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- CZECHOSLOVAKIA/SWITZERLAND — Treaty on the Protection of Indications of Source, Appellations of Origin and other Geographical Denominations (of November 16, 1973) Text 5-006

- REPUBLIC OF KOREA/SWITZERLAND — Exchange of Letters Concerning the Reciprocal Guaranteeing and Protection of Patent and Trademark Rights (of December 12, 1977) Text 1-001

- SPAIN/SWITZERLAND — Treaty on the Protection of Indications of Source, Appellations of Origin and Similar Denominations (of April 9, 1974) Text 5-007

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WIPO Meetings

Locarno Union

Committee of Experts on the International Classification for Industrial Designs

(Geneva, May 22 to 26, 1978)

NOTE *

At the invitation of the Director General of WIPO, the Committee of Experts established by Article 3 of the Locarno Agreement, of October 8, 1968, Establishing an International Classification for Industrial Designs (hereinafter referred to as "the Committee") met in Geneva from May 22 to 26, 1978.

The following countries members of the Locarno Special Union were represented: Denmark, Finland, France, Norway, Sweden, Switzerland, United States of America. The following member countries of the Paris Union for the Protection of Industrial Property, not members of the Locarno Union, were represented in an observer capacity: Germany (Federal Republic of), Japan, Mexico. One intergovernmental organization, the Benelux Designs Office, was also represented in an observer capacity. A list of participants follows this Note.

The Committee decided that the List of Classes and Subclasses should be preceded by General Remarks to guide the users of the International Classification. These General Remarks do not, however, constitute "explanatory notes" within the meaning of Article 1(3)(iii) of the Locarno Agreement and are not therefore an integral part of the International Classification.

The Committee decided on a certain number of amendments and additions to the List of Classes and Subclasses, the Explanatory Notes and the Alphabetical List. As decided, in accordance with Article 4(2) of the Locarno Agreement, by the Assembly of the Locarno Union at its session in September/October 1971, only the amendments and additions to the List of Classes and Subclasses and to the Explanatory Notes are published below.

Pursuant to Article 4(1) of the Locarno Agreement, the decisions of the Committee of Experts have been notified by the International Bureau to the Offices of

the member countries of the Locarno Union in Circular No. 3235 of August 3, 1978. They entered into force on receipt of that notification. Some ten of them, however, will enter into force six months after the date of the notification, in accordance with Article 4(1) of the Locarno Agreement, since they entail the transfer of goods from one class to another.

The Committee invited the International Bureau to ascertain whether the decisions taken by the Committee could have an effect on other parts of the International Classification and, if necessary, to submit to the next session its proposals with a view to bringing the whole of the International Classification, particularly the Explanatory Notes, into line with those decisions.

The Committee decided to postpone any decision on a number of proposals until a later session since some of them entailed the setting up of new classes or the rearrangement of subclasses within a number of classes. The International Bureau was invited to make a detailed study of those proposals and especially of the effect that their adoption might have on the International Classification as a whole, notably with respect to transfers of goods from one class or subclass to another.

AMENDEMENTS AND ADDITIONS TO THE LIST OF CLASSES AND SUBCLASSES AND TO THE EXPLANATORY NOTES

List of Classes and Subclasses

1. Class 31 "Miscellaneous" has become Class 99 "Miscellaneous."
2. New Subclasses:
 - Cl. 8-10 bicycle racks
 - Cl. 9-08 pallets and platforms for forklifts

Explanatory Notes

- ad Cl. 2-07: The words "Clasps for clothing" are to be replaced by: "Clasps for garments, for headwear and for footwear."
- ad Cl. 29-01: Add to Note (b) the words: "fire-hoses and nozzles for fire-hoses (Cl. 23-01)."

* This Note has been prepared by the International Bureau.

LIST OF PARTICIPANTS*

I. Member States

Denmark: I. Sander; J.E. Carstad. **Finland:** O. Wilder. **France:** J. Norguet. **Norway:** A. Guldhav; S. Solem. **Sweden:** G. Deijenberg. **Switzerland:** J.-M. Salamolard; M. Diriwächter. **United States of America:** C. Bousquet; F. Cacciapaglia, Jr.

II. Observers

Germany (Federal Republic of): A. Mühlen. **Japan:** T. Miyataki; K. Hatakawa. **Mexico:** M.F. Charrin.

* A list containing the titles and functions of the participants may be obtained from the International Bureau.

III. Intergovernmental Organization

Benelux Designs Office: J.C. Groen.

IV. Officers

Chairman: J.-M. Salamolard (Switzerland). *Vice-Chairmen:* C. Bousquet (United States of America); J. Norguet (France). *Secretary:* C. Werkman (WIPO).

V. WIPO

F.A. Sviridov (*Deputy Director General*); L. Egger (*Head, International Registrations Division*); C. Werkman (*Head, Trademark and Design Classification Section, International Registrations Division*); F. Carrier (*Classification Specialist, International Registrations Division*); V. Terbois (*Head, Design and Appellation of Origin Registrations Section, International Registrations Division*).

Activities of Other Organizations

International Association for the Protection of Industrial Property

XXXth Congress
(Munich, May 15 to 19, 1978)

Introduction

The International Association for the Protection of Industrial Property (IAPIP) held its XXXth Congress in the Federal Republic of Germany, at Munich, from May 15 to 19, 1978. Dr. Peter von Siemens acted as President of the Congress, which was opened by the President of the Federal Republic of Germany, H.E. Mr. Walter Scheel. The work of the Congress was followed by approximately 2,000 delegates. About 15 Governments, as well as several intergovernmental organizations and international non-governmental organizations, sent representatives.

The World Intellectual Property Organization (WIPO) was represented by its Director General, Dr. A. Bogsch, together with Messrs. K. Pfanner (Deputy Director General), L. Baeumer (Director, Industrial Property Division) and F. Curchod (Head, Special Projects Section, Industrial Property Division).

At the Opening Ceremony, the Director General of WIPO delivered an address, which is reproduced below.

The work of the Congress at Munich culminated with the ratification, by the Executive Committee of the IAPIP, of certain resolutions, which are also reproduced below.

Address by the Director General of WIPO

Mr. President of the Federal Republic of Germany,
Walter Scheel,
Mr. President of the IAPIP, Peter von Siemens,
Mr. First Vice-President of the IAPIP,
Günther Hoepffner,
Mr. Minister of Justice of the Federal Republic of Germany, Hans-Jochen Vogel,
Mr. Prime Minister of Bavaria,
Mr. Bürgermeister of Munich,
Mr. Director General of the Federal Ministry of Justice, Albrecht Krieger,
Mr. President of the German Patent Office,
Erich Haeusser,
Members of the Bureau of IAPIP, Paul Mathély,
Rudy Blum and Gabe Frayne,
Ladies and Gentlemen,

The World Intellectual Property Organization is pleased to be present at the XXXth Congress of the International Association for the Protection of

Industrial Property, and I am honored by the opportunity given to me to speak on behalf of the World Organization at this opening ceremony.

I shall try to recall in this speech two facts, or sets of facts, which characterize the relations—generally very happy relations—between your Association and the World Organization.

The first of those facts concerns our general relations. The second concerns the matters of common interest in this Munich Congress.

As to our general relations, they have existed for almost one hundred years, since they started before the conclusion of the international treaty that is the very foundation of the World Organization. The treaty in question is the Convention for the Protection of Industrial Property. It was concluded in 1883 in Paris. Although the Paris Convention was concluded among States, that is, Governments, most of its intellectual content originates in the meetings of the so-called Executive Committee—the predecessor of your Association—founded in 1873 by a patent agent from Berlin, Karl Pieper, and in the meetings of your Association itself, founded in 1897 mainly through the efforts of another patent agent from Berlin, Albert Osterrieth. In other words, the main intellectual source of the original Paris Convention and its subsequent revisions was in the minds of the individuals who were members of your Association. And these individuals, these members—just like your members today—were for the most part industrialists, patent attorneys and patent agents working as representatives of great industrial enterprises or of clients interested in industrial property matters.

It is doubtless thanks to this very direct and very efficient influence of members of the profession, and to their knowledge and experience, that international relations in the field of the protection of inventions and marks have always proved, and continue to prove, to be so solid, so sound and so progressive.

It has been the unfailing policy of the World Organization to take no important step without previous thorough consultations with the representatives of private circles comprising, mainly, inventors, enterprises using inventions and owning patents for inventions, enterprises owning marks, and professionals who advise such inventors and enterprises in matters concerning their industrial property rights. There are some 20 international non-governmental organizations with which the World Organization maintains such consultative relations. Some of them—like the International Federation of Inventors' Associations—represent only inventors, others—such as the Council of European Industrial Federations—represent only industry, still others—like the prestigious, more than 70-year-old International Federation of Patent Agents—are associations whose members are exclusively professionals in private practice, while yours is an association which combines

several of those kinds of private individuals and private interests.

What exactly do these relations consist of? I have said that your role is advisory, and this is so because, the World Organization being an organization of States, decisions are taken by the representatives of Governments. But, before any important decisions are taken, the Secretariat of WIPO consults your Association and other private associations.

Your advice may be given in writing or orally, in meetings in which you sit alone with the Secretariat or in which you sit together with the governmental representatives of our Member States. The latter type of meeting has, in recent years, received some criticism from the side of the private associations, the criticism being that, in some of the meetings organized by the World Organization, countries having generally similar interests meet separately, in so-called groups, to which they do not admit representatives of the private associations and—may I add—from which they mostly also exclude the International Secretariat. I can hardly change this trend since, as already said, the Members of the World Organization are Governments and they are in absolute control of the negotiation methods and procedures at the intergovernmental level.

Still, even where representatives of non-governmental organizations are not admitted to the said kind of group meetings, they have at least two possibilities of making their voices heard.

One is to have professionals, private practitioners or representatives of private enterprises included in government delegations.

The other is to maintain contacts with the Secretariat of the World Organization since the preparation of intergovernmental meetings is, at least up to a certain point, the task of the Secretariat, and the views expressed by the Secretariat at those preparatory stages may not be entirely a matter of indifference.

The present Congress is an example and an important instance of such contacts between a private Association, your Association—the oldest and largest of all the private organizations in the industrial property field—and the International Secretariat, which is going to participate in all your discussions and listen most carefully to your advice.

This advice need not only consist of reactions to what is going on in intergovernmental circles, but it may—and, indeed, it should—consist also of initiatives, that is, advice on which of the questions that have so far not been tackled in intergovernmental negotiations should be tackled and in what way. There is much strategic and tactical advantage in taking initiatives since they render it more likely that the outcome will be to the liking of the initiator.

I think, therefore, that it would be particularly useful and effective if your Association gave special attention to possible initiatives of its own in order to

perfect the international protection of industrial property.

So much for our general relations.

And now may I say a few words on the substantive topics included in the agenda of this Munich Congress and the possibilities of cooperation between your Association and the World Organization.

Three of the six substantive topics of this Congress concern trademarks.

The first deals with the European mark. That is, of course, essentially an exercise among the nine Member States of the European Communities. Nevertheless, it has enormous potential implications outside the framework of those nine countries, partly because a very large percentage of the most valuable marks registered in the nine countries belongs to enterprises outside those countries but inside the protective ambit of the Paris Convention, and partly because of the relations which will exist between the future European trademark law, on the one hand, and the Madrid Agreement Concerning the International Registration of Marks and the Trademark Registration Treaty, once in force, on the other hand. Such relations should be so regulated that they result in an accumulation of advantages for owners of trademarks and that no harm is done by the new Community trademark system to rights acquired or to be acquired under the Paris Convention, the Madrid Agreement and the Trademark Registration Treaty.

The second trademark question on your agenda deals with the requirement of the actual use of a mark as a possible condition for the continuation of its registration. This is a most challenging subject and a foretaste of its international importance was given in the negotiations prior to the conclusion of the Trademark Registration Treaty. Its importance will be fully felt once again in connection with the Community trademark negotiations and the drafting, by the World Organization, of a new model law for developing countries on marks. In the latter context, your views will be of particular interest to the World Organization.

The third topic on marks on your agenda reads: "Economic Significance, Functions and Purpose of the Trademark." It is, of course, basic to the other two trademark topics. For the World Organization, it is of particular relevance in connection with the new study it recently decided to carry out on the role of industrial property in the field of the protection of consumers, a study in which trademarks will play a most important, if not the most important, role.

Your decision to deal with such basic questions as that of the function of marks cannot be too highly praised. An equally basic and even more general question is the topic of the fourth item on your agenda, entitled "Value of Industrial Property for Technical Development and Economic Progress." Dissertations on the usefulness of industrial property are a per-

manent need and no one can perform the required basic thinking better than your Association, whose daily work and experience are bound up with the protection of industrial property in the interest of technological and economic progress. One of the main duties of the World Organization is to demonstrate the usefulness of the protection of industrial property to developing countries. Those countries are just as desirous as, if not more so than, industrialized countries to improve the chances of their technological development and economic progress. I hope that the pronouncements that will be made by this Congress on these questions, on the basis of your unparalleled practical experience, will also give the World Organization additional, and more fully convincing, arguments in favor of the usefulness of industrial property.

Turning now to inventions, may I mention the fifth of the six topics. It deals with the conditions of the so-called "sufficiency of the description of an invention." This is a topic of great practical significance, particularly in connection with the drafting of patent applications and, thus, also in connection with the Patent Cooperation Treaty's entry into force in two weeks' time since that Treaty deals essentially with patent applications.

The sixth and last substantive topic concerns the planned revision of the Paris Convention. The main questions there concern most of the developing countries and certain of the Socialist countries. We are in the middle of negotiations. The next round of meetings preparatory to the Diplomatic Conference will take place next month in Geneva. The overwhelming majority of the members of your Association come from the industrialized, free-market economy countries. But you have also members in numerous developing countries and most of the Socialist countries. I am confident that the results of this Congress will also take full account of the wishes of the two latter groups of countries. An understanding with those countries is absolutely indispensable for the survival, on a global basis, of international respect for industrial property rights. The World Organization will deserve its epithet "world" only as long as it tries to maintain a truly worldwide understanding. It is counting on your advice and experience to achieve it.

Your Excellencies, Ladies and Gentlemen, some of the working parties of this Congress have already been meeting for two or three days; thousands of us arrived yesterday or today; it is therefore not too early to say at this stage—because we have already all been witnesses to the fact—that this Congress has been perfectly organized and that our German hosts have already demonstrated to the participants their proverbial efficiency and their traditional hospitality.

May I therefore, as the only non-German speaker today, express, on behalf of all of you, our admiration and congratulations to the organizers of this Congress

and our thanks and appreciation to the authorities of the Federal Government, of the Government of Bavaria and of the City of Munich for their interest, which honors this Congress, and to the members of the German Group of your Association for their kind and lavish hospitality.

Resolutions Adopted

QUESTION 37

Incidence of Industrial Property Rights on the National or International Provisions Guaranteeing Free Competition

The IAPIP

decides to continue with the study of Question 37 in accordance with the resolution adopted by its Executive Committee at Montreux;
and in particular,

charges the Working Committee with the task of establishing the formulation of the observation of the IAPIP on the Draft Regulations proposed by the Commission of the European Communities on the application of Article 85, Paragraph 3, of the Rome Treaty concerning certain categories of patent licensing agreements.

QUESTION 45

Value of Industrial Property for Technical Development and Economic Progress

The IAPIP,

having taken note of the report presented by the Working Committee to the Congress at Munich
adopts this report and

decides to continue the study of the question on the basis of the statements made during the debate.

QUESTION 50

Reorganization of the IAPIP

The IAPIP

approves the proposals presented by the Working Committee and *requests* it to continue the study of the question along the lines it has proposed.

QUESTION 51

Application of the International Convention for the Protection of New Varieties of Plants of 1961

The IAPIP

welcomes the convening of the Diplomatic Conference on the Revision of the International Convention for the Protection of New Varieties of Plants and *expresses* the hope that this Conference will provide for further improving and strengthening of the protection of new varieties of plants.

1. Since the aim of a new breed and in particular of ornamental plants is a new shape, color or fragrance of the plant or flower, the IAPIP feels that the alternative left open to member States under Article 5(4) of the International Convention to extend the protection to embrace the commercially marketed product should be made an obligation, so as not to deprive the breeder of his reward by allowing imports of the products from countries where no protection exists.

The situation is comparable to process protection in the field of chemical patents. In this field, it has been recognized that the final product of the process should equally be protected. Rules to this effect are included in most national laws and have recently been included also into supranational agreements.

Should the efforts fail to protect the commercially marketed final product by the Convention, it is felt that the National Groups of the IAPIP in the countries which do not yet grant such protection should by all available means seek to obtain such protection by the respective national laws, at least for ornamental plants.

2. With respect to the three alternatives contained in the draft of the revised International Convention (Document UPOV DC/4) concerning Article 13(4) and (8)(b), preference is given to alternative 2. Alternative 3 is rejected since thereby other rights would unnecessarily be restricted in countries where a variety protection does not exist.¹

¹ *Proposed Article 13(4)(a):*

If the breeder submits in a member State of the Union as the denomination of a variety a designation in respect of which he enjoys a right which could hamper the free use of the variety denomination, he may not, as from the time when the variety denomination is registered, continue to assert his right in order to hamper the free use of the variety denomination [Alternative 1: in any member State of the Union applying the provisions of the Convention to the genus or species to which the variety belongs] [Alternative 2: in that State] [Alternative 3: in any member State of the Union].

Proposed Article 13(8)(b):

The denomination of the variety shall, [Alternative 1: in any member State of the Union applying the provisions of the Convention to the genus or species to which the variety belongs] [Alternative 2: in that State] [Alternative 3: in any member State of the Union], be regarded as the generic name for that variety. Subject to the provisions of paragraph (4)(b), no person may, [Alternative 1: in any member State of the Union applying the provisions

3. The IAPIP approves the version suggested for Article 13(7). In Section 9, the words in square brackets in the first sentence should be maintained. The second sentence should be deleted.²

QUESTION 56

Protection of Industrial Property in the Field of Microbiology

1. The IAPIP congratulates WIPO on the successful conclusion of the Budapest Treaty.

2. In order to enable the inventors in the field of microbiology to benefit from the advantages made available by the Treaty, the National Groups of the IAPIP should request their Governments to take the necessary steps for the ratification of, or accession to, this Treaty.

3. In view of the fact that the Budapest Treaty leaves to national legislation the regulation of the release of the deposited strains, the IAPIP is of the opinion that in national or supranational legislation provisions should be adopted to avoid a misuse of the deposited strains.

The conclusions of the resolution of the Congress of San Francisco are still valid. Accordingly the IAPIP supports the efforts to grant the release of the deposited strain in the period between the publication of the application and the beginning of final patent protection only to an expert who is considered a representative of the public and who can reproduce and test the data of the application.

The IAPIP confirms its position as up to now in this regard, meaning that it would be desirable that the public in general has access to the deposited strain, namely not on the day of the laying-open to public inspection, but beginning with the day of the final grant of the patent.

After the grant of final protection it should be assured that the strain handed over to the parties is not taken out of the territory of protection.

4. It should be recognized that the access to the strain by the public on the date of the application is a question of fact. Consequently the possibility should be provided that statements of the application concerning this question could be corrected. For this reason, the IAPIP is of the opinion that the statement

of the Convention to the genus or species to which the variety belongs] [Alternative 2: in that State] [Alternative 3: in any member State of the Union], apply for, or obtain, a right which could hamper the free use of the denomination.

² The wording recommended by the IAPIP would thus read as follows:

(9) When a variety is offered for sale or marketed, it shall be permitted, in respect of the same product, to add a trademark or a trade name to the denomination of the variety.

contained in Rule 28, paragraph 2, of the Implementing Regulations to the European Patent Convention should not be irrevocable.

QUESTION 57

Protection of Computer Programmes

The IAPIP

1. *congratulates and expresses* its appreciation to WIPO on the efforts made whereby Model Provisions on the Protection of Computer Software have now been agreed upon and published following the Fourth Session of the WIPO Advisory Group on this question at Geneva from June 1 to 3, 1977;

2. *requests* that all National Groups draw the attention of their own Governments to the agreed upon Model Provisions;

3. *proposes* that all National Groups in countries where no sufficient provision is yet made for the protection of computer software urge their governments to consider the agreed upon Model Provisions as a basis for national legislation on this question;

4. *deems* that this question should be kept on the agenda of the IAPIP and WIPO to consider the need for an international treaty and to carry out further work on this question when such need is established.

QUESTION 66

The European Trademark

The IAPIP,

after a first discussion of the question by the Council of Presidents at Paris, and having presented its first comments on the Memorandum of the Commission of the EEC concerning the creation of a trademark for the Common Market and on the principles contained in the two initial parts of the Preliminary Draft of the Regulation Relating to the Community Trademark having continued the study on this question during the Munich Congress,

I. *reaffirms* its former position on the utility of the creation of a mark for the Common Market, not only in the interests of the inhabitants of the Common Market but also of third countries, provided that the new legislation does not interfere with the legitimate interests of owners of prior rights;

II. *expresses* the wish that the Common Market mark shall be instituted by way of a treaty, which offers many advantages as against a regulation by the EEC;

III. *confirms* its prior comments . . .

QUESTION 67

Revision of the Paris Convention**The IAPIP**

has thoroughly examined the last proposals for the revision of the Paris Convention of 1883 and has reached the following results:

1. Preferential Treatment

The IAPIP reaffirms the position taken by its Executive Committee at Montreux that

- no valid reasons exist for increasing the term for claiming priority in favour of nationals of developing countries;
- it is not in order to provide for a reduction of fees in favour of nationals of developing countries.

2. Time Limit in Article 5C(1) of the Paris Convention

After considering such related matters as the time limit in Article 19 of the Trademark Registration Treaty and the time limit in the proposed European Trademark System, the IAPIP unanimously affirms its position taken in Montreux of maintaining the present wording of Article 5C(1).

3. Independence of Marks

The IAPIP reaffirms its position taken in Montreux that the independence of marks must be maintained pursuant to Article 6 of the Paris Convention.

4. Article 5squaler of the Paris Convention (Process Patents)

After considering the practical relevance of Article 5squaler to the developing countries and the question of any possible relation to Article 5A, the IAPIP reaffirms its position taken in Montreux that Article 5squaler must be retained in the Paris Convention.

5. Inventors' Certificates**(a) New Article 1(1) to (4) of the Paris Convention**

The IAPIP studied the proposal by the PIC Working Group on Inventors' Certificates (first part) (reproduced as Annex I)³ which was presented at the June 1977 PIC meeting.

The IAPIP notes that this proposal responds to its desire expressed most recently as to the inclusion of a definition of patents and inventors' certificates in the Paris Convention.

It is however of the opinion that the wording of Article 1(2)(b) could be improved from a drafting standpoint.

(b) New Article 1(5) of the Paris Convention

The IAPIP studied the following documents:

- proposal of the PIC Working Group on Inventors' Certificates submitted at the June 1977 PIC meeting (second part) (reproduced as Annex II);
- proposal of the Group D countries submitted at the November 1977 PIC Working Group meeting (reproduced as Annex III);
- proposal of the Group B countries submitted to the June 1978 PIC Working Group meeting (reproduced as Annex IV).

The IAPIP is of the opinion that the text of Annex IV constitutes an acceptable basis for the drafting of a new Article 1(5) of the Paris Convention.

6. Proposal for a New Article 5A of the Paris Convention

The IAPIP has again considered the PIC proposal for a new Article 5A of the Paris Convention (see Annex V) and confirms its position taken in Montreux that a compulsory license because of its very nature can never be an exclusive one.

7. Name and Emblem of Olympic Games

The IAPIP has taken notice of a proposal originating from certain developing countries seeking the inclusion of a new article in the Paris Convention providing for a special protection of the name and emblem of the Olympic Games. It is of the opinion that the matter was inappropriate for regulation in the Paris Convention.

8. Exclusion of South Africa from the Revision Process

The IAPIP was informed that the invitation of South Africa to the November 1977 PIC meeting was withdrawn by WIPO following the vote of the WIPO Coordination Committee. This vote has the effect that a member of the Paris Convention is prohibited to be represented at the meetings of WIPO. The IAPIP affirms its opinion that no such exclusion measures can be taken against a member country of the Paris Convention.

9. International Protection of Appellations of Origin and Indications of Source

The IAPIP has taken notice of several proposals made within the Intergovernmental Preparatory Committee on the Revision of the Paris Convention concerning the protection of geographical indications in general and particularly with regard to trademarks.

The IAPIP appreciates the general tendency expressed in these proposals to strengthen the protection of geographical indications, the importance of which it has underlined in its preceding resolutions of Melbourne (1974), San Francisco (1975) and Montreux (1976) and which present a particular interest for developing countries.

³ No Annexes are reproduced here (Editor's Note).

A) On the proposal to amend Article 10bis(3) of the Convention, the IAPIP agrees with the text proposed in document WIPO PR/PIC/III/6:

“(3) The following in particular shall be prohibited:

...

3. indications, *including trademarks and service marks*, or allegations the use of which in the course of trade is liable to mislead the public as to the nature, the manufacturing process, the characteristics, *the geographical origin*, the suitability for their purpose or the quantity, of the goods or services.”

Indeed, the inclusion of misrepresentations as to the geographical origin corrects a serious gap in the international system of prohibiting unfair competition.

Furthermore, the express mention of trademarks avoids any ambiguity as to the interpretation of the term “indication” of the present text.

Nevertheless, the approval of the proposed text by the Special Commission must not be considered as an anticipated decision on the question whether the protection of geographical indications within the framework of the TAO Treaty should extend to services.

B) On a new article to be included in the Convention concerning the registration of a geographical indication as a trademark, the IAPIP has taken notice that document WIPO PR/PIC/III/10 proposes two different versions of a new article to be included in the Paris Convention.

It agrees with the principle according to which a Contracting State should refuse or cancel the registration as a trademark of a geographical indication which is likely to mislead the public as to the origin of the product or service.

It is, however, of the opinion that the restriction of the application of that principle to well-known geographical names would considerably limit the effects of the provision.

Consequently, the Commission expresses the wish that the new article to be included in the Convention should be drafted as follows:

“(1) Each country of the Union undertakes to refuse or to cancel the registration of a mark which is likely to mislead the public as to the geographic origin of the products or services for which the registration is requested or has been effected.

(2) To determine whether the mark is likely to mislead the public, all the factual circumstances must be taken into consideration, particularly the length of time the mark has been in use, and the distinctive character it has acquired by such use.”

Paragraph (1) will permit member States not to refuse the registration of a mark which is identical to a geographical name if that name is not considered by the public of the country where the protection is requested as a geographical indication of source.

Paragraph (2) is intended to institute an interpretation rule based on the model of Article 6quinquiesC(1) which would allow the member States not to refuse

the registration of a mark consisting of a geographical indication if that indication is not or is no longer likely to deceive the public as to the origin because of the distinctive character which the mark has acquired by its use in respect of the products or services of an enterprise.

The IAPIP adds that in case the new wording of Article 10bis(3) is not accepted, it would appreciate that the text of a new article as proposed at B, *supra*, would be amended by a new provision according to which the member countries of the Paris Convention would undertake to *prohibit the use of a mark* which is likely to deceive the public as to the geographical origin.

QUESTION 68

Economic Significance, Functions and Purpose of the Trademark

The IAPIP

adopts the principles expressed in the Summary Report and *confirms* on that basis the following opinion:

I. The trademark is of economic importance not only to the manufacturer and the merchant but also to the consumer. It has an important role both in national and international trade facilitating the flow of goods or services, irrespective of the state of development, economic structure or social system of the various countries.

It is a condition for the proper function of the trademark that there must be an exclusive right of ownership of the mark, and the owner—be he a person or a group of persons—must be protected in law against any infringing use so long as the trademark retains its distinguishing function. Hence, the trademark law in every country lays down the “normative functions” of the trademark, being the function of indicating origin and the function of identification.

When used in trade, the mark additionally possesses “economic functions” which may vary according to its use and the type of trademark. Among these economic functions, the following should especially be mentioned:

- the quality function;
- the advertising function;
- the competitive function and the like.

It is in the general interest of the proprietor, the merchant and the consumer as well that no restriction be made to the possibility of maintaining in force the right to trademark, nor should its value in the territory where the exclusive right exists be jeopardized or lessened.

II. There is no erosion of trademark rights when measures are introduced to repress abuses which can be committed in the exercise of these rights. In fact,

the IAPIP strongly condemns any abuse which a trademark proprietor could make of his rights. Erosion means such measures as affect the very essence of the trademark right and prevent it from producing its full effects.

The IAPIP is of the opinion that the very essence of the trademark right would be seriously affected by the various measures which are listed as follows:

1. arbitrary prohibition of protection of a trademark;
2. compulsory licensing of a trademark;
3. prohibition of the renewal of a trademark;
4. compulsory assignment from the outset of a foreign-owned trademark to a local producer of the goods in the country;
5. compulsory assignment of a trademark, after a number of years of licensed use, to the licensee;
6. prohibition by law of the licensing of a foreign-owned trademark, unless used exclusively on goods for export;
7. compulsory use in place of a foreign mark, or in association with it, of a trademark owned by a national of the state;
8. complete ban on trademarks for particular goods (e.g. pharmaceuticals; plant seeds);
9. compulsory use of a non-proprietary name, which is to be the more prominent, in a combination with a trademark.

III. Acts of erosion, as listed above, having become apparent in various countries, and a central attack against trademark rights as such having been made from the side of UNCTAD in 1977, the IAPIP considers it essential that not only governments but also consumers should be made aware of the fact that trademark erosion is detrimental to the development of international trade and to the protection of the consumer against misleading practices. Therefore, the IAPIP expresses the wish that any measures which interfere with the very existence of the right to trademark be renounced by the governments.

QUESTION 69

Sufficient Description of the Invention

The IAPIP,

adopting the principles laid down in the Summary Report, completed and amended by the Report of the Working Committee, and taking the remarks into account which were voiced by the Congress at its session of May 18, 1978,

adopts the following resolution:

I. The description shall disclose the invention in a manner sufficiently clear and complete for the invention to be carried out by a person skilled in the art.

1. The person skilled in the art is skilled in the art corresponding to the technology with which the invention is concerned.

Where the object of the invention consists in the application of a technique or means, and not in the technique or means itself, the art in question is the art in which the application is made and not the art of the applied technique or means in itself. However, the person skilled in the art of the technique or means may be consulted.

The person skilled in the art is one of average knowledge and average ability; his level will depend on the nature of the technology in question.

The person skilled in the art does not have the whole technology at his finger-tips; he knows the state of the art which is part of the average knowledge required in his professional work; he knows also the state of the art revealed in the patent.

In the case of inventions involving several technologies, the person skilled in the art is a person having an average knowledge in all the relevant technologies.

2. The description must be clear and complete.

This is a qualitative assessment, the description having to be considered as a whole.

Consequently, the complete and clear character of the description shall not be considered as deficient for the sole reason that one of the formal indications required to constitute its content has been omitted.

In order to be complete, the description shall supply all which is necessary, not only to understand the invention, but also to carry it out or implement it. It is not enough that the description be complete. It must also be clear, i.e. it should not include any obscurity or ambiguity.

Difficulty in carrying out the invention may not be confused with obscurity, and the capacity of the person skilled in the art must correspond to the nature and the degree of the invention.

3. The description is sufficiently complete and clear when a person skilled in the art can carry it out.

Thus, a description is sufficient when it discloses:

- the constituent elements of the invention;
- and the instructions adequate to enable a person skilled in the art to put the invention into effect by the application of his skill and knowledge.

However, the patent need only disclose the means making it possible to carry out the invention; it cannot be required that the patent should contain all indications for the practical realization of the invention, which constitutes the know-how for carrying it out.

The realm of the invention, which is a matter for patents, and the realm of implementation, which includes questions of know-how relating to the industrial exploitation of the invention, should not be confused.

It must be emphasized that an invention cannot be considered as inadequately described on the sole ground that it is difficult or imperfect.

4. The assessment of sufficiency must be made in the light of the knowledge and abilities of a person skilled in the art at the date of the patent application or at the date of the priority claim.

For supporting a priority claim, it is only necessary for the relevant claim to read on the priority document.

The local criteria applicable to the determination of sufficiency of description are relevant only to the patent description in that country, and not to the priority documents.

II. There is an interest that the description be presented in a fairly uniform manner.

For the presentation of the description, the following rules can be admitted:

1. It is necessary for the patent to site the invention in the state of the art.

To this effect, the description must indicate:

- the title of the invention, i.e. its technical designation;
- the technical field which it concerns;
- the state of the prior art, but only for the elements necessary for understanding the scope of the invention.

2. The description must then define the invention.

The invention is first of all defined in the form of a problem stated and of a solution proposed.

The essential means and the concrete modalities of its implementation must then be described.

In general, there is no reason to require that the description lists the advantages procured by the invention unless this listing gives a sense to the solution brought about by the invention.

At least one example (detailed embodiment) should normally be given.

There is no reason to require that the description should supply the best mode of carrying out the invention. It is indeed often impossible to determine the best mode and in any case, it does not depend on the invention or the patent but on the industrial technology concerned with making use of the invention.

Furthermore, there is no reason to require that the description should contain indications concerning the possible detrimental effects of the invention on the environment. These indications, whatever their merits in respect of the protection of the environment may be, are not in the realm of the patent; they are in the realm of the control of the exploitation of the invention.

3. It is desirable that drawings should be an integral part of the description. As such, they should be covered by the patent.

4. In addition to the correction of purely immaterial faults, the description of the invention may

be amended in the course of the grant procedure, under the control of the examiner, and on the essential condition that this modification adds no new inventive matter to the description.

Consequently, modifications of the description are permissible, for example: to eliminate elements which have become irrelevant after the applicant has renounced certain claimed subject matter; to add indications relative to the prior public domain which the applicant may not have known about but which it would be desirable to add, or to introduce explanations or clarifications in the relevant documents.

It must be possible to furnish further examples of implementation within the scope of the claims, e.g. for support purposes, provided that the further examples are not actually included in the patent specification itself; these further examples could be published in an Appendix to the patent specification.

QUESTION 70

Impact of Use on the Maintenance and Renewal of a Trademark Registration

The IAPIP,

having taken note of the Groups' reports, the Summary Report and the Report of the Working Committee, as well as the various opinions voiced at the Munich Congress,

believes

- that the obligation to use a registered mark is now almost unanimously recognized, such obligation pertaining to the very nature of the mark. In fact, a mark must not be considered abstractly in isolation but in connection with the function allotted to it of distinguishing the products or services of a business, and such a distinguishing function is only achieved by use;
- that the conditions of use necessary to maintain the registration and the related sanctions vary from one country to another;
- and that the harmonization of these conditions to the largest possible extent is in the interest of trademark owners,

notes

- that there is a high degree of agreement on the general lines of the Summary Report of the Reporter General and of the Report of the Working Committee but that several points require a study in greater depth and, therefore,

decides

to continue the study of the question in those respects which have been pointed out in the Report of the Working Committee and those in which the discussion has shown an absence of agreement.

General Studies

Recent Developments in Industrial Property in English-Speaking Africa

D.J. COWARD*

News from Industrial Property Offices

UNITED STATES OF AMERICA

Commissioner's Annual Report Fiscal Year 1977 *

Mission

The Patent and Trademark Office has three primary functions: (1) to examine patent applications and grant patents; (2) to collect, classify and disseminate technology disclosed in patents; and (3) to examine trademark applications and register trademarks. The first patent law was enacted in 1790. It was enacted under the authority of Article 1, Section 8 of the Constitution "to promote progress of . . . useful arts, by securing for limited times to . . . inventors the exclusive right to their . . . discoveries." The Patent and Trademark Office has been a bureau in the Department of Commerce since 1925.

The patent system is designed to encourage technological progress. It provides incentives for making inventions, investing in research and development, commercializing inventions, and disclosing new inventions to the public instead of keeping them secret. The Office also administers the Federal trademark registration statute. The trademark statute is intended to protect business investments and help avoid confusion or deception of consumers, by providing for registration of marks used in commerce subject to Federal regulation (usually interstate or foreign commerce).

The Office examines patent applications and issues patents; publishes scientific and technical information contained in patents; maintains public search files of patents, and literature; sells copies of patents and other documents to the public; and performs various other functions to stimulate new technology. Similar functions are carried out under the trademark law. The Office registers trademarks, service marks, certification marks and other special kinds of marks that qualify under the Federal trademark system.

Highlights of the Report

- Major changes were adopted in the patent examining rules of procedure.
- Regulations were proposed for operating under the Patent Cooperation Treaty.

- The average pendency time for patent applications was reduced to 18.9 months.

- Quality reviewers found unpatentable claims in about 5 percent of allowed patent applications reviewed.

- The patent depository library system was expanded by adding libraries in Birmingham, Houston and Seattle.

- Filings of applications for trademark registration were up 20 percent.

- Trademark applications received a first examination within three months of filing.

- New reproduction equipment improved service on orders for copies of patents.

- Congress appropriated funds for a new computer for the Office in 1978.

- Five inventors were inducted into the National Inventors Hall of Fame.

Patent Examining

Major changes were made in the rules governing patent examining and appeal procedures. The rule changes were adopted in order to improve the quality and reliability of issued patents. One of the new rules enabled patent owners, through the filing of reissue applications, to obtain rulings on the validity of their patents in light of additional prior art. Another key rule defined the duty of patent applicants to disclose to the Patent and Trademark Office information they are aware of which might affect the patentability of their applications. A new rule encouraged the Office's examiners to prepare written statements of their reasons for allowing patents to issue when the public record would not otherwise reveal the reasons.

Under the new rules inventors who cannot understand English must make the required oath for a patent application in a language that they do understand. The new rules also require Office decisions with important precedent value to be made available to the public. The rules modify proceedings before the Board of Appeals to help avoid the issuance of invalid patents.

In order to prepare for the Patent Cooperation Treaty, regulations were proposed during 1977 to set up new procedures for processing the international applications that will be filed under the Treaty. It was expected that the Treaty would come into force in mid-1978.

* Extracted from the Report issued under the same title.

Revised procedures were established for preparing written records of interviews between the Office's examiners and patent applicants. Also, procedures were adopted to provide better written records of the patent searches performed by examiners.

The quality review program under which a sample of patent applications ready to issue is reviewed was continued into its fourth year. About 4 percent of all applications allowed were reviewed. Approximately 5 percent of the applications reviewed were found to be claiming subject matter which the reviewers considered unpatentable.

Patent examiners disposed of 102,263 applications during fiscal year 1977, excluding designs. New application receipts, without designs, were 102,587. The pendency time of an average patent application in the Office was 18.9 months at the end of the fiscal year, down from 19.4 months at the end of 1976. The 18.9 month figure was the shortest pendency time in several decades. During the fiscal year, 96 energy-related applications and 34 environment-related applications were expedited.

Documentation and Information Handling

Approximately 150,000 original U.S. patents were reclassified by subject matter in fiscal year 1977. During the first full year of operation of a newly developed classification data system, over one million reclassified patents were processed into the examiner and public search files. Up-to-date classification of patents in the search files increases the reliability of issuing patents by making it easier for examiners to locate pertinent prior patents.

A mini-computer system which instantly displays the classification of a selected patent was installed in the public search room and at other locations in the Patent and Trademark Office. This system will also display the numbers of all of the patents that are classified in a selected subclass. A program was instituted for replacing patents missing from the search files and for resolving discrepancies between the computerized record of patent classification and the patents actually in the search files. This program also involves adding additional references to the public search files in order to make them more nearly identical to the files used by the examiners.

Experiments with mechanized patent searching were continued. Software and microfilming work were done to prepare for updating and expansion of the experimental computer-controlled microform search system during 1978.

In 1977 three additional libraries were designated as patent depository libraries—the Birmingham Public Library, Birmingham, Alabama; the Fondren Library of Rice University, Houston, Texas; and the University of Washington Engineering Library,

Seattle, Washington. This brought the number of depository libraries in the country to 25. The Office made available to all of the libraries additional documentation concerning the classification of patents. A conference was held in Washington with library representatives to consider ways of improving their effectiveness in serving the public.

The Office released the seventh in a series of publications assessing technological activity by using patent data. The seventh report analyzed domestic and international patenting patterns in general, computer memory and antipollution technologies, and 16 areas of technology experiencing either high levels of overall patent activity or unusually heavy patenting by foreigners. The Office also prepared 70 special technology assessment reports for public and private organizations.

The Office installed the first two of three custom-built reproduction machines that should dramatically improve service on the 20,000 orders received daily for patent copies. The new equipment produces paper copies of patents at high speed from microfilm cards and automatically stacks and collates the copies.

Congress appropriated funds for a new computer for the Patent and Trademark Office with three times the on-line storage capacity of the Office's existing machine. Preparations were begun for bringing the equipment on board by mid-1978. The new computer will save money and improve the processing of patent and trademark applications. It will keep better records of the status and location of pending applications, produce notices of allowance by machine, and perform a variety of other functions.

Trademarks

Trademark examiners disposed of 36,486 applications during the fiscal year. Filings of applications for trademark registration totaled 44,539—an increase of 20 percent over the previous year. For the second year in succession, the trademark operation attained its goal of taking up the average application for its first examination within three months of filing. The Trademark Trial and Appeal Board ruled on a total of 401 cases after hearing. There were 2,496 cases pending before the Board at the end of the fiscal year.

A new computer system was installed in 1977 for updating the records in the trademark search room. The system replaced a cumbersome method of hand stamping update information on paper copies of trademark registrations. In addition, an improved system was put into operation to give information on the status and location of pending trademark applications at terminals in the trademark search room and elsewhere.

A rulemaking proposal was published concerning trademark applications filed in the United States from

foreign countries. The proposed changes were consistent with the rationale of the U.S. Court of Appeals for the District of Columbia in its 1976 decision in *SCM Corp. v. Langis Foods Ltd.* The proposal would permit foreigners to register marks without having actually used the marks, as long as there is an intention to use them.

Legislative and International Affairs

The Office participated in an effort to revise the Paris Convention for the Protection of Industrial Property, which is the principal existing treaty on patents and trademarks.

The United States and 12 other countries signed the Budapest Treaty concerned with the deposit of microorganisms.

This Treaty, when it takes effect, will simplify and reduce the legal uncertainties of microorganism deposits needed for the full disclosure of microbiological inventions in patent applications. Only a single deposit will be needed to secure a patent in all of the countries adhering to the Treaty.

The Patent and Trademark Office and the Department of Agriculture participated in meetings of the International Union for the Protection of New Varieties of Plants. Substantial progress was made in removing obstacles to United States membership in that Convention.

The Nice Agreement on international trademark classification was revised at a diplomatic conference in Geneva, in May 1977. The resulting Act was signed by the United States and 13 other countries.

The Patent and Trademark Office participated with the Departments of State and Justice in UNCTAD (United Nations Conference on Trade and Development) negotiations on an international code of conduct on transfer of technology.

The Office also continued its training assistance to developing countries. Trainees and government officials from a number of countries visited the Office.

For the first time in a decade there was no bill introduced in Congress for general revision of the patent laws.

The Office began collecting data on the effects of the new patent examining rules, in order to assess whether the new rules might eliminate the need for some of the revisions in the patent statute proposed in recent years.

Other Activities

The backlog of pending appeals at the Board of Appeals was reduced by 255. The number of appeals pending at the end of the year was 3,900. The Board of Patent Interferences had 66 cases awaiting final hearing or decision at the end of the year.

The fifth annual National Inventors Day was observed and five distinguished inventors were inducted into the National Inventors Hall of Fame: George Eastman, Lee DeForest, Edwin H. Land, Charles P. Steinmetz and Vladimir K. Zworykin. This brought the number of inductees to 28. The Hall of Fame is co-sponsored by the Patent and Trademark Office and the National Council of Patent Law Associations.

Operating Costs and Income

Funds available to the Patent and Trademark Office for the fiscal year ending September 30, 1977, were \$89,508,000, consisting of \$89,400,000 regular appropriations and \$108,000 received as reimbursements. The total amount obligated during the year was \$88,077,000 or 99 percent of new obligational authority. Operating costs for the year on the accrual basis of accounting were \$87,506,000.

Compensation and benefits for an average 2,821 employees accounted for \$65,423,000 or 75 percent of total operating costs. Printing and reproduction costs amounted to \$10,376,000 (12 percent) and other costs were \$11,707,000 (13 percent).

Fees collected in fiscal year 1977 and deposited in the general treasury totaled \$27,980,000. Balances in customer deposit accounts as of September 30, 1977, aggregated \$2,203,000, an increase of \$319,000 over the prior year. Fee income in 1977 was 32 percent of operating costs.

News Items

SYRIA

*Head of the Office for Commercial and
Industrial Property*

We have been informed that Mr. Mohamed Saïd Imam has been appointed Head of the Office for Commercial and Industrial Property.

Calendar

WIPO Meetings

(Not all WIPO meetings are listed. Dates are subject to possible change.)

1978

- October 23 to 27 (Hull, Canada) — ICIREPAT — Technical Committee for Standardization (TCST)
- October 23 to 27 (Geneva) — Nice Union — Preparatory Working Group on International Classification
- October 23 to 27 (Geneva) — International Patent Classification (IPC) — Working Group IV
- November 13 to 17 (Geneva) — International Patent Classification (IPC) — Working Group II
- November 20 to 24 (Geneva) — Revision of the Paris Convention — Working Group on Conflict Between an Appellation of Origin and a Trademark
- November 27 to December 1 (Geneva) — Revision of the Paris Convention — Working Group on Inventors' Certificates
- November 28 to December 6 (Geneva) — Revision of the Paris Convention — Preparatory Intergovernmental Committee
- December 4 to 8 (Geneva) — International Patent Classification (IPC) — Working Group III
- December 4 to 8 (Paris) — Berne Union and Universal Convention — Working Group on questions concerning access to protected works for developing countries, including the implementation of the 1971 revised texts of the Berne Convention and of the Universal Convention (tentative title) (convened jointly with Unesco)
- December 18 to 22 (New Delhi) — Development Cooperation (Copyright) — Regional Seminar on Copyright and Neighboring Rights for Asian and Pacific States and territories (convened jointly with Unesco)

1979

- January 8 to 12 (Geneva) — International Patent Classification (IPC) — Committee of Experts
- January 29 to February 2 (Geneva) — Rome Convention — Subcommittee of the Intergovernmental Committee on the Administration of Rights under the Rome Convention (convened jointly with ILO and Unesco)
- March 12 to 16 (Dakar) — Permanent Committees for Development Cooperation (Industrial Property and Copyright)
- September 24 to October 2 (Geneva) — Governing Bodies (WIPO General Assembly, Conference and Coordination Committee; Assemblies of the Paris, Madrid, Hague, Nice, Lisbon, Locarno, IPC, International Patent Cooperation (PCT) and Berne Unions; Conferences of Representatives of the Paris, Hague, Nice and Berne Unions; Executive Committees of the Paris and Berne Unions; Committee of Directors of the Madrid Union; Council of the Lisbon Union)

UPOV Meetings

1978

November 13 to 15 (Geneva) — Technical Committee

November 15 to 17 (Geneva) — Administrative and Legal Committee

December 5 and 8 (Geneva) — Consultative Committee

December 6 to 8 (Geneva) — Council

Meetings of Other International Organizations Concerned with Industrial Property

European Patent Organisation: December 19 to 21, 1978 (Munich) — Administrative Council

European Communities:

Expert Group of the Commission of the European Communities for the Community Trade Mark:

December 11 to 15, 1978 (Brussels) — Examination of draft provisions relating to the Community Trade Mark — restricted meeting

Interim Committee for the Community Patent:

October 23 and 24, 1978 (Brussels) — Working Group II

December 4, 1978 (Brussels) — Working Group I

November 13 to 15, 1978 (Brussels) — Working Group III

Inter-American Industrial Property Association: September 25 to 29, 1979 (Bogota) — Sixth Congress

Union of European Patent Attorneys and other Representatives before the European Patent Office: October 19 to 21, 1978 — Bureau and Executive Committee