patent Procedure: 4 (45)
- Nairobi Treaty on the Protection of the Olympic Symbol: 2 (39)
- Berne Convention for the Protection of Literary and Artistic Works: 6 (133)
- Rome International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations: 3 (58)
- Geneva Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of Their Phonograms: 2 (57)

Accessions to WIPO-administered treaties in 1998



Resources

Resources of WIPO



The Program and Budget of WIPO is determined for a two-year period and is expressed in Swiss francs. The principal sources of income of the secretariat in the 1998-1999 budget are fees, paid by private sector users of the international registration services, and contributions paid by governments of the member States. About 84 percent of WIPO's total income in 1998 came from fees derived from those global protection systems, while some 10 percent came from contributions from member States. The remaining 6 percent came mainly from the sale of WIPO publications and interest earnings.

Contributions

Contributions by member States are made on the basis of a system of contribution classes. There are a total of 14 such classes, each with a set amount of contribution for the biennium concerned. What a specific member State pays depends on the contribution class to which it belongs. A State freely chooses the class (and therefore the amount of contributions it pays) for itself. Three classes are reserved for developing countries, although the countries in question can elect to be in another class. The rights and obligations of each State are the same, irrespective of its contribution class.

The yearly contributions in 1998 for each class ranged from the lowest amount of about 1,800 Swiss francs to the highest amount of some 1.4 million Swiss francs.

Income & Expenditure

WIPO's Income and Expenditure in 1998

WIPO's results for 1998 consisted of the following main items
(the figures are provisional and have not been audited):

(Thousands of Swiss francs)

Income

Contributions from member

States 21,648

Fees from the registration systems:

PCT system 147,012

Madrid system 22,805

Hague system 4,733

Lisbon system 49

Subtotal (fees) 174,599

Publications 5,566

Other 6,200

Total **208,013**

Expenditure

Staff 100,719

Other 56,434

Total **157,153**