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## Notifications Concerning Treaties

### Budapest Treaty

#### Acquisition of the Status of International Depository Authority

KOREAN COLLECTION FOR TYPE CULTURES  
(KCTC)

KOREAN CULTURE CENTER OF MICROORGANISMS  
(KCCM)

(Republic of Korea)

The following written communication, addressed to the Director General of WIPO by the Government of the Republic of Korea under Article 7 of the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure, was received on April 27, 1990, and is published by the International Bureau of WIPO pursuant to Article 7(2)(a) of the said Treaty:

I have the honour to refer to the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure done at Budapest on 28 April 1977 and to advise that in accordance with the provisions of Article 7 of the aforesaid Treaty, the Government of the Republic of Korea nominates the Korean Collection for Type Cultures (KCTC) and the Korean Culture Center of Microorganisms (KCCM) as international depository authorities.

The Government of the Republic of Korea gives its assurances that the Korean Collection for Type Cultures (KCTC) and the Korean Culture Center of Microorganisms (KCCM) comply with and will continue to comply with the requirements specified in Article 6(2) of the said Treaty.

KOREAN COLLECTION FOR TYPE CULTURES  
(KCTC)

#### Outline of the KCTC

##### 1. *Legal Status, Name and Address*

The "Korean Collection for Type Cultures" (abbreviated to "KCTC"), founded in 1971 as a

national culture collection section of the Gene Bank is itself a technical service section of the Genetic Engineering Center affiliated to the Korea Institute of Science and Technology.

The KCTC has been performing depository tasks, such as issuing a receipt, storing and furnishing samples of microorganisms and cell lines, in conformity with the relevant requirements under the Korean Patent Law. Since its inauguration in 1981 as the authorized depository institution in Korea, the KCTC has received about 500 deposits in connection with Korean patent applications. The current stock of microorganisms amounts to some 8,000 strains.

It is domiciled at the following address:

Genetic Engineering Center  
Korea Institute of Science and Technology  
39-1, Hawolgokdong  
Sungbuk-gu  
Seoul  
Republic of Korea

Telephone: (882) 962-8801  
E-Mail: DIALCOM 142:CDT0366  
Telefax: (882) 968-1059.

##### 2. *Staff*

(a) Total number of employees: 21.

(b) Number of graduates: 17.

(c) The KCTC is sub-divided into four working groups, each responsible for particular groups of microorganisms or specific areas. Microorganisms deposited for the purpose of patent procedures are processed in a separate group.

All its staff members are semi-governmental officials, and adequate measures are taken with regard not only to the safeguarding of secrecy, but to the ensuring of objectivity and impartiality.

##### 3. *Facilities*

The KCTC has premises with a total area of approximately 500m<sup>2</sup>, and a laboratory building to which other occupants do not have access is under construction. It has premises with a total area of approximately 1,600m<sup>2</sup>.

The KCTC laboratories are equipped with up-to-date facilities, allowing all general microbiological and cell-biological work together with radio-isotope handling to be carried out effi-

ciently. All modern processes (lyophilization, storage in liquid nitrogen) for long-term storage of microorganisms are available.

### Requirements for Deposit

#### 1. *Kinds of Microorganisms that May Be Accepted*

Under Rule 3.3 of the Regulations under the Budapest Treaty, the following are accepted for deposit: algae, bacteria (including actinomycetes), bacteria containing plasmids, bacteriophages, cell cultures (including hybridoma lines), fungi (including yeasts), protozoa and animal and plant viruses, *except*:

- (a) microorganisms having properties which are or may be dangerous to health or the environment;
- (b) microorganisms which need the special containment required for experiments.

#### 2. *Technical Requirements and Procedures*

##### (a) *Form and Quantity*

Whenever possible, cultures submitted to the KCTC for deposit should be lyophilized. Viruses that cannot be lyophilized and bacteriophages should be frozen. All replicates of the microorganisms to be deposited should be from the same batch of lyophilized or frozen preparations.

The minimum number of replicates that must be submitted by the depositor is as follows:

actinomycetes, bacteria, fungi, yeasts, bacteria containing plasmid	10
plasmids, algae, protozoa, animal and plant cell lines, hybridomas, viruses, bacteriophages	25

##### (b) *Time Required for Viability Testing*

The average length of time required for testing the viability of the microorganisms accepted by the KCTC is given below, but depositors should realize that in some cases it may take longer.

bacteria	7 days (or up to 14 days);
fungi, yeasts, actinomycetes,	
algae, protozoa	10 days (or up to 20 days);
plasmids, bacteria containing plasmids, viruses, bacteriophages,	
animal and plant cell lines,	
hybridomas	14 days (or up to 30 days).

##### (c) *Depositor Checks and Renewal of Stocks*

The KCTC prepares its own batches in lyophilized or frozen form at the time of deposit by subculturing the microorganism supplied by the depositor. New batches are prepared from these as necessary thereafter for the renewal of diminishing stocks. The depositor is required to

test for authenticity samples of all batches of his microorganisms prepared by the KCTC.

Despite the methods for preparing batches of samples for distribution, the KCTC nevertheless stores a portion of the original material supplied by the depositor.

#### 3. *Administrative Requirements and Procedures*

##### (a) *General*

(i) *Language.* Korean is the official language of the KCTC. However, correspondence may also be carried out in English.

(ii) *Contract.* The KCTC does not enter into a written contract with the depositor defining the liabilities of either party. However, by signing the KCTC deposit form the depositor surrenders any right to withdraw his deposit during the required storage period.

(iii) *Import and/or Quarantine Regulations.* Overseas depositors must contact the KCTC in advance for advice about the shipping of their microorganisms. Certain pathogens are subject to import and/or quarantine regulations. The KCTC advises prospective depositors of such microorganisms of the procedures that must be followed to obtain the necessary permits.

##### (b) *Making the Original Deposit*

(i) *Requirements to Be Met by the Depositor.* Depositors are required to complete the equivalent of model form BP/1, which is used by the KCTC as its accession form for Budapest Treaty deposits. In the event of a later indication or amendment of the scientific description and/or proposed taxonomic designation, and a request for attestation that the KCTC has received such information, the depositor must complete the equivalent of model form BP/7.

(ii) *Official Notifications to the Depositor.* The receipt and viability statement are issued on mandatory "international forms" BP/4 and BP/9, respectively.

Attestation of receipt of a later indication or amendment of the scientific description and/or proposed taxonomic designation is issued on the equivalent of model form BP/8. Notification of release of a sample to a third party is issued on form BP/14. The KCTC has its own standard forms for other official notifications.

(iii) *Unofficial Notifications to the Depositor.* If requested, the KCTC will telephone the date of deposit and accession number after the microorganism has been received, but before the official receipt is issued. The KCTC will similarly communicate the result of the viability test before the viability statement is issued.

(iv) *Supply of Information to Patent Agents.* The KCTC does not routinely ask the depositor

for the name and address of his patent agent. The KCTC will send copies of the receipt and viability statement either to the depositor or to his agent if requested, but not to both.

(c) *Converting a Previous Deposit*

Deposits made outside the provisions of the Budapest Treaty may be converted by the original depositor to Budapest Treaty deposits only if they were originally made for patent purposes. The administrative requirements for conversion are similar to those to be met in respect of an original deposit made under the Treaty, except that the depositor is also required to supply a copy of the receipt of the previous deposit. All conversions are subject to the normal storage fee levied for Budapest Treaty deposits, regardless of whether any fees have been paid previously in respect of those deposits.

(d) *Making a New Deposit*

The depositor is required to complete model form BP/2 when making a new deposit and to supply copies of the relevant documents required by Rule 6.2. The receipt and viability statement for a new deposit are issued on mandatory "international forms" BP/5 and BP/9, respectively.

### Furnishing of Samples

#### 1. *Requests for Samples*

The KCTC advises third parties of the correct procedures to follow in order to make a valid request. In the case of requests requiring proof of entitlement, the KCTC will provide requesting parties with copies of model request form BP/12 and/or request forms used by individual industrial property offices (where it has been supplied with such forms).

The KCTC furnishes samples in the belief that it is the responsibility of the requesting party to ensure that he complies with any relevant health and safety requirements. When responding to requests from overseas, the KCTC assumes that the requesting party has met the import requirements of his own country.

All samples of microorganisms furnished by the KCTC are from batches of its own preparations of the microorganisms.

#### 2. *Notification to the Depositor*

Depositors are notified on model form BP/14 when samples of their microorganisms have been furnished to third parties.

#### 3. *Cataloguing of Budapest Treaty Deposits*

The KCTC does not list Budapest Treaty deposits in its published catalog.

### Schedule of Fees

1. Storage	
–original deposit	Won 600,000
–new deposit	50,000
2. Issuance of a viability statement	
–if the depositor requiring a viability statement has also requested a viability test	20,000
–in other cases	10,000
3. Furnishing of a sample	50,000
4. Issuance of an attestation under Rule 8.2	10,000
5. Communication of information under Rule 7.6	10,000

### Guidance for Depositor

The KCTC does not at present produce specific written notes for the guidance of prospective depositors, but is always ready to offer advice by telephone or letter.

KOREAN CULTURE CENTER OF MICROORGANISMS  
(KCCM)

### 1. Outline of the KCCM

#### (a) *Legal Status, Name and Address*

The "Korean Culture Center of Microorganisms" (abbreviated to "KCCM") is the subsidiary culture collection of the Korean Federation of Culture Collections (KCCM) which was organized in 1967 as a non-profit corporation by the scientists and related people in universities and industries in Korea. It received official approval as a depositary authority from the Korea Industrial Property Office and since then has stored about 700 patented strains deposited by national and foreign depositors. It was the first official culture collection in Korea.

It is domiciled at the following address:

Korean Culture Center of Microorganisms  
(KCCM)  
College of Engineering  
Yonsei University  
Sodaemun gu  
Seoul  
120-749 Republic of Korea  
Telephone: 02-392-0950  
Telefax: 02-392-2859.

#### (b) *Staff*

The KCCM has 10 employees, eight of whom are graduates.

The KCCM is subdivided into working groups, each responsible for particular groups of microorganisms or specific areas. Deposits of microorganisms for the purposes of patent procedure are processed in a separate group.

### (c) Facilities

The KCCM has premises with a total area of approximately 300m<sup>2</sup>. And the KCCM laboratories are equipped with up-to-date facilities, allowing all general microbiological work to be carried out efficiently. All modern processes including lyophilization, storage in deep freezer and liquid nitrogen for long-term storage of microorganisms are available.

## 2. Requirements for Deposit

### (a) Kinds of Microorganisms that May Be Deposited

Bacteria, actinomycetes, fungi, yeasts, plasmids, bacteria containing plasmids, viruses, bacteriophages, *except*:

- hybridomas, plant tissue cultures, rickettsiae;
- microorganisms liable to require viability testing that the KCCM is technically not able to carry out;
- mixtures of undefined and/or unidentifiable microorganisms.

The KCCM reserves the right to refuse any microorganism for security reasons: specific risks to human beings, animals, plants and the environment. In cases where a microorganism cannot be lyophilized, the KCCM must be consulted in advance about the conditions for acceptance.

### (b) Technical Requirements and Procedures

#### (i) Form and Quantity

Whenever possible, cultures submitted to the KCCM for deposit should be lyophilized. Viruses that cannot be lyophilized and bacteriophages should be frozen. All replicates of the microorganisms to be deposited should be from the same batch of lyophilized or frozen preparations.

Bacteriophage suspensions must contain at least 10<sup>7</sup> plaque forming units per ml.

The minimum number of replicates that must be submitted by the depositor is as follows:

bacteria, fungi, yeasts, actinomycetes	8
plasmids, bacteria containing plasmids, viruses, bacteriophages	25

#### (ii) Time Required for Viability Testing

The average length of time required for testing the viability of the microorganisms accepted by

the KCCM is given below, but depositors should realize that in some cases it may take longer.

bacteria	7 days (or up to 14 days);
fungi, yeasts, actinomycetes	10 days (or up to 20 days);
plasmids, bacteria containing plasmids, viruses, bacteriophages	14 days (or up to 30 days);

### (iii) Depositor Checks and Renewal of Stocks

The KCCM prepares its own batches in lyophilized or frozen form at the time of deposit by subculturing the microorganism supplied by the depositor. New batches are prepared from these as necessary thereafter for the renewal of diminishing stocks. The depositor is required to test for authenticity samples of all batches of his microorganisms prepared by the KCCM.

Despite the methods for preparing batches of samples for distribution, the KCCM nevertheless stores a portion of the original material supplied by the depositor.

### (c) Administrative Requirements and Procedures

#### (i) General

*Language.* The official language of the KCCM is Korean. However, communications in English are also accepted.

*Contract.* The KCCM does not enter into a written contract with the depositor defining the liabilities of either party. However, by signing the KCCM deposit form, the depositor surrenders any right to withdraw his microorganism during the required storage period.

*Import and/or Quarantine Regulations.* Overseas depositors must contact the KCCM in advance for advice about the shipping of their microorganisms. Certain pathogens are subject to import and/or quarantine regulations. The KCCM advises prospective depositors of such microorganisms of the procedures that must be followed to obtain the necessary permits.

#### (ii) Making the Original Deposit

*Requirements to Be Met by the Depositor.* Depositors are required to complete the equivalent of model form BP/1, which is used by the KCCM as its accession form for Budapest Treaty deposits. In the event of a later indication or amendment of the scientific description and/or proposed taxonomic designation, and a request for attestation that the KCCM has received such information, the depositor must complete the equivalent of model form BP/7.

*Official Notifications to the Depositor.* The receipt and viability statement are issued on mandatory "international forms" BP/4 and BP/9, respectively.

Attestation of receipt of a later indication or amendment of the scientific description and/or proposed taxonomic designation is issued on the

equivalent of model form BP/8. Notification of release of a sample to a third party is issued on form BP/14. The KCCM has its own standard forms for other official notifications.

*Unofficial Notifications to the Depositor.* If requested, the KCCM will telephone the date of deposit and accession number after the microorganism has been received, but before the official receipt is issued. The KCCM will similarly communicate the result of the viability test before the viability statement is issued.

*Supply of Information to Patent Agents.* The KCCM does not routinely ask the depositor for the name and address of his patent agent. The KCCM will send copies of the receipt and viability statement either to the depositor or to his agent if requested, but not to both.

### (iii) *Converting a Previous Deposit*

Deposits made outside the provisions of the Budapest Treaty may be converted by the original depositor to Budapest Treaty deposits only if they were originally made for patent purposes. The administrative requirements for conversion are similar to those to be met in respect of an original deposit made under the Treaty, except that the depositor is also required to supply a copy of the receipt of the previous deposit. All conversions are subject to the normal storage fee levied for Budapest Treaty deposits, regardless of whether any fees have been paid previously in respect of those deposits.

### (iv) *Making a New Deposit*

The depositor is required to complete model form BP/2 when making a new deposit and to supply copies of the relevant documents required by Rule 6.2. The receipt and viability statement for a new deposit are issued on mandatory "international forms" BP/5 and BP/9, respectively.

## 3. Furnishing of Samples

### (a) *Requests for Samples*

The KCCM advises third parties of the correct procedures to follow in order to make a valid request. In the case of requests requiring proof of entitlement, the KCCM will provide requesting parties with copies of model request form BP/12 and/or request forms used by individual industrial property offices (where it has been supplied with such forms).

The KCCM furnishes samples in the belief that it is the responsibility of the requesting party to ensure that he complies with any relevant health and safety requirements. When responding to requests from overseas, the KCCM assumes that

the requesting party has met the import requirements of his own country.

All samples of microorganisms furnished by the KCCM are from batches of its own preparations of the microorganisms.

### (b) *Notification to the Depositor*

Depositors are notified on model form BP/14 when samples of their microorganisms have been furnished to third parties.

### (c) *Cataloguing of Budapest Treaty Deposits*

The KCCM does not list Budapest Treaty deposits in its published catalog.

## 4. Schedule of fees

(a) Storage	
–original deposit	Won 600,000
–new deposit	50,000
(b) Issuance of viability statement	
–if the depositor requiring a viability statement has also requested a viability test	20,000
–in other cases	10,000
(c) Furnishing of a sample	50,000
	(plus cost of transport)
(d) Issuance of an attestation under Rule 8.2	10,000
(e) Communication of information under Rule 7.6	10,000

## 5. Guidance for Depositors

The KCCM does not at present produce specific written notes for the guidance of prospective depositors, but is always ready to offer advice by telephone or letter.

[End of the text of the communication of the Government of the Republic of Korea]

Pursuant to Article 7(2)(b) of the Budapest Treaty, the Korean Collection of Type Cultures (KCTC) and the Korean Culture Center of Microorganisms (KCCM) acquire, respectively, the status of international depositary authority as from June 30, 1990.

*Budapest Communication No. 62 (this Communication is the subject of Budapest Notification No. 89, of May 21, 1990).*

# WIPO Meetings

## Paris Union

### Committee of Experts on the Harmonization of Certain Provisions in Laws for the Protection of Inventions

Seventh Session  
(Geneva, November 13 to 24, 1989)

#### NOTE\*

#### Introduction

The Committee of Experts on the Harmonization of Certain Provisions in Laws for the Protection of Inventions (hereinafter referred to as "the Committee of Experts") held its seventh session<sup>1</sup> in Geneva from November 13 to 24, 1989.

The following States members of the Paris Union were represented at the session: Algeria, Argentina, Australia, Austria, Belgium, Brazil, Bulgaria, Canada, China, Czechoslovakia, Democratic People's Republic of Korea, Denmark, Egypt, Finland, France, German Democratic Republic, Germany (Federal Republic of), Ghana, Greece, Hungary, Indonesia, Iraq, Ireland, Israel, Italy, Japan, Kenya, Libya, Madagascar, Mexico, Morocco, Netherlands, New Zealand, Nigeria, Norway, Portugal, Republic of Korea, Senegal, Soviet Union, Spain, Sweden, Switzerland, Tunisia, Turkey, United Kingdom, United Republic of Tanzania, United States of America, Uruguay (48).

The following States members of WIPO were represented by observers: Angola, Bangladesh, Chile, Ecuador, El Salvador, India, Panama, Yemen (8). Representatives of three intergovernmental organizations and 29 non-governmental organizations also participated in an observer capacity. The list of participants follows this Note.

The Committee of Experts considered the following 35 questions:

- (i) Filing Date and Rule 101;

- (ii) Naming of Inventor; Declaration Concerning the Entitlement of the Applicant and Rule 102;  
(iii) Description and Rule 103;  
(iv) Claims and Rule 104;  
(v) Unity of Invention and Rule 105;  
(vi) Publication of Application;  
(vii) Time Limits for Search and Substantive Examination;  
(viii) Administrative Revocation of Patents;  
(ix) Priority Claims;  
(x) Changes in Patents;  
(xi) Patentable Inventions;  
(xii) Prior Art Effect of Certain Applications;  
(xiii) Grace Period;  
(xiv) Exclusions from Patent Protection;  
(xv) Right to a Patent;  
(xvi) Rights Conferred by a Patent;  
(xvii) Reversal of Burden of Proof;  
(xviii) Extent of Protection and Interpretation of Claims;  
(xix) Term of Patents;  
(xx) Maintenance Fees;  
(xxi) Remedies;  
(xxii) Privilege of Prior User;  
(xxiii) Assembly;  
(xxiv) International Bureau;  
(xxv) Regulations;  
(xxvi) Settlement of Disputes;  
(xxvii) Revision of the Treaty;  
(xxviii) Amendment of Certain Provisions of the Treaty;  
(xxix) Becoming Party to the Treaty;  
(xxx) Entry into Force of the Treaty;  
(xxxi) Patent Cooperation Treaty;  
(xxxii) [No] Reservations;  
(xxxiii) Denunciation of the Treaty;  
(xxxiv) Languages of the Treaty;  
(xxxv) Depositary.

\* Prepared by the International Bureau.

<sup>1</sup> For Notes on the first, second, third, fourth, the two parts of the fifth, and sixth sessions, see *Industrial Property*, 1985, p. 267; 1986, p. 309; 1987, p. 204; 1988, p. 179; 1988, p. 358; 1989, p. 53; 1989, p. 269.

The discussions of the seventh session of the Committee of Experts were based on the following

documents prepared by the International Bureau of WIPO: "Draft Treaty on the Harmonization of Patent Laws; Draft Regulations (Substantive Provisions)" (document HL/CE/VII/3), "Draft Treaty on the Harmonization of Patent Laws (Administrative Provisions and Final Clauses)" (document HL/CE/VII/4), as well as the proposals by the Delegations of the following countries: Israel (document HL/CE/VII/5, entitled "Draft Article 108" and document HL/CE/VII/27, entitled "Draft Paragraph (3)(a) of Article 302"); Australia (document HL/CE/VII/6, entitled "Draft Article 108"); Netherlands (document HL/CE/VII/7, entitled "Draft Articles 101(3), 107 and 108" and document HL/CE/VII/24, entitled "Draft Article 304"); Sweden (document HL/CE/VII/8, entitled "Draft Articles 106 and 307"); Switzerland (document HL/CE/VII/9, entitled "Draft Rule 105," document HL/CE/VII/10, entitled "Draft Article 308" and document HL/CE/VII/11, entitled "Draft Article 306"); the Federal Republic of Germany (document HL/CE/VII/12, entitled "Draft Article 103 and Rule 103" and document HL/CE/VII/13 entitled "Draft Article 303"); United Kingdom (document HL/CE/VII/14, entitled "Draft Article 102 and Rule 102" and document HL/CE/VII/15, entitled "Draft Rule 105"); France (documents HL/CE/VII/16 and 16 Corr., entitled "Draft Article 301," document HL/CE/VII/17, entitled "Draft Article 202," documents HL/CE/VII/18 and 18 Rev., entitled "Draft Article/Rule 304," and document HL/CE/VII/23, entitled "Draft Article 307"); United States of America (document HL/CE/VII/19, entitled "Draft Article 101 and Rule 101," document HL/CE/VII/21, entitled "Draft Article 110," document HL/CE/VII/22, entitled "Draft Article 304" and document HL/CE/VII/26, entitled "Draft Article 303"); Japan (document HL/CE/VII/20, entitled "Draft Article 108(1)" and document HL/CE/VII/25, entitled "Draft Article 307").

After hearing general statements from a number of delegations and representatives of intergovernmental and non-governmental organizations, the Committee of Experts discussed the following questions.

#### *Article 101: Filing Date*

##### *Rule 101: Details Concerning Article 101 (Filing Date)*

In addition to the text of Article 101 and Rule 101 as elaborated by the International Bureau, discussions were based on texts proposed, respectively, by the Delegations of the Netherlands and the United States of America. Those texts read as follows:

#### *Article 101*

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

*"(1) [Minimum Requirements] The filing date of an application shall be the date of receipt by the industrial property office of an application that satisfies at least the following requirements:*

- (i) it contains an express or implicit indication that the granting of a patent is sought;*
- (ii) it contains indications allowing to establish the identity of the applicant;*
- (iii) it contains a part which, on the face of it, appears to be a description of the invention for which a patent is applied for;*
- (iv) it is in the language, or one of the languages, designated by the national law, or, where the national law so allows, in a different language provided that it is accompanied by a translation in the language, or one of the languages, designated by the national law or that such a translation is furnished within the prescribed time limit.*

*(2) [Permitted Additional Requirements] (a) If, at the time of becoming party to this Treaty, the national law of a Contracting State contains, for the purposes of the filing date, in addition to the requirements laid down in paragraph (1), any of the following requirements:*

- (i) that the application contain a part which, on the face of it, appears to be a claim or claims,*
- (ii) that, if the application refers to drawings, it contain such drawings,*
- (iii) that the required fee be paid,*

*the said State may maintain such requirements but those, if any, which it later abolishes, it shall not re-introduce in its national law. However, any Contracting State may introduce or re-introduce in its legislation any of the above-mentioned requirements in order to align its national law with a treaty to which it is or becomes party.*

*(b) Any treaty providing for the grant of regional patents may require that an application for a regional patent contain the designation of at least one State party to that treaty.*

*(3) [Replacing Description, Claims and Drawings by Reference to Another Application] Notwithstanding paragraphs (1) and (2), where another application has been previously filed for the same invention in or for the same or another State by the applicant or his predecessor in title, a reference in a later application to the other application may, for the purposes of the filing date of the later application, replace:*

- (i) *the part which, on the face of it, appears to be a description of the invention for which a patent is applied for,*
- (ii) *the part which, on the face of it, appears to be a claim or claims, or*
- (iii) *drawings as are referred to in the later application,*

*provided that the said parts and drawings and, where the other application was not filed with the same industrial property office, a certified copy of the other application are furnished within the prescribed time limit. If the said parts and drawings and, where applicable, the certified copy are so furnished, and if the said parts and drawings are the same as the description, claim or claims and drawings in the other application, the later application shall be considered as if it had contained the said parts and drawings rather than a reference to the other application.*

(4) [Prohibition of Further Requirements] *The filing date may not be subjected to the fulfillment of any requirements that are additional to or different from those set forth in the preceding paragraphs."*

[TEXT PROPOSED BY THE DELEGATION OF  
THE NETHERLANDS]

- (1) ....
- (2) ....

"(3) Notwithstanding paragraphs (1) and (2), the national law may provide that, where another application ... [rest unchanged]." (Document HL/CE/VII/7, page 1)

- (4) ....

[TEXT PROPOSED BY THE DELEGATION OF  
THE UNITED STATES OF AMERICA]

"(1) [Requirements] The filing date of an application shall be the date of receipt by the industrial property office of an application that satisfies at least the following requirements:

- (i) it contains an express or implicit indication that the granting of a patent is sought;
- (ii) it contains indications allowing to establish the identity of the applicant;
- (iii) it contains a part which, on the face of it, appears to be a description of the invention for which a patent is applied for; and
- (iv) it is in the language, or one of the languages, designated by the national law, or in a different language provided the application in a different language is the application as earlier filed in a Contracting State.

(2) [Replacing Description by Reference to Another Application] Notwithstanding paragraph (1), where another application has been previously filed for the same invention in or for the same or another State by the applicant or his predecessor in title, a reference in a later application to the previously filed application shall, for the purposes of the filing date of the later application, replace the part which, on the face of it,

appears to be a description of the invention for which a patent is applied for, provided that the part and, where the application was not filed with the same industrial property office, a certified copy of the other application are furnished within the prescribed time limit. If the said part and, where applicable, the certified copy are so furnished, and if the said part is the same as the description in the other application, the later application shall be considered as if it had contained the said part rather than a reference to the other application.

(3) [Prohibition of Further Requirements] (a) Subject to paragraph (c), the filing date shall be the date on which the requirements of Article 101(1) were complied with. The filing date may not be subject to the fulfillment of any requirements that are additional to or different from those in Article 101(1).

(b) Any Contracting State shall not be precluded from the imposition of any requirements in addition to those set forth in the paragraph 9(1) for the purposes of maintaining an application which has been accorded a filing date. If the Contracting State has any such requirements which are not met at the filing date, the industrial property office shall promptly invite the applicant to comply with such requirements within the time limit fixed in the invitation.

(c) If drawings are referred to but are missing, the filing date shall be the date on which the missing drawings were received by the industrial property office. Otherwise, any reference to the missing drawings in the application shall be considered non-existent. If an application referred to under Article 101(2) has drawings, those drawings shall be considered present for purposes of a filing date under Article 101(1).

(d) Subject to paragraph (c), failure to timely comply with any further requirements shall not result in the loss of the filing date but may result in the abandonment of the application.

(e) Any translation furnished in response to a requirement under paragraph (b) may be corrected at any time prior to the grant of a patent in order to conform to the wording in the application being that either as earlier filed in that industrial property office or as referred to under Article 101(2)." (Document HL/CE/VII/19, pages 2, 3 and 4)

Rule 101

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

"(1) [Time Limit for Furnishing Translation or Description, Claims and Drawings and Certified Copy of Other Application] *The time limit referred to in Article 101(1)(iv) and (3) shall be at least two months from the date on which the application requiring translation or containing the reference has been received by the industrial property office.*

(2) [Procedure in Case of Non-Compliance with Requirements] (a) *If the application does not, at the time of its receipt by the industrial property office or, where applicable, at the expiration of the time limit referred to in paragraph (1), comply with any of the requirements of Article 101(1) and the applicable requirements of Article 101(2), the industrial property office shall promptly invite the applicant to comply with such*

requirement within a time limit fixed in the invitation, which shall be at least one month from the date of the invitation. Compliance with the invitation may be subject to the payment of a special fee. Failure of sending an invitation shall not alter the said requirements.

(b) No invitation shall be sent if the application does not contain indications making it possible for the industrial property office to identify, or communicate with, the applicant.

(3) [Filing Date in Case of Correction] (a) If the applicant complies with the invitation referred to in paragraph (2)(a) and pays the required special fee, if any, within the time limit fixed in the invitation, the filing date shall be, subject to subparagraph (b), the date on which the requirements of Article 101(1) were complied with. Otherwise, the application shall be treated as if it had not been filed.

(b) If the invitation related to the requirement of Article 101(2)(a)(ii), the filing date shall be the date on which the missing drawings were received by the industrial property office. Otherwise, any reference to the missing drawings in the application shall be considered non-existent."

[TEXT PROPOSED BY THE DELEGATION OF  
THE UNITED STATES OF AMERICA]

"(1) [Procedure in Case of Non-Compliance with Filing Date Requirements] If the application does not, at the time of its receipt by the industrial property office, comply with any of the requirements of Article 101(1), the industrial property office shall promptly invite the applicant to comply with such requirement within a time limit fixed in the invitation, which shall be at least one month from the date of the invitation. Compliance with the invitation may be subject to the payment of a special fee. Failure to send an invitation shall not alter the said requirements. No invitation shall be sent if the application does not contain indications making it possible for the industrial property office to identify, or communicate with, the applicant.

(2) [Filing Date in Case of Correction] If the applicant complies with the invitation referred to in paragraph (1) and pays the required special fee, if any, within the time limit fixed in the invitation, the filing date shall be, subject to Article 101(3)(c), the date on which the requirements of Article 101(1) were complied with. Otherwise, the application shall be treated as if it had not been filed.

(3) [Time Limit for Furnishing the Description or Meeting Additional Requirements] (a) The time limit referred to in Article 101(2) shall be at least two months from the date on which the application containing the reference has been received by the industrial property office. Compliance with the invitation may be subject to the payment of a special fee.

(b) The time limit referred to in Article 101(3)(b) shall be at least one month from the date of the invitation. Compliance with the invitation may be subject to the payment of a special fee. Failure to send an invitation shall not alter the said requirements. No invitation shall be sent if the application does not contain indica-

tions making it possible for the industrial property office to identify, or communicate with, the applicant." (Document HL/CE/VII/19, pages 5 and 6)

The portion of the report of the Committee of Experts concerning the discussion of Article 101 and Rule 101 reads as follows:

"The Delegation of the Netherlands introduced its proposal (document HL/CE/VII/7), explaining that its country could not accept being obliged to acknowledge a description and/or claims in just any foreign language as basic documents of a patent application, because those documents were decisive for determining the maximum scope of protection in the course of the patent-granting procedure. Both the industrial property office and any third party should be able to check whether the patent had not been granted beyond the scope of the basic document. On the other hand, it did not object to other countries accepting references to foreign applications previously filed. Therefore, draft paragraph (3) of Article 101 should be optional for Contracting States.

The Delegation of the United States of America introduced its proposal (document HL/CE/VII/19), explaining that its principal intention was to minimize the requirements that could be imposed for purposes of according a filing date. Therefore, no additional optional requirements as contained in draft Article 101(2) should be admitted for filing date purposes; national laws should be free to indicate acceptance of languages in which the application could be filed and also that all Contracting States should permit filing in any language of a Contracting State and then require a translation as a condition for maintaining the application; they should allow the correction of translations at any time prior to grant; replacing the description (but not the claims and drawings) by reference to another application should be permitted by all Contracting States.

*Paragraph (1).* The discussion focused on the two important differences between draft Article 101(1) and the corresponding proposal by the United States of America.

The *first* important difference was that draft Article 101(1)(iv) required, for filing date purposes, that the application should be in a language designated by the national law, or, where the national law so allows, in a different language, provided that it was accompanied by a translation in a language designated by national law or that such translation was furnished within the time limit provided for in draft Rule 101. In the proposal by the United States of America, paragraph (1)(iv) required, for filing date purposes, that the application should be in a language desig-

nated by national law or in a different language, provided, in the latter case, the application reproduced an application filed earlier in a Contracting State. Any requirements concerning the submission of a translation were optional and could be imposed only for purposes of 'maintaining' the application, not for purposes of according a filing date.

The *second* important difference between draft Article 101 and the corresponding proposal by the United States of America was that draft Article 101 reflected a compromise approach by providing for, on the one hand, minimum mandatory requirements and, on the other hand, additional optional requirements, in both cases only for filing date purposes. The proposal by the United States of America adopted only minimum mandatory requirements for filing date purposes and relegated other possible requirements for the purposes of maintaining the application.

As regards foreign-language applications, it was made clear that such applications represented a problem of different magnitude for different industrial property offices. The Delegation of the United States of America said that only a very small number of applications filed in that country were filed in a foreign language. However, the Delegation of Norway stated that between 30% and 50% of applications filed in that country were filed in a foreign language.

The Delegation of the United Kingdom, referring to its long-standing position that, in order for it to agree to a text for draft Article 101, the payment of fees must at least constitute a permitted additional requirement, stated that the proposal by the United States of America omitted this possibility entirely and, in that respect, was totally unacceptable. As regards the question of foreign-language filings, the Delegation was willing to support the principle contained in paragraph (1)(iv) of the proposal by the United States of America, provided, however, that a translation could be required for filing-date purposes at an early stage of the patent-granting procedure, as it was important that the industrial property office could confirm that a part which, on its face, constitutes a description had in fact been submitted.

The Delegation of the Federal Republic of Germany stated that, in a spirit of compromise and in the applicant's interest, it sympathized with the proposal by the United States of America, especially with respect to its approach regarding foreign-language filings.

The Delegation of Japan raised three points. First, it inquired as to the meaning of the term, 'date of receipt,' used in the second line of paragraph (1) of both draft Article 101 and the corresponding proposal by the United States of

America. It wanted to ensure that it would be acceptable to consider the date of receipt by the domestic post office to be the date of receipt by the industrial property office. Second, the Delegation also wanted to ensure that 'indications allowing to establish the identity of the applicant,' in paragraph (1)(ii), could include not only the applicant's name but also his address, as it considered that this information was indispensable for the subsequent processing of the application. Third, with respect to the question of foreign-language filings, it supported draft Article 101(1)(iv).

With respect to the question of the meaning of the term, 'date of receipt,' it was agreed that, in order to avoid any misunderstandings and prevent any industrial property office from ante-dating applications, draft Article 101 or draft Rule 101 would expressly provide that the filing date of an application shall be its date of receipt by the industrial property office or one of its branch offices or by the national postal service.

The Delegation of Mexico voiced its support for the position taken by the Delegation of the United Kingdom regarding the question of fees and submission of translations in the case of foreign-language applications.

The Delegation of Switzerland stated that, as regards the question of foreign-language filings, it was willing to accept some liberalization along the lines of the proposal by the United States of America. It also supported the possibility of replacing the description, claims or drawings by reference to another application, provided for in draft Article 101(3). Thus, if both approaches were combined, it would be possible, for filing date purposes, to file by reference or by submitting a copy of the earlier foreign-language application filed in a Contracting State.

The Delegation of Canada said that it could support either draft Article 101(1) or the corresponding proposal by the United States of America. It was only concerned about the problem of submitting translations if it must publish applications within 18 months from the priority date.

The Delegation of Austria expressed its support for draft Article 101(1), as it could not accept applications in other languages.

The Delegation of Algeria favored draft Article 101(1), as regards the question of foreign-language filings, and draft Article 101(2), as regards the possibility of requiring the payment of fees for filing-date purposes.

The Delegation of the United Kingdom said that it was concerned as to what an industrial property office could do if the applicant did not respond and submit a translation in the case of a foreign-language filing. It suggested that, if the

proposal by the United States of America was accepted, the matter concerning foreign-language filings be included in paragraph (2) of Article 101, as a permitted additional requirement for filing date purposes, and not as a requirement for maintaining the application. The purpose of Article 101 was to deal with requirements for according a filing date, and the industrial property office of the United Kingdom wanted to throw out applications that did not comply therewith. In its opinion, the term 'for the purposes of maintaining an application,' in Article 101(3)(b) of the proposal by the United States of America, was not clear.

The Delegation of the United States of America replied that its proposal did not prevent an office from disposing of files once the filing date requirements had not been met.

The Delegation of the United Kingdom questioned this statement as it considered that Article 4 of the Paris Convention required that, once an industrial property office granted a filing date, it must keep the file and application for purposes of furnishing any certified copy thereof requested pursuant to Article 4D(3) of the Paris Convention.

It was pointed out that, to the extent that the first application may constitute a basis for a subsequent priority claim, even if the first application is ultimately withdrawn, it cannot be thrown away because the industrial property office must be able to submit a certified copy thereof under Article 4 of the Paris Convention. Furthermore, in order to prevent abuses of ante-dating, industrial property offices must be very careful about dates of receipt and translations of applications for filing-date purposes.

The Delegation of Norway stated that it preferred the simplicity of the proposal by the United States of America but could also accept draft Article 101(1).

The Delegation of the Federal Republic of Germany asked whether the proposal by the United States of America regarding the question of foreign-language filings could not be combined with some requirement as to the submission of a translation for filing date purposes.

The Delegation of Denmark expressed its preference for draft Article 101(1), especially draft item (iv) regarding foreign-language filings, as more than 50% of applications received by the industrial property office of that country would be foreign-language filings.

The Delegation of Portugal stated that it could not accept the proposal by the United States of America; it supported draft Article 101, in particular draft paragraph (1)(iv).

The Delegation of Ireland also expressed its preference for draft Article 101(1), provided that draft paragraph (2) was maintained. This dual

approach in draft Article 101, regarding minimum requirements in draft paragraph (1), and regarding permitted additional requirements in draft paragraph (2), had taken a long time to negotiate, especially concerning the question of fees, so this approach should not now be abandoned.

The Delegation of Australia also favored draft Article 101(1) but found some appeal in the proposal by the United States of America as regards the question of foreign-language filings and translations, and was willing to further study this last question.

The Delegation of the Soviet Union favored draft Article 101(1), as it found it well balanced; it did, however, have some reservations about the question of translations, as its industrial property office had to deal not only with foreign languages from abroad but also with 15 different domestic languages.

The Delegation of New Zealand considered the approach in draft Article 101(1), as regards foreign-language filings, more practical, and, therefore, it supported that text.

The Delegation of Spain stated that it could not support the proposal by the United States of America, particularly as regards foreign-language filings and, therefore, preferred draft Article 101(1).

The Delegation of France said that it could accept draft Article 101(1) or the corresponding proposal by the United States of America. Its industrial property office already accepted foreign-language filings on the basis of reciprocity, and such filings were few and did not pose any particular problems.

The Delegations of the following countries also expressed their support for draft Article 101(1): Greece, Finland, Sweden, Bulgaria, Nigeria, Brazil, Hungary.

The Representative of the EPO explained that the EPO already accepted applications in the official languages of that Office and was willing to extend such a possibility to other languages. To that extent, it welcomed the proposal by the United States of America. However, as regards minimum requirements for according a filing date, an industrial property office needed sufficient information to be able to accord a filing date, and a foreign-language filing might not furnish such information. In this regard, it preferred the mechanism provided by draft Article 101(1), which permits the requirement of submitting a translation before the filing date is accorded. Furthermore, the Representative agreed with the objections voiced by the Delegation of the United Kingdom.

The Representatives of FICPI, JPA, CIPA, CNIPA, EPI and JPAA favored draft Article 101(1).

The Representatives of ABA and AIPLA favored the corresponding proposal by the United States of America.

The Representative of AIPPI stated that it could accept either draft Article 101(1) or the corresponding proposal by the United States of America.

The Representative of BDI suggested that the question of foreign-language filings under the proposal by the United States of America should be evaluated in the context of draft paragraph (3), and not draft paragraph (1), of draft Article 101.

On the basis of a summary of the discussions by the Chairman and observations by the Director General, it was understood that the basic consideration according to which the purpose of draft Article 101 was, as it always had been, to define the minimum and maximum requirements for purposes of according a filing date, should be maintained. Thus, draft Article 101 should not deal with requirements for maintaining the application. It was self-evident that draft items (i) and (ii) must, from the beginning, be in the official language or one of the official languages of the industrial property office and words that were understood (such as names) but in a script other than the script or scripts of the office's official language or languages would have to be translated, whereas the description (referred to in draft item (iii)) might, at the outset, always be (and not only if the national law so permits) in any language and script; however, any country might require that a translation should be furnished within a prescribed period of time; otherwise, no filing date would be accorded.

*Paragraph (2).* The Delegation of the United States of America suggested that, consistent with the approach of its proposal, which actually did not contain a corresponding provision, draft Article 101(2) should be replaced by a provision allowing additional requirements and time limits only for purposes of maintaining the application.

In reply, the Director General pointed out that, although draft paragraph (2)(i) and (ii) could be removed by incorporating it into draft paragraph (3) of draft Article 101, this still left the question of fees, which had always been a point of great importance to several delegations.

The Delegation of the United Kingdom once more reiterated its support for draft Article 101(2), in particular because of paragraph (2)(iii) concerning the payment of fees for filing-date purposes.

The Delegation of the Netherlands agreed with the statement by the Delegation of the United Kingdom but indicated that it might waive this requirement in the future because of foreseeable changes in its national law regarding fees.

The Delegation of Japan stated that, although it had long been of the opinion that claims were one of the essential requirements for establishing the filing date, it was ready in the spirit of harmonization to accept draft Article 101(2)(a)(i). Concerning draft Rule 101(3)(b), it expressed the view that the filing date should be established even if the drawings were missing. In its opinion, when the drawings were submitted later, their acceptance should be decided according to whether or not they went beyond the scope of the disclosure as filed.

The Delegation of Switzerland expressed its support for draft Article 101(2), as it considered the exhaustive list of possible filing date requirements to be in the interest of applicants.

The Delegation of Greece expressed its agreement with the statement by the Delegation of Switzerland.

The Delegation of Canada supported draft Article 101(2) and found the list sufficient as such.

The Delegation of India stated that it would be willing to dispense with draft Article 101(2)(i) and (ii) but not with (iii), as it considered the payment of fees necessary for filing-date purposes.

In response to an inquiry by the Delegation of Argentina, it was pointed out that the term, 'treaty,' used in draft Article 101(2)(a), meant a 'third' treaty, such as a regional treaty.

The Chairman concluded that a majority of delegations supported draft Article 101(2). Draft items (i) and (ii) would, as far as languages were concerned, be treated in the same way as draft paragraph (1)(iii) and (iv). The time limits would be fixed in draft Rule 101.

*Paragraph (3).* The Delegation of the United Kingdom expressed its support for the proposal by the Netherlands regarding this provision. It considered that replacing applications by references to other applications should be optional, not mandatory, as in its opinion a reference to a number constituted insufficient information for filing date purposes.

The Delegation of the Federal Republic of Germany also supported the proposal by the Netherlands in this regard.

The Delegation of Japan also voiced its desire to see draft paragraph (3) as an optional, not a mandatory, requirement.

The Delegation of the United States of America wanted draft paragraph (3) also to deal with the matter of corrections of translations in the case of foreign-language filings and advanced the view that *bona fide*, obvious translation errors should be correctable up to the time of grant. In its opinion, the original language filing should be

the point of reference for all subsequent filings and translations. It considered such an approach a logical follow-up to permitting foreign-language filings, and, in effect, it corresponded to Article 101(3)(e) of the proposal by the United States of America.

The Delegation of the Netherlands indicated that no correction should be allowed after early publication, with a view to third party's interests.

The Delegation of Canada was of the opinion that it would be unfair not to allow the applicant to bring the translation into line with the original.

The Delegation of Denmark stated that it did not consider allowing corrections of translations without a strict time limit a logical consequence of admitting foreign-language filings. On the contrary, one could argue that, if the law was liberal at the first stage in accepting foreign-language applications, it could be strict at the second stage by not allowing or restricting subsequent corrections of translations thereof.

The Delegation of Japan also disagreed with the position taken by the Delegation of the United States of America because the mandatory proposal made by the Delegation of the United States of America, which would allow unconditional correction of translations, would lead to a great burden on both the third parties and the industrial property office.

The Delegation of the United Kingdom stated that it could sympathize with the position of the Delegation of the United States of America, as regards the possibility of correcting translations, provided, however, that corrections were made in time for the 18-month publication of the application and provided that third party rights, such as those of prior users, were protected.

The Delegation of Australia wondered, if foreign-language filings were accepted and if the foreign-language application constituted the original disclosure, why translations could not be corrected and why this question could not be dealt with under draft Article 110 (Changes in Patents).

The Delegation of Austria opposed allowing corrections of translations without a strict time limit for doing so.

The Delegation of France stated that it could support the position taken by the Delegation of the United States of America, provided prior users' rights were protected. If there was a translation error, it might as well be corrected.

The Delegation of the Soviet Union considered that the position taken by the United States of America deserved attention but not in the context of draft Article 101, which dealt with filing date requirements, but as it related to publication and examination.

The Representatives of FICPI, AIPPI and AIPLA supported the position of the United States of America.

The Representatives of CIPA, CNIPA, EPI and JPAA agreed with the opinion expressed by the Delegation of the United Kingdom in this regard.

On the basis of the summary of the discussions by the Chairman it was indicated that a provision should be drafted that would deal with the problem of correcting obvious, *bona fide* errors of translation, however, not necessarily in the context of draft Article 101, which dealt with filing date requirements, but elsewhere in the Draft Treaty, possibly in the context of draft Article 110.

*Paragraph (4).* There was general agreement on draft Article 101(4).

*Rule 101.* In view of the changes agreed upon for draft Article 101, the Delegation of the United States of America was of the opinion that it was not necessary to discuss Rule 101 of the Proposal by the United States of America.

The Delegation of the United Kingdom envisaged a problem with any time period longer than one month for allowing corrections in the case of applications where priority had been claimed.

The Delegations of Japan and the Republic of Korea expressed their preference for a one-month deadline for corrections.

The Delegation of Switzerland questioned the necessity of draft Rule 101(2)(b), as its content seemed self-evident.

In response to questions raised by the Delegations of Canada, Japan and Nigeria as to the inter-relationship between draft Rule 101(1) and (2) and as to the consequences of an industrial property office not sending an invitation to comply with specified filing date requirements, the Director General explained that if there was a defect which prevented the granting of a filing date, the time period for correcting such a defect would be the period set in draft paragraph (1). However, in order to be user-friendly, industrial property offices were obliged to invite the applicant to correct any defect of which it was aware, and, in that case, the period allowed for corrections would be that set under draft paragraph (2). If an industrial property office did not send such invitation, the period set by draft paragraph (1) prevailed. It was, of course, understood that, in light of the changes agreed upon for draft Article 101, the references in draft Rule 101(1) to draft Article 101(1)(iv) and (3) were no longer applicable.

The Delegation of Hungary stated that it could not agree with the time limits set in draft Rule 101(1) and (2), because if one added up these

time limits, along with the extensions possible under draft Article 109 (Priority Claims), one could go beyond 15 months, which was too much of a delay, especially if the industrial property office had to publish applications within 17 months. It, therefore, suggested deleting the concept of the industrial property office inviting corrections, as contained in draft Rule 101(2). If a defect was not corrected within the prescribed period, it should be treated as not received.

The Representative of the EPO saw a time period problem for corrections, not only with respect to the 18-month publication but also as regards the search. Furthermore, it favored the possibility of charging a fee in the case of any corrections made in accordance with draft Rule 101.

It was suggested deleting the time limit in draft Rule 101(2) and just providing, 'within a reasonable time limit under the circumstances.'

In reply to a further request for clarification, it was explained that draft Rule 101 must now be read in the light of the changes agreed upon for draft Article 101 regarding foreign-language filings and translations thereof. As regards the minimum filing date requirements in draft Article 101(1), the filing date was the date on which those requirements were complied with, except for the submission of a translation of a foreign-language application, which can be submitted within two months, and, in that case, the filing date would be the date on which the foreign-language application had been received by the industrial property office. If such translation was not submitted, no filing date would exist. Time limits for any corrections of the translation and any invitation by the office would start running after the aforementioned two-month period.

The Delegation of the United States of America asked why the applicant should be penalized with a shorter time period for corrections just because the industrial property office did not invite corrections. Therefore, it suggested that applicants always be given an opportunity to correct before any adverse consequences could take effect and that draft Rule 101 should at least set a minimum time limit therefor.

The Delegation of Canada questioned whether industrial property offices should be obliged to invite the submission of a missing translation, as this was obvious.

The Delegation of the United Kingdom suggested that the industrial property office should be obliged to invite any corrections 'as soon as possible,' a point also supported by the Representative of the EPO. However, the Representative of the EPO considered that such obligation should not extend to the submission of translations, as this should be automatic and not subject to an invitation.

The Delegation of Japan reiterated its earlier position that acceptance of foreign-language filings should be optional for Contracting States, and, although it did not object to the suggestions that invitations for corrections be made immediately or as soon as possible after receipt of the application, it objected to the suggestion that such obligation be made mandatory for Contracting States, especially if one considered the large number of applications filed with the industrial property office of that country.

On the basis of a summary of the discussions by the Chairman it was understood that draft Rule 101 would be revised, taking into account the various views expressed. As regards translations, the applicant would have two months to submit a translation of a foreign-language filing; if he did not, industrial property offices would not be obliged to invite the applicant to comply therewith. As regards other minimum requirements, the industrial property offices would be obliged to invite corrections within a reasonable period of time which should not be less than two months. If no invitation was sent, nothing was lost by the applicant, nor should the requirements be altered for filing-date purposes.

The Delegation of the United States of America repeated its position that it preferred that industrial property offices be obliged to invite corrections in all cases, even if the translation was missing; because if the applicant had sent the translation and it was lost, he might not know it.

The Delegation of the United Kingdom was ready to accept provisionally the position expressed by the Delegation of the United States. Furthermore, it thought that consideration should be given to moving draft Article 101(1)(iv) to paragraph (2) of draft Article 101 and to give it the same treatment as the fee requirement.

The Chairman suggested that, since there appeared to be general agreement as to the obligation of industrial property offices to correct, except as regards translations, the next version of draft Rule 101 should include separate provisions for translations and for other types of corrections and place the former within square brackets. Certainly, industrial property offices should be permitted to invite corrections in all cases. The minimum time limit for producing the required translation, if any, and paying the fee should be two months."

*Article 102: Naming of Inventor; Declaration Concerning the Entitlement of the Applicant*

*Rule 102: Details Concerning Article 102*

In addition to the text of Article 102 and Rule 102 as elaborated by the International Bureau,

discussions were based on a text proposed by the Delegation of the United Kingdom. Those texts read as follows:

*Article 102*

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

“(1) [Naming of the Inventor in the Application] *Every application shall, as prescribed, name the inventor or, where there are several inventors, all of them, failing which the application shall not be published and shall be rejected.*

(2) [Naming of the Inventor in Publications of the Industrial Property Office] *Any publication of the industrial property office containing, or relating to, an application or a patent granted thereon, shall name the inventor or inventors, provided that any inventor may, in a declaration signed by him and filed with the industrial property office, request that such publications should not name him as an inventor, in which case the industrial property office shall proceed accordingly.*

(3) [Indication, in the Application, of the Applicant's Entitlement] *The national law of any Contracting State may require that the applicant indicate the legal grounds of his entitlement to file the application.*

(4) [Prohibition of Other Requirements] *No requirements in respect of the naming of the inventor or in respect of the indication of the applicant's entitlement that are additional to or different from those set forth in the preceding paragraphs shall be allowed.”*

[TEXT PROPOSED BY THE DELEGATION OF THE UNITED KINGDOM]

“(1) [Identification of the Inventor in the Application] *Every application shall, as prescribed, identify the inventor or, where there are several inventors, all of them, failing which the application may be rejected or considered withdrawn or abandoned.*

(2) [Naming of the Inventor in Publications of the Industrial Property Office] *Any publication of the industrial property office containing an application or a patent granted thereon shall name the inventor or inventors, provided that any inventor may, in a declaration signed by him and filed with the industrial property office, request that such publications should not name him as an inventor, in which case the industrial property office shall proceed accordingly.*

(3) [Indication, in the Application, of the Applicant's Entitlement] *The national law may require that the applicant indicate the legal grounds of his entitlement to file the application.*

(4) [Prohibition of Other Requirements] *No requirements in respect of the identification of the inventor or in respect of the indication of the appli-*

*cant's entitlement that are additional to or different from those set forth in the preceding paragraphs shall be allowed.”* (Document HL/CE/VII/14, page 2)

*Rule 102*

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

“(1) [Manner of Naming] *The naming of the inventor referred to in Article 102(1) and (2) shall consist of the indication of the inventor's name and address. Where there are several co-inventors, the said requirement shall apply to each of them.*

(2) [Correction] *If the application and the documents accompanying it do not comply with the requirements provided for under Article 102(1) and, where applicable, Article 102(3), the industrial property office shall invite the applicant to comply with the said requirements within a reasonable time limit. Failure of sending the said invitation shall not alter the said requirements.”*

[TEXT PROPOSED BY THE DELEGATION OF THE UNITED KINGDOM]

“(1) [Manner of Identification] *An inventor shall be identified by his name and address.*

(2) [Procedure in the Event of Non-compliance with Requirements] *If the application does not comply with the prescribed requirements, the applicant shall be given an opportunity to comply with them within a reasonable time limit. No application may be rejected or considered withdrawn or abandoned unless the applicant has been given such opportunity.”* (Document HL/CE/VII/14, page 3)

The portion of the report of the Committee of Experts concerning the discussion of Article 102 and Rule 102 reads as follows:

“The Delegation of the United Kingdom, introducing its proposal (document HL/CE/VII/14), stated that it suggested the replacement of the expression ‘Naming of Inventor’ by ‘Identification of Inventor’ because, as Rule 102 (in both the proposal by the United Kingdom and in the Draft Treaty) showed, it was not sufficient to indicate the name of the inventor since his address was also required for the purposes of identification. Moreover, the Treaty should not prescribe a sanction for failure to identify the inventor in the application but merely allow Contracting States to reject the application or consider it withdrawn or abandoned where the inventor was not identified. The name of the inventor should be indicated only in publications containing the application or the patent granted; thus the words ‘or relating to’ in draft Article 102(2) should be deleted. The second sentence of draft Rule 102(1) should be deleted because it

stated something which was obvious. Finally, in order to apply a user-friendly approach, in draft Rule 102(2) the applicant should in any case be given an opportunity to furnish the identification of the inventor and no sanction should be applied if such an opportunity had not been given to the applicant.

The Delegation of Bulgaria supported the proposal by the United Kingdom concerning the identification of the inventor.

The overwhelming majority of delegations and representatives expressed their support for the moral right established in draft Article 102.

The Delegation of the United States of America questioned whether the Treaty should concern itself with harmonizing this matter, especially considering that the Paris Convention, in its Article 4<sup>ter</sup>, already provided that the inventor had a right to be mentioned in the patent.

The Delegation of Bulgaria and several delegations pointed out that draft Article 102 was intended to go beyond the Paris Convention by establishing the inventor's moral right to be mentioned not only in the patent but also in the published application and by providing for sanctions if such right was not respected.

The Delegations of Canada, the Soviet Union, Portugal, Bulgaria, Hungary and Czechoslovakia expressed their support for draft Article 102(1), that is, for mandatory sanctions if the inventor was not named in the application.

The Delegations of Spain, the United States of America, Switzerland, Australia, New Zealand, Mexico, the Netherlands, Nigeria, the Federal Republic of Germany, France, Belgium and India expressed their support for the proposal by the United Kingdom, that is, for not making sanctions mandatory.

The Delegation of Japan stated that it could support the draft Article, to the extent that it placed a great importance on ensuring that published applications indicate the inventor's name; however, it could also go along with the proposal by the United Kingdom, provided national law was free to require that the inventor's name be indicated in published patent applications. As regards the term 'rejected' in the WIPO text, it suggested that other corresponding sanctions which may have a similar effect but may differ under various national laws should also be taken into account, such as invalidation, abandonment, etc., and that the applicant should have an opportunity to correct a failure in naming the inventor before such a sanction could be imposed.

The need for encompassing other possible sanctions than just 'rejection' was also mentioned by the Delegation of Mexico.

The Delegation of Denmark supported the draft Article as regards the mandatory sanction of rejection, on condition that other similar sanctions were also taken into account, such as withdrawal, abandonment and refusal. However, it disagreed with the sanction of not publishing the application, as it considered that a distinction should be made between the 18-month publication, which should not be delayed regardless of whether or not the inventor was mentioned in the application, and the availability to the public of the application. In this latter regard, it considered that the inventor's name should be available to the public.

The Delegation of Greece found both the draft Article and the proposal by the United Kingdom acceptable.

The Chairman suggested the following compromise between the two opposing positions expressed regarding draft paragraph (1): *first*, that draft paragraph (1) should provide that the application must mention the inventor, failing which the application should be rejected or invalidated or considered withdrawn or abandoned; and *second*, that if the inventor was not mentioned as prescribed in the draft Rule, then the industrial property office might reject or invalidate the application or consider it withdrawn or abandoned, it being understood that the consequences of any errors in identifying the inventor would be determined by national law. Thus, if the inventor was not mentioned in the application, it should be automatically rejected or otherwise; if the identification was merely defective, the application might, but need not be, rejected or otherwise, depending on national law.

The Delegation of Australia wanted to be sure that the applicant should be allowed to correct any defective mention of the inventor. The Delegations of Canada and the United States of America expressed the same concern.

The Delegation of Japan did not disagree with the principle that draft Article 102 expressly provide for the possibility of rectification, but it wanted to ensure that the conditions and means for carrying out corrections would be left to national law.

The compromise solution, permitting correction of inadvertent mistakes, also seemed acceptable to representatives of non-governmental organizations, who either expressed support or voiced no opposition with respect thereto.

*Paragraph (2).* This draft paragraph raised two issues. The first issue was whether only the publication containing the entire application or also related publications should mention the inventor. The proposal by the United Kingdom was limited to the former. It was pointed out that the draft paragraph was intended to encompass

publications of the entire application and of bibliographic data.

The second issue concerned the inventor's right to renounce his right to be mentioned in publications. In this regard, the Delegations of Canada, the United States of America, Japan, Australia and New Zealand (by reason of its Official Information Act) and the representatives of ATRIP, PTIC, AIPLA and IPO favored deleting the proviso allowing the inventor to renounce his right to be so named. The Delegations of the Federal Republic of Germany, Switzerland, the Netherlands, France and Belgium and the representatives of the EPO and of AIPPI, CIPA, CNIPA and EPI supported maintaining such a proviso, as did the Delegation of the Soviet Union for the case that the applicant and the inventor were not one and the same person.

The Delegation of Portugal suggested that if the inventor's right to renounce his right to be named applied to any publication, then such right should be provided for in a separate provision so as to make it clear that such right applied to any and all kinds of publications.

In the light of the opposing opinions expressed, the Chairman concluded that the compromise solution that could be envisaged was to make the inventor's right to renounce optional for Contracting States.

*Paragraphs (3) and (4).* The Delegation of Canada suggested that draft paragraph (3) also expressly allow Contracting States to require that the applicant submit evidence of the legal grounds of his entitlement to file an application. This position was supported by the Delegations of Australia and Sweden and by the Representative of PTIC.

It was pointed out that it had been understood that industrial property offices could request such evidence but wanted to ensure that only pertinent, and not unnecessary facts, such as date of birth or civil status, could be requested and that flexibility be allowed as to when such evidence must be submitted (certainly not at the time of filing the application), so as to allow for such cases, for example, as when a succession was involved. This question, therefore, might best be left to national law.

The Delegation of Japan reiterated its concern that it be made clear, also in the context of draft paragraphs (3) and (4), that the terms and conditions governing rectification of any errors were left to national law.

*Rule 102.* The Delegations of the Netherlands, Greece and Norway expressed their support for Rule 102 in the proposal by the United Kingdom.

The Delegation of Norway asked, as had the Delegation of Switzerland earlier, if industrial property offices would require a transliteration of an inventor's name which had been submitted in characters other than those used by the office. It was pointed out that this could be provided for under draft Rule 102 or elsewhere in the Draft Treaty.

The Delegation of Mexico, supported by the Delegation of India, suggested that it also be possible, at least optionally, to require that the inventor's nationality be indicated. Such a requirement should also be possible regarding the applicant for purposes of draft Article and Rule 101, as in both cases such information was important for statistical purposes. This position did not receive support from other delegations, and the Delegations of Canada and the United Kingdom expressed their opposition thereto."

#### *Article 103: Description*

##### *Rule 103: Details Concerning Article 103 (Description)*

In addition to the text of Article 103 and Rule 103 as elaborated by the International Bureau, discussions were based on a text presented by the Delegation of the Federal Republic of Germany. Those texts read as follows:

#### *Article 103*

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

"(1) [Requirement of Description] *An application shall contain a description.*

(2) [Requirement of Full Disclosure] *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.*

(3) [Contents of the Description and Order of their Presentation] *The description shall have the prescribed contents, and such contents shall be presented in the prescribed order.*

(4) [Opportunity to Amend Description] *Where the description does not comply with the requirements provided for in paragraphs (2) and (3), the applicant shall be given an opportunity to amend the description. No amendment shall go beyond what has been disclosed in the application as filed.*

(5) [National Laws] *In respect of the description, no application shall be required to satisfy requirements additional to or different from those*

provided for in paragraphs (2) and (3). However, the national law of any Contracting State shall be free not to require compliance with all of the requirements prescribed under paragraph (3).”

[TEXT PROPOSED BY THE DELEGATION OF THE FEDERAL REPUBLIC OF GERMANY]

“(1) [*Requirement of Full Disclosure*] The application must disclose the invention in a manner sufficiently clear and complete for it to be carried out by a person skilled in the art.

(2) [*Requirement of Description*] The application shall contain a description of the invention.

(3) [*Contents of the Description*] The description shall have the prescribed contents, and such contents shall be presented in the prescribed order.

(4) [*Amendment of the Description*] Where the industrial property office finds that the description does not comply with the requirements provided for in paragraph (3), the applicant shall be given at least one opportunity to correct the deficiencies noted. The application may not be amended in such a way that it contains subject matter which extends beyond the content of the application as filed.

(5) [*Prohibition of Other Requirements*] In respect of the disclosure and description of the invention, no application shall be required to satisfy requirements additional to or different from those provided for in paragraphs (1) and (3). However, the national law shall be free not to require compliance with all of the requirements prescribed under paragraph (3).” (Document HL/CE/VII/12, page 2)

### Rule 103

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

“(1) [*Contents of Description*] *The description shall, after stating the title of the invention,*

(i) *specify the technical field or fields to which the invention relates;*

(ii) *indicate the background art which, as far as known to the applicant, can be regarded as useful for the understanding, searching and examination of the invention, and, preferably, cite the documents reflecting such background art;*

(iii) *disclose the invention, as claimed, in such terms that the technical problem (even if not expressly stated as such) and its solution can be understood, and state the advantageous effects, if any, of the invention with reference to the background art;*

(iv) *briefly describe the figures in the drawings, if any;*

(v) *set forth at least one mode for carrying out the invention claimed; this shall be done in terms of examples, where appropriate, and with reference to the drawings, if any; however, any Contracting State may require, if its national law so provides, that the description set forth the best*

*mode for carrying out the invention known to the applicant at the time of the filing of the application;*

(vi) *indicate explicitly, when it is not otherwise obvious from the description or nature of the invention, the way or ways in which the invention is capable of industrial application or of other use.*

(2) [*Order of Presentation of Contents*] *The contents of the description shall be presented in the order in which such contents are listed in paragraph (1), unless, because of the nature of the invention, a different order affords a better understanding and a more economical presentation.”*

[TEXT PROPOSED BY THE DELEGATION OF THE FEDERAL REPUBLIC OF GERMANY]

“(1) ....

(2) [*Order of Presentation of Contents*] The contents of the description shall be presented in the manner and order in which such contents are listed in paragraph (1), unless, because of the nature of the invention, a different order affords a better understanding or a more economical presentation.” (Document HL/CE/VII/12, page 3)

The portion of the report of the Committee of Experts concerning the discussion of Article 103 and Rule 103 reads as follows:

“The Delegation of the Federal Republic of Germany introduced its proposal (document HL/CE/VII/12). Paragraphs (1) and (2) of Article 103 of the proposal by the Federal Republic of Germany corresponded to draft Article 103(1) and (2), with some amendments. Paragraphs (3), (4) and (5) of Article 103 and paragraph (2) of Rule 103 of the proposal by the Federal Republic of Germany corresponded, with some amendments, to the same draft paragraphs in the Draft Treaty. Paragraph (1) of Rule 103 of the proposal by the Federal Republic of Germany was the same as the corresponding paragraph in the Draft Treaty.

The Delegation of the Federal Republic of Germany explained that, in addition to the description, any other part of an application (i.e., claim(s), drawings, deposit of microorganism) could be a source of disclosure of the invention.

The Delegation of Japan stressed that in the final stage of the procedure for granting a patent the invention should be fully disclosed in the description even if the invention was not fully disclosed in the description at the time of filing. For that reason, the Delegation expressed its preference of the draft Article.

The Delegation of the Federal Republic of Germany further explained that the disclosure of the invention should also be considered in view of the decision as to whether any amendment or

change went beyond what had been disclosed at the time of filing. The Delegation recognized that there existed a certain discrepancy between draft Article 103(1) and draft Rule 103(1)(iii) and its proposal, which was explained by the fact that the Rule dealt with the final result to be achieved.

The Delegations of the United Kingdom and France expressed their support of the proposal by the Federal Republic of Germany.

The Delegations of Australia, Canada and the United Kingdom and the Representative of the EPO drew attention to the fact that some inventions (e.g., a microorganism or an infrared ray spectrum) could not be fully disclosed only in a description. The Representative of the EPO also drew attention to the fact that the requirement of enabling disclosure provided for in paragraph (2) of the proposal by the Federal Republic of Germany was a basic requirement affecting the validity of a patent and that, contrary to requirements concerning the description, any defect of an application in this respect could not be remedied by amending the application. Therefore, the subject matter of disclosure and that of description should be dealt with in different articles.

In order to overcome the problem referred to in the preceding paragraph, it was suggested that the words 'to the extent possible' should be added in draft Rule 103(1)(iii). A request was made for clarification as to whether 'background art' meant the same thing in draft Rule 103(1)(ii) and (iii).

As to the possibility of amending a description, the Delegation of Australia, supported by the Delegations of Japan and the United States of America, stressed the necessity of giving the applicant an opportunity to correct deficiencies where the disclosure of the invention lacked clarity. Therefore, those Delegations favored draft Article 103(4).

The Delegations of the Netherlands and Belgium drew attention to the necessity for non-examination countries to give the applicant the possibility of amendment and also expressed their preference for draft Article 103(4).

With respect to the notion of 'a person skilled in the art,' the Delegation of Canada, supported by the Representative of PTIC, proposed to include a definition in the draft Article. In this connection, the explanation of the said notion in Note f.<sup>2</sup> to draft Article 103 was considered. It was observed that the term 'person skilled in the relevant art' could be used although this would be a departure from the PCT. The Representative of the EPO, supported by the Delegation of Japan, suggested the deletion of Note f., on the understanding that the explanation in Note f. was for the purpose of evaluating inventive step and thus

not suitable for evaluating the sufficiency of the disclosure of the invention.

As regards draft Rule 103(1)(v), the Delegation of Canada proposed that the requirement of disclosing the best mode be mandatory for all Contracting States. The Delegation of the United States of America, the Representative of ABA and NYPTC advocated the requirement of disclosing the best mode for the reason that, without the requirement of disclosing the best mode, an applicant could conceal information relating to the invention.

The Delegations of Japan and the United Kingdom opposed the inclusion of the requirement of disclosing the best mode in the Treaty, drawing particular attention to the subjective nature of this condition. The Representative of the EPO pointed out that the best mode requirement, if applied in an important country like the United States of America, obliged many applicants to draft applications accordingly, even for purposes of filing in other countries.

On the basis of the summary of the discussions by the Chairman, it was understood that draft Rule 103(1)(v) should be maintained as a compromise solution, with two clarifications: firstly, where the applicant was not the inventor, the best mode to be disclosed was to be that which was known to the inventor; secondly, where priority was claimed, the date of knowledge of the best mode was the priority date.

Furthermore, in revising the provision, one should explore the possibility of treating the requirement of full disclosure in a separate article (for example, 102*bis*), which then could provide that the application (rather than the description) must disclose the claimed invention in the manner now indicated in draft Article 103(2). In that case, the Article dealing with the description would be limited to the content of draft paragraphs (1), (3), (4) and (5) of draft Article 103, with the possibility with some of the amendments contained in the proposal by the Federal Republic of Germany. The new text should also refer to the possibility of amending the description (see paragraph 324, below)."

#### *Article 104: Claims*

##### *Rule 104: Details Concerning Article 104 (Manner of Claiming)*

Discussions were based on the texts of Article 104 and Rule 104 as elaborated by the International Bureau. Those texts read as follows:

#### *Article 104*

"(1) [Requirement of Claims in an Application] *An application shall contain one or more claims.*

<sup>2</sup> The Notes referred to herein are not reproduced.

(2) [Definition of the Protection] *The invention for which patent protection is sought shall be defined in the claim or claims.*

(3) [Style of the Claims] *The claim or claims shall be clear and concise.*

(4) [Relation of Claims with the Description] *The claim or claims shall be supported by the description.*

(5) [Manner of Presentation of the Claims] *The claim or claims shall be presented in the prescribed manner.*

(6) [Opportunity to Amend Claims] *Where the claim or claims do not comply with the requirements provided for in paragraphs (3) to (5), the applicant shall be given an opportunity to amend the claim or claims. No amendment shall go beyond what has been disclosed in the application as filed.*

(7) [National Laws] *In respect of claims, no application shall be required to satisfy requirements additional to or different from those provided for in paragraphs (1) to (5). However, the national law of any Contracting State shall be free not to require compliance with all of the requirements prescribed under paragraph (5)."*

#### Rule 104

"(1) [Consecutive Numbering] *Where an application contains several claims, they shall be numbered consecutively in arabic numerals ('serial number').*

(2) [Method of Definition of Invention] *The definition of the subject matter for which protection is sought shall be in terms of the technical features of the invention.*

(3) [Form of Claim] *Any claim shall be written either*

*(i) in two parts, the first part consisting of a statement indicating those technical features of the invention which are necessary in connection with the definition of the claimed subject matter and which, in combination, appear to be part of the prior art, the second part ('the characterizing portion'), introduced by the words 'characterized in that,' 'characterized by,' 'wherein the improvement comprises,' or other words to the same effect, consisting of a statement concisely indicating those technical features which, in combination with the features stated in the first part, define the subject matter for which protection is sought; or*

*(ii) without a division in two parts, the single statement containing a recitation of a combination of several elements or steps, or a single*

*element or step, which defines the subject matter for which protection is sought.*

(4) [References in the Claims to the Description and Drawings] (a) *No claims shall, except where absolutely necessary, contain, in respect of the technical features of the invention, references to the description or any drawings, for example, such references as: 'as described in part ... of the description,' or 'as illustrated in figure ... of the drawings.'*

(b) *No claim shall contain any drawing or graph. Any claim may contain tables and chemical or mathematical formulas.*

(c) *Where the application contains any drawing, any technical feature mentioned in any claim may, if the intelligibility of that claim can thereby be enhanced, include a reference sign to that drawing or to the applicable part of that drawing; such a reference sign shall be placed between square brackets or parentheses.*

(5) [Dependent and Multiple Dependent Claims] (a) *Any claim which includes all the features of one or more other claims of the same category (hereinafter referred to as 'dependent claim' or 'multiple dependent claim,' respectively) shall preferably first refer to the other claim or claims by indicating the serial number of the other claim or the serial numbers of the other claims and then state those features claimed that are additional to the features claimed in the other claim or claims.*

(b) *Dependent claims or multiple dependent claims may depend on dependent claims or multiple dependent claims. Multiple dependent claims may refer in the alternative or in the cumulative to the claims on which they depend.*

(c) *All dependent claims referring to the same other claim, and all multiple dependent claims referring to the same other claims, shall be grouped together in the most practical way possible."*

The portion of the report of the Committee of Experts concerning the discussion of Article 104 and Rule 104 reads as follows:

"Draft Article 104(1) was generally accepted.

As regards draft paragraph (2), the Delegation of the Federal Republic of Germany proposed to replace it by the first sentence of Article 6 of the Patent Cooperation Treaty (PCT), ('the claim or claims shall define the matter for which protection is sought'). The title of draft paragraph (2) should then be 'Contents of Claims.' The reason for the proposal was, apart from using the recognized text of the PCT, to clearly distinguish the invention and the definition of the invention on the one hand from the definition of protection on

the other. This distinction would be necessary since the claims did not define the invention but rather the protection conferred.

The Delegation of the United States of America proposed the deletion in draft paragraph (3) of the words 'and concise' because they would not be necessary for defining the protection sought; once the subject was clearly defined there should be no arbitrary limits on the number of claims.

The Delegation of Japan stated that it supported draft Article 104(3) and had difficulties with the proposal by the United States of America because the invention should be explained fully in the description and the problem was not the number of claims but it should be confined to the content of single claims as referred to in Note cc. to draft Rule 105.

It was suggested that the rule of draft paragraph (3) should apply to each claim separately ('Each claim shall be clear and concise') and, therefore, the said paragraph could not be interpreted as restricting the total number of claims.

The Delegation of the United Kingdom stated that it also had difficulties with the proposal of the Delegation of the United States of America and pointed out that conciseness could be an optional requirement.

Several non-governmental organizations of the United States of America expressed their support for the proposal of the Delegation of the United States of America, indicating, however, that the suggestion that draft paragraph (3) should apply to each claim separately could also be acceptable. This suggestion was then supported by the Delegations of the United States of America, Canada, Japan and Switzerland and the Representative of AIPPI.

Upon a request for clarification by the Delegation of Canada, which wanted to ascertain whether draft paragraph (6) would exclude the possibility of submitting voluntary amendments to the claims, it was pointed out that this provision did not deal with voluntary amendments, which may be made—at least in countries having a substantive examination system—by the applicant in accordance with and within the period of time prescribed by the national law.

The Delegation of Mexico proposed that draft paragraph (4) should be amended to indicate that the claim or claims might not go beyond what had been disclosed in the description.

The Representative of the EPO stated that a claim might contain an element which was not expressly mentioned in the description if such element of the claim was self-explanatory.

It was pointed out that the opportunity to amend claims given in draft paragraph (6), when applied to draft paragraph (4), could only result in

the deletion of that part of the claim or claims which was not supported by the description. One could not amend a claim to include an element which would not be supported by the description because such an amendment would go beyond what had been disclosed in the application as filed.

The Delegation of Belgium stated that, in the registration system of its country, the applicant was not allowed to voluntarily amend the claims.

The Delegation of the United States of America supported the views of the EPO and clarified that the claims could be supported by the description, by the drawings and by themselves since all these elements would be part of the disclosure.

It was pointed out that draft paragraph (4) could be amended along the following lines 'the claim or claims shall be supported by the description to the extent possible; what is not possible to be put in the description must result from other parts of the application.'

The Delegation of Australia and two non-governmental organizations indicated that, where a claim was not supported by the description as provided in draft paragraph (4), it should be possible to amend either the claims or the description or both. This raised the question as to whether a provision allowing the amendment of the description in this case should be included in draft Rule 104(6) or in draft Rule 103(4).

The Delegation of Australia stated that, during the pre-grant opposition period under its national law, claims should not be amended in such a way as to expand their scope. Depending on the final outcome in relation to draft Article 108(3), the Delegation reserved its position on draft Article 104(6).

On the basis of a summary of the discussions by the Chairman, it was understood that draft Article 104 should be maintained, subject to the following modification: in draft Article 104(6), an opportunity to amend the claims *and the description* should be provided for.

#### *Rule 104: Manner of Claiming*

The proposal made by the Delegation of the United States of America that at the end of draft paragraph (1) the words in parenthesis, 'serial number,' should be deleted did not raise any objections. The reason for this proposal was that such words could create some confusion between the serial number of the application and the number of the claim.

Draft paragraph (2) was generally accepted.

As regards draft paragraph (3), the Delegation of the United States of America proposed replacing in the beginning of draft paragraph

(3)(ii) the words 'without a division in two parts, the single statement' by the words 'in a single statement,' so that draft paragraph (3)(i) would not be regarded as a general rule to which draft paragraph (3)(ii) would be the exception. The Delegation of the United States of America further proposed that draft Rule 103(3), as well as draft Rule 103(1)(v), should be Rules which might be amended only by unanimous consent as provided for in draft Article 403(3).

The proposal to delete the words 'without a division in two parts' in the beginning of draft paragraph (3)(ii) did not raise any objections. As to the second proposal made by the Delegation of the United States of America, it was decided that it should be examined only during the discussions of draft Article 403(3).

As regards draft paragraph (4), the Delegation of the United States of America proposed that the words 'absolutely necessary,' in the second line, should be replaced by the word 'appropriate,' in particular in order to allow references in claims concerning certain biotechnological inventions to DNA sequences. This proposal was supported by the Delegations of the United Kingdom, Israel, Japan and Australia and opposed by the Delegations of France, Norway, Sweden and Belgium and the Representative of the EPO. Those opposing the proposal stated, in particular, that there would be no need to deviate from the PCT which had never raised difficulties. The Delegation of the United States of America replied to the opponents that technology had progressed since the adoption of the PCT.

In view of the divergent opinions, the Chairman proposed, as a compromise, to delete only the word 'absolutely' in the second line of draft paragraph (4). This was accepted by the Delegations of Finland, the Soviet Union, Switzerland, Hungary and Japan but opposed by the Delegation of the United States of America. As a result, it was decided that both alternatives, 'where appropriate' and 'where necessary,' should be included in the next draft.

As regards draft paragraph (5), the Delegation of the United States of America stated its opposition to multiple-dependent claims depending on multiple-dependent claims or multiple-dependent claims depending in the cumulative and suggested that, as in PCT Rule 6.4(a) and (c), this should be an optional matter left to the national laws.

The Delegation of the Republic of Korea proposed the deletion of the words 'multiple dependent claims' in the first sentence of draft paragraph (5)(b) and 'or in the cumulative' in the third sentence.

The Delegations of Switzerland, the Federal Republic of Germany, Denmark and the Soviet Union and representatives of non-governmental

organizations supported the text of draft paragraph (5). The Delegation of Japan also supported the text of draft paragraph (5) but requested that the Notes to draft paragraph (5)(b) should include an explanation on the meaning of the word 'cumulative.'

The Delegation of the United Kingdom proposed the deletion of the word 'preferably' in the fourth line of draft paragraph (5)(a) because a dependent or multiple-dependent claim should contain simply what it added to a previous claim or claims and the word 'preferably' could be construed as allowing a repetition of the entire content of a previous claim or claims. It was pointed out that the words 'preferably first' mean 'preferably at the beginning' and that this would be reflected in the next draft.

The Representative of the NYPTC proposed the inclusion of a new provision allowing the applicant to submit, before the final allowance or rejection of the application, voluntary amendments introducing new claims, at least up to the limit of the original disclosure contained in the application and subject to the limitation of unity of invention. The Delegations of Israel and Canada supported this proposal.

The Delegation of the United States of America raised the question whether the words 'of the same category' in the second line of draft paragraph (5)(a) needed to be defined. The Delegations of Switzerland and the Federal Republic of Germany and the Representative of the EPO explained that 'category' meant such categories as product or process. It was pointed out that Notes c. on page 52 and i. on page 54 provided for the necessary explanations."

#### *Article 105: Unity of Invention*

##### *Rule 105: Details Concerning Article 105 (Unity of Invention)*

In addition to the text of Article 105 and Rule 105 as elaborated by the International Bureau, discussions were based on texts of Rule 105 proposed, respectively, by the Delegations of Switzerland and the United Kingdom. Those texts read as follows:

#### *Article 105*

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

*"(1) [Requirement of Unity of Invention] An application shall relate to one invention only or to a group of inventions so linked as to form a single general inventive concept ('requirement of unity of invention')."*

(2) [Validity of Patent Not Affected by Lack of Unity of Invention] *Failure to comply with the requirement of unity of invention shall not be a ground for invalidation or revocation of a patent.*"

#### Rule 105

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

"(1) [Circumstances in which Requirement of Unity of Invention to be Considered Fulfilled] *Where a group of inventions is claimed, the requirement of unity of invention shall be fulfilled only if a technical interrelationship between those inventions is expressed in the claims in terms of the same or corresponding special technical features. The expression 'special technical features' shall mean those technical features which define the contribution which each of the inventions as claimed, considered as a whole, makes over the prior art.*

(2) [Determination of Unity of Invention Not Affected by Manner of Claiming] *The determination whether a group of inventions is so linked as to form a single general inventive concept shall be made without regard to whether the inventions are claimed in separate claims or as alternatives within a single claim.*"

[TEXT PROPOSED BY THE DELEGATION OF SWITZERLAND]

"(1) ....

(1)*bis* Where the national law does not provide for the establishing of a search report, the relevant prior art is the one available to the competent examining office or the one described by the applicant. (Document HL/CE/VII/9)

(2) ...."

[TEXT PROPOSED BY THE DELEGATION OF THE UNITED KINGDOM]

"(1) [Circumstances in which Requirement of Unity of Invention to be Considered Fulfilled] *Where a group of inventions is claimed, the requirement of unity of invention shall be fulfilled only when there is a technical relationship among those inventions involving one or more of the same or corresponding special technical features. The expression 'special technical features' shall mean those technical features which define a contribution which each of those inventions, considered as a whole, makes over the prior art.*

(2) [Determination of Unity of Invention Not Affected by Manner of Claiming] *The determination whether a group of inventions is so linked as to form a single general inventive concept shall be made without regard to whether the inventions are claimed in separate claims or as alternatives within a single claim.*" (Document HL/CE/VII/15)

#### Rule 105bis

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

"(1) [Right of Applicant to Divide Application] *The applicant shall have the right to file one or more divisional applications at any time up to at least the time when the application from which a divisional application is derived is in order for grant or, where applicable under Article 108(3), for publication for the purposes of opposition.*

(2) [Priority Documents] *Priority documents and any required translations thereof that have been submitted to the industrial property office in respect of the application from which a divisional application is derived shall be considered as having been submitted in respect of all divisional applications.*"

The portion of the report of the Committee of Experts concerning the discussion of Article 105 and Rule 105 reads as follows:

"Article 105. There was general support for this provision in its present form in the Draft Treaty.

Rule 105. The Delegation of the United Kingdom presented its proposal (document HL/CE/VII/15), indicating that it only affected draft Rule 105(1), in which two amendments should be made. The first one concerned the fact that the technical interrelationship among the inventions in the group of inventions for which unity of invention was to be considered need not be expressed in the claims, it being sufficient if the common features could be perceived by reference to, for example, the description. The requirement that the technical interrelationship be expressed in the claims, as indicated in draft Rule 105, should be deleted, and the Rule should be amended to make it clear that the requirement of unity of invention would be fulfilled if the said technical relationship appeared from reading the claims even if it was not expressly contained therein. The second amendment in the proposal concerned the second sentence of draft Rule 105(1), and followed from the proposed amendment in the first part of that paragraph. It was explained that although each of the inventions in the group of inventions for which unity was to be considered should make a contribution over the prior art, such contribution could result from consideration of other parts of the application, not only the claims. For example, the description could contain other features of the inventions that distinguish them from prior art. Those other features should be taken into consideration in

respect of the special technical features which are to be common to all the inventions in the group for which unity of invention is being considered. The proposal therefore used the words 'a contribution' in place of 'the contribution,' and the words 'each of those inventions' instead of 'each of the inventions as claimed.'

The proposal by the United Kingdom was supported by the Delegations of the United States of America, Japan, Sweden, the Soviet Union, Switzerland and, with certain reservations, Israel and the Federal Republic of Germany. The Delegation of the United States of America pointed out that the special technical features should characterize all the claims in order that there may be unity of invention. Such technical features, however, need not be expressly indicated in each of the claims. For example, an application could claim a product and the use of that product as an insecticide, but the insecticidal properties of the product could be disclosed in the description and not necessarily in the claims. Several non-governmental organizations also expressed their support for the proposal by the United Kingdom.

The Delegations of Israel and the Federal Republic of Germany supported in principle the proposal by the United Kingdom, but believed that the special technical features in each claim had to be novel and inventive *per se* and therefore it should be sufficient if they were reflected in some way in the claims. The Delegation of Israel proposed adding the words 'alone or in combination with other claims' in the second sentence of draft Rule 105(1), between the words 'define' and 'a contribution.'

The Delegation of Switzerland presented its proposal (document HL/CE/VII/9) for the insertion of a new paragraph (1)*bis* in draft Rule 105. It was explained that the proposed additional paragraph was relevant to the case of countries whose patent law did not provide for the undertaking of a prior art search. The proposed provision would make it clear that such countries could, for the purposes of examining a patent application as to unity of invention, take into consideration only such prior art as is known to the patent office or is submitted thereto by the applicant. The Delegation indicated that the proposal it had submitted should be corrected by replacing the words 'the establishing of a search report' with the words 'a search.' This would give the proposal its intended scope, covering all those countries where no search report was prepared for the purposes of the patent granting procedure.

The inclusion of the said new paragraph proposed by the Delegation of Switzerland did not receive support. It was pointed out that the Draft Treaty would require absolute novelty but that the actual ability of an industrial property

office to cover the whole prior art *de facto* did not exist.

*Rule 105bis.* Two questions were discussed in connection with this draft Rule. The first was whether the right to file a divisional application under draft Rule 105*bis* referred to a division at the applicant's own initiative or referred rather to divisional applications filed to satisfy an objection of lack of unity of invention notified by the patent office. The second question concerned the time limit within which divisional applications could be filed in each of the two cases referred to above.

Most delegations, supported by non-governmental organizations, expressed the view that the applicant should have the possibility of dividing his application up to the latest possible time during the pendency of the application, and that this should apply both to divisional applications filed at the applicant's own initiative and to those prompted by an objection raised by the patent office for non-compliance with the requirement of unity of invention.

The Delegation of Hungary indicated that the time limit for dividing a patent application on the applicant's own initiative should be made more precise. The Delegations of the United Kingdom and the Netherlands proposed that a time limit should be set for dividing applications at the applicant's own initiative, so that divisional applications were not filed at a time which would make it impossible for the patent office to examine them, or filed merely to avoid a possible refusal of the patent. The Delegation of the Republic of Korea also favored the inclusion of a time limit for the filing of divisional applications at the applicant's own initiative.

The Delegations of Denmark, Norway, Sweden, Finland, Greece and Japan expressed their support for the text of draft Rule 105*bis* and declared their willingness to amend their national laws in this respect with a view to harmonizing the relevant provisions along the lines of the rule in the Draft Treaty. The Delegations of the United States of America, Australia and France also supported draft Rule 105*bis* in its present form.

Several non-governmental organizations expressed themselves strongly in favor of giving the applicant an opportunity to divide his application up to the latest possible date. Such possibility should be preserved for the benefit of applicants, even if it might be thought to cause some inconvenience for the patent offices in charge of processing patent applications. The Representative of AIPPI suggested that the Draft Treaty should be more explicit in respect of a minimum guaranteed time limit within which the applicant had the right to submit divisional applications after being

notified with an objection for lack of unity; this time limit should be spelt out in the Treaty for the benefit of the applicant. The Representative of CNIPA, while supporting the principle that a voluntary division of an application should be possible during the whole pendency of the patent application, suggested that if a lack-of-unity objection was notified to the applicant and he did not divide his application in spite of such objection, he should lose the possibility of voluntarily dividing the application afterwards.

The Delegation of Nigeria suggested that the expression 'divisional application' be defined somewhere in the Draft Treaty. This would greatly facilitate the understanding and interpretation of the relevant provisions in the Draft Treaty, in particular, in developing countries whose patent offices were less familiar with the issues deriving from unity of invention.

The Delegation of Israel and some of the non-governmental organizations suggested that division of an application should also be possible after the grant of the patent, in particular if the provisions relating to post-grant opposition were to be adopted in the Treaty.

The Delegation of Switzerland proposed deleting in draft paragraph (2) the words 'that have been' so that the provision may be broadened to cover documents and translations 'submitted' ('*qui sont remis*') to the patent office. This would make it clear that such documents and translations might be submitted by the applicant not only upon filing his application but also at a later stage during the processing of that application.

On the basis of a summary of the discussions by the Chairman, it was understood that draft Rule 105bis should be redrafted to make it clear that the provision referred to divisional applications filed either at the initiative of the applicant or in response to an invitation or objection notified by the patent office raising lack of unity of invention. The same time limit should be provided for both cases, or, alternatively, a minimum time limit for dividing the application should be guaranteed to the applicant when the patent office invited him to divide and when the division took place at the initiative of the applicant he should be allowed to divide as long as he had the right to amend his application."

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

"(1) [Requirement to Publish Applications] (a) *Subject to subparagraphs (b) to (e), the industrial property office shall, within the time limit provided for in paragraph (2) and in the manner prescribed in the Regulations, publish all applications filed with it.*

(b) *No application shall be published if it is withdrawn or abandoned, is considered withdrawn or abandoned, or is rejected, before:*

(i) *the expiration of 17 months from the filing date or, where priority is claimed, the priority date of the application, or*

(ii) *the industrial property office completes the technical preparations for publication, where such preparations are completed after the expiration of the said period of 17 months.*

(c) *If, by the time an application should be published according to paragraph (2), a patent granted on that application has been published, the industrial property office shall be free not to publish the application but shall allow any interested person to inspect the application.*

(d) *Any Contracting State may prohibit the publication of any application for reasons of national security.*

(e) *If, in the opinion of the industrial property office, an application contains words or drawings that are contrary to morality or public order or that are disparaging, that office may omit such words and drawings from copies of the application generally made available to the public. It shall, however, indicate in such copies the fact that they are incomplete and that a copy of the omitted words or drawings may be obtained from it on request.*

(2) [Time Limit of Publication] *The industrial property office shall publish each application filed with it promptly after the expiration of 18 months from the filing date or, where priority is claimed, from the priority date of the application. However, where, before the expiration of the said period of 18 months, the applicant presents a written request to the industrial property office that his application be published, the industrial property office shall publish the application promptly after the receipt of the request."*

[TEXT PROPOSED BY THE DELEGATION OF SWEDEN]

"(1) Every pending application shall be published by the industrial property office as soon as possible after the expiration of 18 months from the filing date or, where priority is claimed, from the earliest priority date of the application. At the request of the applicant the application shall be published before the expiration of the said period of 18 months. If, by the time the application should be published, a patent granted on

#### Article 106: Publication of Application

In addition to the text of Article 106 as elaborated by the International Bureau, discussions were based on a text proposed by the Delegation of Sweden. Those texts read as follows:

that application has been published, the industrial property office shall allow any person to inspect the application.

(2) The national law may provide that the whole or part of an application shall not be published where the subject of the application is liable to secrecy in the interests of the Contracting State or where the application contains statements or other matter that is contrary to public order or morality or that is disparaging.

(3) For the purpose of this Treaty, an application or a patent shall be deemed to be 'published' if it has been published or otherwise made available to the public in accordance with the national law." (Document HL/CE/VII/8, page 2)

The portion of the report of the Committee of Experts concerning the discussion of Article 106 reads as follows:

"The Delegation of Sweden introduced its proposal (document HL/CE/VII/8), explaining that it represented a simplified version of draft Article 106. The indication in paragraph (1) of the proposal that only 'pending' applications should be published made it unnecessary to indicate expressly that applications which had been withdrawn, abandoned or rejected were not to be published. The obligation that the industrial property office should publish applications 'as soon as possible after the expiration of 18 months' was as far as the provision should go in the way of details, because the method of publication of applications varied from country to country. Further details regarding the time limits for publishing patent applications or preventing such publication were not appropriate in this context. Finally, the definition of 'publication' should be left to national law instead of defining the manner of publication as was provided in draft Rule 106.

The Delegation of the United States of America indicated that the provision in the Draft Treaty providing for automatic early publication of applications had not obtained endorsement by interested circles in its country. Persons opposing the early publication of applications believed it was inappropriate to publish a patent application if the applicant was not guaranteed patent rights. In particular, if a patent application contained valuable trade secrets it seemed unfair that it should be published where a patent would not issue. The fact that the United States Patent and Trademark Office was now granting patents, on average, around 18 months after the date of application, as well as the fact that scientific publications continued to disseminate information on the results of research and development, also supported the conclusion that there was no real need for an early publication system as proposed in draft Article 106. Under those circumstances, the Delegation could not go beyond accepting

draft Article 106 as an optional provision in the Draft Treaty.

The Delegation of New Zealand expressed support for the position of the United States of America and indicated that its country could not at this time adhere to draft Article 106 in its present form.

The position taken by the Delegation of the United States of America was supported by several non-governmental organizations of that country. Another non-governmental organization supported the inclusion of the three conditions suggested by the Delegation of the United States of America, but with minimum and maximum time limits for publication. According to one such organization, an applicant should have the option of giving away his invention to the public once he knows that he will obtain a patent. Early publication of an application would not give the applicant such an option. Another such organization indicated that discussions among its members had produced a basic agreement on the principle of early publication on three conditions, namely, that a strong provisional protection be provided in conjunction with such early publication; that no publication of an application take place before a search report had been prepared and communicated to the applicant and that the applicant be given a period of five months after issuance of the search report within which he may decide to withdraw his application; and, finally, that the possibility be provided for reinstating a withdrawn application if, through an error of the patent office, such withdrawn application had been published.

The Delegation of Japan supported the inclusion of a provision in the Draft Treaty requiring that patent applications be published 18 months after the filing or priority date, along the lines of the text contained in the Draft Treaty. Early publication was beneficial to both competitors and the public in general because it avoided the insecurity which would result from long pendency of patent applications the contents and scope of which remained unknown until the issue of a patent. Early publication stimulated research and development, enhanced the level of science and technology and promoted industrial development. This would not be possible if applications remained unpublished during a long period of time. Moreover, delay in publishing applications would also adversely affect draft Article 202 of the Draft Treaty relating to the prior art effect of pending applications. An inventor who considered certain information to be a trade secret should abstain from filing a patent application in respect of that information. The Delegation proposed deleting draft paragraph (1)(b), (c), (d) and (e) of draft Article 106 because those provisions dealt

with obvious matters which should be left to national legislation. Only national law should provide for the cases where, for particular reasons, publication of a patent application should not take place. Therefore, references to national security, national interest, defense and similar grounds should not be included in the Draft Treaty. The Delegation stated that divisional, continuation and continuation in part applications should be published as soon as possible after the expiration of 18 months from the filing date of the original applications.

Mandatory early publication of patent applications after 18 months was supported by the Delegations of the United Kingdom, the Netherlands, the Federal Republic of Germany, Spain, Sweden, France, Greece, Denmark, Norway, Austria, Brazil, Finland, Australia, the Soviet Union, Hungary, Mexico and Bulgaria. In this connection, attention was drawn to the fact that the omission of draft Article 106 would have a 'domino effect,' particularly on the Article dealing with provisional protection (draft Article 307(2)). Several delegations expressed the view that the provision should be drafted in a simpler way as in the text contained in the proposal by Sweden.

Several delegations, while supporting the inclusion of draft Article 106 in the Draft Treaty, made additional suggestions. It was pointed out that the provision should allow the patent office not to publish an application on grounds of public order and morality and that the possibility of not publishing 'disparaging' words or drawings should be omitted or in any case should only apply to statements concerning persons and should not apply to statements concerning technical results in prior art. Some delegations suggested that the time limits for withdrawal or abandonment of applications with the effect that the application should not be published should be left to national law.

The question was discussed whether the provision in draft paragraph (2) concerning the time of publication of an application should use the expression 'promptly' or rather 'as soon as possible' (after the expiration of the 18-month period). The latter wording, contained in the Swedish proposal, was contained in the English text of the European Patent Convention and was supported by several delegations, in particular in order to allow some flexibility in individual cases where delays may have been caused by unavoidable circumstances, for example, in the case of divisional applications. On the other hand, it was noted that the word 'promptly' was used in the English text of the PCT and seemed to be better adapted to express the obligation that applications must be published without delay upon the expira-

tion of the 18-month period or shortly thereafter. It was also suggested that it might be possible to provide for a time frame within which the application should be published, for example, 'as soon as possible after 18 months but in no case later than 24 months' from the relevant date.

The Delegation of Brazil stated that a secrecy requirement should not be retained as a possible ground for not publishing an application, as provided in paragraph (2) of the proposal by Sweden. The text of draft Article 106(1)(d) seemed preferable in this respect because it confined the provision to reasons of national security. The Delegation of Denmark proposed dealing with the national security or defense exception in draft Article 3 by including a definition to which a reference could be made in several articles of the Treaty where the issue arose.

In conclusion, the Chairman stated that, with the exception of two delegations, all delegations were in favor of an Article 106. On the basis of his summary it was understood that the redraft of draft Article 106 should take into account the proposal by Sweden and should present alternatives as regards the time limit (for example, 'as soon as possible,' 'promptly,' 'without delay,' 'between 18 and 24 months'). Cases where the time limit would not apply, for example, divisional applications, could be expressly mentioned, as well as the time limit for withdrawing applications with the effect that no publication should take place. Special grounds for not publishing a patent application, in particular national defense or national security, should be expressly provided for; if the term 'disparaging' continued to be used, it was necessary to restrict its application to exclude statements on technological features. 'Publication' should be defined as in draft Rule 106, providing for a minimum."

#### *Article 107: Time Limits for Search and Substantive Examination*

In addition to the text of Article 107 as elaborated by the International Bureau, discussions were based on a proposal by the Delegation of the Netherlands.

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

*"(1) [Time Limits for Search] (a) If the national law requires that inventions claimed in applications be the subject of examination as to their patentability ('substantive examination'), the industrial property office shall, in respect of each application, publish, together with the publication of that application under Article 106, a report, established by or on behalf of that office, citing*

any documents that reflect the prior art relevant to the invention claimed in the said application ('search report').

(b) Notwithstanding subparagraph (a), where Article 106(2), second sentence, applies, the publication of the search report need not accompany the publication of the application, provided that the publication of the search report shall be effected, in the manner prescribed in the Regulations, as soon as possible but not later than the expiration of 18 months from the filing date or, where priority is claimed, the priority date of the application.

(c) If, notwithstanding subparagraphs (a) and (b), for any exceptional reason, the publication of the search report cannot be effected as provided for in those subparagraphs, the search report shall be published, in the manner prescribed in the Regulations, as soon as possible after the publication of the application, and in no case later than the expiration of 24 months from the filing date or, where priority is claimed, the priority date of the application.

(2) [Time Limits for Substantive Examination] (a) If the national law requires substantive examination, the industrial property office shall, in respect of each application, start the substantive examination not later than three years from the filing date of the application.

(b) Notwithstanding subparagraph (a), the national law may provide that, in respect of any application, no substantive examination shall be carried out and the application shall be considered to be withdrawn unless a request is made, not later than three years from the filing date of the application, to the industrial property office by the applicant or any third party that substantive examination should start. Where the national law so provides and such a request is made in respect of an application, the industrial property office shall start the substantive examination promptly after receipt of the request.

[(c) The industrial property office shall, whenever possible, either grant a patent or reject the application not later than two years after the start of substantive examination in respect of an application.]”

[PROPOSAL BY THE DELEGATION OF  
THE NETHERLANDS]

“The Delegation of the Netherlands proposed the deletion of Article 107 of the Draft Treaty in view of the fact that it forbids deferred examination of patent applications, which was provided for in the national law of its country.” (Document HL/CE/VII/7)

The portion of the report of the Committee of Experts concerning the discussion of Article 107 reads as follows:

“The Delegation of the Netherlands introduced its proposal to delete draft Article 107 from the Draft Treaty (document HL/CE/VII/7). In the opinion of that Delegation, draft Article 107 went too far in virtually abolishing the deferred examination system as it currently existed in the Netherlands and in several other countries. The deferred examination system in the Netherlands patent law, according to which substantive examination could be requested up to seven years after the filing date of the application, had been established in the interests of both patent applicants and the patent office, on the basis of statistical studies. At the time when the deferred examination system was adopted, studies indicated that many patents were abandoned, on average, around two years after grant. It was concluded that a seven-year period would allow applicants to appraise the economic value of their inventions before deciding to pursue their applications. Moreover, any interested person could request the patent office to examine a pending application, and there were provisions in the rules of practice allowing the office to speed up examination of an application, if necessary, for particular reasons. If restrictions on the deferred examination system were adopted along the lines proposed in draft Article 107, some examining countries might be forced to switch to a simple registration system.

The Delegations of the United States of America, Denmark, the Soviet Union, Sweden, Israel, the United Kingdom and Spain supported the inclusion of time limits in the Draft Treaty for the examination of patent applications. Draft Article 107 seemed appropriate as a basis for such provisions.

The Delegation of the United States of America underlined that emphasis should be put on draft paragraph (2); agreement should be reached, in particular, on a time limit for examining patent applications and a time limit for the final decision concerning the grant or rejection of applications. The time limits contained in draft Article 107(2) seemed to be reasonable, and the square brackets should be removed from draft paragraph (2)(c).

The Delegation of Denmark supported the inclusion of draft Article 107 in the Treaty because it perceived such provision as being one of vital importance for the survival of the patent system. In the absence of time limits for the examination and resolution of patent applications there was a real risk that patent offices would gradually be submerged by pending applications, thus rendering the patent system completely inoperative. The provision of strict time limits was possible in an international treaty, and compliance with such time limits was feasible for national administrations. The required financial and human

resources could and should be made available to this end by member States.

The Delegations of Japan, the Republic of Korea, Canada, Australia, the Federal Republic of Germany, Norway and Switzerland expressed their concern about including strict time limits and deadlines in an international treaty. Time limits and deadlines were difficult to accept in a treaty because many factors could prevent even good-faith efforts from meeting them. Patent offices could be faced with multiple circumstances such as an unpredictable surge in the number of patent applications or the impossibility of finding qualified patent examiners in sufficient quantity. This would inevitably cause countries to violate their treaty obligations, since such factors were beyond the control of the patent offices.

In connection with draft Article 107(2)(c), some delegations pointed out that clarification was required as to whether the rejection of the application within the proposed two-year time limit meant a first rejection or a final administrative rejection of the application. Some delegations proposed that the latter interpretation be expressly reflected in that provision. Other delegations stated that a two-year time limit for examining and deciding the grant or rejection of an application was in all events too short for their patent administrations. Such stringent time limit could have the consequence that patent offices would reject applications on unwarranted grounds or that applicants would be forced to accept limitations to the scope of their inventions in order to avoid objections by the patent office and obtain a grant within the time limit. One delegation wondered what the consequences would be if the patent office of a member country did not comply with the time limits provided in the Draft Treaty, noting that it was counterproductive to commit patent administrations to comply with time limits which were unrealistic with regard to their real capabilities.

Several delegations emphasized the importance of allowing patent offices to combine the search for prior art with the substantive examination procedure. Separating search from substantive examination would be unacceptable for many countries, since it would amount to a duplication of work which could not be coped with. In several of the countries providing for a deferred examination system, the search was an integral part of the examination procedure.

The Delegation of the Federal Republic of Germany, supported by the Delegation of Sweden, suggested that consideration be given to the fact that, in its national patent system, a first office action could be obtained from the patent office around nine months after the first filing of an application, in order that the applicant may

decide whether he wants to file patent applications for his invention in other countries.

Other delegations pointed out that applicants wishing to have a prior art search in respect of their applications would be better off if they obtained such service by using the PCT, rather than by obtaining different search reports on each of their applications filed in different countries.

The Representative of the European Patent Office referred to the 'dialogue' between the applicant for a European patent and the examiner. The Draft Treaty should not set time limits that were so short as to preclude the possibility of such a dialogue producing its fruits. Appropriate communication between the applicant and the examiner required a 'tailor-made' system where the applicant and the office could respond flexibly to each others' action.

Several non-governmental organizations highlighted the need felt by applicants and industry in general for speedy clarification of the existence of rights in an invention. In particular, competitors of the applicant needed to know at an early date whether they could move forward in their activities despite the application. It was noted that, if there was agreement that time limits could be set in the Treaty for the publication of applications, an obligation could likewise be established for patent offices to comply with time limits for deciding whether a patent should be granted or rejected. It was, however, pointed out that unnecessary restriction of claims could occur to meet a rejection close to the time limit.

On the basis of the summary by the Chairman, it was understood that, for the purposes of a redraft of draft Article 107, the possibility should be examined of leaving it to Contracting States to decide whether there should be a separate search report or whether search could be combined with examination. Moreover, it should be studied whether a more flexible solution could be proposed for the provisions of draft paragraph (2). In particular, consideration should be given to including general transitional provisions and special provisions for offices with a backlog of pending applications, on the understanding that, as a general principle, the Treaty would apply, in any Contracting State, only to applications filed after the entry into force of the Treaty in that Contracting State."

#### *Article 108: Administrative Revocation of Patents*

In addition to the text of Article 108 as elaborated by the International Bureau, discussions were based on texts proposed, respectively, by the Delegations of Australia, Israel, Japan and the Netherlands. Those texts read as follows:

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

“(1) [Mandatory System of Administrative Revocation] (a) *If the national law requires that inventions claimed in applications be the subject of examination as to their patentability (‘substantive examination’), any interested party shall have the right to request the industrial property office that it revoke, in whole or in part, a patent that the said office has granted. Such a request shall be presentable during the period fixed by the national law; the period shall be not less than three months, and not more than nine months, after the publication of the patent. The said request may be based at least on any of the following grounds:*

(i) *that the invention for which the patent was granted is not patentable, in its entirety or in part,*

(ii) *that the disclosure of the invention as contained in the patent is not sufficient to enable the invention to be carried out by a person skilled in the art,*

(iii) *that the disclosure contained in the patent goes beyond the disclosure as contained in the application as filed.*

(b) *Both the party requesting revocation and the owner of the patent shall be given adequate opportunity to present their arguments to the industrial property office before a decision is made in respect of the request for revocation.*

(2) [Additional Possible System of Administrative Revocation (‘Re-examination’)] (a) *Any national law may provide that, even after the expiration of the time limit referred to in paragraph (1)(a), the owner of the patent or any interested party has the right to request the industrial property office to revoke, in whole or in part, a patent that the said office has granted, on the sole ground that, because of one or several given printed publications, the conditions of novelty or inventive step are not satisfied in respect of some or all of the claims of the patent.*

(b) *The industrial property office shall give the owner of the patent adequate opportunity to present his arguments before a decision is made in respect of the said request.*

(3) [Prohibition of Pre-Grant Opposition] *No Contracting State shall allow interested parties to oppose, before its industrial property office, the grant of patents, provided that, where the national law of a Contracting State, at the time of becoming party to this Treaty, provides for such pre-grant opposition, that State may, for a period not exceeding 10 years from the date on which this Treaty entered into force with respect to it, continue to do so and, for the same period, it shall not be obliged to apply paragraph (1). Any*

*State that wishes to apply the preceding sentence shall notify the Director General accordingly.*

(4) [Cancellation, etc.] *The provisions of paragraphs (1) and (2) shall not affect the freedom of any Contracting State to provide for the cancellation, invalidation or annulment of any patent by courts or quasi-judicial authorities.”*

[TEXT PROPOSED BY THE DELEGATION OF AUSTRALIA]

“(1) [System of Administrative Revocation] *If the national law of a Contracting State requires that inventions claimed in applications be the subject of examination as to their patentability (‘substantive examination’), then the Contracting State shall provide a system of administrative revocation which will allow its industrial property office to revoke, in whole or in part, a patent that the said office has granted.*

(2) [Procedure] (a) *A Contracting State will be deemed to comply with the requirements of paragraph (1) if it establishes a procedure whereby any interested party shall have the right to request said revocation. Such a request shall be presentable during a period fixed by the national law; the period shall be not less than three months, and not more than nine months, after the publication of the granted patent. The said request may be based at least on any of the following grounds:*

(i) *that the invention for which the patent was granted is not patentable, in its entirety or in part,*

(ii) *that the disclosure of the invention as contained in the patent is not sufficient to enable the invention to be carried out by a person skilled in the art.*

(b) *Both the party requesting revocation and the owner of the patent shall be given adequate opportunity to present their arguments to the industrial property office before a decision is made in respect of the request for revocation.*

(3) [Alternative Procedure] (a) *A Contracting State will be deemed to comply with the requirements of paragraph (1) if it establishes a procedure whereby the owner of the patent or any interested party has the right to request said revocation. The said request, which may be presented at any time during the term of the patent, shall be based on the sole ground that, because of one or several given printed publications, the conditions of novelty or inventive step are not satisfied in respect of some or all of the claims of the patent.*

(b) *The industrial property office shall give the owner of the patent adequate opportunity to present his arguments before a decision is made in respect of the said request.*

(4) [Prohibition of Pre-Grant Opposition] *same as paragraph (3) of the draft Article 108 contained in document HL/CE/VII/3.*

(5) [Cancellation, etc.] *same as paragraph (4) of the draft Article 108 contained in document HL/CE/VII/3.” (Document HL/CE/VII/6, pages 3 and 4)*

[TEXT PROPOSED BY THE DELEGATION OF ISRAEL]

“(i) *A final decision handed down in a Contracting State (first State) by which a patent is*

declared invalid in view of prior art may be presented to a competent tribunal in another Contracting State (second State) in which there exists a corresponding patent, for adjudication in summary proceedings.

(ii) If in such summary proceedings the tribunal in the second State will find that the prior art on which the invalidation in the first State was based is also pertinent in the second State, the corresponding patent in that State may be declared invalid.

(iii) In these provisions 'final decision' means an unappealed decision of a tribunal of first instance or a decision on final appeal." (Document HL/CE/VII/5, page 1)

[TEXT PROPOSED BY THE DELEGATION OF JAPAN]

"(1) [Mandatory System of Administrative Revocation] (a) ....

The said request may be based only on any of the following grounds:

(i) that the invention for which the patent was granted is not patentable according to the national law, in its entirety or in part,

(ii) that the disclosure of the invention as contained in the patent is not sufficient to enable the invention to be carried out by a person skilled in the art, and, if the national law so provides,

(iii) that the disclosure contained in the patent goes beyond the disclosure as contained in the application as filed,

(iv) that the applicant does not have the right to a patent." (Document HL/CE/VII/20)

[PROPOSAL BY THE DELEGATION OF THE NETHERLANDS]

"(1) In the first sentence of paragraph 1(a) the word 'interested' before 'party' should be deleted.

The second sentence should read:

'The national law may provide that such a request shall be presented during a fixed period after the publication of the patent.'

The third sentence should read:

'The said request may only be based on any of the following grounds:

(i) ....

(ii) ....

(iii) that the subject matter of the patent extends beyond the content of the application as filed, or, if the patent was granted on a divisional application or on a new application filed by a person who was entitled to the grant instead of the original applicant, beyond the content of the earlier application as filed.'

The extension should cover relationships such as employer-employee, co-inventorship and derived inventions.

(b) ....

(2) Both the reference to the expiration of the time limit and the word 'interested' before 'party' should be deleted.

(3) 'Any third party' instead of 'interested parties.'

(4) 'Other' instead of 'quasi-judicial.' (Document HL/CE/VII/7, page 2)

The portion of the report of the Committee of Experts concerning the discussion of Article 108 reads as follows:

"In addition to draft Article 108, discussions were based on a proposal by the Delegation of Israel (document HL/CE/VII/5), a proposal by the Delegation of Australia (document HL/CE/VII/6), a proposal by the Delegation of the Netherlands (document HL/CE/VII/7), and a proposal by the Delegation of Japan (document HL/CE/VII/20).

*Paragraphs (1) and (2).* The discussions concentrated on four questions, namely, whether the provisions should be mandatory or optional; which categories of persons could request revocation; on which grounds revocation could be requested; whether—and if so, which—time limits should apply.

Regarding the question as to whether the provisions should be *mandatory* or *optional*, the Delegation of the United States of America stated that it would prefer that Contracting States have the option between the provisions of draft paragraph (1) or those of draft paragraph (2) or those of both draft paragraphs but that the adoption of one of those options should be mandatory for Contracting States providing for substantive examination. Similar views were expressed by the Delegations of Germany (Federal Republic of), Mexico and Sweden and by the representatives of several non-governmental organizations. The Delegation of Australia stated that the constitutional problem that it faced would be overcome if draft paragraph (2) were to be made an alternative to draft paragraph (1).

The Delegation of Japan expressed the view that the administrative revocation should be mandatory and supported the text of draft Article 108.

The Delegation of the Netherlands stated that currently a pre-grant opposition system applied in its country but that one could consider changing the law and adopting a post-grant revocation system, draft paragraph (1) should be mandatory and draft paragraph (2) optional.

With regard to the *categories of persons* that could request revocation, a number of delegations and representatives of non-governmental organizations suggested that the words 'any interested party' in draft paragraphs (1) and (2) should be replaced by 'any party.' Others observed that deletion of the word 'interested' would not change the basic principle that any legal action could be taken only by a person who had an interest in the matter.

With regard to the *grounds* on which administrative revocation can be requested, the Delegation of Japan referred to its proposal and

explained that, whereas draft Article 108 provided for a minimum list of grounds, the Japanese proposal provided for a maximum list of grounds in paragraph (1). Two of those grounds, however, namely lack of patentability and insufficient disclosure, should be admitted by any Contracting State and thus constitute a minimum. The Delegation explained that it felt that misappropriation of a patent should be a ground for requesting revocation, hence the inclusion of paragraph (1)(a)(iv) in its proposal. With regard to draft paragraph (2), the Delegation found it problematic since the reasons for requesting reexamination were limited. The Delegation felt that, if there was a choice between paragraph (2) and paragraph (1), then insufficient disclosure should be included as a ground for requesting reexamination and reexamination ensured adequate opportunity to interested parties to present their arguments. This suggestion was supported by the Representative of JPAA.

The Delegation of the Federal Republic of Germany—on the understanding that a choice had to be exercised between draft paragraphs (1) and (2)—suggested that the Japanese proposal for including in draft paragraph (2) insufficient disclosure could be studied but that otherwise the grounds for reexamination should not be enlarged and that it was sympathetic towards the inclusion of the ground of misappropriation of a patent in draft paragraph (1).

The Delegation of France was of the view that the Japanese proposal for the inclusion of the ground of misappropriation in paragraph (1) went too far and that matters relating to multiple claimants and applications not filed by all the inventors may best be dealt with by a judicial body rather than by an administrative body.

The Delegation of the United States of America suggested that draft paragraph (2) should not be limited to printed publications but could also cover other forms of disclosure. The Delegation opposed the inclusion of insufficient disclosure in draft paragraph (2) as a ground for requesting reexamination and expressed concern about the inclusion of entitlement to a patent as a ground for revocation in draft paragraph (1).

The Delegation of Switzerland also expressed concern regarding the inclusion of entitlement to a patent as a ground in draft paragraph (1).

The Delegation of Canada expressed the view that the grounds for requesting reexamination in draft paragraph (2) should be limited to prior art considerations.

The Delegation of Norway suggested, in agreement with the Delegation of the United States of America, that the word 'printed' in the fifth line of draft paragraph (2) be deleted.

The Delegation of the United Kingdom, upon further reflection, expressed itself in favor of a

closed list of grounds for draft paragraph (1), and stated that the draft provision did not go far enough. The Delegation suggested that in draft paragraph (1)(a)(iii) the words 'disclosure contained in the patent goes beyond the disclosure as contained in the application filed' should be replaced by the words 'the matter contained in the patent goes beyond the matter contained in the application as filed.' In addition, the Delegation suggested that the fact that the owner of the patent did not have the right to apply for the patent and the fact that protection was extended, in a way that it should not have been, during the processing of the application, should be included as grounds for requesting revocation.

As regards draft paragraphs (1)(b) and (2)(b), the Delegations of Ghana and Japan stated that they should be identical, so that in both procedures both parties could present their arguments.

With regard to the *time limits* contained in draft paragraph (1)(a), the Delegations of Austria, Bulgaria, Canada, Israel, Mexico, the Republic of Korea, Switzerland, the United Kingdom and the United States of America and the representatives of several non-governmental organizations expressed the view that the possibility of requesting an administrative revocation of a patent should exist throughout the life of the patent. The Delegations of the Netherlands and Norway stated that, although they preferred the time limits contained in the Draft Treaty, they could, if the majority preferred it, accept that the national law may provide that the possibility of requesting revocation should exist throughout the life of the patent.

The Delegations of Finland, the Federal Republic of Germany, Hungary, Japan, Spain, Sweden and the representatives of several non-governmental organizations, on the other hand, expressed the view that the time limits contained in draft paragraph (1)(a) should be retained.

In this regard, the Delegation of the Federal Republic of Germany explained that it was in the interest of the owner of the patent that a time limit for requesting revocation of the patent be provided for, in view of the investment made by a patentee after the grant of a patent. The Delegation stated that a competitor, if the possibility of requesting revocation was open ended, could wait for a considerable time before invoking the invalidity of the patent by producing a hidden publication that constituted prior art. The Delegation maintained that while it should always be possible, at any time, to seek revocation of a patent through the courts, the existence of a time limit for requesting administrative revocation of a patent would put pressure on competitors to present, at an early stage, their reasons for opposing the grant.

As regards the minimum time limit of three months contained in draft paragraph (1)(a), the Delegation of the United States of America stated that in its view, such a minimum time limit should be maintained. The Delegations of Japan and Switzerland also suggested that the three-month minimum time limit should be maintained. The Delegation of the United Kingdom, supported by the representatives of a non-governmental organization, preferred the minimum time limit to be extended to a period between six months and one year.

*Paragraph (3).* The Delegations of France, Hungary, Ireland, Mexico, the Soviet Union, the United Kingdom and the United States of America and the representatives of several non-governmental organizations were in favor of the prohibition of pre-grant opposition contained in draft paragraph (3).

The Delegations of Australia, Japan, New Zealand and Portugal were against the prohibition of pre-grant opposition.

The Delegation of Japan explained that the purpose of pre-grant opposition procedures was to prevent the issuance of defective patents and stated that, out of a total of 62,000 patents granted in Japan in 1987, only 30 were invalidated. The Delegation maintained that the system caused no inconvenience to foreign applicants and suggested that the pre-grant opposition system should be made optional for national laws.

The Delegation of the United States of America maintained that not all countries might be able to provide measures that were rigid enough to prevent delays and that there were numerous examples of delays that occurred as a result of pre-grant oppositions. Similar views were expressed by the Delegation of the United Kingdom and the Representative of the EPO, who stressed that the pre-grant opposition system did not reduce the burden on patent offices.

The Delegation of Australia stated that its country had a pre-grant opposition system and the patent office, industry users and patent attorneys were generally satisfied with it. Such a system added to the certainty and provided a greater presumption of validity for patents. The Delegation believed that unnecessary delays involved in pre-grant opposition could be dealt with by introducing strict procedures for conducting oppositions, possibly with an overall time limit for resolving them. The possibility of abuse of pre-grant opposition procedures to delay grant did not warrant their abolition altogether. Similar views were expressed by the Delegation of New Zealand.

The Delegations of Austria, Denmark, Finland, the Netherlands, Norway and Sweden indicated

that their countries had a pre-grant opposition system but that they could consider changing to a post-grant opposition system if the Treaty provided for such a system.

*New Approach for Draft Paragraphs (1) and (2).* In the light of the divergent views that had been expressed in the discussions, the Director General pointed out that draft paragraphs (1) and (2) could be replaced by a new provision which could be drafted along the following lines:

'Any examining country must give an opportunity to any third party to have a patent revoked, in whole or in part, at least for the reason that the invention is not patentable with regard to a printed publication, in a procedure before the industrial property office. This opportunity shall be open for at least six months.'

The Director General explained that two additional ideas might deserve consideration and thus could be placed in square brackets in the next draft. They were the following: first, whether the words 'any third party,' above, should be replaced by the words 'any person,' which would then comprise also the owner of the patent, and, secondly, whether the words 'and not on formal grounds' should not be inserted to make it clear that the opportunity of requesting post-grant revocation will not be available for revocations requested on formal grounds.

The Director General explained that the above text, when presented in treaty language, would allow Contracting States to keep the opportunity for requesting post-grant opposition during the whole life of the patent; it would allow Contracting States to provide for other reasons in addition to the minimum reason (anticipation in a printed publication); it would not regulate the question of how much opportunity one or both parties must have to present their case before the patent office; it would solve the problem posed to the Delegation of Australia by virtue of its constitutional provisions; and even though it would not be a complete harmonization it would establish a very important principle that there must be the possibility of post-grant administrative revocation of patents and would justify the prohibition of the pre-grant opposition.

The Director General's suggestion received strong support from the Delegations of Denmark, the Federal Republic of Germany, Israel, the Netherlands, New Zealand, Spain and the United States of America.

The Delegation of Canada stated that it required time to reflect on the grounds contained in the said suggestion.

The Delegation of Japan reserved its position with regard to the suggestion by the Director General.

The Chairman stated that, in an initial reaction, the suggestion by the Director General was accepted by the majority of countries so that, in the next draft of the Treaty, a corresponding text could be presented.

*Paragraph (4).* The Delegation of Israel introduced its proposal (document HL/CE/VII/5). The Delegation explained that the proposal was to the effect that, where a revocation of a patent was obtained in one State, it would be possible, in a second State, to obtain revocation by means of a summary procedure. The Delegation maintained that in present times when standards of novelty and inventive step were virtually the same in all countries, the revocation of a patent in one country raised a strong presumption of invalidity. In response to questions posed, the Delegation explained that 'summary procedure' meant a shortened procedure such as that used in courts for collection of debts and under which once a *prima facie* case was established, the defendant would only be allowed to put forward a defense with leave of the court. Such leave would be given where, for example, the patent sought to be revoked in the second State did not cover the same invention as the one revoked in the first State or where there was a fundamental error in the decision of the first State.

The Delegations of Canada, Finland, Switzerland and the United States of America stated that they were not in favor of the proposal.

With regard to draft paragraph (4), the Director General drew attention to the fact that the paragraph confirmed a principle that would exist even if it was not stated in the Draft Treaty. Therefore, the paragraph could be deleted from the text."

#### *Article 109: Priority Claims*

Discussions were based on the text of Article 109 as elaborated by the International Bureau. This text read as follows:

*"(1) [Delayed Filing of Application Containing a Priority Claim] Where an application ('the subsequent application') claiming the priority of an earlier application is filed after the date on which the 12-month priority period provided for in the Paris Convention expired but before the expiration of a period of two months from that date, the industrial property office shall restore the right of priority upon an express request submitted to the industrial property office before the expiration of the said two-month period, if the request states and the industrial property office finds that, in spite of due care, the subsequent application could not have been filed*

*within the said 12-month priority period. The request for restoration shall state the grounds on which it is based, and the industrial property office may require the production of corresponding evidence. The request may be subjected to the payment of a fee to the industrial property office.*

*(2) [Delayed Submission of Separate Declaration of the Priority Claim] Where an application ('the subsequent application') could have claimed the priority of an earlier application but, when filed, did not contain such priority claim, the applicant shall have the right to claim such priority in a separate declaration submitted to the industrial property office within a period which shall be at least two months from the filing date of the subsequent application."*

The portion of the report of the Committee of Experts concerning the discussion of Article 109 reads as follows:

*"Paragraph (1).* The Delegations of Australia, Canada, Denmark, Finland, the Federal Republic of Germany, Ireland, Israel, Norway, Portugal, the Soviet Union, Switzerland, the United Kingdom and the United States of America, as well as the representatives of several non-governmental organizations, supported the text of draft Article 109.

The Delegation of Switzerland proposed the deletion of the reference to the two-month period during which a request for restoration could be filed; the question of time limits could be left to national legislations.

The Delegation of Portugal suggested that the word 'shall' in the fifth line be replaced by 'may,' thus giving the industrial property offices in Contracting States freedom of choice after having evaluated the extent of 'due care' on the part of the applicant seeking restoration of the priority period.

The Delegation of the United States of America stated that the notion of 'due care' did not resolve the difficulties when dealing with restoration of the priority period and suggested that the restoration be granted upon request and against payment of a fee whose amount could be fixed by each Contracting State at its discretion.

The Delegations of Algeria, Argentina, Austria, Brazil, China, France, Greece, Mexico, the Netherlands, the Republic of Korea, Sweden and Uruguay proposed that draft Article 109(1) be deleted. In this connection, it was pointed out that the proposed provision concerned Article 4 of the Paris Convention and that, if the issue of restoration had to be addressed, this should be done within the revision process of the Paris Convention but not in the Draft Treaty. Moreover, attention was drawn to the fact that the inclusion of

draft Article 109 in the Draft Treaty could lead to a conflict between conventions.

The Delegation of Japan proposed that the restoration of the priority period be limited to the circumstances of *force majeure* (acts of God).

The Chairman noted the lack of ability of the Committee of Experts to reach a consensus on the issue of restoration of the priority period; thus, the Committee of Experts should not further discuss draft Article 109(1), whose text could be presented in square brackets for consideration by the Diplomatic Conference.

*Paragraph (2).* The principle contained in this provision was supported by the Delegations of Brazil, Canada, Denmark, France, the Federal Republic of Germany, Ghana, the Netherlands, Switzerland and the United Kingdom and by several non-governmental organizations.

The Delegations of Greece and Japan expressed themselves against the inclusion of draft Article 109(2) in the Draft Treaty, in particular because of possible problems that it could raise with respect to the system of early publication. The Representative of EPO said that he saw less need for this provision compared to that in draft paragraph (1). Should it nevertheless be maintained, late claiming of priority should be made dependent on the conditions spelled out in draft paragraph (1) in respect of delayed filing.

It was pointed out that the provision could be modified to provide that the separate declaration in question had to be filed within the 12-month priority period. With that in view, the draft Article was supported by the Delegations of Portugal and Spain, as well as by the representatives of two non-governmental organizations.

On the basis of a summary of the discussions by the Chairman, it was understood that it should be examined whether draft Article 109(2) should be modified so as to provide that the separate declaration had either to be filed within the priority period or within a time limit which would expire at a certain period of time after the expiration of the priority period; the treaty could specify a minimum and a maximum for that time limit (for example, between two and three months)."

#### *Article 110: Changes in Patents*

In addition to the text of Article 110 as elaborated by the International Bureau, discussions were based on a text proposed by the Delegation of the United States of America. Those texts read as follows:

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

"(1) [Changes that Must be Allowed] *The owner of a patent may request the industrial*

*property office having granted the patent to make changes in the text or drawings of the patent where the changes would*

(i) *correct obvious mistakes or clerical errors,*

(ii) *limit the extent of the protection conferred by the patent, or*

(iii) *clarify ambiguities, provided that the change does not enlarge or substantially alter the extent of protection conferred by the patent.*

(2) [Additional Changes that May be Allowed] (a) *Any national law may provide that the owner of a patent may, until the expiration of one year after the grant of the patent, request the industrial property office having granted the patent to make changes in the text or drawings of the patent in order to rectify any mistake which is not clearly obvious or any error which is not merely clerical and which, in either case, has been made in good faith, even if the change enlarges or substantially alters the extent of protection conferred by the patent.*

(b) *Any enlargement or substantial alteration of the extent of protection conferred by a patent resulting from a change made pursuant to a request under subparagraph (a) shall not affect the rights of any third party who has relied on the patent as published.*

(3) [Limitation in Respect of Changes] *Notwithstanding paragraphs (1) and (2), no change in the text or drawings of the patent shall be permitted, except in the case referred to in paragraph (1)(i), where the change would result in the disclosure contained in the patent going beyond the disclosure contained in the application as filed.*

(4) [Decision in Respect of the Request and Publication of the Changes] *If, and to the extent to which, the industrial property office changes the patent according to the requests referred to in paragraphs (1) or (2), it shall publish the changes, either by republishing the patent as changed or by publishing the changes separately with an identification of the patent to which the changes relate."*

[TEXT PROPOSED BY THE DELEGATION OF THE UNITED STATES OF AMERICA]

"(1) [Changes that Must be Allowed] The owner of a patent may request the industrial property office having granted the patent to make changes to correct errors that occurred in good faith in the text or drawings of the patent on the basis of that application as filed where the changes would

(i) correct mistakes provided that the change does not enlarge the extent of protection conferred by the patent, or

(ii) limit the extent of the protection conferred by the patent.

(2) [*Additional Changes that May be Allowed*] Any national law may provide that the owner of a patent may, until the expiration of two years after the grant of the patent, request the industrial property office having granted the patent to rectify any mistake made in good faith which enlarges the extent of protection conferred by the patent.

(3) [*Third Parties Rights*] Any change in the extent of protection conferred by a patent resulting from a change made pursuant to a request under this Article shall not affect the rights of any third party who has relied on the patent as published prior to the time it has been corrected. The preceding sentence shall not apply to patents of Contracting States which do not require that applications be the subject of examination as to their patentability.

(4) [*Limitation in Respect of Changes*] Notwithstanding paragraphs (1) and (2), no change in the text or drawings of the patent shall be permitted where the change would result in the disclosure contained in the patent going beyond the disclosure contained in the application as filed.

(5) [*Decision in Respect of the Request and Publication of the Changes*] If, and to the extent to which, the industrial property office changes the patent according to the requests referred to in paragraphs (1) or (2), it shall publish the changes, either by republishing the patent as changed or by publishing the changes separately with an identification of the patent to which the changes relate." (Document HL/CE/VII/21)

The portion of the report of the Committee of Experts concerning the discussion of Article 110 reads as follows:

"The Delegation of the United States of America introduced its proposal (document HL/CE/VII/21), indicating that the following features were different from the draft Article:

(a) only errors that had occurred in good faith would justify changes in patents;

(b) draft paragraph (1)(iii) should be deleted and draft paragraph (1)(i) be redrafted, in particular, including the condition that correction of mistakes should not lead to enlarging the extent of protection;

(c) the period of one year in draft paragraph (2)(a) should be increased to two years;

(d) draft paragraph (2)(b) should be transformed into a separate paragraph so that third party rights would be safeguarded under both draft paragraphs (1) and (2), however, with the proviso that the said paragraph did not apply to Contracting States whose national law did not provide for substantive examination;

(e) no exception should apply to the rule that changes were not permitted if they went beyond the disclosure contained in the application as filed.

The Delegations of the Federal Republic of Germany, the United Kingdom, Switzerland, the

Netherlands, Spain and Israel stated that the possibility of making changes should not be limited to correction of errors and that therefore the draft Article was preferred. In particular, it was pointed out that a partial refusal of the grant of a patent in an examining country could require limitations in corresponding patents that had been granted in other countries without substantive examination.

*Paragraph (1).* The discussions showed that different practices existed in various countries in respect of correction of mistakes in patents and, in particular, where such corrections led to changes in the claims. The general opinion was that draft paragraph (1)(i) and (ii) should stay in the draft Article as a minimum guarantee for patent owners.

The Delegation of Japan pointed out that the word 'limitation' could have different meanings. It explained in this context the notion of 'substantial alteration'—using as an illustration a claim concerning a golf putter—which should, in its view, be differentiated from limitation or enlargement of claims.

Several delegations were reluctant to accept draft paragraph (1)(iii).

The Delegation of the Soviet Union, supported by the Delegation of Bulgaria, proposed to omit the whole of draft Article 110, since the possibility of draft paragraph (1)(i) was already practiced in many industrial property offices, and the remaining issues were highly controversial because of the great variety of national legislations and practices.

As a result of the discussions, it appeared to be appropriate to treat in different paragraphs or articles the matters dealt with in draft paragraph (1)(i) and (ii).

*Paragraph (2).* The Delegations of the United Kingdom and the United States of America supported draft paragraph (2)(a) and indicated that the possibility of enlarging the extent of protection conferred by the patent as a consequence of certain changes was already practiced in their countries without creating problems.

Several delegations noted that the legislation of their countries did not provide for the possibility of making changes in a granted patent that would enlarge the extent of protection. Therefore, they were reluctant to accept draft paragraph (2)(a). The Delegation of Japan stressed the need of prohibiting the enlargement of the scope of protection in a granted patent from the view point of avoiding adverse effects on third parties.

In the course of discussions on draft paragraphs (1) and (2), the necessity of safeguarding the rights of third parties (intervening rights) was underlined by a number of delegations and non-

governmental organizations. The need to allow amendment by national patent offices in the case of patents granted by regional patent offices was mentioned. It was generally accepted that draft paragraph (2)(b) should not refer only to the cases of changes according to draft paragraph (2)(a) but should also protect the intervening rights when draft paragraph (1)(i) and (ii) was applied. The Delegation of Japan stated that application of the intervening rights would not be needed in draft paragraph (1)(i) and (ii), where extension of the scope of protection conferred by the patent was not allowed in these cases.

On the basis of a summary of the discussions by the Chairman it was understood that, when preparing a new draft Article 110, the provisions of draft paragraph (1)(i) and (ii) should be separated, draft paragraphs (1)(iii) and (2)(a) should be omitted and draft paragraphs (2)(b) and (3) should apply to both draft paragraphs (1)(i) and (ii). The resulting provision should establish a minimum guarantee for patent owners to make corrections in the patent, leaving the freedom to Contracting States to provide for a more extensive possibility of making changes in patents."

#### *Article 201: Patentable Inventions*

Discussions were based on the text of Article 201 as elaborated by the International Bureau. This text read as follows:

*"(1) [Patentability] An invention shall be patentable if it is novel, involves an inventive step (is non-obvious) and is useful or industrially applicable.*

*(2) [Novelty] (a) An invention shall be considered novel if it does not form part of the prior art.*

*(b) The prior art shall consist of everything which, before the filing date or, where priority is claimed, the priority date of the application claiming the invention, has been disclosed to the public*

*(i) in a written or other graphic form anywhere in the world, and*

*(ii) by an oral description, by use or in any other way in the territory or any other place or space under the sovereignty of the Contracting State in or for which the invention is claimed or, if the national law so provides, anywhere in the world.*

*(3) [Inventive Step (Non-Obviousness)] An invention shall be considered to involve an inventive step (be non-obvious) if, having regard to the prior art as defined in paragraph (2)(b), it is not obvious to a person skilled in the art."*

The portion of the report of the Committee of Experts concerning the discussion of Article 201 reads as follows:

*"Paragraph (1).* The Delegation of the United States of America, supported by the Delegations of Canada and New Zealand, proposed deleting from the draft Article a reference to 'industrial applicability' as one of the criteria of patentability of an invention. As a result of the present harmonization effort a single definition of that criterion of patentability was desirable. Since the obsolete character of the term 'industrial applicability' was obvious, the Delegation proposed adopting in the Draft Treaty the term 'usefulness.' It was stressed that deletion of 'industrial applicability' would prevent the possible misunderstanding of that criterion to the effect of excluding from patenting 'useful' inventions, which were not 'industrially applicable.'

The Delegation of Japan, supported by the Delegations of Argentina and Greece, opposed using in the Draft Treaty the term 'usefulness' as the sole condition for the said criterion of patentability, or even as an alternative to the condition of 'industrial applicability.' The goal of an invention was to contribute to the development of industry, the latter term being understood in the broadest sense; therefore an invention had to be industrially applicable.

The Delegations of Algeria, Belgium, Czechoslovakia, Denmark, France, the Federal Republic of Germany, Ghana, Israel, Mexico, the Netherlands, Nigeria, the Soviet Union, Sweden and Switzerland expressed themselves in favor of the draft Article. It was noted, in particular, that the term 'useful' was not used in its proper meaning but was assumed to mean 'capable of being used.'

Several delegations were reluctant to accept the term 'usefulness,' stating that the term 'industrial applicability' was widely used and accepted, but agreed to keep the former term in the Draft Treaty in the spirit of compromise and in order to achieve harmonization.

The Delegation of the United Kingdom expressed its dissatisfaction in respect of both terms used in the draft Article, stating that neither of them, as correctly indicated in the Notes, corresponded to the reality of the practice and legal interpretation in most countries. However, in view of the lack of better definitions, the Delegation agreed to keep both terms in the Draft Treaty.

The Representative of the EPO expressed surprise in connection with the proposal of the Delegation of the United States of America for the deletion of the term 'industrial applicability.' He recalled that the said Delegation had earlier proposed to use both terms in the alternative as a

compromise. A broad international consensus existed in respect of industrial applicability being one of the three necessary conditions of patentability.

The Representatives of AIPPI and the MPI also expressed themselves in favor of keeping the requirement of industrial applicability.

The Chairman summarized the discussions by noting that a majority of the delegations was in favor of the draft Article, that is, in favor of keeping both terms ('useful or industrially applicable') in the Draft Treaty.

*Paragraph (2).* The Delegation of the United States of America proposed that subparagraph (a) should read as follows: 'A claimed invention shall be considered novel if each and every element of the claimed invention is not disclosed in a single item of prior art.' Answering the questions as to the meaning of the term 'single item of prior art,' the Delegation explained that this term covered not only a published document but also a display, oral description, etc. The Delegation stressed that the proposed wording ensured a strict standard of novelty, clearly distinct from the standard of non-obviousness.

The majority of delegations were not in a position to take a firm stand in respect of the wording proposed by the Delegation of the United States of America, though representatives of some non-governmental organizations supported it. It was indicated that the proposal could raise certain problems, for example, the question of implied references or cross-references, the question of taking into account equivalents, etc.

Whilst thinking that the proposal by the United States of America should be further studied, the Delegation of France expressed its preference for the concept of absolute novelty.

In the course of discussions on draft paragraph (2)(b), the following modifications were suggested:

(a) in respect of the expression 'shall consist of,' it should be clarified whether combinations of elements were included;

(b) the expression 'has been disclosed to the public' should be replaced by 'has been made available to the public';

(c) the word 'graphic' should be replaced by 'tangible,' 'material' or 'other form which can be reproduced in visible form';

(d) the expression 'anywhere in the world' should be clarified, in particular as regards disclosures in outer space;

(e) the word 'and' between subparagraphs (i) and (ii) should be replaced by 'or';

None of the above suggestions received the express approval of the majority of delegations

and the representatives of non-governmental organizations.

In view of the difficulty in establishing a generally acceptable wording of draft paragraph (2)(b), it was suggested that items (i) and (ii) could be deleted so that novelty would apply as a principle, without a definition of the ways in which making available to the public, or disclosure to the public, would have to take place to make the information part of the prior art. On the other hand, if such ways were to be defined, item (ii) could provide that and description, use or exhibition (rather than 'any other way') could, in order to destroy novelty, take place anywhere in the world, except when the national law provides—and it would be allowed to so provide—that the disclosing counts only if it is made in a place under the sovereignty of the country, such exception to be placed between square brackets in the next draft.

The Delegation of the United States of America and the Representative of ATRIP requested clarification of the prior art definition in draft Article 201(2)(b), concerning certain secret activities and information, such as secret on sale or secret commercial use, or secret knowledge. The answer was that these events might not be prior art under draft Article 201(2)(b). There might be a need to provide a loss of right and prior art provision to cover such situations.

*Paragraph (3).* The Delegation of the United States of America, supported by the Delegations of India and Japan, proposed that the last two lines of draft paragraph (3) should read as follows: '...it is not obvious to a person who has ordinary skill in the art in the area to which the invention pertains.'

Several delegations expressed themselves in favor of the draft paragraph, in particular in its French version ('*homme du métier*'). A desirable clarification could be achieved by transferring Note f. on draft Article 103 to the Notes on draft Article 201. What was meant here was a person of average specialized knowledge in the field.

It was suggested that the situation of a team of persons should be taken into account.

The Delegation of Japan stated that it understood that the words 'it is not obvious to a person skilled in the art' in draft Article 201(3) meant that a person skilled in the art could not easily make the invention.

The Delegation of Australia expressed concern that the wording of draft paragraph (3) could be taken to require Contracting States to use 'mosaics' of prior art documents in considering questions of inventive step. The Delegation would be opposed to such a principle, and believed that the provision should be clearer in this respect.

It was agreed that paragraph (3) should be supplemented by an indication of the date on which the condition of inventive step (non-obviousness) should be fulfilled, namely, the filing date or priority date, whichever was earlier."

#### Article 202: Prior Art Effect of Certain Applications

In addition to the text of Article 202 as elaborated by the International Bureau, discussions were based on a text proposed by the Delegation of France. Those texts read as follows:

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

"(1) [Principle of 'Whole Contents'] (a) Subject to subparagraph (b), the whole contents of an application ('the former application') as filed in, or with effect for, a Contracting State shall, for the sole purpose of determining the novelty of an invention claimed in another application filed in, or with effect for, that State (and not for determining whether that invention involves an inventive step), be considered as prior art from the filing date of the former application to the extent that the former application or the patent granted thereon is published subsequently by the authority competent for the publication of that application or patent.

(b) Where the former application referred to in subparagraph (a) claims the priority of an earlier application, matter that is contained in both the former application and the earlier application shall be considered as prior art in accordance with subparagraph (a) from the priority date of the former application.

(c) For the purposes of this Article, publication means any first act of making available to the public by reason of an official act of the authority referred to in subparagraph (a), including any making available, without reproduction, of the application or the patent to the public for purposes of public inspection.

(d) For the purposes of subparagraph (a), 'whole contents' of an application consists of the description and any drawings, as well as the claims, but not the abstract.

(2) [Withdrawn Applications] Paragraph (1) shall not apply to applications which were withdrawn prior to their publication but which were nevertheless published.

(3) [International Applications Under the PCT] As regards international applications filed under the Patent Cooperation Treaty, any national law may prescribe that paragraph (1) shall apply only if the acts referred to in Article

22 or, where applicable, Article 39(1) of that Treaty have been performed.

[(4) [Self-Collision] Any Contracting State shall be free not to apply paragraph (1) when the applicant of the former application, or the inventor referred to in the former application, and the applicant of the application under examination, or the inventor referred to in the latter application, is one and the same person, provided that not more than one patent shall be granted for the same invention.]"

[TEXT PROPOSED BY THE DELEGATION OF FRANCE]

"(1) [Principle of 'Whole Contents'] (a) Subject to subparagraph (b), the whole contents of an application ('the former application') as filed in, or with effect for, a Contracting State shall, for the sole purpose of determining the novelty of an invention claimed in another application filed in, or with effect for, that State (and not for determining whether that invention involves an inventive step), be considered prior art from the filing date of the former application to the extent that the pending application or the patent granted thereon is published subsequently by the authority competent for the publication of that application or patent. (Document HL/CE/VII/17)

(b), (c), (d) ....

(2) ....

(3) ....

(4) ...."

The portion of the report of the Committee of Experts concerning the discussion of Article 202 reads as follows:

"The Delegation of France introduced its proposal (document HL/CE/VII/17), explaining that the changes proposed therein were primarily of a drafting nature and constituted a logical consequence of the proposal by France regarding draft Article 301 (Right to a Patent), (document HL/CE/VII/16 and 16 Rev. in French and HL/CE/VII/16 in English and Spanish).

Paragraph (1). The Delegation of the United States of America proposed that the whole contents of a former application should be considered prior art, within the context of draft Article 202, for purposes of determining not only novelty but also inventive step. It was not clear why an application should constitute prior art, for purposes of novelty, from its filing date and, for purposes of inventive step, only from its publication date. It was difficult to justify any public interest in such an approach, which, in the opinion of the Delegation, could lead to the issuance of overlapping patents in any given country and to patents of varying scopes for one and the same invention in different countries because of the divergent concepts of novelty among countries.

The Delegation of the Federal Republic of Germany explained that this issue had already been dealt with during the negotiations of the European Patent Convention and that the solution ultimately agreed upon under that Convention, which was the approach embodied in draft Article 202(1)(a), had not posed any practical problem to the countries party thereto. Although it understood that restricting draft Article 202(1)(a) only for purposes of determining novelty, and not inventive step, might present problems for countries without an early publication system, it assured those countries that under an early publication system such problems disappeared. Furthermore, the Delegation recalled that the prior art effect recognized under draft Article 202(1) in fact constituted a legal fiction. Therefore, this provision should not be drafted in a way as to penalize a junior applicant whose invention, in spite of such fiction, could still be considered novel.

The Delegation of Norway recalled that its country had applied the system proposed by the United States of America, was pleased about having abolished it and did not wish to return to it, for the reasons given by the Delegation of the Federal Republic of Germany. The Delegations of Denmark and Finland made similar statements.

The Delegation of Japan declared that it had difficulties in accepting the position taken by the Delegation of the United States of America as it did not consider such an approach to be in the public interest. The prior art recognized under draft Article 202(1) in fact was not known to the public, and, therefore, it considered it too harsh on inventors that it be taken into account also for purposes of determining inventive step.

The Delegation of the United Kingdom reserved its position. It found the arguments advanced by the Delegation of the United States of America interesting and wished to have time to study the question and confer with interested circles in its country in this regard.

The Delegation of the Netherlands expressed its support for draft Article 202(1). It considered this provision sufficient for avoiding double patenting and the approach proposed by the Delegation of the United States of America too harsh on junior applicants.

The Delegation of Switzerland also expressed its support for draft Article 202(1). It recalled that its country was ready to change from a 'whole claims' to a 'whole contents' approach but only for novelty, and not inventive step, purposes.

The Delegations of Bulgaria and the Soviet Union also supported draft Article 202(1), for the reasons expressed by the Delegations of the Federal Republic of Germany and the Netherlands.

The Delegations of Hungary and France expressed their support for draft Article 202(1).

The Delegation of Canada stated that it supported draft Article 202(1), provided that the Draft Treaty defined novelty along the lines of draft Article 201 (Patentable Inventions).

The Delegation of India explained that in its country only the claims, and not the 'whole contents,' were taken into account for purposes of determining novelty at the time of the examination of the application. 'Whole contents' were taken into account, for purposes of determining inventive step, only at the time of any opposition or revocation.

The Delegation of the Netherlands suggested that the question of publication in draft Article 202(1) should be aligned with the eventuality considered in draft Article 106 (Publication of Application) of a patent being granted and published before the early publication of the application.

The Delegation of Hungary considered that abstracts, although they had no legal significance, also disclosed the invention and, therefore, should be included in the 'whole contents' for prior art purposes under draft Article 202. No support was expressed for this position.

*Paragraph (2).* The Delegation of Israel suggested that the provision concerning withdrawn applications clarify that this meant withdrawn 'without leaving any residual rights.'

The Delegation of Japan found some difficulties with the use of the term 'withdrawn,' as such. It wanted draft Article 202(2) also to cover expressly applications 'considered' or 'deemed' withdrawn. In this respect, it preferred the terminology used in the proposal by France which refers to 'pending applications.' No objections were expressed to this suggestion.

*Paragraph (3).* No observations were made on this provision.

*Paragraph (4).* The Delegation of the United States of America expressed its support for the principle embodied in draft Article 202(4). Therefore, it proposed that the square brackets be deleted, that the provision be mandatory on Contracting States, and that the reference to 'person,' in the next to last line of that paragraph, be omitted so as to make it clear that it applied to both individuals and legal entities. Thus, it hoped to ensure full scope of patent protection for inventors in all Contracting States.

The Delegation of Japan expressed its support for the position of the Delegation of the United States of America, in particular, as regards deleting the square brackets and making draft

Article 202(4) mandatory. It explained that, especially in the high technology field, it was common for an inventor to have a succession of inventions, in which case, the successive applications and disclosures may destroy later applications and thus prevent the inventor from obtaining full protection for his inventions. The Delegation was of the opinion that an internal priority provision would not cover all such cases and resolve the problem totally.

The Delegation of Austria stated that it could support draft Article 202, except draft paragraph (4), which it wanted to be mandatory, due to its concerns about the 'whole contents' approach embodied in draft Article 202.

The Delegation of the Federal Republic of Germany stated that it considered draft Article 202(4) superfluous, as it could not envisage a real situation where self-collision would arise. If an applicant had disclosed but had not claimed certain matter in his application, instead of filing a new application, he could simply amend the claims of his first application. Furthermore, it considered that draft paragraph (4) could lead to double patenting. It was, therefore, willing to accept draft Article 202(4) in its optional form as a compromise solution, because it is optional, but would strongly object to its being made mandatory for Contracting States.

The Delegation of Canada supported the position of the Delegation of the United States of America, as it wanted draft paragraph (4) to be mandatory for Contracting States.

The Delegations of the following countries expressed their support for draft Article 202(4), in particular as regards its optional nature, and referred to the reasons already expressed by the Delegation of the Federal Republic of Germany: Norway, Sweden, Denmark, Switzerland, Netherlands, Soviet Union, Finland, Republic of Korea, United Kingdom, Ireland, Czechoslovakia, Bulgaria, Israel, France, Belgium, Greece.

The Representative of the EPO expressed his support for the position of the Delegation of the Federal Republic of Germany. It considered draft Article 202 a balanced system, as a whole. In its opinion, a strict novelty rule made self-collision highly unlikely in practice, and an internal priority provision would permit successive claims in successive applications. On the other hand, a provision against self-collision would only open the door to double patenting. It, therefore, wanted to see draft paragraph (4) remain an optional provision.

The Representative of AIPPI expressed support for the position of the Delegation of the United States of America. The possibility of amending the claims in the first application was not a viable solution, as national laws differed on this point

and the first disclosure may not be sufficient to support the amended claims but may be sufficient to invalidate the later application. Furthermore, for these same reasons, AIPPI had always supported a universal, uniform rule on internal priority.

The Representative of CIPA, CNIPA, and EPI also supported the position of the Delegation of the United States of America. He called attention to the fact that national internal priority provisions usually covered only a 12-month period, which did not take care of self-collision problems related to applications filed after that period, and draft Article 203 (Grace Period) did not provide sufficient protection for an inventor's other applications. CIPA, CNIPA and EPI, therefore, placed great importance on a mandatory provision against self-collision.

The Representative of JPAA expressed his support for the position of the Delegation of Japan that the square brackets around draft Article 202(4) be deleted and that the provision be mandatory. To his knowledge, experience with EPO practice had given rise to many self-collision problems, which cannot be resolved with internal priority rules because self-collision sometimes occurred one or two years after the filing of the first application.

The Representative of FICPI expressed his support for the position of the Delegation of the United States of America.

The Representative of APAA also supported the position of the Delegations of Japan and the United States of America that, in the interest of inventors, draft paragraph (4) should be mandatory. In his opinion, dividing the application, amending claims or claiming an internal priority could not always solve a self-collision problem. Furthermore, he did not understand the concerns about double patenting raised by those who wanted to retain the optional nature of draft paragraph (4), as double patenting was expressly prohibited in the last two lines of that provision. Draft paragraph (4) attempted to save the patentability of an invention in the inventor's interest. If the Committee of Experts accepted the notion of a grace period in order to protect an inventor against his own public disclosure of his invention, it was not clear why a provision against self-collision could not be accepted in order to protect an inventor against his own unpublished disclosure in a prior application.

The Representative of PTIC expressed his support for the position of the Delegation of the United States of America, for the same reasons as those given by the Representative of APAA.

The Representative of NYPTC supported the position of the Delegation of the United States of America that draft paragraph (4) be mandatory.

He explained that, under the law of that country, a disclosure could be sufficient to destroy a claim in a later application but would not necessarily be sufficient to support a claim in a continuation-in-part application arising from the first filing.

The Representative of ABA, in support of the position of the Delegation of the United States of America, also called attention to the required practice under the law of that country to submit an elaborate disclosure in support of the claims. In his opinion, it would be unfair that such so-called 'gratuitous' disclosures could be used to destroy the novelty of the same applicant's invention claimed in a later application.

In the light of the clear opposing positions taken by a large majority of delegations in support of draft Article 202(4) as an optional provision and by a small minority of delegations and unanimously by the non-governmental organizations in support of draft Article 202(4) being mandatory, the Chairman suggested that the International Bureau should prepare two alternative versions of draft Article 202(4), one optional and one mandatory. If need be, the issue would have to be decided by the Diplomatic Conference.

Another suggestion was made that the International Bureau prepare a provision against self-collision and an internal priority provision. Contracting States would have to abide by one of those provisions but would have an option to choose one or the other. This approach seemed justified because most of the opponents of a provision against self-collision seemed to rely on the internal priority allowed under their national laws to resolve the problem.

The Delegations of France and Belgium supported this last approach to the self-collision problem. The Delegation of the United Kingdom favored such an approach for purposes of further discussion and consideration.

The Delegation of the United States of America thought that the self-collision problem needed a clear solution. It was important for inventors and for preserving certainty among Contracting States that the question be settled in one way or another.

The Delegation of Switzerland raised its concern about whether, at this advanced stage of the work of the Committee of Experts, it was advisable to start with such a difficult topic as internal priority and whether this would not open up a Pandora's box of new problems instead of providing solutions.

The Chairman noted that, except for the reservations expressed by the Delegations of the United States of America and Switzerland, no clear objections to the International Bureau trying to draft an internal priority provision within the context of the approach suggested were voiced."

### Article 203: Grace Period

Discussions were based on the text of Article 203 as elaborated by the International Bureau. This text read as follows:

*"(1) [Circumstances of Disclosure Not Affecting Patentability] Disclosure, during the 12 months preceding the filing date or, where priority is claimed, the priority date of a given application, of information which otherwise would affect the patentability of an invention claimed in that application shall not affect the patentability of that invention where the information was disclosed*

*(i) by the inventor,*

*(ii) by an industrial property office and*

*(a) the information was contained in another application filed by the inventor and should not have been disclosed by that office, or*

*(b) the information was contained in an application filed without the knowledge or consent of the inventor by a third party which obtained the information direct or indirectly from the inventor,*

*or*

*(iii) by a third party which obtained the information direct or indirectly from the inventor.*

*(2) ['Inventor'] For the purposes of paragraph (1), 'inventor' also means any natural person who or any legal entity which, at the filing date, was entitled to obtain a patent on the given application, such as the inventor's successor in title or, where the national law so provides, his employer, irrespective of whether that person or entity is the applicant of the given application."*

The portion of the report of the Committee of Experts concerning the discussion of Article 203 reads as follows:

"A great number of delegations and representatives who spoke also expressed their support for draft Article 203 subject, in the case of a few delegations, to some reservations mainly of a drafting nature. Reference was made to the problem of prior art effects arising from draft Article 302, when publication occurred after the grace period.

The Delegation of Sweden stated that it continued to be opposed to a general grace period; nonetheless, it would not exclude reconsidering its position once it could evaluate the entire treaty package as a whole.

The Delegations of Denmark, the Netherlands and Norway recalled that their support for the grace period was conditioned on its forming part of an entire treaty package which would also

include other provisions of particular importance to them, such as the first-to-file principle embodied in draft Article 301.

The Delegations of Bulgaria and the Federal Republic of Germany recommended that the last phrase in draft paragraph (2) ('irrespective of whether that person or entity is the applicant of the given application') be deleted.

As regards the question of burden of proof, the Delegation of the United Kingdom stated that it wanted draft Article 203 to provide expressly that the person claiming the benefits of the grace period had the burden of proof to establish, at least *prima facie*, that he has a right to do so. Such a provision, along with protection of prior users' rights (contained in draft Article 308), was necessary in order for that Delegation to find draft Article 203 acceptable.

The inclusion of a burden of proof provision was also supported by the Delegations of Bulgaria, Canada, Japan, the Netherlands, the Republic of Korea and the Soviet Union. Other Delegations (Belgium, Denmark, France and Norway) objected, not to the principle itself, but to the inclusion of a burden of proof provision in the Draft Treaty, as they felt that such a matter should be left to national law.

It was agreed, as a compromise solution, to add at the end of draft paragraph (1)(ii)(b) the following proviso, 'provided that the applicant who invokes the grace period has the burden of proof in respect of the fact that the information was obtained directly or indirectly from the inventor.' The Notes on draft Article 203 could also further clarify that, although the Draft Treaty places the burden of proof on the applicant, national law will determine the practical application of this principle. In conclusion, it was agreed that the text of draft Article 203 would be retained, subject to the amendment indicated above, and that the suggestion referred to in paragraph 182, above, would be studied.

As regards the question of when and how the grace period must be claimed, if one is claimed, the Delegation of the United States of America expressed its desire that the Notes on draft Article 203 clearly state that no national law could provide that the person invoking the grace period must claim the grace period and substantiate such claim at the time of filing his patent application or otherwise lose his right to invoke the grace period. The Delegation of Japan pointed out, referring to paragraph 84 of the report of the sixth session of the Committee of Experts (document HL/CE/VI/5), that the question of when and how the grace period should be claimed was to be left to national law.

As regards the length of the grace period, a large majority of delegations was in favor of a

12-month grace period, except for the Delegations of Australia, Austria, Japan and the Republic of Korea, which expressed their preference for a six-month grace period. The Delegation of India agreed with a 12-month grace period but calculated from the actual filing date. The Representative of CIPA, CNIPA and EIPI suggested that reference should not be to the priority date of 'a given application' but to the priority date of the 'subject matter' claimed (since there could be different relevant dates for several parts of the application)."

#### *Article 204: Exclusions from Patent Protection*

Discussions were based on the text of Article 204 as elaborated by the International Bureau. This text read as follows:

"Alternative A:

(1) [Prohibition of Exclusions] *Subject to paragraphs (2) and (3), patents shall be available for inventions, whether concerning products or processes, in all fields of technology.*

(2) [Exception for Plant and Animal Varieties] *To the extent to which a Contracting State provides for the possibility of adequate protection of new plant or animal varieties under laws other than the patent law, it shall not be required to provide for the possibility of obtaining also patents for such varieties.*

(3) [Temporary Exceptions] (a) *Any Contracting State whose national law, at the time of becoming party to this Treaty, excludes from patent protection inventions belonging to certain fields of technology may maintain such exclusions for a period which, subject to subparagraph (b), shall not be more than 10 years from the date on which the ratification of or accession to this Treaty by that Contracting State takes effect. The Contracting State shall notify the Director General, in a written declaration accompanying its instrument of ratification or accession, that it does not consider itself bound by paragraph (1) with respect to inventions belonging to the excluded fields of technology. The declaration shall specify the excluded fields of technology, as well as the period, fixed in accordance with this paragraph, during which such exclusions will be maintained. Any such declaration may be withdrawn at any time, totally or partially, by notification addressed to the Director General.*

(b) *Notwithstanding subparagraph (a), any Contracting State that is regarded as a developing country in conformity with the established practice of the General Assembly of the United Nations may maintain exclusions from patent protection of certain fields of technology for a*

*period which is more than 10 but not more than 20 years from the date on which its ratification or accession takes effect.*

Alternative B:

*Patents shall be available for inventions, whether concerning products or processes, in all fields of technology.*

Alternative C:

[No Article 204]"

The portion of the report of the Committee of Experts concerning the discussion of Article 204 reads as follows:

"The Director General, presenting Alternatives A, B and C of draft Article 204, said that the Article in question posed the same problems as draft Article 305 on the term of patents. He recalled that the developing countries were on the whole not in favor of the principle of prohibiting exclusions as provided in Alternative B. As for Alternative A, it too was a prohibition of exclusions, but with one exception concerning new plant or animal varieties, and provisional exceptions with a duration not exceeding 10 years for developed countries and 20 years for developing countries. Finally, Alternative C proposed that there should be no article on exclusions from patent protection under the Draft Treaty. The Director General further wondered whether it was appropriate to embark on the discussion of draft Article 204 at the present stage, in view of the fact that the relative positions of States were unlikely to change on the subject as long as the Uruguay Round of GATT negotiations was still going on.

The Delegation of Norway said that it agreed to the suspension of discussions on draft Article 204 for the time being. It also pointed out that its Government had decided to remove from its legislation, with effect from January 1, 1992, the exclusions from patent protection relating to foods and medicinal products.

The Delegation of Sweden said that it agreed to the suspension of discussions on draft Article 204.

The Delegation of France expressed its agreement with the Director General's statement, pointing out, however, that a discussion could nevertheless take place on draft Article 204 as presented by the International Bureau. In that connection it mentioned that draft paragraph (1) of Alternative A did not provide for any reservations regarding the classical exclusions from patent protection, such as those concerning public policy or methods of surgical or therapeutic treatment.

The reply given was that that was the main issue, and the question arose whether the inventions that would be excluded from protection could be listed, notably the public interest, which was a very important exclusion. It was pointed out that the International Bureau had not provided for a fourth alternative which would have grouped the exclusions listed by a certain number of States in their legislation.

The Delegation of Ghana supported the proposal that discussions be suspended on draft Article 204. It mentioned, however, that the GATT negotiations in progress would not settle the question of exclusions from patent protection, and that the solution had to be found within WIPO on the basis of draft Article 204. It added that the fact of starting with the principle of the prohibition of exclusions was in itself a step forward, but European States still had to be convinced that, if certain fields were to remain a matter for national legislation, there would be no harmonization.

The Delegation of France, in response to the remarks made by the Director General, said that the classical exclusions concerning public policy and methods of surgical or therapeutic treatment should be reserved in draft paragraph (1) of Alternative A.

The reply given was that one could include a fourth alternative, on condition that all countries agreed on a list of exclusions that would subsist, which in itself would already be a step forward. It was moreover recalled that the classical exclusions, like mathematical formulae or scientific discoveries, did not belong to fields of technology that were susceptible of protection, and were not even considered inventions. Consequently their inclusion as exceptions would be somewhat illogical.

The Delegation of Uruguay said that it regarded draft Article 204 as one of the most sensitive, and that the various countries had already given their opinions at earlier meetings. It therefore agreed to the proposal that discussions be suspended. It did wish to point out, however, that it stood by its reservations, even though draft Article 204 as worded by the International Bureau had evolved in the direction of greater flexibility, as the machinery proposed was not the best for solving the problems of developing countries. It said that, with regard to the period of temporary exceptions under draft paragraph (3)(b), the developing countries would, after a certain number of years, find themselves in the same position as the developed countries. The Delegation stressed that the final decision lay with the Diplomatic Conference, and that that decision would be conditioned by the outcome of the GATT negotiations and also by the results of the discussions that would

be held in 1990 at the meeting of experts from developing countries planned as part of the present harmonization exercise.

The Delegation of Argentina said that it would endorse any decision not to have a full debate on draft Article 204 at the present time, in view of the fact that the relative positions of the various countries were well known. It added that no decision would be taken before the Diplomatic Conference, all the more so since negotiations were also taking place in other forums. It wished to reserve its position, but also wished to state that draft paragraph (3)(b) of Alternative A did not take sufficient account of the various levels of development of countries, although such a disparity did exist and had to be acknowledged. It pointed out moreover that more adequate solutions could be sought, notably at the 1990 consultation meeting of developing countries, which might produce formulas that reflected the various levels of development existing in the world, by providing among other things that developing countries should be allowed to reserve certain areas of technology.

The Delegation of the United States of America said that it supported the Director General's proposal, and stated that the question of exclusions from patent protection would not be settled before the Diplomatic Conference, in view of the fact that the States all had their opinions, and that those opinions were unlikely to change.

The Delegation of Mexico supported the idea put forward by the Director General. It wondered whether it was desirable to include such a provision in the Harmonization Treaty, in view of the fact that the purpose of the Treaty was to strengthen cooperation between States by means of administrative harmonization. The Delegation added that, if draft Article 204 was to remain, it would be necessary to define the notion of fields of technology. Finally, the Delegation stated that Mexico and the developing countries should carefully revise the exclusion from patentability, taking into account the relevant implications in their strategies of technical and industrial development.

The Delegation of Algeria said that it subscribed to the statement made by the Delegation of Argentina, and that the provision in question absolutely had to take due account of the level of development of developing countries.

The Delegation of New Zealand said that it considered the question of exclusion from patent protection to be one of the most sensitive and important of the whole Treaty. It added that it agreed to the proposal by the Director General for the suspension of the discussion, as it would be of no benefit if different conclusions were reached within WIPO and within GATT. In view of the

fact that no solution would be found at the present time, it was necessary to await the results of the negotiations currently taking place within GATT.

The Delegation of Brazil said that it too was in favor of discussing draft Article 204 in the framework of the Diplomatic Conference. It did, however, mention that, during the first part of the fifth session of the Committee of Experts, its country had proposed amendments to the draft Article on exclusions from patent protection (see paragraph 302 of document HL/CE/V/4), according to which: (1) patents would be available for inventions in different fields of technology; (2) notwithstanding paragraph (1), any national legislation could provide for exclusions from patent protection in a certain number of fields of technology, provided that such exclusions were motivated by reasons of social security, public health, national defense or national development. The Delegation of Brazil pointed out that the International Bureau was disregarding the above suggestion as a possible alternative. It considered moreover that the three Alternatives actually proposed were rigid and did not provide adequate solutions for all countries, as they did not cover all the situations resulting from different levels of development and different needs regarding national legislation on industrial development. It added that, in the context of the draft Harmonization Treaty and especially the administrative provisions, States were intent on those provisions not being made mandatory. Such a solution was all the more relevant to the exclusions from patent protection, which affected national sovereignty and development. In other words, it wondered whether the question of the prohibition of exclusions from patent protection could be written into an international treaty as a mandatory provision.

The International Bureau replied that it had taken the proposals of the Delegation of Brazil into account when it prepared Alternative C of draft Article 204, which left States entirely free, and which therefore acceded to the desires of the developing countries that wished to exclude from patent protection certain fields of technology that they considered vital to their development. An exclusion for cases of 'the country's industrial development' could encompass all categories of inventions. If one was to draft, for instance, draft Article 204 in such a way that it would be totally optional for the Contracting States, it would be pointless to include it in the Draft Treaty at all, as a treaty had to lay down rights and obligations (with, in certain cases, clearly defined exceptions), and such an article would lay down neither the one nor the other. It was therefore preferable either for the Draft Treaty not to contain such a

provision at all or for the provision to be drafted as being mandatory, but in conjunction with a provision of the Draft Treaty allowing any Contracting State or certain Contracting States (for instance, developing countries) to make reservations to the effect that the provision in question would not be binding on them.

The Delegation of India said that it supported the statements made earlier by the delegations of developing countries. It added that the discussions that were taking place within the present Committee of Experts showed the difficulty of the harmonization exercise and the difficulty of countries, especially developing ones, in jettisoning their own national priorities and objectives as well as compelling national interests in favor of harmonization of substantive provisions. With regard to the question of exclusions from patent protection, it wished to quote an author from a developed country, who had asked: 'Is it really so difficult to understand that countries suffering from starvation, epidemic diseases, like India or Egypt, have a different approach to the patentability of foodstuffs and pharmaceuticals, than most industrialized countries have, half a century after their industrialization and their last epidemic diseases?' The Delegation of India said that a fair balance should always be maintained between the rights of the patentee and the public interest, and that that principle was particularly applicable to the provisions of draft Article 204, which were directly linked to the level of development of countries. Consequently, the developing countries should be free to determine the level of development which, in their own interest, would oblige them to amend their patent legislation. The Delegation of India concluded by saying that the consultative meeting planned for developing countries in 1990 would probably produce a new proposal on draft Article 204 that took the specific concerns of developing countries into account.

The Delegation of Sweden wondered whether, in draft Article 204, there were substantive differences between Alternatives B and C. It added that, if Alternative C was adopted, the effect of draft Article 201(1) would be an obligation to grant a patent, which would amount to a solution identical to Alternative B of draft Article 204.

It was replied that, in the case of Alternative C of draft Article 204, countries would be the sole judges regarding exclusions from patent protection.

The Representative of the ABA stated that he regarded draft Article 204 as most important. He said that adoption of the principle of the prohibition of exclusions would make it necessary for the legislation of the United States of America to be amended, notably with regard to computer

programs. He proposed moreover that the following clause be added to Alternative B: 'Whether or not a country provides protection under other laws,' as a country could have *sui generis* legislation that was parallel, for instance, on computer programs, which were protected by copyright.

The Representative of ALIFAR said that his organization had misgivings and anxieties regarding the provision under discussion. She pointed out that the industry and governments of developing countries were aware of the fact that the developed countries were moving away from a model with a certain inherent flexibility regarding the patentability of various fields of technology. However, that trend would be pointless at the present time for the developing countries of the Latin American region, and would have adverse effects on the development of those countries. Certain conditions might indeed have changed at the international level, but they had not changed in the same way for all countries. In Latin America, limited patent protection for pharmaceutical products had always been considered essential, as for developed countries in the past. The fact of delaying for a number of years the obligation to provide for patentability would be unrealistic as a means of affording preferential treatment to developing countries, as if it would be possible to set a limit to development or if one would know that the effects of patents would be different in a few years.

The Chairman concluded by saying that due note would be taken of the statements made by the various States, which moreover were similar to those made at earlier meetings of the Committee of Experts. He added that as a number of delegations were favorable to the adjournment of the discussion, draft Article 204 could be taken up again at a later meeting in the light of any new proposals that might emerge from the forthcoming consultative meeting of developing countries, or any other proposals."

#### *Article 301: Right to a Patent*

In addition to the text of Article 301 as elaborated by the International Bureau, discussions were based on a text proposed by the Delegation of France. Those texts read as follows:

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

*"(1) The right to a patent shall belong to the inventor or his successor in title. Any Contracting State shall be free to determine the circumstances under which the right to the patent shall belong to the employer of the inventor or to a person*

who or to an entity which commissioned the work of the inventor which resulted in the invention.

(2) Where two or more applications have been filed by different persons in respect of the same invention and the inventors concerned made the invention independently of each other, the right to a patent for that invention shall belong to the applicant whose application has the earliest filing date or, where priority is claimed, the earliest priority date, as long as his application is not withdrawn or abandoned, considered to be withdrawn or abandoned, or rejected."

[TEXT PROPOSED BY THE DELEGATION OF FRANCE]

"(1) The right to a patent shall belong to the inventor or his successor in title or, if the national law so provides, his employer.

(2) Where two or more persons have made an invention independently of each other, the right to the patent in any Contracting State shall belong to the person whose application has, in that State, the earliest filing date, or, where priority is claimed, the earliest priority date, provided that the *pending* application or a patent granted thereon has been published by the industrial property office of the said State or with effect for the said State.

(3) The national law may provide that, for the purposes of proceedings before the industrial property office, the applicant shall be deemed to be entitled to prosecute the application before the said Office." (Documents HL/CE/VII/16 and HL/CE/VII/16 Corr.)

The portion of the report of the Committee of Experts concerning the discussion of Article 301 reads as follows:

"*Paragraph (1).* The Delegation of France introduced its proposal (document HL/CE/VII/16), which was subdivided in three paragraphs. As regards paragraph (1), the Delegation stated that the proposal aimed at simplifying the provision of draft Article 301(1) by the removal of the second sentence in the said draft Article and by adding the words 'or, where the national law so provides, his employer' at the end of the first sentence of draft Article 301(1). The Delegation specified that it considered that the reference to the 'successor in title' in its proposal covered the case of commissioned inventions, since the relationship between the person or entity which commissioned the work of the inventor and the inventor was regulated by a contract.

The proposal by France was supported by the Delegations of Switzerland, the United States of America and Japan.

The text of draft Article 301(1) was supported by the Delegations of the United Kingdom, Denmark, Nigeria, the Soviet Union, the Netherlands, Bulgaria, Greece, the Republic of Korea and Austria. The Delegation of Bulgaria pointed

out that the principle that the right to the patent belonged to the inventor was set in the first sentence of draft Article 301(1), while the second sentence, concerning the circumstances under which the right to the patent would belong to the employer, was construed as an exclusion.

The Delegation of the United Kingdom pointed out that it preferred the text of the draft Article 301(1) since it specifically covered the case of an invention made as a result of a commission.

The Delegation of Denmark, qualifying its preference for the text of draft Article 301(1), referred to the explanations given by the Delegation of France when introducing its proposal and pointed out that the inventor's employer could also be considered a successor in title of the inventor and that this situation was clearly covered in draft Article 301(1).

The Delegation of the Netherlands suggested that both in draft Article 301(1) and in the proposal by France the words 'or his successor in title' should be added after the words 'the employer.'

*Paragraph (2).* The Delegation of France introduced paragraph (2) of its proposal. It stated that this paragraph tried to ensure that draft Article 301(2) fully corresponded to draft Article 202, according to which the contents of patent applications became prior art at their filing date. The proposal provided that, where two or more persons had made an invention independently of each other, the right to a patent would belong to the person whose patent application bore the earliest filing date, provided, however, that such an application was pending and that the relevant application or patent granted thereon had been published. Concerning the expression 'the same invention' in draft Article 301(2), the Delegation expressed the view that this could give rise to questions of interpretation in cases where the two inventions were not entirely but only partly identical. Therefore, the expression 'an invention' is preferred.

The proposal by France was supported by the Delegations of the Federal Republic of Germany, Spain, Greece, Switzerland, Belgium and Denmark.

The text of draft Article 301(2) was supported, in principle, by the Delegations of Canada, Mexico, the Netherlands, Australia, the Soviet Union and Bulgaria.

Concerning the proposal by France, the Delegation of Japan indicated that since the last session of the Committee of Experts, the practice of its industrial property office had been reconsidered and that it was now ready to accept the proviso in the proposal by France. With respect both to draft Article 301(2) and the proposal by

France, the Delegation raised the question of two applications filed on the same day. The Delegation referred to the practice of the Japanese industrial property office and stated that in such a case, irrespective of whether the applicants were the same or different, 'only one patent application would be allowed after the different applicants had been consulted. In the event of no agreement between the applicants, no patent application would be allowed. The Delegation concluded that it did not deem appropriate that such a situation should be covered in the Draft Treaty so that it could be freely regulated under national law.

The Delegation of the Netherlands, while supporting in principle the text of draft Article 301(2), suggested that the first three lines of the said article should be redrafted to read, 'As far as two or more applications have been filed by different persons in respect of the same invention and where the inventors concerned made the invention independently....' The Delegation further suggested that after the word 'rejected,' at the end of draft Article 301(2), the following words should be added: 'provided that his application is or has been published.'

The Delegation of Switzerland, while supporting in general the proposal by France, pointed out that the various comments made concerning this proposal could be covered in the explanatory notes to draft Article 301(2).

The Representative of the EPO expressed the view that draft Article 301(2) duplicated the provision of draft Article 202, which covered the case of two conflicting applications pending before the industrial property office. In that case, draft Article 202 provided that the contents of the earlier pending application was considered part of the state of the art. However, draft Article 301(2) did not cover the case of two or more persons having made the same invention and only one having filed a relevant patent application. This case, which was important in a first-to-file system of patent applications, was covered in the proposal by France and should be introduced in draft Article 301(2). The word 'pending' had to be added in order to harmonize the text of draft Article 301(2) with that of draft Article 202.

The Delegation of the United Kingdom, referring to the words 'the same invention' in draft Article 301(2), expressed the view that there was not much difference between the text of the said draft Article and the proposal by France. The words 'an invention' in the said proposal should in fact mean 'the same invention.' With respect to the proposal by France for adding the word 'pending' to 'application,' draft Article 301(2) specified that the patent application should not have been withdrawn or abandoned or rejected, and that meant that it was an application that was

'alive.' In the Delegation's opinion these were drafting points which could be dealt with by the Drafting Committee of the Diplomatic Conference.

A number of representatives of non-governmental organizations supported, with different qualifications and some suggestions for amendment, the proposal by France.

The Director General indicated that, on the basis of the opinions expressed during the discussion, draft Article 301(2) would be redrafted to cover not only the situation in which two persons made the (same) invention and both file applications but also the situation in which there are two persons who made the (same) invention but only one of them files an application. For the first situation, the Treaty will provide that the earlier application prevails; in the latter situation, the Treaty will provide that the applicant prevails; in both situations, the Treaty will provide that the date of the invention was indifferent. It was agreed that the next draft should be prepared accordingly.

The Delegation of France introduced paragraph (3) of its proposal, which created a presumption in favor of the patent applicant in the sense that the applicant was deemed to have the right to file the patent application and to prosecute the application before the industrial property office and such right was not supposed to be checked '*ex officio*' by the industrial property office. In case of controversy concerning the entitlement of the applicant, the question would have to be referred to the court and would not be decided by the patent office.

The Delegation of Japan indicated that it had doubts as to the need to include in the Draft Treaty a provision along the lines of the proposal by France; however, it did not oppose its inclusion. If the paragraph is included, the Treaty should also provide that national laws are free to provide that, in case of doubt, the patent applicant could be requested to prove, before the patent office, his entitlement to file the patent application.

The proposal by France to include in draft Article 301 the proposed paragraph (3) was supported, with different qualifications, by the Delegations of Austria, Greece, the United Kingdom, Australia, Czechoslovakia and Hungary.

The Delegations of Nigeria and Canada indicated that they were not in favor of the inclusion in draft Article 301 of a new paragraph (3) as proposed by France.

The Delegation of Australia pointed out that if a new paragraph (3) along the lines of the proposal by France were included in draft Article 301, it should be made clear that it had an optional character.

The Delegation of France, elaborating on its proposal for a new paragraph (3) in draft Article 301, suggested that it should take the form of a general presumption and should provide that the applicant should be deemed to have been entitled to prosecute the patent application before the industrial property office until proof to the contrary was made before the competent authority, which could be the industrial property office itself or a court.

In conclusion, it was agreed that it was not necessary to include in draft Article 301 the proposal by France concerning paragraph (3) in its optional form. The Notes to draft Article 301 should specify that national laws were free to provide for a general presumption concerning the entitlement of the patent applicant to prosecute its patent application before the industrial property office.

It was also suggested that if any Delegation considered that the proposal by France should have a mandatory character, it could present for the next session of the Committee of Experts a written proposal to that effect."

#### Article 302: Rights Conferred by a Patent

In addition to the text of Article 302 as elaborated by the International Bureau, discussions were based on a text proposed by the Delegation of Israel. Those texts read as follows:

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

##### "Alternative A:

(1) [Products] *Where the patent concerns a product, the owner of the patent shall have the right to prevent third parties from performing, without his authorization, the following acts:*

(i) *the making of a product incorporating the protected invention,*

(ii) *the offering or the putting on the market of a product incorporating the protected invention, the using of such a product, or the importing or stocking of such a product for such offering or putting on the market or for such use,*

(iii) *the assisting or inducing of third parties to perform any of the above acts.*

(2) [Processes] *Where the patent concerns a process, the owner of the patent shall have the right to prevent third parties from performing, without his authorization, the following acts:*

(i) *the using of a process which is the subject matter of the patent, including using for the purposes of making a product,*

(ii) *in respect of any product directly resulting from the use of the process, any of the acts referred to in paragraph (1)(ii), even where a patent cannot be obtained for the said product,*

(iii) *the assisting or inducing of third parties to perform any of the above acts.*

(3) [Exceptions to Paragraphs (1) and (2)] (a) *Notwithstanding paragraphs (1) and (2), any Contracting State shall be free to provide that the owner of a patent has no right to prevent third parties from performing, without his authorization, the acts referred to in paragraphs (1) and (2) in the following circumstances:*

(i) *where the act concerns a product which has been put on the market by the owner of the patent, or with his express consent, insofar as such an act is performed after that product has been so put on the market in the territory of that State, or of a group of States constituting a regional market of which that State is a member;*

(ii) *where the act is done privately and on a non-commercial scale, provided that it does not significantly prejudice the economic interests of the owner of the patent;*

(iii) *where the act consists of making or using for purely experimental purposes or for scientific research;*

(iv) *where the act consists of the extemporaneous preparation for individual cases, in a pharmacy or by a medical doctor, of a medicine in accordance with a medical prescription or acts concerning the medicine so prepared.*

(b) *The provisions of paragraphs (1) and (2) shall not be interpreted as affecting the freedom that Contracting States have under the Paris Convention to allow, under certain circumstances, the performance of acts without the authorization of the owner of the patent.*

(4) [Contributory Infringement] (a) *Subject to subparagraph (b), a patent shall also confer on its owner the right to prevent third parties from supplying or offering to supply a person, other than a party entitled to exploit the patented invention, with means, relating to an element of that invention, exclusively for carrying out the invention, when the third party knows, or it is obvious in the circumstances, that those means are suitable and intended for carrying out that invention. This provision shall not apply when the means are staple commercial products and the circumstances of the supply of such products do not constitute inducement to infringe the patent.*

(b) *Persons performing the acts referred to in paragraph (3)(a)(ii), (iii) and (iv) shall not be considered to be parties entitled to exploit the invention within the meaning of subparagraph (a).*

## Alternative B:

[No Article 302]"

[TEXT PROPOSED BY THE DELEGATION OF ISRAEL]

"(1) ....

(2) ....

(3) [Exceptions to Paragraphs (1) and (2)] (a) Notwithstanding the provisions of paragraphs (1) and (2) any Contracting State may restrict the rights of the patentee in respect of unauthorized acts by a third party as set out in paragraphs (1) and (2) in any of the following circumstances:

(i) where the act is in respect of a product marketed prior to the performance of the act by or with the express consent of the patentee in at least the territory of that State;

(ii) where the act is performed in private and for a non-commercial purpose and where, in fact, the economic interests of the patentee are not significantly prejudiced;

(iii) where the act is concerned solely with experiments relating to and/or research into the invention in respect of which the patent has been granted and where, in fact, the economic interests of the patentee are not significantly prejudiced;

(iv) where the act is concerned with the preparation of a medical product in a pharmacy or by a medical practitioner so as to treat a specific emergency situation for which the medical product is not otherwise available.

(4) ...." (Document HL/CE/VII/27)

The portion of the report of the Committee of Experts concerning the discussion of Article 302 reads as follows:

"The Director General drew attention to the fact that two alternatives had been presented in respect of draft Article 302.

The Delegation of the United States of America suggested that draft Article 302 should take into account the case where protected acts under the patent were performed on or in respect of objects or vehicles launched to or operating in outer space. At present, certain treaties and agreements enforced between different countries allowed for exceptions to be made to the general provisions in national legislation regarding the rights conferred by a patent when certain acts were performed, for example, in the context of an experiment undertaken in a space vehicle. In such cases, exceptions could be agreed upon in respect of the jurisdiction of the States involved with regard to the applicability of their patent laws.

It was pointed out that draft Article 302 would apply to the extent that the jurisdiction of a country applied. If an outer-space vehicle was under the jurisdiction of a given State, the law of that State would apply to the acts performed in or in respect of that vehicle. This point could, if necessary, be clarified in the Draft Treaty.

The Delegation of Argentina recalled that, in previous sessions of the Committee of Experts, developing countries and, in particular, Argentina had proposed that alternatives be written into the Draft Treaty in respect of draft Article 302. The Delegation had hoped to find in the Treaty more than just Alternatives A and B and had looked forward to other alternatives which would, in particular, take into account the desire of developing countries for differential or preferential treatment. Draft Article 302(1) went too far, since patent protection would extend to products which 'incorporate' the protected invention. Such provision could give rise to certain problems in connection with the importation or distribution of products which contained or incorporated a patented product as a part or component. The text of this provision as contained in the previous version of the Draft Treaty seemed to be preferable. In connection with draft Article 302(2), the Delegation called to the attention of the Committee that the revision of Article 5quater of the Paris Convention was still under consideration and that one of the proposals for that revision, which had obtained agreement in principle from a large number of countries, provided for an exception to Article 5quater in favor of developing countries. For that reason, as well as in view of the fact that Argentina had already expressed reservations in connection with draft Article 204 relating to exclusions from patent protection and draft Article 302(2) would amount to circumventing such exclusions, the Delegation reserved its position on draft Article 302(1) and (2), and expressed its hope that future versions thereof would contemplate special provisions for developing countries.

The Delegation of Ghana stated that the provision contained in Alternative A of draft Article 302 extended beyond the normal scope of patent rights, in particular as far as protection for processes was proposed to be extended to products. Patent rights should normally extend only as far as the claims allowed; thus it was difficult to accept patent protection extending to products made by a patented process unless the scope of such rights was limited or somehow restricted appropriately. It was felt that the issues raised by the provision in this Article required further discussion.

The Delegations of Uruguay, Brazil and Mexico, as well as the Representative of ALIFAR, expressed their general reservations on the inclusion of draft Article 302 in the Draft Treaty. It was pointed out in this respect that several of the provisions contained in this Article were linked to the exclusions from patent protection, which were the subject of draft Article 204. In particular, the provision contained in draft paragraph (2)(ii) would result in an indirect

protection for excluded subject matter, through process patent protection, which was an undesired effect. The Representative of ALIFAR underlined that Alternative A of draft Article 302 would amount to giving patent owners an importation monopoly for both patented products and products obtained by patented processes. Such right did not at present exist in the patent laws of Latin American countries. Provisions of that nature should not be included in the Draft Treaty, but it should be left to national legislation whether such provisions should be adopted. For these reasons, Alternative B was preferable. The Delegations of Brazil and Mexico also expressed their preference for Alternative B.

The Delegations of Denmark, the United Kingdom, Spain, the United States of America, the Netherlands, the Federal Republic of Germany, Greece, Japan, Canada, Israel, the Republic of Korea, France and the representatives of several non-governmental organizations expressed their support for the inclusion of a provision in the Draft Treaty concerning the rights conferred by a patent. In this respect, there was general support for the inclusion of a provision along the lines of Alternative A, subject to the amendments referred to below.

*Paragraph (1).* The Delegation of the United Kingdom stated that the Treaty should set out the minimum rights conferred by a patent. National laws then could provide for more extensive rights if so desired. The Delegation also suggested rewording draft item (i) as follows: 'the making of a product which is the subject matter of the invention protected.' This wording would reflect better the intended meaning of this provision and avoid problems of interpretation of the rights conferred by a patent in respect of the act of manufacturing a product which was not covered by the patent but which included another product which was protected under a patent.

The Delegations of the United Kingdom, the Netherlands, the Federal Republic of Germany, the Republic of Korea and Japan also proposed deleting draft item (iii) of this draft Article because it substantially overlapped with paragraph (4) of the same draft Article, noting that the acts of assisting or inducing third parties to infringe a patent could be properly dealt with under the provisions relating to complicity and inducement to illegal acts contained in the civil and criminal laws of each country.

The Delegation of Spain suggested bringing the wording of draft item (i) closer to the corresponding provision in Article 29 of the Community Patent Convention.

The Delegation of the United States of America proposed replacing draft items (i) and

(ii) by a text closer to that contained in the United States patent law by referring to the acts of 'making, using or selling.' This wording seemed clear and concise and would be consistent with the understanding that draft Article 203 would set a minimum standard which countries could expand or detail further in their national laws. Draft item (iii) should be maintained since it did not overlap with the provision contained in draft paragraph (4), which referred to contributory infringement. The acts referred to in draft item (iii) should be maintained as protected acts within the normal scope of a product patent.

The Delegations of Canada and Israel supported in principle the proposal by the United States of America that draft items (i) and (ii) be replaced by a reference to the acts of 'making, using or selling.' The Delegation of Canada suggested adding as a protected act the 'offering for sale of the protected invention.'

The Delegation of Ghana supported the proposal by the United States of America because it did not refer to the act of importation which was unacceptable as one of the rights conferred by the patent. The Delegation of India also supported the wording suggested and the notion that such provisions should be understood as minimum rights conferred by a patent. The Delegation of Argentina felt inclined to support the wording suggested by the Delegation of the United States of America with the addition proposed by the Delegation of Canada, noting with satisfaction that the 'incorporation' of the invention in a product was found inappropriate by several delegations as a right under the patent.

The Delegations of Japan, Switzerland, the United Kingdom, the Federal Republic of Germany, Denmark, Sweden, Israel, Norway, Australia, France and the Soviet Union, as well as the Representatives of the EPO and AIPPI expressed dissatisfaction with the wording proposed by the United States of America because it contained no reference to the acts of importing, offering for sale and stocking. Those acts were essential to the rights conferred by a patent and indispensable for the appropriate enforcement of such rights. The acts of importing, offering for sale and stocking were a part of the commercial activity involving infringing products and concerned steps undertaken in connection with infringing activities. Protecting such acts under the patent provided was necessary in order to stop infringement. Patent owners should be given the means to enforce their exclusive rights. This was particularly true with respect of the act of importation because a patent owner should be able to enforce his patent and avoid infringement before infringing goods arrived on the market. Enforcement of patents was easier at the border

than inside the country once distribution of the infringing products had begun. The Delegation of Japan suggested including importation as a protected act without any qualification or condition in respect of the purposes for which importation takes place. Importation of products covered by the patent should be protected under the patent regardless of the purposes for which they were imported. The Delegation of Israel suggested that the words 'commercially dealing' could substitute the word 'selling' in the wording proposed by the United States of America and thus cover both the acts of selling and importing.

The Delegation of the United States of America clarified its position in respect of the act of importation, explaining that it did not reject the idea of including importation as a protected act in the future. However, importation was not a protected act according to the patent law of the United States of America, but the importation of infringing goods was effectively dealt with by applying provisions contained in the Tariffs Act. This approach, however, could change in the future depending on the results of disputes which had arisen in this connection in the framework of GATT.

Summing up the discussions, the Chairman noted that there was general agreement on the inclusion of a provision in the Draft Treaty dealing with the rights conferred by a patent. Such provisions should expressly indicate that those rights would be the minimum rights which patents should confer in all cases. It would have to be examined whether the provision of draft item (iii) could be omitted in the revised text. That text could be based on the wording suggested by the Delegations of the United States of America and Canada to which the acts of importing, offering for sale and stocking could be added between square brackets. The words 'a product incorporating the protected invention' could be replaced by the words 'a product which is the subject matter of the patent,' or similar words to that effect.

*Paragraph (2).* The Delegation of the United Kingdom suggested deleting the words 'including using for the purposes of making a product' contained in the latter part of draft item (i). Those words seemed redundant in view of the first part of that draft item, which seemed sufficiently clear. This suggestion was supported by the Delegation of the Netherlands.

The Delegation of the Federal Republic of Germany suggested replacing in the introductory part of draft paragraph (2) the words 'where the patent concerns a process' by the words 'where the subject matter of a patent is a process,' and replacing the text of draft item (i) by the words

'(i) using that process.' This proposal was supported by the Delegation of the Netherlands.

The Delegation of Greece proposed replacing in draft item (ii) the words 'directly resulting' by the words 'directly obtained.'

The Delegation of the Netherlands agreed with the wording 'directly obtained' but expressed reservations with respect to the latter part of draft item (ii), which made the provision applicable even where a patent could not be obtained for the relevant product. The Delegation explained that such provision would go against the patent law of the Netherlands which did not allow the extension of process patent protection to products resulting from the use of the process where such products were an animal race or a plant variety, because that subject matter was excluded from patent protection. The Delegation proposed replacing the last part of draft item (ii) by the words 'provided that a patent may be obtained for the said product.'

The Delegations of the United Kingdom and the United States of America expressed disagreement with the amendment suggested by the Delegation of the Netherlands and favored maintaining the text of draft item (ii) in its present form.

The Delegation of the United States of America proposed deleting the word 'directly' contained in draft item (ii). Limiting the provision to cases where the product resulted directly from a process could give rise to situations where minor variations of a product resulting from the use of a patented process would allow an infringer to elude liability under the process patent. That would unduly narrow the effectiveness of process patents. This position was shared by the Delegation of Israel, noting that inadequate protection for process inventions would encourage secrecy of processes, thus depriving the public of the benefit of the relevant information.

A suggestion to replace, in draft item (ii), the words 'directly resulting from' with the words 'substantially obtained by' was supported by the Delegations of Nigeria and France.

The Delegations of the Federal Republic of Germany, the Netherlands, Canada and Denmark, and the Representative of the EPO favored maintaining the expression 'directly,' which was required to circumscribe within appropriate limits the rights conferred by a patent. Rights based on a process patent should not go beyond products directly obtained by the use of that process. If such product was subsequently modified or if there was an intermediate step between the product resulting from the process and the final product put on the market, the protection based on the process patent should not extend to the latter products. If a patent process related, for example, to the making of aluminium sheets, that

patent could not be used to prevent a third person from manufacturing cutlery out of the aluminium sheets. It was also noted that, since the provision contained in draft paragraph (2) would express the minimum rights conferred by a patent, the qualification 'directly' could be maintained in draft item (ii), leaving national laws to expand that minimum standard.

The Delegations of Argentina, Brazil, India, Mexico and Uruguay, as well as the Representative of ALIFAR, expressed strong reservations on the inclusion in the Treaty of any provision extending protection for process patents to products obtained by that process. The Delegation of Argentina reiterated that provisions of this sort were the province of national legislation. The Delegation of India found draft item (ii) unacceptable because the rights conferred by a process patent should be confined only to the use of the patented process and should not include the product resulting from the process, whether directly or indirectly. The Delegation was unable to accept that the patent owner of a process could have patent rights over a product that was not patentable either on account of its not being novel, not involving an inventive step or its being excluded from patentability under law. Draft paragraph (2)(ii) would seem to aim at introducing product patent protection in sectors which were specifically excluded from patent protection in national legislation, such as exclusions on grounds of public interest, national security or the socio-economic and technological development of the country. That provision would consequently completely tilt the balance away from public interest and towards the monopoly rights of the patent holder and impinge on the subject matter of draft Article 204 which concerns the exclusions from patent protection. The provision would have particularly negative effects if it were to confer monopoly patent rights on products which were not novel or did not have an inventive step, or that were not even claimed by the patentee. The argument that such provision was the only way of rewarding the owner of a process patent and to enable him to be protected against infringement was fallacious because the reward in the process patent lay in the exclusive use of the patented process and in the licensing of the technology and know-how for the use of the process.

Concluding the discussion on draft paragraph (2), the Chairman suggested that the revised version of this provision should explicitly indicate that the rights conferred in respect of a process patent were the minimum rights, so that countries were free to provide more extensive rights in their national laws. The latter part of draft item (i) and the whole of draft item (iii) could be deleted. Draft item (ii) could be placed between square

brackets, and the word 'resulting' could be replaced by the word 'obtained.' The word 'substantially' in draft item (ii) could be included as an alternative to the word 'directly.' Due consideration should be given to any consequential amendments required in view of the changes in the wording of draft paragraph (1)(ii) as agreed during the discussions.

*Paragraph (3)(a).* The Delegation of Spain proposed that the whole of draft paragraph (3) be made mandatory in the Treaty. The exceptions to the rights conferred by the patent as listed in this paragraph should not be merely optional for inclusion in national laws but should be obligatory for all Contracting States joining the Treaty. The Delegation of Brazil, speaking on behalf of the Latin American countries, supported this proposal and requested that it be reflected in the revised version of the Draft Treaty, at least as an alternative.

The Delegation of Australia inquired whether the provision contained in draft paragraph (3)(a)(i) would allow a Contracting State to provide for worldwide exhaustion of patent rights in its national law. Australia would find it hard to accept draft item (i) if it were to limit a country's freedom to provide for such worldwide exhaustion if it so desired.

The Delegation of Canada stated that countries should be free to provide for exhaustion.

The Delegations of the Federal Republic of Germany and the United States of America expressed opposition to any provision which would allow for worldwide exhaustion of patent rights. Such provision would imply freedom to import into any country, even without a license, and to reimport into the country of origin of the product, which could render nugatory the rights under the patent and would be unfair to the patentee.

In respect of draft item (3)(a)(ii), the Delegation of the United States of America, with the support of two non-governmental organizations, proposed deleting that draft item (ii) in its entirety. It was explained that the exception contained therein could effectively vitiate the patent right and give rise to abuses by third parties who could make or use the patented invention to the detriment of the patent holder on grounds that such acts were done privately and on a non-commercial scale. If an act that was normally protected under a patent were done privately by a large number of individuals, in practice little would be left of the patent right.

The Delegation of Brazil, speaking on behalf of the Latin American countries, and the Delegation of Spain supported maintaining the provision in draft item (ii) in its present form.

The Delegations of the United Kingdom, Switzerland, Canada, the Netherlands, Israel and Denmark, as well as the Representative of the EPO, supported the inclusion of the exception contained in draft item (ii), subject to certain amendments. The Delegation of the United Kingdom proposed deleting the proviso in the said draft item (ii) because it seemed redundant and unnecessary. The Delegation of Switzerland, supported by the Delegation of the Netherlands, proposed rewording the provision to the effect that patent rights would not extend to acts performed in a non-professional context. The Delegation of the United States of America stated that, if draft item (ii) were to be maintained, the proviso it contained should also remain. This was supported by the Delegation of Israel and a non-governmental organization.

With regard to draft item (iii), the Delegations of the United States of America and the Federal Republic of Germany, supported by the Delegation of France, proposed deleting the words 'or for scientific research.' It was explained that those words unduly limited the rights of the patent owner and could give rise to unwarranted free use of a patented invention in laboratories or in universities where scientific research was performed. This problem arose particularly in connection with inventions which were specifically conceived for use in research or in laboratories. An open exception in this respect would render patents for those inventions virtually useless.

The Delegation of Brazil, speaking on behalf of the Latin American countries, and the Delegation of Spain supported maintaining the provision of draft item (iii) in its present form.

The Delegation of the United Kingdom noted that the exception under draft item (iii) should not be understood as allowing free use of patented inventions by persons or institutions engaged in scientific research. What was intended in this provision was to allow experiments or scientific research to be performed on the subject matter of the patented invention and not that the invention be used to conduct experiments or research in other areas in general, because if this were allowed it would in practice take away all the protection from the patent. The Delegation of Norway concurred with the interpretation put forward by the Delegation of the United Kingdom and suggested that the proviso contained in the latter part of draft item (ii) be included in draft item (iii). Along the same lines, the Delegation of Canada proposed qualifying the exception in draft item (iii) by adding at the end the words "in relation to the technology in respect of which the patent was granted or a competing technology."

The Delegation of Japan suggested deleting the word 'purely' or any other word to that effect, such as 'solely,' in draft item (iii).

The Director General said that the words 'for purely experimental purposes or for scientific research' could be replaced by the words 'to test the invention for experimental purposes.' This wording would be consistent with the intended meaning of that provision.

The Delegation of the United States of America supported including in draft item (iii) the proviso contained in draft item (ii), namely, that the exception to patent protection does not apply where an act would significantly prejudice the economic interests of the patent owner. The Delegation of Israel proposed replacing the text of draft item (iii) with the following: 'where the act is concerned solely with experiments relating to, and/or research into, the invention in respect of which the patent has been granted.'

Concerning draft item (3)(a)(iv), the Delegations of the United States of America, New Zealand and Australia and the representatives of some non-governmental organizations proposed deleting altogether the said draft item in order to avoid misinterpretations and to prevent misuse or abuse of the exceptional provision it contains. The cases in which that exception would apply did not seem clear enough, and it was to be feared that 'extemporaneous' preparation of medicine would, if performed on a large scale, give rise to situations which were detrimental to the patent owner.

The Delegation of Israel recommended inserting a proviso in draft item (iv) to the effect that the exception should apply only in emergency situations and that the relevant medical product was not otherwise available.

The Delegations of the Federal Republic of Germany, France, Japan, Denmark, the United Kingdom and the Netherlands strongly supported retaining draft item (iv), noting that the sense of that provision was clearly understood in their countries and had never given rise to any problems nor abuse. Since draft paragraph (3) provided that Contracting States were free to include that exception in their national laws, countries could choose not to include such exception in their national laws. The Delegation of Japan indicated that it had problems with the meaning of the word 'extemporaneous' and suggested that the said word be deleted from that provision. The Delegation of the United Kingdom opposed that deletion, noting that the qualification provided by that word was essential to the provision.

The Delegation of the United States of America suggested adding a proviso along the lines of the one contained in draft item (ii) relating to the cases where performance of the act

would significantly prejudice the economic interests of the patentee.

The Delegation of Japan proposed that an additional exception be inserted in draft paragraph (3)(a) to the effect that a patent owner may not prevent third parties from performing acts done with respect to products which already existed at the date of filing of the patent application on which the patent issued. Since such products would have existed before the filing of the patent application, the patent owner could not justify being affected by their existence. The prior use exception contained in draft Article 308 would not apply in the case of products made by a third party but not used before the filing of the application by the patent owner. If a third party were to use those products after the date of filing of the patent application, the patent that issued on such application would be enforceable against the use of those products. Therefore a special exception for that case seemed to be required.

*Paragraph (3)(b).* The Delegation of the Federal Republic of Germany proposed that consideration be given to the fact that certain international treaties and agreements exist which bind countries in respect of special cases of use of inventions in certain vehicles, for example, aircraft. The Director General suggested that the International Bureau be provided with the relevant information on the treaties which should be taken into account in this connection.

*Paragraph (4).* There was general agreement on the inclusion of a provision in the Draft Treaty dealing with contributory infringement. Discussions focused, in particular, on the use of the words 'exclusively for carrying out the invention' in connection with contributory infringement.

The Delegation of the United States of America suggested replacing the word 'exclusively' by the words 'specially made or adapted' since that word narrowed down the scope of the provision to the point where a case of contributory infringement might not be recognized by the competent authorities and an infringer would in practice be relieved from liability.

The Delegation of Japan said that in its country the patent law provided for contributory infringement not only when the means exclusively for carrying out the invention were supplied or offered by a third party but also when such means were, for example, imported, manufactured or distributed with a view to infringing the patent. The Delegation wondered whether such a provision could not be contemplated in the revised version of draft paragraph (4), perhaps in the form of an alternative.

The Delegation of the United Kingdom disagreed with the suggestion by the Delegation

of Japan because, if the provision were expanded in the sense suggested, that would in practice amount to granting full patent protection for products which were not covered by the patent. It was preferable to maintain draft paragraph (4) in its present form.

The question was also raised whether the words 'exclusively for carrying out the invention' referred to the supplying or offering to supply the means for that purpose, or referred rather to the means themselves. Although the Notes to this paragraph gave some clarification in this respect, the provision should be made more explicit and made consistent in all languages.

The Delegations of Sweden and Nigeria and the Representative of the EPO expressed the wish that this provision be considered as a minimum standard so that countries which so desired could broaden the scope of the provision in their national legislation. This would go towards meeting the wishes expressed by the Delegation of Japan. The Director General said that the words 'confer at least the right to' could be added in draft paragraph (4) to allow such freedom to national laws. The Delegation of Nigeria also wished that the provision be made optional for Contracting States since procedural and criminal legislation in many countries already contained provisions on contributory infringement or general provisions which could operate to the same effect as the one contained in the Draft Treaty.

The Representative of PTIC suggested that draft paragraph (4) should be understood as applicable in the Contracting State in which the invention was carried out in infringement of the patent, and not in the State from which the means were being supplied. Therefore, it was suggested that the words 'in the Contracting State' be added after the words 'intended for carrying out that invention' in draft paragraph (4).

On the basis of a summary of the discussions by the Chairman, it was understood that as regards draft paragraph (3), proposals in connection with the redrafting of draft item (i) could be submitted in writing to the International Bureau in time for the preparation of a revised version of the Draft Treaty. With respect to draft item (ii), the words 'and on a non-commercial scale' could be replaced by the words 'and for a non-commercial purpose.' The proviso in the latter part of draft item (ii) could be maintained. Moreover, it should be examined whether the word 'privately' in draft item (ii) was not too broad. In draft item (iii), the words 'or for scientific research' should be deleted, and a proviso should be added at the end of this draft item along the lines of the proviso contained in draft item (ii). In connection with draft paragraph (4), the revised Draft Treaty could maintain that provision as a minimum stan-

dard, inserting the words 'at least.' The word 'exclusively' in that paragraph should be clarified. For the time being, the provision on contributory infringement should be confined to the acts of supplying or offering to supply the means for carrying out the invention, as in its present form."

#### Article 303: Reversal of the Burden of Proof

In addition to the text of Article 303 as elaborated by the International Bureau, discussions were based on texts proposed, respectively, by the Delegations of the Federal Republic of Germany and the United States of America. Those texts read as follows:

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

##### "Alternative A:

(1) [Reversal of Burden of Proof in Infringement Proceedings] (a) *For the purposes of proceedings in respect of the violation of the rights of the owner of the patent referred to in Article 302(1), where the subject matter of the patent is a process for obtaining a product, any identical product shall, in the absence of proof to the contrary, be deemed to have been obtained by the patented process.*

(b) *Subparagraph (a) shall not apply if, at the time of the alleged violation, an identical product emanating from a source other than the owner of the patent and the defendant was already known in commerce in the country in which the patent applies.*

(2) [Defendant's Legitimate Interests to be Taken into Account] *In requiring the production of evidence, the authority before which the proceedings referred to in paragraph (1)(a) take place shall take into account the legitimate interests of the defendant in not disclosing his manufacturing and business secrets.*

##### Alternative B:

[No Article 303]"

[TEXT PROPOSED BY THE DELEGATION OF THE FEDERAL REPUBLIC OF GERMANY]

"(1) [Reversal of Burden of Proof] (a) Where the subject matter of a patent is a process for obtaining a new product, the same product when produced by any other party shall, in the absence of proof to the contrary, be deemed to have been obtained by the patented process.

(b) The national law may provide that paragraph (a), under the conditions specified by the national law, also applies when the subject matter of a patent is a process for obtaining a product that is not new.

(2) [Legitimate Interests of the Defendant] In the adduction of proof to the contrary, the legitimate interests of the defendant in not disclosing his manufacturing and business secrets shall be taken into account." (Document HL/CE/VII/13)

[TEXT PROPOSED BY THE DELEGATION OF THE UNITED STATES OF AMERICA]

"(1) Where the subject matter of a patent is a process for obtaining a product, Contracting States shall provide that the burden of establishing that an alleged infringing product was not made by the process shall be on the alleged infringer for at least one of the following situations:

(i) the product is new, or  
(ii) a substantial likelihood exists that the product was made by the process and the owner of the patent has been unable through reasonable efforts to determine the process actually used.

(2) ...." (Document HL/CE/VII/26)

The portion of the report of the Committee of Experts concerning the discussion of Article 303 reads as follows:

"The Delegation of the Federal Republic of Germany presented its proposal (document HL/CE/VII/13), explaining that it was based on three principles, namely, that the reversal of burden of proof should be mandatory when the product obtained by the patented process was a new product; that the definition of what was "new" be left to national laws; and that provisions should be included giving freedom to Contracting States to broaden the scope of this provision if they wished to reverse the burden of proof also in cases where the product obtained through the patented process was not new. The reversal of burden of proof should be mandatory for cases where a product that is new appears on the market, because in such cases there was a high degree of likelihood that the product had been obtained by means of the patented process. The proposal did not refer to the source from which the product emanated and used the words "the same product" instead of "an identical product." As regards the notion of novelty for these purposes, it was found preferable not to opt between the market approach or the patentability approach, since no agreement on this matter had been reached in the previous sessions of the Committee of Experts. With respect to extending the reversal of burden of proof to the cases where the resulting product was not new, it was felt that making such extension mandatory could be unacceptable for certain Contracting States. That possibility was therefore included in the proposal as an optional provision, thus allowing national laws to provide for the reversal of burden of proof also in the cases where the product was not new. Paragraph (2) of the proposal was substan-

tially identical with draft paragraph (2) of the Draft Treaty.

The Delegation of the United States of America introduced its proposal (document HL/CE/VII/26), explaining that it provided for mandatory reversal of proof where one of two, or both, possible situations occurred, namely, where the product obtained by the patented process was new, or where, regardless of the newness of the resulting product, there was a substantial likelihood that the product was made by that process and the patent owner had been unable to determine the process actually used in spite of reasonable efforts undertaken. The first option in this proposal accommodated the cases contemplated in the proposal by the Federal Republic of Germany, whereas the second option was broader because it would cover both cases where the product was known (i.e., not new) and cases where the product was new. Since the second option applied to both new and known products, safeguards had been introduced to protect adequately the rights of the public. Those safeguards referred to the condition that there be a substantial likelihood that the product was made by the process, and the requirement that the patentee has undertaken reasonable but unsuccessful efforts to determine what process was actually used. If those conditions were satisfied, the burden of proof would shift on to the alleged infringer even if the product in question was not new. The proposal submitted by the Delegation was aimed at giving Contracting States the possibility of opting between one or both of two different approaches to the principle of reversal of burden of proof. Draft Article 303(2) would be maintained without change.

It was noted that neither of the proposals submitted on draft Article 303 contained a definition of 'newness for the purposes of applying that provision. Draft Article 303 did attempt such definition, which was deemed necessary in particular for the benefit of countries which had not had substantial experience with this type of provision. The Draft Treaty defined novelty under the 'market' or 'commercial' approach, with reference to the country in which the patent applied.

The Delegations of Uruguay, Argentina, Ghana, Mexico, India, Australia and Algeria and the Representative of ALIFAR expressed strong reservations on the inclusion of a provision on the reversal of burden of proof, and proposed that draft Article 303 be deleted.

The Delegation of Uruguay stated that all three texts under consideration presented the same problem, namely, that they went counter to basic legal principles of civil and criminal procedure and on matters of proof and evidence. The laws of developing countries already provided norms to deal adequately with those matters, and those

countries also had independent administrative and judicial authorities to apply those laws. There were no obvious reasons to upset the general principle of law that a person who alleges something carries the burden of proving his allegation. A departure from that universally recognized principle could only be admitted in cases of general public interest. In any event, those matters should be left to national legislation.

The Delegation of Argentina and the Representative of ALIFAR drew attention to the fact that the institution of reversal of burden of proof was not contained in the laws of three quarters of the States members of the Paris Convention, and was contrary to the legal tradition of many countries, in particular those of Latin America. Introducing that provision would therefore amount to aligning a majority of countries on a provision which had only been adopted by a minority. The Delegation of Ghana added that the provision in draft Article 303 went contrary to all principles of legal presumption known to the courts of that country; matters relating to the burden of proof and its reversal should be left to national legislation.

The Delegation of India stated that the proposed reversal of burden of proof could result in vexatious prosecution leading to a nullification of the benefits of a process patent. The basic rationale behind a process patent was that the same product could be manufactured by totally new and different processes, thus encouraging the growth of competitive technologies or processes for arriving at the same product. The provision of draft Article 303 would effectively block those advantages and weigh legal proceedings in favor of the plaintiff who would not need to even make out a *prima facie* case regarding the infringement of his process patent. This would confer rights on the plaintiff far beyond those envisaged in any legal system. The Delegation believed that the protection of the rights of a process patent owner did not warrant such deviation from the general legal system. The legitimate rights of both the plaintiff and the defendant could be adequately protected by the 'freedom of proof' system where the plaintiff would first lend evidence on his *prima facie* case of infringement after which the defendant would be called upon to lend evidence in his defense. This way the defendant would not be unnecessarily discriminated against and asked to lay open his business and manufacturing secrets even before a *prima facie* case was made out by the plaintiff. The Delegation proposed that draft Article 303 be deleted.

The Delegation of Australia stated that interested circles in that country were troubled by the provision on reversal of burden of proof in the Draft Treaty. It was felt that such provision would go against principles of natural justice, since a

person might not be able to use or make a product without being potentially liable to prove that he was not infringing a patent. The law in Australia already provided for legal mechanisms, such as discovery orders, which helped the patent owner. Such orders could be issued by a court in cases such as those referred to in item (ii) of the proposal by the United States of America. The Delegation therefore expressed strong reservations about the inclusion of that provision in the Draft Treaty.

The Delegation of Algeria wondered, in spite of draft Article 303(2), how it would be possible for a defendant to avoid in practice having to disclose his trade secrets in a situation where the burden of proof was shifted on to him.

The Delegations of France, the United Kingdom, the Soviet Union, Switzerland, Japan, Norway, the Netherlands, Ireland, Canada, Sweden, Spain, Denmark, Czechoslovakia and Bulgaria and the representatives of three non-governmental organizations expressed their support for the inclusion of a provision on the reversal of the burden of proof in the Draft Treaty.

Alternative A of draft Article 303 in its present form was supported in principle by the Delegations of the United Kingdom, Nigeria, the Soviet Union and Czechoslovakia, as well as the Delegation of Norway and the Representative of AIPPI, although the latter two could also support the proposal by the United States of America.

The Delegations of France, Switzerland, Japan, the Netherlands, Ireland, Sweden, Spain and Denmark, as well as two non-governmental organizations expressed their preference, in principle, for the proposal by the Federal Republic of Germany.

The Delegations of France, the Netherlands and Switzerland noted that the option provided under item (ii) of the proposal by the United States of America would be hard to accept in countries which did not follow the common law legal system.

The Delegation of the United Kingdom stated that what was required in this respect was a minimum standard. This was provided by the text of draft Article 303, which could therefore accommodate the concerns of both the Federal Republic of Germany and the United States of America.

The Delegation of Switzerland proposed that the reversal of the burden of proof should be mandatory not only when the resulting products were new but also when they were known.

The Delegation of Japan favored the proposal by the Federal Republic of Germany because it would permit a Contracting State to adopt the patent novelty approach for the definition of

newness of the product. It noted that the date of reference for establishing such newness would also be left for national law to determine. The Delegation favored a provision where the possibility of extending the rule of reversal of burden of proof to the cases where the products were not new was left to national legislation.

The Delegation of Spain, while supporting in principle the proposal by the Delegation of the Federal Republic of Germany, suggested deleting the provision contained in subparagraph (b) of that proposal. Since the provision on the reversal of the burden of proof was to be established as a minimum standard, subparagraph (b) was superfluous.

The Delegation of the United States of America stated that its proposal had been drafted in a way which would in fact accommodate the different positions and concerns expressed by the delegations. Its proposal could operate both in cases where the product in question was new or known, and regardless of how the concept of 'newness' was defined for these purposes. In particular, if item (i) was used for new products, the Treaty obligations would be met.

The Delegation of France suggested combining subparagraph (b) of the proposal by the Federal Republic of Germany with item (ii) of the proposal by the United States of America. To this effect, subparagraph (b) of the proposal of the Federal Republic of Germany could be expanded by adding at the end the words 'provided that a substantial likelihood exists that the product was made by the process.'

The Delegation of Brazil proposed inserting a new alternative for draft Article 303 which would establish an optional provision for Contracting States in respect of reversal of the burden of proof. That new alternative could be supplemented, if necessary, with a draft rule containing the relevant details. This proposal was supported by the Delegation of Argentina.

It was pointed out that an optional provision was not helpful since it amounted to the same result as absence of any provision, namely, a total freedom of Contracting States to regulate the matter as they wished. If total freedom was not the objective, one should write a mandatory provision qualified by the possibility of reservation. In such a case, the provision would be mandatory for all the countries which do not make a reservation and would be non-existent for the countries which make a reservation.

The Representative of CNIPA/CIPA/EPI drew attention to the problem of the high costs of patent litigation and noted that the provision contained in draft Article 303(1)(b) would in practice force patent owners to sue every infringer regardless of the amount of actual or potential

prejudice which had been or could be caused, because otherwise the product obtained by the patented process would become 'known in commerce' and the patent owner would thereafter be prevented from benefiting from the reversal of the burden of proof.

The Representative of UPEPI wondered why the words 'identical product' were used in draft Article 303, and stated that it would be preferable to use the words 'same product' as in the proposal by the Federal Republic of Germany.

The Director General suggested as a compromise solution that draft Article 303 be drafted taking as a basis paragraph (1)(a) of the proposal by the Federal Republic of Germany. In that paragraph, the word 'new' would be deleted and the words 'at least when the product is new' would be added at the end of that paragraph. Thus, paragraph (1)(b) of that proposal would become superfluous as applying the reversal of proof would be admitted both in the case where the product was not new and when the requirement of item (ii) in the United States' proposal applied. Such a drafting would ensure that each Contracting State had sufficient freedom for its domestic system and at the same time a guarantee of a minimum of protection in all other Contracting States.

The Delegations of the United States of America, the United Kingdom, the Netherlands, the Federal Republic of Germany, France, Israel, Japan and Hungary supported the suggestion made by the Director General as a compromise text for draft Article 303.

The Delegation of Australia expressed its wish that the provision contained in item (ii) of the proposal submitted by the United States of America be reflected in the revised text of draft Article 303, since that provision had been drafted in a spirit of compromise and could offer a solution for those countries that had difficulties with both draft Article 303 and the proposal submitted by the Federal Republic of Germany. The text of item (ii) of the proposal by the United States of America should at least be inserted between square brackets.

On the basis of a summary of the discussions by the Chairman, it was understood that the revised version of draft Article 303 could be based on the text of paragraph (1)(a) of the proposal by the Federal Republic of Germany with the modification suggested by the Director General. In view of the wish of some countries to make the provision optional, the possibility of making a reservation to the whole of Article 303 could be provided for as an alternative. Draft Article 303(2) should be based on paragraph (2) of the proposal by the Federal Republic of Germany."

#### *Article 304: Extent of Protection and Interpretation of Claims*

In addition to the text of Article 304 as elaborated by the International Bureau, discussions were based on texts proposed, respectively, by the Delegations of France, the Netherlands and the United States of America. Those texts read as follows:

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

*"(1) [Extent of Protection] The invention for which protection is conferred by the patent shall be determined by the claims, with due regard to the description and drawings.*

*(2) [Equivalents] (a) Any claim shall be considered to cover not only all the elements as expressed in the wording of that claim but also equivalents of any such elements.*

*(b) An element shall be considered as being equivalent to an element as expressed in the wording of the claim if, at least in regard to the invention, it functions in substantially the same manner and produces substantially the same result as does the element as expressed in the wording of the claim.*

*(3) [Disclaimed Equivalents] Where the applicant or the owner of the patent has, in the description or during any procedure concerning the application or the patent, expressly stated that a specific equivalent element is not to be considered as covered by a claim, paragraph (2) shall not apply to such an equivalent.*

*(4) [Examples] If the patent contains examples of the embodiment of the invention or examples of the functions or results of the invention, the claims shall not be interpreted as limited to those examples; in particular, the mere fact that a product or process includes additional features not found in the examples disclosed in the patent, lacks features found in such examples or does not achieve every objective or possess every advantage cited or inherent in such examples shall not remove the product or process from the extent of protection conferred by the claims.*

*(5) [Combinations] A claim for an invention that consists of a combination of inventions shall not provide protection for any of those inventions taken separately.*

*(6) [References to Drawings] Any reference to a drawing or part of a drawing in a claim shall be construed as illustrative only and shall not be construed as limiting the protection conferred on the invention to what the drawing or part thereof shows, unless the claim clearly indicates otherwise.*

(7) [Abstract] *The abstract of a patent shall not be taken into account for the purpose of determining the protection that is conferred on an invention by the patent.*

(8) [Estoppel] *No patent owner shall be allowed to assert in any revocation, invalidation or infringement proceedings that the extent of protection conferred by his patent is different from the extent of protection asserted by him in any such previous proceedings."*

[TEXT PROPOSED BY THE DELEGATION OF FRANCE]

"(1) [Extent of Protection] The extent of protection shall be determined by the claims that shall be interpreted in the light of the description and drawings.

(2) [Rules of Interpretation] (a) The extent of protection conferred by a patent in accordance with paragraph (1)(a) shall be so determined as to combine fair protection for the owner of the patent with a reasonable degree of certainty for third parties. In particular, the extent of protection should not be understood as being defined by the strict literal wording of the claims. Neither should it be understood as meaning that the claims serve only as a guideline and that the actual protection conferred may extend to what, from a consideration of the description and drawings by a person skilled in the art, the owner of the patent has contemplated, but not claimed.

(b) In assessing what constitutes fair protection for the owner of the patent, a Contracting State may take into account the owner's prior representations of limitations of the scope of protection intended for the claims and other general principles of equity and fairness.

(3) [Equivalents] The scope of claim is to be determined taking due account of elements which are equivalent to those expressed in the claim, and recognized as such at the date of the infringement.

(....) (A definition of 'Equivalents' will be proposed later).

(4) (Text of paragraph (4) of Article 304 proposed by the International Bureau)

(5) (Text of paragraph (7) of Article 304 proposed by the International Bureau)" (Document HL/CE/VII/18 Rev.)

[TEXT PROPOSED BY THE DELEGATION OF THE NETHERLANDS]

(1) ....

"(2) [Equivalents] (a) Any claim shall be construed to cover not only the elements as expressed in that claim but also equivalents.

(b) An element shall be considered as being equivalent to an element as expressed in a claim if, in regard to the invention,

(i) it performs substantially the same function in substantially the same way and produces substantially the same result as does the element as expressed in the claim, or

(ii) it is clear to a person skilled in the art at the time of any alleged infringement that the desired result can also be achieved by using such other element." (Document HL/CE/VII/24)

(3) ....

(4) ....

(5) ....

(6) ....

(7) ....

(8) ....

[TEXT PROPOSED BY THE DELEGATION OF THE UNITED STATES OF AMERICA\*]

"(1) [Extent of Protection] The invention for which protection is conferred by the patent or the application shall be determined by the claims which are interpreted in light of the description and drawings.

(2) [Equivalents] (a) Any claim shall be considered to cover not only all the elements as expressed in the claim but also equivalents of any such elements. The question of equivalence shall be determined as of the time infringement takes place.

(b) An element shall be considered as being equivalent to an element as expressed in the claim if, in regard to the invention, it performs substantially the same function in substantially the same way and produces substantially the same result as does the element expressed in the claim.

(3) [Examples] If the patent contains examples of the embodiment of the invention or examples of the functions or results of the invention, the claims shall not be interpreted as limited to those examples; in particular, the mere fact that a product or process includes additional features not found in the examples disclosed in the patent, lacks features found in such examples or does not achieve every objective or possess every advantage cited or inherent in such examples shall not remove the product or process from the extent of protection conferred by the claims.

(4) [Abstract] The abstract of a patent shall not be taken into account for the purpose of determining the protection that is conferred on an invention by the patent.

(5) [Estoppel] No patent owner shall be allowed to assert in any infringement proceeding that the extent of protection conferred by his patent is broader than the extent of protection asserted to avoid any prior art in any previous proceedings."

\* A protocol to Article 304 should read as follows:

"The extent of protection conferred by a patent in accordance with Article 304 shall be so determined as to combine fair protection for the owner of the patent with a reasonable degree of certainty for third parties. In particular, the extent of protection should not be understood as being defined by the strict literal wording of the claims. Neither should it be understood as meaning that the claims serve only as a guideline and that the actual protection conferred may extend to what, from a consideration of the description and drawings by a person skilled in the art, the owner of the patent has contemplated, but not claimed." (Document HL/CE/VII/22)

The portion of the report of the Committee of Experts concerning the discussion of Article 304 reads as follows:

"The Delegations of France (document HL/CE/VII/18 Rev.), the United States of

America (document HL/CE/VII/22) and the Netherlands (document HL/CE/VII/24) submitted proposals to amend draft Article 304.

*Paragraph (1).* The Delegation of the United States of America said that it could accept paragraphs (1) and (2) of the proposal by the Delegation of France if the word 'that' in the first line of paragraph (1) were replaced by the word 'which.'

The Delegation of France stated that in paragraph (1) of its proposal the words 'conferred by the patent' should be inserted after the word 'protection.'

The Delegation of Japan supported paragraphs (1) and (2) of the proposal by the Delegation of France with the modification suggested by the Delegation of the United States of America.

The Delegation of the United States of America expressed its support for paragraph (2)(a) of the proposal by the Delegation of France, which corresponded to the footnote appearing, in a different form (as a proposal for a protocol to Article 304), in the proposal made by the Delegation of the United States of America. The Delegations of Switzerland and the Federal Republic of Germany also stated their support for paragraph (2)(a) of the proposal by the Delegation of France.

The Delegation of Ghana suggested the inclusion of the word 'rights' at the end of the second line of paragraph (2)(a) of the proposal by the Delegation of France, so that instead of 'fair protection for the owner of the patent' it would read 'fair protection for the rights of the owner of the patent,' the same suggestion applying to paragraph (2)(b) of the proposal of the Delegation of France.

The Delegation of Japan supported the contents of paragraph (2)(a) of the proposal by the Delegation of France but, nevertheless, stated that it had reservations as to the form in which paragraph (2)(a) should be adopted: for example, should it be in Article 304 or should it be a protocol to Article 304?

As regards paragraph (2)(b) of the proposal by the Delegation of France, the Delegations of the United States of America, Japan and Israel expressed their support. The Delegation of the United States of America stated that such paragraph would capture the essence of draft paragraphs (3) and (8), as the Delegation of the United States of America had also attempted to do in paragraph (5) of its own proposal.

It was pointed out that draft paragraph (3) was mandatory while paragraph (2)(b) of the proposal by the Delegation of France was optional and that the word 'should' in the fourth line of paragraph

(2)(a) of the said proposal should be replaced by the word 'shall.'

The Delegation of Canada expressed its reservation in regard to paragraph (2)(a) and (b) of the proposal by the Delegation of France.

The Chairman said that the next version of the Draft Treaty should contain paragraphs (1) and (2) proposed by the Delegation of France with the amendments proposed.

*Paragraph (2).* The Delegations of France and the Netherlands explained, in particular, that in their proposals the reference to elements 'as expressed in the wording of the claim' had been deleted since the description and the drawings must be used to interpret the elements of the claims.

The Delegation of the United States of America stated that its proposal had inserted the important notion of time for determining equivalents and that it could support paragraph (3) proposed by the Delegation of France (which corresponds to draft paragraph (2)), but would like to see paragraph (2)(b) of the proposal made by the Delegation of the Netherlands added to it. The Delegations of the United Kingdom and India also supported such a combination of the proposals made by the Delegations of France and the Netherlands.

The Delegation of Japan stated that it had reservations as to determining the question of equivalents at the date of infringement because it would be extremely difficult to specify the time of infringement and because a possible result could be that an act which at the beginning was no infringement could later become an infringement. Therefore, the question of the decisive point in time should be left to the courts. The Delegation of Israel stated that it shared, in part, the reservation expressed by the Delegation of Japan. The Delegations of the United Kingdom and France underlined that the date of infringement should be the decisive date and that the text of the Treaty should spell it out.

The Chairman concluded that the next version of draft paragraph (2) should be based on the proposal by the Delegations of France and the Netherlands.

*Paragraph (3).* The Chairman pointed out that this draft paragraph should be deleted, since, in essence, it was contained in paragraph (2)(b) of the proposal by the Delegation of France.

*Paragraph (4).* It was suggested that general remarks, for example, 'This paragraph deals only with the normal cases where validity is not called into question.' should be contained in the Notes. The Chairman said that, in the light of the discus-

sions, this draft paragraph should appear in the next draft.

*Paragraph (5).* The Chairman said that, in the light of the discussions, this draft paragraph should not appear in the next draft.

*Paragraph (6).* The Delegations of the Federal Republic of Germany, Hungary, the United Kingdom and Israel and several non-governmental organizations expressed their support for this draft paragraph. The Delegations of the United States of America, France and Canada opposed it. The Representative of the EPO said that he could support this paragraph only if it exclusively dealt with reference signs (as opposed to references to drawings in general). In that case, this provision should be transferred to draft Rule 104, in which the use of reference signs was provided for.

The Chairman said that this paragraph should reappear in the next draft for further consideration.

*Paragraph (7).* This paragraph was not opposed. The Chairman said that it should reappear in the next draft.

*Paragraph (8).* It was suggested that the ideas covered by this paragraph were largely covered by paragraph (2)(b) of the proposal by the Delegation of France, which would be inserted in the next draft with the amendments suggested.

The Chairman said that, consequently, this draft paragraph should not appear in the next draft."

#### Article 305: Term of Patents

Discussions were based on the text of Article 305 as elaborated by the International Bureau. This text read as follows:

##### "Alternative A:

(1) [Minimum Term] *The term of a patent shall be at least 20 years from the filing date of the application, provided that, where any national law provides for the grant of patents of addition or for patents to be granted on an application derived from another application, the filing date of the application for such patent may be deemed to be the filing date of the principal application.*

(2) [Temporary Exceptions] (a) *Any Contracting State whose national law, at the time of becoming party to this Treaty, provides for a shorter term than that referred to in paragraph (1) may maintain the shorter term for a period which, subject to subparagraph (b), shall not be more than five years from the date on which the ratification of or accession to this Treaty by that Contracting State takes effect. The Contracting*

*State shall notify the Director General, in a written declaration accompanying its instrument of ratification or accession, that it does not consider itself bound by paragraph (1). The declaration shall specify the shorter term, as well as the period, fixed in accordance with this paragraph, during which the shorter term will be maintained. Any such declaration may be withdrawn at any time by notification addressed to the Director General.*

(b) *Notwithstanding subparagraph (a), any Contracting State that is regarded as a developing country in conformity with the established practice of the General Assembly of the United Nations may maintain a shorter term than that referred to in paragraph (1) for a period which is more than five but not more than 10 years from the date on which its ratification or accession takes effect.*

##### Alternative B:

*[No Article 305]"*

The portion of the report of the Committee of Experts concerning the discussion of Article 305 reads as follows:

"The Director General presented Alternatives A and B for draft Article 305 and stated that it was a matter of most particular importance for the developing countries and that it was therefore necessary to show a degree of flexibility.

The Delegation of Ghana stated that draft Article 305 was most important for the developing countries, particularly since it was to take into account their special situation. The Delegation expressed a preference for Alternative A of draft Article 305 and pointed out that draft paragraph (1) was acceptable, subject to a few amendments, except as regards the term of 20 years since, in its country, the effective term depended on use of the invention. As for the temporary exceptions contained in draft paragraph (2), the Delegation of Ghana wished to reserve its position.

The Delegation of the United States of America spoke in favor of a minimum period of 20 years as from the date of filing of the first domestic application, as provided in draft paragraph (1) of Alternative A. It nevertheless pointed out that, for some countries, the fact of making the term for patents of addition or patents derived from another application run from the filing date of the initial application could raise problems. In addition, the question arose of the date to be used as a basis for calculating the term in cases where internal priority had been claimed. As for draft paragraph (2), the Delegation of the United States

of America was not in favor of instituting a transitional period for either the developed countries or the developing countries since it held that, if a country wished to accede to a treaty, the laws of that country should be in conformity with the treaty.

The Delegation of New Zealand stressed the fundamental importance of draft Article 305. It noted that the current trend throughout the world was to adopt a patent term of 15 or 20 years. It pointed out that in its own country, for historical reasons, the term was 16 years but that, in view of the trend referred to, the matter was being reflected on. It further stated that, contrary to the view expressed by the Delegation of the United States of America, draft paragraph (2) was held to be very important for those countries that might wish to harmonize and, therefore, to have the time to reflect and to reach a conclusion.

It was observed that draft paragraph (2) did not provide a period for reflection but rather a period of transition to a new situation whose adoption had been decided.

The Delegation of Egypt expressed its agreement as regards the starting point for patent protection. It was nevertheless unable to accept draft Article 305 in its present form since it did not correspond with its national legislation. It explained that, in its country, the normal term of protection for a patent was 15 years, with possible extension for five years, with the exception of patents concerning the fields of chemistry, food and pharmaceuticals where the term was 10 years without the possibility of renewal. Whilst acknowledging the present international trend, the Delegation of Egypt stressed that the wishes of the developing countries had to be taken more fully into account.

The Delegations of Austria, Bulgaria, China, Czechoslovakia, Denmark, Finland, France, Greece, Hungary, Ireland, Israel, Norway, Portugal, the Soviet Union, Spain, Sweden, Switzerland and the United Kingdom stressed their support for Alternative A of draft Article 305 with a term of 20 years. The Delegations of Austria, China and the Soviet Union pointed out that, with a view to harmonization, their countries could amend their laws in respect of the term of patents. The Delegation of Bulgaria indicated that the national law of its country provided for a term of 15 years. It was hoped, however, that during the period of five years provided for in draft Article 305(2), it would be possible to pass a new law that would extend the patent term to 20 years.

The Delegation of Australia favored Alternative A of draft Article 305, subject to an amendment to provide a minimum term of 15 years which would be acceptable since its country had decided to amend its legislation to provide for a

normal term of 16 years and a term of 20 years for patents concerning pharmaceutical products.

The Delegation of the Netherlands accepted Alternative A of draft Article 305, subject to an amendment in respect of divisional applications. It wished to replace the word 'may' by 'shall' in the fifth line of draft paragraph (1).

It was observed that the word 'may' was justified by the fact that draft Article 305(1) contained a minimum provision.

The Delegation of Argentina emphasized the importance of draft Article 305. It held that Alternative B was linked with the ongoing international negotiations, both within WIPO and elsewhere, and it reserved its possible return to that Alternative. As for Alternative A, it welcomed draft paragraph (2)(b) as a beginning made in understanding the specific problems of development. As regards draft paragraph (1), it questioned the need to lay down a single term of protection in view of the fact that such a term may vary depending on the field of technology. It further emphasized the importance of the consultative meeting in 1990 for the developing countries which would enable that matter to be studied in more depth. It proposed, in a spirit of compromise, that draft paragraph (2)(b) be amended to terminate after the words 'in paragraph (1),' thus deleting all reference to a transitional term.

The Delegation of Algeria stated that draft Article 305 constituted a key provision that was critical for the developing countries. It felt that a term of 20 years for patents at domestic level would not stimulate inventive activity and explained that the new draft law in its country laid down a term of 15 years as from the filing date.

The Delegations of Canada and Spain proposed that the words 'at least' should be deleted in the first line of draft paragraph (1).

The Delegation of the Federal Republic of Germany, in response to the question raised by the Delegation of the United States of America, supported draft Article 305(1) as presently worded, which was compatible with the provisions on internal priority, since the term of a second domestic application could be calculated as from the date of such second application and not from the filing date of the principal application. Draft paragraph (1), as drafted, covered those countries where internal priority was dealt with on the same footing as international priority.

The Delegation of Japan supported Alternative A of draft Article 305. It stated that, as regards the term laid down in draft paragraph (1), it was in favor, with a view to harmonization, of the proposal for 20 years as from the filing date despite the fact that the law of its country was different. The Delegation stressed that a longer

term than 20 years should not be allowed, except for the cases specifically mentioned in Note e. to draft Article 305. As for the matter of derived applications dealt with in draft paragraph (1), it supported the proposal made by the Delegation of the Netherlands to use the word 'shall' in place of the word 'may.' It explained that its own country used the same system of internal priority as the Federal Republic of Germany and that draft paragraph (1) could apply to that system in the same way as to the international system of priority. The Delegation of Japan further stated that it did not feel that the temporary exceptions provided for in draft paragraph (2) should be included in a harmonization treaty.

The Delegation of Uruguay stated that draft Article 305 was one of the most critical Articles for the developing countries. It added that too short a term for patents raised as many problems as too long a term. It held a uniform minimum term of 20 years to be too long in view of the differing periods already existing for various sectors of technology and pointed out that, in the case of integrated circuits, the Washington Diplomatic Conference for the Conclusion of a Treaty on the Protection of Intellectual Property in Respect of Integrated Circuits had decided on a shorter term. Patent protection that was too long had a negative effect on inventive activity and development in certain countries whose special situation had to be taken into account. As for the transitional provisions in draft paragraph (2), the Delegation of Uruguay felt that, although the draft showed a degree of flexibility, the two options in subparagraphs (a) and (b) did not exhaust all the possibilities that were envisageable. It held that as a result of subparagraph (b) the developing countries would find themselves in the same situation as the other countries after a period of 10 years and that that was not what was wanted. It was further necessary to provide for better treatment from a qualitative point of view for the developing countries. Finally, the Delegation of Uruguay agreed with the Delegation of Argentina that subparagraph (b) should be terminated after the words 'in paragraph (1).'

The Delegation of France supported Alternative A of draft Article 305. It added that it was necessary to specify at the end of paragraph (1) that the latter provision concerned only the duration of rights. The fact that the term for certain titles, particularly patents of addition, began at the filing date of the principal application could not have an effect on the beginning of rights resulting from the filing of such patents of addition. Moreover, patents of addition expired, as a general rule, with the principal title.

The Delegation of Iraq could not give its agreement to draft Article 305 since its legislation

laid down a term of 15 years as from filing and the proposed term of 20 years was too long.

The Delegation of Spain supported Alternative A of draft Article 305 and agreed with the Delegation of Canada as regards deletion of the words 'at least' in the first line of draft paragraph (1).

The Delegation of Mexico reserved its right to express an opinion on draft Article 305 following the meeting of experts from the developing countries scheduled for 1990. It emphasized that other alternatives should be examined in greater detail, for example, that of a shorter or conditional duration, in certain critical technical fields.

The Delegation of Hungary, although approving Alternative A of draft Article 305, asked whether the 20-year term would also apply to new plant varieties.

It was replied that the term would apply equally to all patents.

The Delegation of the United Kingdom supported Alternative A of draft Article 305 as presently worded. It pointed out that it could, however, accept the proposal made by the Delegation of the Netherlands and that the wording of draft paragraph (1) could be modified to allow for the comments made by the Delegation of France. As for draft paragraph (2), it questioned whether subparagraph (a) was necessary since, in any event, a country's legislation would have to be amended for it to be able to accede to the Treaty. As for subparagraph (b), it wished to reserve its position, whilst observing that it was necessary to include in the Treaty provisions that would give the developing countries an incentive to join.

The Delegation of India was unable to support, in respect of draft Article 305(1), the proposal for a uniform 20-year term as from filing since it was necessary that the term be able to vary depending on the field of technology because, in the case of some technologies, changes and returns took place more rapidly. It held that the matter of the term should be left to the domestic laws and that there could be no uniformity in view of the fact that the levels of development differed between countries. It further pointed out that, for particularly important technical fields, such as pharmaceuticals, chemicals or food, a shorter term could be laid down in the Treaty.

The representatives of a large number of non-governmental organizations expressed their support for draft Article 305(1). It was emphasized that innovative activity could not be stimulated by a reduction in the term of patents. Such a reduction would simply make it possible to copy the inventions, on expiry of protection, earlier than under longer protection arrangements. The Representative of ALIFAR pointed out that the terms of patent protection in Latin American countries were adequate to the needs of those

countries and added that the proposed term of 20 years appeared too long.

The Chairman summarized the conclusions of discussions on draft Article 305 as follows:

(a) no governmental delegation had been opposed to the filing date of the application as the starting point for protection;

(b) the starting point for protection was always the operative date for novelty and inventive activity, with two exceptions concerning priority, whether internal or international, and additional titles for which it was proposed that the term should not be longer than that of the title on which they depended.

It was agreed that the principle contained in Alternative A of draft Article 305 remained a valid basis for discussion and that the developing countries would continue their examination of that matter in the consultative meeting scheduled for 1990. In a general manner, it was considered that the Treaty would only apply to patent applications filed in a Contracting State after the entry into force of the Treaty in respect of that State, meaning that the provision on the term of patents would have effect only after a relatively long period of time following the date of entry into force.

On the basis of the conclusions drawn by the Chairman, it was agreed that a new wording of draft Article 305 should take into account the fact that the Article did not stipulate the beginning of protection, but only the basis for computing the term of protection."

#### Article 306: Maintenance Fees

In addition to the text of Article 306 as elaborated by the International Bureau, discussions were based on a text proposed by the Delegation of Switzerland. Those texts read as follows:

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

"(1) [Fees for the Maintenance of Patents]

(a) *The owner of a patent may be required to pay periodically to the industrial property office a fee for maintaining in force his patent ('maintenance fee'). Such maintenance fee shall:*

(i) *be for periods of one year each;*

(ii) *be due on the first day of the month following the month of the anniversary of the date of grant of the patent, provided that a period of grace of six months shall be allowed; the industrial property office may require the payment of a surcharge where advantage is taken of the period of grace.*

(b) *Notwithstanding subparagraph (a), the owner of the patent shall have the right to pay maintenance fees for one or several years at any time in advance of the due date for payment.*

(c) *The industrial property office shall allow the payment of maintenance fees to be effected by drawing, pursuant to a standing order, on deposit accounts established with it by owners of patents or their agents.*

(2) [Prohibition of Fees for the Maintenance of Applications] *Fees for the maintenance of applications may not be required."*

[TEXT PROPOSED BY THE DELEGATION OF SWITZERLAND]

"(1) [Fees for the Maintenance of Patents] The owner of a patent may be required to pay periodically to the industrial property office a fee for maintaining in force his patent ('maintenance fee'). Such maintenance fee shall:

(i) be for periods of one year or an integral multiple thereof each;

(ii) be due on the first day of the month following the month of the anniversary of the relevant date from which the duration of the patent is calculated, provided that a period of grace of six months shall be allowed; the industrial property office may require the payment of a surcharge where advantage is taken of the period of grace.

(2) [Fees for the Maintenance of Applications and Accumulated Maintenance Fees] (a) The owner of a patent application may be required to pay periodically to the industrial property office a fee for maintaining in force his application ('maintenance fee'). Such maintenance fee shall:

(i) be for periods of one year each;

(ii) be due on the first day of the month following the month of the anniversary of the date of filing of the application, provided that a period of grace of six months shall be allowed; the industrial property office may require the payment of a surcharge where advantage is taken of the period of grace.

(b) Instead of requiring a maintenance fee for an application under subparagraph (a), each Contracting State may require that the fees for maintaining in force which would have fallen due before grant (accumulated maintenance fees) must be paid upon allowance or grant, at the invitation of the industrial property office, within a time limit which is prescribed by national law and which may not be less than two months from the invitation.

(3) [Mode of Payment] The industrial property office shall allow the payment of maintenance fees to be effected by drawing, pursuant to a standing order, on deposit accounts established with it by applicants, owners of patents or their agents." (Document HL/CE/VII/11, pages 2 and 3)

The portion of the report of the Committee of Experts concerning the discussion of Article 306 reads as follows:

"The Delegation of Switzerland, introducing its proposal (document HL/CE/VII/11) said that draft

Article 306 was intended solely to simplify the administrative formalities surrounding maintenance fees, which was in the interest of applicants, patent owners and their representatives. It was not intended that the maintenance fee for patent applications or the payment periods of several years should be disposed of. The Delegation of Switzerland said that its proposal modified and simplified the International Bureau's proposal in the following way:

(a) the period covered by the maintenance fee must be one year or an integral multiple thereof;

(b) in the case of patents, the due date should be the anniversary of the relevant date from which the duration of the patent is calculated, or a few days later;

(c) in the case of applications, the due date should be the anniversary of the filing date or a few days later;

(d) the exact due date under (b) and (c) above should be calculated in the same way, that is, as from the relevant date or the filing date respectively. What that means is that the exact due dates should be the first day of the month following the anniversary of either the relevant date or the filing date, as the case may be.

The Delegation of the United States of America considered that draft Article 306 was unnecessary, and that there was no need for an attempt at harmonization on the question of maintenance fees. It added that it was keeping an open mind, even though it had not received any support from the interested circles in its country. It pointed out that the International Bureau's proposal presented certain difficulties, notably with regard to draft paragraph (1)(a)(i), which provided for periods of one year each, and draft paragraph (1)(b), which allowed the owners of patents to pay fees in advance, which was found to create budgetary and tax problems.

The Delegation of Norway said that it supported the proposal by Switzerland.

The Delegation of the United Kingdom said that it was unable to support the proposal of the International Bureau. The only part that was acceptable to it was the period of one year provided for in draft paragraph (1)(a)(i). It added that it would oppose Article 306 unless it provided that the date on which the fee was payable was the anniversary date of the grant of the patent and not the first day of the month following that of the anniversary of the grant. As for subparagraph (b), it declared its support for the position of the United States of America. In conclusion, it stressed that an international treaty on harmonization should not contain so much detail. As for Switzerland's proposal, it did contain certain improvements, but likewise repro-

duced some of the provisions proposed by the International Bureau.

The Delegation of the Federal Republic of Germany considered that the only question that deserved to be dealt with was that of the due date for the annual payment of the maintenance fees, on which interested groups were in favor of international harmonization. It was of the opinion that the prohibition of fees for the maintenance of pending applications provided for in draft paragraph (2) went beyond the desirable contents of a treaty on harmonization, and might encourage applicants not to prosecute their applications. Finally, it said that Switzerland's proposal was interesting, but that it had reservations on the provision concerning the mode of payment of the fees.

The Delegation of the Republic of Korea said that the principle of the payment of maintenance fees for patents could be accepted, but that an international treaty on harmonization should not contain provisions on payment periods and the means of effecting payments.

The Delegation of Canada declared its opposition to draft paragraph (1)(b) and (c), which should be deleted. As for the time at which the fee should be paid, it supported the proposal by the Delegation of the United Kingdom that it should be the anniversary date of the grant of the patent. Apart from that it declared itself in favor of maintenance fees for patent applications, as there was a cost factor in the maintenance of applications.

The Delegation of Australia said that draft Article 306 and the proposal by Switzerland contained provisions for which there was no place in an international treaty on harmonization. It believed that these provisions did not take into account the natural and understandable tendency of patent owners to delay decisions until just before the due date for payment of maintenance fees. It added that those provisions were therefore liable to cause administrative problems for patent attorneys, and that moreover the payment of maintenance fees in advance was prohibited in Australia for budgetary reasons. Finally, it considered that fees for the maintenance of applications could not be prohibited, as they kept the applicant from delaying the prosecution of his application.

The Delegation of Japan expressed its support for the other delegations that had expressed doubts on the provision owing to the difficulty of achieving harmonization in that area. It added that there was a growing tendency for the collection of maintenance fees to be handled by computerized systems, which would be costly to change. It concluded by saying that the question of maintenance fees should not be harmonized, and that draft Article 306 should be deleted.

The Delegation of Ghana said that it could not subscribe to paragraph (1) of the proposal by Switzerland, but that it did support its paragraph (2). It considered paragraph (3) irrelevant, as there were local rules peculiar to each office regarding the mode of payment of fees. With regard to draft Article 306, it said that it could not support draft paragraph (2)(a), as the prohibition of fees for the maintenance of patent applications was contrary to the financial interests of developing countries. The Delegation of Austria said that it could not, for budgetary reasons, accept draft paragraph (1)(b) which provided for the payment of maintenance fees in advance. It added that draft paragraph (1)(c) should also be deleted.

The Delegation of Denmark said that its overall attitude was flexible with regard to the Article in question. As for draft Article 306(1)(a), it would call for amendments to Danish legislation. Draft paragraph (1)(b) would present tax and budgetary problems, and therefore could not be accepted. As for draft paragraph (1)(c), on modes of payment, it stressed its lack of enthusiasm for that provision. Finally, it said that draft paragraph (2) should be amended to provide for fees for the maintenance of patent applications.

The Delegation of the Netherlands said that it would have expected that the Article in question was very important to owners of patents but that, in its country, interested groups had unanimously stated their lack of interest in the provision, which should therefore be deleted. It did, however, say that, in draft Article 306, draft paragraphs (1)(b) and (c) and also draft paragraph (2) were unacceptable. It added that the proposal by Switzerland was more acceptable, except with regard to paragraph (1)(ii) on the due date of the first fee to be paid and paragraph (3), which went further than in draft Article 306.

The Delegation of the Soviet Union said that, if draft Article 306 were to be retained, it would have to be drafted in a very general way.

The Delegation of France said that the function of annual fees was two-fold: to participate in the financing of industrial property offices but also to relieve the public sector. Therefore, the Delegation could not support draft Article 306(1)(b) and (c) and paragraph (3) of the proposal by Switzerland. It added that, while the principle of the payment of maintenance fees could appear in the Treaty, the remainder of the provision should be written into a rule containing mandatory and optional provisions for States.

The Delegation of New Zealand said that it was opposed to draft Article 306, as a treaty on harmonization should deal with principles and not with systems. It added that the details were not

appropriate in an international treaty on harmonization, especially since they related to the budgetary and fiscal concerns of States.

The Delegation of India said that the provisions on the mode of payment presented it with problems both in the International Bureau's proposal and in that of Switzerland.

The Delegation of Greece said that the presence of such an Article did not present it with any problem except with regard to the due date, provided for in draft paragraph (1)(a)(ii) and in paragraph (1)(ii) and paragraph (2) of the proposal by Switzerland.

The Delegation of Bulgaria said that it considered draft Article 306 too detailed, and had reservations as to the need to include it at all in a harmonization draft. In any event, it said that it considered draft paragraph (1)(a)(ii) and draft paragraph (2) unacceptable.

The Representative of AIPPI said that draft Article 306 was not a cornerstone of the Draft Treaty, but that there was nevertheless a need for some harmonization in the payment of fees. He said that he wished to see the Article retained as drafted by the International Bureau.

The Representative of the BDI declared his support for the position taken by the Representative of AIPPI. He added that he was very disappointed with the attitude of States to the provision.

The Representative of the APAA said that there was no need to include such a provision in the Treaty, and that draft Article 306 should be deleted.

The Representative of CNIPA, the EPI and CIPA said that whilst he subscribed to the position taken by the Representative of AIPPI, the proposal by Switzerland was preferred. He wondered whether one should not make a closer examination of the proposal by the Delegation of France.

The Representative of the NYPTC said that he was speaking as a patent agent, and that he considered that the question of maintenance fees should not form part of a treaty on harmonization.

The Director General said that in the past draft Article 306 had been more widely supported by non-governmental organizations. Those organizations had asked the International Bureau to draw up a simple provision, without giving any indications on what that provision should contain. In view of the positions that were now being taken, there was no alternative to the deletion of the draft Article.

The Chairman concluded that, in the light of the positions taken by government delegations, draft Article 306 should be deleted."

### Article 307: Remedies

In addition to the text of Article 307 as elaborated by the International Bureau, discussions were based on texts proposed, respectively, by the Delegations of Sweden, France and Japan. Those texts read as follows:

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

“(1) [Minimum Remedies for Patent Infringement] Each Contracting State shall make available at least the following remedies in respect of the performance or the likely performance, as the case may be, without the authorization of the owner of the patent, of any of the acts referred to in Article 302(1), (2) and (4):

(i) an injunction to restrain the performance or further performance of any of the said acts,

(ii) pecuniary compensation for the prejudice caused to the owner of the patent in consequence of the performance of any of the said acts.

(2) [Provisional Protection] (a) Subject to the other provisions of this paragraph, each Contracting State shall also make available at least the following two remedies in respect of the performance or likely performance, without the authorization of the applicant, of any of the acts referred to in Article 302(1), (2) and (4) in relation to any invention claimed in a published application as if a patent had been granted for that invention with the claims appearing in the published application:

(i) injunction to restrain the performance or further performance of any of the said acts, provided that, where the person against whom the applicant seeks the injunction posts a bond of the required amount, the proceedings shall be suspended until the industrial property office has decided to grant or refuse a patent on the application;

(ii) pecuniary compensation for the prejudice caused to the applicant in consequence of the performance of any of the said acts.

(b) Where the application is withdrawn or abandoned, or considered to be withdrawn or abandoned, or rejected and a person has made payments to the applicant in respect of claims in the application invoked by the applicant, or that person has suffered damage on account of such claims having been invoked by the applicant, the applicant shall reconstitute the said payments to that person and shall compensate that person for any damage suffered by the said person.

(c) No remedy granting pecuniary compensation referred to in subparagraph (a) shall be awarded unless it is shown that the person against whom the remedy is sought

(i) had, at the time of the performance of any of the acts referred to in subparagraph (a), actual knowledge that the invention that he is using is the subject matter of a published pending application, or

(ii) had received written notice that the invention that he is using is the subject matter of a published pending application; such application shall be identified by its serial number.

(d) For the purposes of this paragraph, publication shall have the same meaning as in Article 202(1).”

[TEXT PROPOSED BY THE DELEGATION OF SWEDEN]

“(1) [Minimum Remedies] In respect of the rights conferred by a patent in accordance with Article 302(1), (2) and (4), the national law shall provide, at least, for the following remedies:

(i) an injunction to restrain any act constituting infringement of the patent

(ii) damages adequate to compensate for the performance of any such act.

(2) [Provisional Protection] The national law shall provide, at least, for the remedy referred to in subparagraph (1)(ii) against any act committed after the publication of the application which would constitute infringement if a patent had been granted on that application.

(3) The conditions under which the said remedies shall be awarded shall be determined by the national law.” (Document HL/CE/VII/8, page 3)

[TEXT PROPOSED BY THE DELEGATION OF FRANCE]

“Paragraph (2)(a) is to be supplemented as follows:

“For the purposes of this paragraph, the extent of protection afforded by the application shall be determined by the claims as last filed and contained in the publication referred to in Article 106. However, the claims in the patent as granted or amended under one of the administrative revocation procedures referred to in Article 108(1) and (2), shall retroactively determine the extent of protection afforded by the application in those cases where they afford more limited protection.” (Document HL/CE/VII/23)

[TEXT PROPOSED BY THE DELEGATION OF JAPAN]

“Alternative 1:

The following paragraph should be added to the proposal by the Delegation of France (document HL/CE/VII/23):

“The national law shall provide that, where claims are altered from the latest filed claims contained in the publication, a written notice that the invention that a person against whom the remedy is sought is using is the subject matter of a published pending application shall be a prerequisite for seeking the remedy unless the person against whom the remedy is sought had, at the time of the performance of any of acts referred to in Article 307(2)(a) (WIPO proposal), actual knowledge that the invention that he is using is the subject matter of a published pending application.

Where such written notice is required by the national law, the claims determining the extent of

protection conferred by the application shall be the claims which are contained both in the written notice and in the patent.'

*Alternative 2:*

The following paragraph should be inserted between paragraph (2)(c) and (2)(d) in the text elaborated by the International Bureau:

'In the case of (c)(ii), the extent of protection conferred by the application shall be determined by the claims which are contained both in the written notice and in the granted patent.'" (Document HL/CE/VII/25)

The portion of the report of the Committee of Experts concerning the discussion of Article 307 reads as follows:

*"Paragraph (1).* The Delegation of Sweden introduced its proposal for Article 307 (document HL/CE/VII/8). It stated that the proposal, which in essence was not very different from the text of draft Article 307, aimed at presenting the text of this Article in a more concise and easier-to-read manner. The Delegation also pointed out that it tried to avoid the combination in its proposal of principles of civil law and procedural law with principles of patent law.

In replying to a question by the Delegation of Australia, the International Bureau clarified that the remedies provided for in draft Article 307(1) were to be considered as a minimum, and that they did not intend to restrain in any manner the freedom of national courts to exercise discretion in granting remedies. The intention behind the draft provision was to make available minimum remedies for patent infringement under each national law.

The proposal of the Delegation of Sweden was supported, sometimes with suggestions for amendment, by the Delegations of the United States of America, Switzerland, the United Kingdom, Japan, the Republic of Korea, Spain, New Zealand, the Netherlands, Bulgaria, Australia and Finland.

The Delegation of Japan stated that a pecuniary compensation should be conditional on the existence of intent or negligence.

The Delegation of Argentina stated that since it made reservations on draft Article 302, the part of draft Article 307 referring to the said draft Article was included in the reservation. Without prejudice to this, the Delegation indicated its preference for the proposal by Switzerland because of its conciseness and clarity.

A number of non-governmental organizations expressed themselves in favor of the proposal by Sweden.

The Delegations of Canada, Ghana and the Soviet Union expressed themselves in favor of draft Article 307(1).

The Delegation of Israel stated that, in principle, it considered acceptable both draft Article 307(1) and the proposal by Sweden.

The Delegation of the United States of America suggested that, at the end of paragraph (1)(ii) of the proposal by Sweden, the words 'in no event less than a reasonable royalty' should be added. Such addition was intended to set a minimum 'floor' when claiming the amount of damages. Furthermore, the Delegation indicated that consideration should be given to the possibility of providing in draft Article 307(1) treble damages in cases of willful infringement. This provision would not have a mandatory character but would constitute an optional measure to be adopted by the courts.

The Delegation of Ghana said that it did not agree with the suggestion made by the Delegation of the United States of America and proposed that the said suggestion be reflected in square brackets in the revised version of draft Article 307(1).

The Delegation of Japan opposed the inclusion of the notion of a 'reasonable royalty' as a minimum floor with regard to the amount of damages and stated that the amount of damages to be claimed should be left to the discretion of patentees.

The Delegations of Argentina, Bulgaria, France, Japan, New Zealand, Spain, Switzerland and the United Kingdom indicated their preference for the inclusion in draft Article 307(1)(ii) of the concept of "damages" instead of that of 'pecuniary compensation,' since the concept of damages seemed to be more generally accepted. In this connection, the Delegation of France drew attention to the use of such concept in several international conventions, for example, in the field of labor and transportation.

The Delegation of the Netherlands indicated that it could support the proposal of the Delegation of Sweden, but would prefer the text of draft Article 307(1)(ii).

The Delegation of Denmark suggested that draft Article 307(1) should be deleted, since it combined civil law and procedural law principles with principles of patent law, while the Draft Treaty dealt only with patent matters. The Delegation added that if a provision on remedies were to be adopted, it would prefer the proposal by Sweden.

On the basis of a summary of the discussions by the Chairman, it was understood that the International Bureau would revise the wording of draft Article 307(1), taking into account the proposal by Sweden, as amended.

*Paragraph 2.* The Delegation of Sweden introduced its proposal (document HL/CE/VII/8). It stated that the proposal aimed at avoiding the

combination in the same provision of principles of civil law and procedural law with principles of patent law. The Delegation pointed out that its proposal provided for one remedy only, i.e., damages adequate to compensate for the performance of any act constituting infringement of the patent. The conditions under which the said remedy would be awarded would be determined under national law. The proposal did not cover the situation in which a published application was subsequently withdrawn or abandoned, since, in that case, it appeared obvious that any payment made to the applicant for alleged damages should be restituted.

The Delegation of France introduced its proposal (document HL/CE/VII/23). It stated that its proposal was to be understood as a necessary complement to the concept of provisional protection provided for in draft Article 307(2), since it tried to establish which were the claims in the patent application which would determine the scope of the provisional protection.

The Delegation of Japan introduced its proposal (document HL/CE/VII/25). It indicated that the proposal contained two alternatives, Alternative 1, which should be added to the proposal by France, if adopted, and Alternative 2, which should be inserted between subparagraphs (c) and (d) of draft paragraph (2) if the said draft paragraph was retained. Alternative 1 contained an obligation for the Contracting States to provide in their national laws that, when the claims were modified after publication of the patent application, written notice should be served on the party against whom the remedy was sought, drawing his attention to the fact that he was using the subject matter of a published patent application. The serving of the written notice was a prerequisite for seeking the remedy of provisional protection. Alternative 2 provided that the extent of the provisional protection was determined both by the claims as contained in the written notice and in the granted patent.

Concerning the question which was implied in the proposal by Sweden, whether or not draft Article 307(2) should contain two kinds of remedy in relation to an invention claimed in a patent application, i.e., injunction and damages, the Delegations of the United States of America, the United Kingdom, the Federal Republic of Germany, the Netherlands and Japan indicated that an injunction should be available only after the grant of the patent, whereas representatives of non-governmental organizations expressed the view that provisional protection should include the possibility of an injunction.

The Chairman said that, in the light of the discussion, the next draft should not provide for injunctions.

The Delegation of Japan pointed out that for acts performed before the grant of the patent, the amount of the compensation should correspond to a license fee.

The Delegations of the Federal Republic of Germany and the Netherlands shared the view expressed by the Delegation of Japan concerning the undesirability of full damages for acts performed before the grant of the patent. The Delegation of the Netherlands pointed out that during the pendency of the patent application, there was an expectation for the patent rights, and therefore the amount of damages during that period should correspond to a reasonable compensation for the prejudice suffered.

The Delegation of Japan stated that it could accept the words 'reasonable compensation' because they seemed to also cover a license fee.

The Chairman said that, in the light of the discussions, the next draft of draft Article 307(2)(a) should contain two alternatives: one would provide for the possibility of obtaining provisional protection in the form of damages, and the other would limit provisional protection to obtaining reasonable compensation. The next draft should not speak of 'pecuniary compensation.'

The Delegations of Canada, Australia, Israel, India, the United Kingdom and the Republic of Korea indicated that remedies for acts committed before the grant of a patent should be available only after the grant of a patent. The Delegation of Japan stated that where the system of pre-grant opposition was adopted, it should be available only after the publication of the application for opposition purposes.

The Delegation of the Soviet Union expressed itself in favor of provisional protection as provided in the proposal by Sweden.

The Delegation of France suggested that the request for damages could be brought before the court during the pendency of the patent application; however, the relevant decision would be rendered only after the grant of the patent.

The Chairman said that, in the light of the discussions, the next draft should provide that a decision on provisional protection should be made only after the grant of a patent.

A number of delegations made comments on the proposal for paragraph (2)(a) by the Delegation of France concerning the claims on which provisional protection was to be based (document HL/CE/VII/23).

The Delegation of the United Kingdom, while supporting in principle the proposal by the Delegation of France, pointed out that the scope of the protection of the invention should be determined by those claims which were common in the patent application as published and in the granted patent.

In this respect, the representative of a non-governmental organization pointed out the difficulty in ensuring commonality between published and granted claims in examining countries.

The Delegation of the United States of America expressed hesitations concerning the proposal by the Delegation of France, especially as regards the principle that if the claims in the patent granted afforded a more limited protection for the invention than the claims in the application as filed, they should determine retroactively the scope of protection of the patent application. The Delegation supported the suggestion made by the Delegation of the United Kingdom concerning how the scope of the protection of the invention should be determined.

The Delegation of the United States of America indicated that both published and patented claims should be valid to obtain provisional protection. In this regard, attention was directed to the problem resulting from broad omnibus claims appearing in published applications.

The Delegation of Australia suggested that, in order to determine whether an act would constitute infringement of an invention, it should fall within the scope of both sets of claims, i.e., the claims in the patent application as published and the claims in the granted patent.

The Delegation of the Netherlands supported the principle embodied in the proposal by the Delegation of France. The Delegation, however, expressed doubts concerning the words, 'the claims as last filed and contained in the publication' in the said proposal. The Delegation pointed out that during the examination procedure, the claims could undergo changes; in such a case, the claims, as last filed, would not appear in the application as published, although they could be inspected in the files.

The Delegation of the Federal Republic of Germany supported the proposal by the Delegation of France and indicated that the claims as published should constitute the basis for requesting damages.

A number of delegations made comments on the proposal by the Delegation of Japan in respect of notice to the alleged infringer as a requirement for provisional protection (document HL/CE/VII/25).

The Delegation of the Federal Republic of Germany indicated that it was not in favor of the proposal by Japan. In the Delegation's view, national laws should be free to provide whether or not a written notice should be required.

The Delegation of Australia and the Representative of the EPO shared the view expressed by the Delegation of the Federal Republic of Germany.

The Delegation of the Netherlands supported the principle embodied in the proposal of Japan and indicated that in the situation envisaged in that proposal a mandatory written notice to the alleged infringer appeared essential.

The Delegation of France referred to the examination procedure of patent applications under the national law of its country and indicated that, under the said procedure, the claims in the granted patent would correspond either to those in the publication of the patent application or to those as modified following the search report or the observations made by third parties. The Delegation pointed out that, from a drafting point of view, it was not clear whether in the proposal by Japan the written notice should be mandatory or not. The Delegation shared the view expressed by the Delegation of the Federal Republic of Germany and added that it did not see a need for the written notice, since the patent application was published so that the situation was the same as in the case of a granted patent.

The Delegation of Japan pointed out that in order to enforce the provisional protection in respect of the subject matter of the patent application, as altered during the period of examination of the patent application, it was necessary that a written notice be addressed to an alleged infringer. The Delegation also referred to the huge number of patent applications filed in Japan each year, which created a substantial burden to any interested party to ascertain whether or not a certain technical solution was the subject of a pending patent application.

The Delegation of the JPAA supported the statement made by the Delegation of Japan.

It was pointed out that the notice requirement would put an undue burden on the applicant, who would have to investigate where his invention might be used without his consent.

On the basis of a summary of the discussions by the Chairman, it was understood that, in draft Article 307(2), paragraph (a) should be limited to damages or reasonable compensation, as indicated in paragraph 556, above, and the scope of the protection of the patent application should be determined by the claims as appearing in the granted patent, provided that they were also contained in the patent application as published. Draft paragraph (b) should be deleted; draft paragraph (c) should be maintained in its essence, and draft paragraph (d) should be maintained."

#### *Article 308: Privilege of Prior User*

In addition to the text of Article 308 as elaborated by the International Bureau, discussions were based on a text proposed by the Delegation of Switzerland. Those texts read as follows:

[TEXT ELABORATED BY THE INTERNATIONAL BUREAU]

*“(1) [Prior User] (a) Subject to subparagraphs (b) to (d), the owner of a patent shall not enjoy protection against the use, not authorized by him, of any invention that is claimed in his patent by a person (‘the prior user’) who, at the filing date or, where priority is claimed, at the priority date of the application on which the patent is granted,*

- (i) was actually using that invention, or*
- (ii) was engaged in serious preparations, involving, from the viewpoint of the prior user, significant investment, for the actual use of that invention,*

*in the territory or any other place or space under the sovereignty of the Contracting State in or for which the patent is granted.*

*(b) Where the prior user of any invention claimed in the patent obtained knowledge thereof through an unlawful act committed by him or any other person, subparagraph (a) shall not apply.*

*(c) Where the patent covers two or more inventions and the use or preparations referred to in subparagraph (a) related to one or some only of the inventions claimed in the patent, subparagraph (a) shall apply only to the latter invention or inventions.*

*(d) The privilege of prior user established by subparagraph (a) shall not extend to any use which, in nature or purpose, differs from the actual use practiced by the prior user, or actually envisaged by him in his serious preparations, before the filing date or, where priority is claimed, the priority date of the application on which the patent is granted.*

*(2) [Successor in Title of the Prior User] Paragraph (1) shall not apply to a successor in title of the prior user unless that successor in title is the owner of the enterprise or business, or that part of the enterprise or business, in which the prior user made the use or preparations referred to in paragraph (1)(a).”*

[TEXT PROPOSED BY THE DELEGATION OF SWITZERLAND]

*“1) [Prior Use] A patent shall have no effect against any person who in good faith before the filing date or, where priority is claimed, before the priority date of the application on which the patent is granted and within the territory where the patent produces its effect, was using the invention or had made effective and serious preparations for that purpose; any such person may continue such use in the course of his business or for the needs thereof.*

*2) [Succession in Title] The right of prior use can only be assigned or transferred together with the enterprise or business of the prior user or with that part of his enterprise or business in which the use or prepara-*

*tions for use have been made.” (Document HL/CE/VII/10)*

The portion of the report of the Committee of Experts concerning the discussion of Article 308 reads as follows:

“The Delegation of Switzerland introduced its proposal (document HL/CE/VII/10). It pointed out that the proposal tried to simplify the wording of draft Article 308. The proposal embodied the concept of ‘good faith’ in the use of any information concerning the invention made available to the public before the filing date of the patent application. Moreover, the proposal specified that the right of prior user should not extend to uses different from the prior use or the intended use for which serious and effective preparations had been made. The main purpose of the proposal was to offer general basic principles which would leave the courts free to decide on each specific case.

The Delegations of Hungary, the Netherlands, Austria, the United Kingdom, Switzerland, Sweden, Greece, the Federal Republic of Germany, France, the Soviet Union, Denmark, Norway, Australia, Czechoslovakia, Belgium, Finland, China, Bulgaria, Israel, Canada, Ireland and Mexico supported the inclusion in the Draft Treaty of the principle of the privilege of the prior user, as drafted in the proposal of the Delegation of Switzerland.

The Delegation of the Netherlands indicated that, in principle, it could support the proposal by Switzerland. It suggested, however, that the word ‘territory’ in paragraph (1), which in the view of the Delegation implied a too narrow notion, should be substituted with a more neutral notion, for example, ‘domain,’ so that, for example, the continental shelf was covered. Furthermore, the Delegation proposed that the coming into existence of the prior user right should be conditioned upon the fact that the prior use of the invention or the effective and serious preparation for its use were made in the business of the prior user. Replying to a clarification made by the Delegation of the Federal Republic of Germany, and in agreement with it, the Delegation specified that an interruption of the use should not terminate the prior user right. The words ‘such use’ in paragraph (1) of the proposal by Switzerland should not be interpreted as a limitation as to quantity. Within the scope of the prior use, the prior user should have a ‘continuous right’ to use the invention.

The Delegation of the United Kingdom stated that the principle of the prior user privilege was essential in a first-to-file system and supported the proposal by Switzerland. The Delegation specified that the words ‘using the invention’ in para-

graph (1) of the proposal by Switzerland was to be interpreted to mean the particular use or embodiment of the invention which the prior user was actually performing or for which he was making preparations, as provided for in draft Article 308(1)(d). The Delegation pointed out that the right of prior user should not be denied where he had obtained the information on the invention through a disclosure by the inventor. Such an inventor would enjoy a grace period for his disclosure in respect of the application subsequently filed by him or his successor in title but otherwise had to bear the risk that the disclosure engaged a third party to use the invention (with the consequence of prior user rights) or to file a patent application (with the consequence of the grant of a valid patent to such third party).

The Delegation of the United States of America indicated that the concept of the prior user privilege did not exist in the patent law of its country and expressed doubts as to the need to cover such concept in a mandatory manner in an international instrument. However, countries should be free to include in their national laws the prior user right.

The Delegation of Japan, while indicating that the prior user right was provided for in the patent law of its country and that there seemed to be a basic conflict of views on how to deal with a person who (lawfully or in good faith) obtained knowledge from the inventor, supported the statement made by the Delegation of the United States of America and indicated that the privilege of the prior user was a subject matter to be regulated under national laws, for which there was no strong need of harmonization at an international level. However, the Delegation, while expressing its preference for the deletion of draft Article 308, indicated that it could accept the inclusion in the Draft Treaty of the principle of the prior user right on an optional basis.

The Delegation of Denmark supported the inclusion in the Draft Treaty of the prior user right and indicated that in principle it considered the proposal by Switzerland acceptable. The Delegation specified that in order to come into existence, the prior user right would require not only 'good faith' on the part of the prior user, as provided in the proposal of the Delegation of Switzerland, but also that the prior user did not obtain knowledge of the invention from or in consequence of acts performed by the owner of the patent. The Delegation referred in this connection to a resolution adopted by AIPPI at its Congress in Amsterdam in June 1989. A similar view was expressed by Japan.

The Representative of AIPPI recalled that at the Congress in Amsterdam in June 1989 a resolution on prior use had been adopted. According

to that resolution, the prior user right should be mandatory; the prior user right should be limited to those activities which were carried out by the prior user, and any rights accorded to him should be restricted to the said activities. No prior user right would be accorded where the prior user obtained knowledge of the invention protected by the patent as a consequence of acts performed by the patentee. The representative suggested that the concept of 'activities of the prior user' should be included in draft Article 308, instead of the concept of 'use of the invention.'

The doubts expressed by the Delegation of the United States of America concerning the need to include a provision on the prior user right in the Draft Treaty were supported by a number of non-governmental organizations of that country.

A number of non-governmental organizations supported the inclusion in the Draft Treaty of mandatory provisions on the prior user right. In this connection, it was pointed out that the said provision was necessary in a first-to-file system of patent applications. Support was expressed for the views expressed by the Delegation of the United Kingdom, where information on an invention had been obtained through disclosure by the inventor.

The Director General suggested, as a compromise solution, that the proposal by Switzerland should be used to prepare a new version of draft Article 308. However, that new version should not make the prior user right mandatory but should leave to the Contracting States the freedom to establish a prior user right, which, however, should not go beyond what was allowed in the Article. Thus, paragraph (1) of the redrafted Article should be preceded by the words 'Any Contracting State may provide that...'. A new paragraph should be added after paragraph (2) of the said proposal reading as follows: 'No Contracting State shall provide for limitations on the patentee's rights on the basis of prior use by a third party stricter than those allowed in paragraphs (1) and (2).'

This suggestion was—in an initial reaction—generally supported."

#### *Article 401: Assembly*

Discussions were based on the text of Article 401 as elaborated by the International Bureau. This text read as follows:

*"(1) [Composition] (a) The Union shall have an Assembly consisting of the Contracting Parties.*

*(b) Each Contracting Party shall be represented by one delegate, who may be assisted by alternate delegates, advisors and experts.*

(c) *The expenses of each delegation shall be borne by the Contracting Party that has appointed the delegation.*

(2) [Tasks] (a) *The Assembly shall:*

(i) *deal with all matters concerning the maintenance and development of the Union and the implementation of this Treaty;*

(ii) *adopt, where it considers it desirable, guidelines for the implementation of obligations under this Treaty or the Regulations to this Treaty;*

(iii) *exercise such rights and perform such tasks as are specifically conferred upon it or assigned to it under this Treaty;*

(iv) *give directions to the Director General concerning the preparations for revision conferences;*

(v) *review and approve the reports and activities of the Director General concerning the Union, and give him all necessary instructions concerning matters within the competence of the Union;*

(vi) *establish such committees and working groups as it deems appropriate to achieve the objectives of the Union;*

(vii) *determine which States and intergovernmental organizations other than Contracting Parties and non-governmental organizations shall be admitted to its meetings as observers;*

(viii) *take any other appropriate action designed to further the objectives of the Union and perform such other functions as are appropriate under this Treaty.*

(b) *With respect to matters which are of interest also to other Unions administered by the Organization, the Assembly shall make its decisions after having heard the advice of the Coordination Committee of the Organization.*

(3) [Representation] *A delegate may represent, and vote in the name of, one Contracting Party only.*

(4) [Voting] *Each Contracting Party shall have one vote.*

(5) [Quorum] (a) *One-half of the Contracting Parties shall constitute a quorum.*

(b) *In the absence of the quorum, the Assembly may make decisions but, with the exception of decisions concerning its own procedure, all such decisions shall take effect only if the quorum and the required majority are attained through voting by correspondence.*

(6) [Majorities] (a) *Subject to paragraph (9)(b) of this Article and to Articles 403(2) and (3), 501(4) and 602(2), the decisions of the Assembly shall require a majority of the votes cast.*

(b) *Abstentions shall not be considered as votes.*

(7) [Sessions] (a) *The Assembly shall meet once in every second calendar year in ordinary session upon convocation by the Director General and, in the absence of exceptional circumstances, during the same period and at the same place as the General Assembly of the Organization.*

(b) *The Assembly shall meet in extraordinary session upon convocation by the Director General, either at the request of one-fourth of the Contracting Parties or on the Director General's own initiative.*

(8) [Rules of Procedure] *The Assembly shall adopt its own rules of procedure.*

(9) [Guidelines] (a) *In the case of conflict between the guidelines referred to in paragraph (2)(a)(ii) and the provisions of this Treaty or the Regulations to this Treaty, the latter shall prevail.*

(b) *The adoption by the Assembly of the said guidelines shall require three-fourths of the votes cast."*

The portion of the report of the Committee of Experts concerning the discussion of Article 401 reads as follows:

"When introducing draft Article 401, the Director General drew the attention of the Committee of Experts to the footnote to draft Article 401(1), containing a reference to the footnote under draft Article 701(b), which indicated that the draft of the substantive provisions of the proposed Draft Treaty spoke of Contracting 'States.' If it were decided that certain supranational and intergovernmental organizations could also become party to the Treaty, all provisions would have to be adapted accordingly. The question whether certain supranational and intergovernmental organizations, as defined in draft Article 701(1)(b), should have the possibility of adhering to the Treaty was clearly an important political point. The International Bureau favored such a possibility which, in its essence, was already provided for in the 1989 Treaty on the Protection of Intellectual Property in Respect of Integrated Circuits (hereinafter referred to as 'the Washington Treaty'), and the 1989 Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (hereinafter referred to as 'the Madrid Protocol').

The Delegation of the United States of America, referring to instructions received from its State Department, stated that the question of international organizations becoming party to the Treaty under consideration was a complex matter. This had been demonstrated by the discussions at the Washington Diplomatic Conference that had adopted the Washington Treaty. The present Draft

Treaty deviated from positions taken by the Delegation of the United States of America at that Diplomatic Conference. Therefore, the competent authorities of the United States of America wished to study the matter in greater detail and intended to circulate a document containing the results of such studies before the next session of the Committee of Experts.

In addition, the Delegation of the United States of America raised the question whether or not supranational and intergovernmental organizations referred to in draft Article 701(1)(b) would have a voting right in the Assembly foreseen in draft Article 401. This seemed to be the present intention behind the wording of the latter Article, which would lead, for instance, to the member countries of the European Communities having two 'bonus' votes, if the European Communities and the European Patent Organisation became party to the Treaty. The Draft Treaty would also make it possible for the Treaty to come into force between international organizations only, without any State having to become a party to it. As to the requirements of entry into force, the system of the PCT should be followed, that is, the Treaty should require, for its entry into force, that a certain number of States, each of them having more than a certain number of applications per year, adhere to it. Furthermore, it seemed necessary to provide for a sufficiently long period after the conditions for the entry into force have been fulfilled and the Treaty enters into force, because one would have to educate prospective applicants and the industrial property offices on how to operate under the Treaty. This was particularly important for the United States of America, whose national law would have to be changed substantially.

The Delegation of the United Kingdom supported the concept set out in draft Article 701(1)(b) in view of its membership in the European Communities and the European Patent Organisation. Other treaties taking the same approach had already been concluded. It appreciated the carefulness with which the definition of international organization had been drafted. Those organizations in fact could be looked upon as being extensions of their member States, and therefore participation in the Treaty under consideration would make sense. On the other hand, it seemed to be unrealistic to expect that the Treaty could enter into force for such international organizations only. All member States of the European Patent Organisation and of the European Communities would have to agree if those organizations decided to adhere to the Treaty. As far as the voting rights of such organizations were concerned, the Delegation wished to reserve its position.

The Delegations of Japan and Australia stated that they shared the concerns expressed by the Delegation of the United States of America. The accession of international organizations to the Treaty should not be used to expand the voting rights or influence of their member countries being also Contracting Parties to the Treaty.

The Delegation of the Federal Republic of Germany underlined that the participation of international organizations in the Treaty was a point of political importance, in particular for the member countries of the European Communities and the European Patent Organisation, which had not yet been studied in detail. It reserved, therefore, its position in this respect, while pointing out that the European Communities had not yet exercised their competence to set norms in the field of patent law.

The Delegation of New Zealand said that the Delegation of the United States of America had raised fundamental questions about the participation of international organizations which required careful study. Therefore, it supported the Chairman's request that the document announced by the Delegation of the United States of America be circulated as soon as possible. If the United States of America chose not to submit a document, the International Bureau should be informed accordingly and in good time.

The Delegation of Canada expressed itself in favor of the approach underlying draft Article 701(1)(b) and said that it looked forward to international organizations joining the Treaty. As to the details, it was concerned with voting provisions.

The Delegation of the United States of America pointed to the different responsibilities that the European Communities and the European Patent Organisation had in their respective fields of competence. In the Assembly foreseen in draft Article 401, member States of the European Communities or of the European Patent Organisation might express views different from those taken by the European Communities or by the European Patent Organisation. This might lead to interesting situations. Then, there was the possibility that some or all of the member States of the European Patent Organisation might close their national patent offices. In spite of that, they might try to add their votes to those of the international organizations to which they belonged.

The Director General stated that any State not having a national patent office would have to withdraw from the Treaty in view of the fact that such State could no longer fulfill certain of the obligations under the Treaty.

The Delegation of India stated that it seemed to be necessary to address the reality of intergovernmental organizations having responsibilities in

the field of patent law. The real question was what status such organizations should have, and it was clear that serious consideration would have to be given to this matter. What had to be avoided was a duplication of representation and votes as between the organizations concerned and States members of such organizations and, in general, a proliferation of voting rights. There also existed other regional organizations for industrial property, whose member States were not, at the same time, members of arrangements for economic integration. Unfair treatment of those organizations should be avoided. In this respect, a fair distribution of votes was very critical.

The Delegation of the Federal Republic of Germany stressed that the Draft Treaty dealt with the harmonization of legislation in the field of patent law, not with practice of patent offices which would have to implement the legislation. It raised the question whether the provisions of the Draft Treaty might be looked upon not only as of a law-making nature, but also as being self-executing, granting individual rights to the citizens of the Contracting States. It pointed out that the Draft Treaty was mainly concerned with the harmonization of legislation.

The Delegation of Ghana emphasized that it foresaw serious conflicts of laws. The granting of voting rights to international organizations might lead to difficult problems of international law in view of Contracting States being party to various treaties. International organizations should have no rights that superseded the rights of States. Voting rights could be attributed to international organizations only where they had received a mandate from their member countries, as was the case in respect of the European Communities. States would have to choose whether to speak on their own behalf or through regional organizations.

The Representative of the EPO stated that the question of the participation of the European Patent Organisation in the Treaty was of particular interest. As the competent organs of the European Patent Organisation had not yet deliberated on the question, he would not take position on the matter. In any case, the European Patent Organisation appeared to fulfill the criterion set out in draft Article 701(1)(b) for a supranational or intergovernmental organization in order to qualify as a Contracting Party to the Treaty. The said Organisation had established norms in patent matters directly applicable in its member countries, and its organs also had the competence to change said norms with binding force. Changes in the European Patent Convention and in the Regulations under that Convention were directly applicable in the member States of the Organisation and not only addressed to them. He also empha-

sized that the study announced by the Delegation of the United States of America was of high importance for the internal deliberations in the European Patent Organisation and should be made available as soon as possible.

The Representative of the CEC welcomed the possibility of acceding to the Treaty, offered to the European Communities by means of draft Article 701(1)(b). The Draft Treaty followed the line which had been accepted already for the Madrid Protocol. For more than 30 years, the European Communities had participated in the negotiation and conclusion of treaties under international law; they had exclusive competence in a wide range of matters where the member countries could no longer act on their own. The Communities have established a complete system of organs, with a Council, a Commission, an Assembly and a Court guaranteeing the unity and enforcement of a law which was applicable for more than 300 million citizens of the Common Market.

In response to the previous intervention, the Delegation of Ghana underlined that it was not opposed to international organizations becoming Contracting Parties to the Treaty. It simply wished to point out that member countries of such organizations could not adhere to the Treaty together with the organization of which they were members. It was not contested that the European Communities had full competence for their Member States.

The Chairman drew the attention of the Committee of Experts to the fact that, in the States members of the European Patent Convention, there existed two parallel systems of patents, namely, the national system and the regional system. The applicant had a free choice between the national system and the regional system. This reality had to be taken into account when discussing the possible adherence of the European Patent Organisation to the Treaty.

The Delegation of India suggested reviewing the terminology used for 'supranational and inter-governmental organizations,' and to speak instead of 'regional economic integration agreements,' a term which had been used in other international instruments. This would narrow the field of application of the term. What in fact was required was that such regional economic integration agreements transfer full competence to the regional legal entity they created. It was crucial that, in the context of the Assembly, the member countries of such a regional agreement should not have more voting rights than they would have individually and the total sum of the votes expressed by, for example, the European Economic Communities and the 12 Member States together should not be more than 12.

In respect of draft Article 401(2)(ii), it was noted that the guidelines mentioned in that provision would not have binding force on the Contracting Parties.

It was concluded that the notion of 'Contracting Parties,' as used in draft Article 701(1), would be used throughout the text of the next draft."

#### Article 402: International Bureau

Discussions were based on the text of Article 402 as elaborated by the International Bureau. This text read as follows:

*"(1) [Tasks] The International Bureau shall:*

*(i) perform the administrative tasks concerning the Union, as well as any tasks specifically assigned to it by the Assembly;*

*(ii) provide the secretariat of revision conferences, of the Assembly, of the committees and working groups established by the Assembly, and of any other meeting convened by the Director General under the aegis of the Union.*

*(2) [Director General] The Director General shall be the chief executive of the Union and shall represent the Union.*

*(3) [Meetings Other than Sessions of the Assembly] The Director General shall convene any committee and working group established by the Assembly and all other meetings dealing with matters of concern to the Union.*

*(4) [Role of the International Bureau in the Assembly and Other Meetings] (a) The Director General and any staff member designated by him shall participate, without the right to vote, in all meetings of the Assembly, the committees and working groups established by the Assembly, and any other meetings convened by the Director General under the aegis of the Union.*

*(b) The Director General or a staff member designated by him shall be ex officio secretary of the Assembly, and of the committees, working groups and other meetings referred to in subparagraph (a).*

*(5) [Revision Conferences] (a) The Director General shall, in accordance with the directions of the Assembly, make the preparations for revision conferences.*

*(b) The Director General may consult with intergovernmental and international and national non-governmental organizations concerning the said preparations.*

*(c) The Director General and staff members designated by him shall take part, without the right to vote, in the discussions at revision conferences.*

*(d) The Director General or a staff member designated by him shall be ex officio secretary of any revision conference."*

The portion of the report of the Committee of Experts concerning the discussion of Article 402 reads as follows:

*"Paragraphs (1) and (2). No observations were made.*

*Paragraph (3). In reply to a question of the Delegation of the United States of America on what was meant by 'all other meetings dealing with matters of concern to the Union,' referred to in this draft paragraph, the Director General said that this phrase was intended to cover such meetings as groups of consultants or consultations with users.*

In reply to a question of the Delegation of Australia whether the Director General would be obliged to inform Contracting Parties of any amendments of the Treaty or the Regulations, the Director General replied that this would be done under draft Article 707.

*Paragraphs (4) and (5). No observations were made."*

#### Article 403: Regulations

Discussions were based on the text of Article 403 as elaborated by the International Bureau. This text read as follows:

*"1) [Content] The Regulations annexed to this Treaty provide rules concerning:*

*(i) matters in respect of which this Treaty expressly provides that they are, or shall be, 'prescribed';*

*(ii) further or supplementary details concerning, or any details useful in the implementation of, the provisions of this Treaty;*

*(iii) any administrative requirements, matters or procedures.*

*(2) [Amending the Regulations] (a) The Assembly may amend the Regulations.*

*(b) Subject to the provisions of paragraph (3), amendments shall require three-fourths of the votes cast.*

*(3) [Requirement of Unanimity] (a) The Regulations may specify rules which may be amended only by unanimous consent.*

*(b) Exclusion, for the future, of any rules designated as requiring unanimous consent for amendment from such requirement shall require unanimous consent.*

*(c) Inclusion, for the future, of the requirement of unanimous consent for the amendment of any rule shall require unanimous consent.*

(4) [Conflict Between the Treaty and the Regulations] *In the case of conflict between the provisions of this Treaty and those of the Regulations, the former shall prevail.*"

The portion of the report of the Committee of Experts concerning the discussion of Article 403 reads as follows:

*"Paragraph (1). No observations were made.*

*Paragraphs (2) and (3). The Director General said that the majorities or unanimity requested for the amendment of certain Rules would be fixed once the exact contents of each Rule had been decided by the Diplomatic Conference. In any case, the next draft of the Regulations would contain proposals in this respect.*

*The Delegation of the United States of America recalled that it would insist that questions concerning 'best mode' and 'one-part claims' should be amendable only by unanimous consent.*

*Paragraph (4). No observations were made."*

#### *Article 501: Settlement of Disputes*

Discussions were based on the text of Article 501 as elaborated by the International Bureau. This text read as follows:

*"(1) [Consultations] (a) Where any dispute arises concerning the interpretation or implementation of this Treaty, a Contracting Party may bring the matter to the attention of another Contracting Party and request the latter to enter into consultations with it.*

*(b) The Contracting Party so requested shall provide promptly an adequate opportunity for the requested consultations.*

*(c) The Contracting Parties engaged in consultations shall attempt to reach, within a reasonable period of time, a mutually satisfactory solution of the dispute.*

*(2) [Other Means of Settlement] If a mutually satisfactory solution is not reached within a reasonable period of time through the consultations referred to in paragraph (1), the parties to the dispute may agree to resort to other means designed to lead to an amicable settlement of their dispute, such as good offices, conciliation, mediation and arbitration.*

*(3) [Panel] (a) The Assembly shall adopt rules for the establishment of a body of experts, any candidate having to be presented by a Contracting Party. It shall adopt rules concerning the manner of selecting the members of each*

*panel, each panel having three members, none of which shall, unless the parties to the dispute agree otherwise, be from either party to the dispute. The Assembly shall also adopt rules for the conduct of the panel proceedings, including provisions to safeguard the confidentiality of the proceedings and of any material designated as confidential by any participant in the proceedings. Each panel shall give full opportunity to the parties to the dispute and any other interested Contracting Parties to present to it their views.*

*(b) If the dispute is not satisfactorily settled through the consultations referred to in paragraph (1), or if the means referred to in paragraph (2) are not resorted to, or do not lead to an amicable settlement within a reasonable period of time, the Assembly, at the written request of either of the parties to the dispute, shall appoint members of a panel to examine the matter.*

*(c) The terms of reference of the panel shall be agreed upon by the parties to the dispute. However, if such agreement is not achieved within three months from the date the Assembly appointed the members of the panel, the Assembly shall itself set the terms of reference of the panel after having consulted the parties to the dispute and the members of the panel.*

*(d) If both parties to the dispute so request, the panel shall stop its proceedings.*

*(e) Unless the parties to the dispute reach an agreement between themselves prior to the panel's concluding its proceedings, the panel shall promptly prepare the draft of a written report containing a statement of the facts of the case and containing recommendations for the resolution of the dispute and provide it to the parties to the dispute for their review. The parties to the dispute shall have a reasonable period of time, whose length shall be fixed by the panel, to submit any comments on the report to the panel, unless they agree to a longer time in their attempts to reach a mutually satisfactory resolution to their dispute.*

*(f) The panel shall take into account the comments and shall promptly transmit its final report to the Assembly, which report shall be accompanied by the written comments, if any, of the parties to the dispute.*

*(4) [Recommendation by the Assembly] The Assembly shall give the report of the panel prompt consideration. The Assembly shall make recommendations to the parties to the dispute, based upon its interpretation of this Treaty and the report of the panel. Any recommendation by the Assembly shall require consensus among the members of the Assembly other than the parties to the dispute."*

The portion of the report of the Committee of Experts concerning the discussion of Article 501 reads as follows:

"The Director General said that the next draft may be different in the light of developments in WIPO's Committee of Experts on the Settlement of Disputes, to meet in February 1990, and developments in GATT.

The Delegation of Brazil said that draft Article 501 was a good basis for discussion. It noted that the draft Article was based on the corresponding provision in the Washington Treaty, except for draft paragraph (4). Contrary to the Washington Treaty, for a recommendation to be adopted under draft Article 501(4), a consensus among members of the Assembly, other than the parties to the dispute, would be required. The Delegation wished to know the reason for this innovation.

The Director General said that draft paragraph (4) would no longer allow the parties to the dispute to veto any recommendation since the temptation for at least the losing party would be too great to do so and may thus frustrate the aim of settlement.

The Delegation of Japan also agreed that the Draft Treaty should include an effective dispute settlement provision. However, it sought some explanations as to why this approach had been chosen instead of relegating disputes to the International Court of Justice, as do more traditional treaties, such as the Paris Convention, and why draft Article 501 departed from the GATT approach regarding retaliation and from the Washington Treaty regarding the requirement of a consensus by the Assembly.

The Director General said that no case under the Paris or Berne Conventions was ever submitted to the International Court of Justice, presumably because the cost and complications of a procedure before that Court were considered by the States as disproportionate to the importance of a dispute concerning intellectual property obligations.

The Delegation of the Federal Republic of Germany inquired as to what was the relationship between draft Article 501 and the work of the Committee of Experts on the Settlement of Disputes.

The Director General said that it was only after the meetings of that Committee and the outcome of the GATT Uruguay Round negotiations that it would be possible to decide whether a provision along the lines of draft Article 501 was desirable. In the case of a dispute in which at least one of the parties to the dispute was not bound by the prospective general WIPO dispute settlement treaty, but was bound by the Draft Treaty under consideration, a dispute settlement mechanism under the latter would be desirable.

The Delegation of the United States of America stated that it reserved its position on draft Article 501.

The Delegation of Ghana also recognized the importance of a dispute settlement arrangement for industrial property matters. Many States were not prepared to submit themselves to the jurisdiction of the International Court of Justice and may not be prepared to submit themselves to the jurisdiction of a GATT panel. However, the Delegation was concerned as to what remedies would be available to a State that won a dispute under an Article 501 procedure, in particular a small country, if the opposing party refused to accept the recommendation by the Assembly.

The Delegation of India agreed, in principle, with the need for a dispute settlement arrangement for intellectual property matters. It also agreed with the Delegation of Brazil that draft Article 501 constituted a good basis of discussion within the context of this Draft Treaty. At this stage, it did not have a strong view or preference as to an overall mechanism for dispute settlement for all intellectual property matters versus a specific approach limited to the Draft Treaty under consideration. It was open to all possibilities and had to study the interplay of these parallel developments. It favored the panel approach as implied in the Draft Treaty, since it was more consistent with the approach adopted in the Washington Treaty and not any other approach that might exist in the context of other organizations.

The Chairman, in summarizing the discussions, said that the next draft would also contain an article on dispute settlement."

#### *Article 601: Revision of the Treaty*

Discussions were based on the text of Article 601 as elaborated by the International Bureau. This text read as follows:

"(1) [Revision Conferences] *This Treaty may be revised by a conference of the Contracting Parties.*

(2) [Convocation] *The convocation of any revision conference shall be decided by the Assembly.*

(3) [Provisions that Can be Amended Also by the Assembly] *The provisions referred to in Article 602(1)(a) may be amended either by a revision conference or according to Article 602."*

The portion of the report of the Committee of Experts concerning the discussion of Article 601 reads as follows:

"No observations were made."

*Article 602: Amendment of Certain Provisions of the Treaty*

Discussions were based on the text of Article 602 as elaborated by the International Bureau. This text read as follows:

*“(1) [Proposals] (a) Proposals for the amendment of Articles 304(2) to (8), 401(1)(c), (4), (5) and (7) and 402(1) may be initiated by any Contracting Party or by the Director General.*

*(b) Such proposals shall be communicated by the Director General to the Contracting Parties at least six months in advance of their consideration by the Assembly.*

*(2) [Adoption] (a) Amendments to the provisions referred to in paragraph (1) shall be adopted by the Assembly.*

*(b) Adoption shall require three-fourths of the votes cast.*

*(3) [Entry into Force] (a) Any amendment to the provisions referred to in paragraph (1) shall enter into force one month after written notifications of acceptance, effected in accordance with their respective constitutional processes, have been received by the Director General from three-fourths of the Contracting Parties members of the Assembly at the time the Assembly adopted the amendment.*

*(b) Any amendment to the said provisions thus accepted shall bind all the Contracting Parties which were Contracting Parties at the time the amendment was adopted by the Assembly.*

*(c) Any amendment which has been accepted and which has entered into force in accordance with subparagraph (a) shall bind all Contracting Parties which become Contracting Parties after the date on which the amendment was adopted by the Assembly.”*

The portion of the report of the Committee of Experts concerning the discussion of Article 602 reads as follows:

“The Delegation of the United States of America questioned the desirability of this draft Article. In particular, it wondered whether it was appropriate for substantive provisions of the Draft Treaty to be amendable by anything less than a Diplomatic Conference. It was surprised, for example, that draft Article 304 (Extent of Protection and Interpretation of Claims), which was very complicated and had taken much time to negotiate, would then be amendable by a mere three-fourths of the votes of the Assembly. As regards the possibility of thus also amending draft Article 401(1)(c), the Delegation wondered how the eventuality of Contracting Parties not bearing the expenses of their delegations to the Assembly

could be envisaged under a treaty which did not provide for independent resources and means of payment therefor.

The Delegation of Australia proposed that draft Article 602(3)(b) be revised so that each Contracting Party should be bound by any amendment accepted under draft Article 602, provided such amendment did not increase that Contracting Party's financial commitment under the Draft Treaty.

The Delegation of Japan agreed with the Delegation of the United States of America as regards the reference to draft Articles 304 and 401(1)(c). It considered that those provisions should not be amendable by the procedure provided for in draft Article 602.

The Delegation of the Federal Republic of Germany expressed the same concern as the Delegation of the United States of America regarding the reference to draft Article 304. However, it did not share that Delegation's concern regarding the reference to draft Article 401(1)(c) because a precedent already existed under the Washington Treaty.

The Director General said, and the Committee noted, that the list of provisions in draft paragraph (1)(a) would be re-examined in the light of the comments made and that the next draft would include a provision requiring, for the amendment of certain provisions by the Assembly, that no Contracting Party vote against it.”

*Article 701: Becoming Party to the Treaty*

Discussions were based on the text of Article 701 as elaborated by the International Bureau. This text read as follows:

*“(1) [Adherence] (a) Any State party to the Paris Convention may become a party to this Treaty.*

*(b) Furthermore, any supranational or inter-governmental organization may become party to this Treaty, provided that it has established norms in patent matters binding all of the States that are its members and has the competence to modify such norms, and provided that at least one of such States is a party to the Paris Convention.\**

*(c) For becoming party to this Treaty, the State or supranational or intergovernmental organization shall:*

*(i) sign this Treaty and deposit an instrument of ratification, acceptance or approval, or*

*(ii) deposit an instrument of accession.*

\* The draft of the substantive provisions of the proposed Treaty, contained in document HL/CE/VII/3, speaks only of Contracting States. Should this provision be adopted, the words ‘Contracting States’ in the said draft substantive provisions should be replaced by the words ‘Contracting Parties.’

(2) [Deposit of Instruments] *The instruments referred to in paragraph (1) shall be deposited with the Director General.*"

The portion of the report of the Committee of Experts concerning the discussion of Article 701 reads as follows:

"The Delegation of Australia asked whether it would not be desirable for draft Article 701 to provide for a formal requirement that a supranational or intergovernmental organization that wished to become party to the Treaty must submit documentary evidence showing that it qualified to do so pursuant to draft Article 701(1)(b).

The Director General replied that such a solution would lead to an 'admission' procedure, so far unknown in WIPO-administered treaties."

#### *Article 702: Entry into Force of the Treaty*

Discussions were based on the text of Article 702 as elaborated by the International Bureau. This text read as follows:

"1) [Initial Entry into Force] *This Treaty shall enter into force, with respect to the first 10 States or supranational or intergovernmental organizations which have deposited their instruments of ratification, acceptance, approval or accession, three months after the date on which the tenth instrument of ratification, acceptance, approval or accession has been deposited.*

(2) [Entities Not Covered by the Initial Entry Into Force] *This Treaty shall enter into force with respect to any State or supranational or intergovernmental organization not covered by paragraph (1) three months after the date on which it has deposited its instrument of ratification, acceptance, approval or accession unless a later date has been indicated in the instrument of ratification, acceptance, approval or accession. In the latter case, this Treaty shall enter into force with respect to the said State or organization on the date thus indicated.*"

The portion of the report of the Committee of Experts concerning the discussion of Article 702 reads as follows:

"The Director General said that the new draft may provide for alternative conditions for entry into force, including the one of the PCT system countries mentioned by the Delegation of the United States of America and the one which would allow any State to make the entry into force of its adherence dependent on the adherence of two or three other States mentioned by their names in the instrument of adherence of the former State."

#### *Article 703: Patent Cooperation Treaty*

Discussions were based on the text of Article 703 as elaborated by the International Bureau. This text read as follows:

*"If any of the provisions of this Treaty and its Regulations are in conflict with the Patent Cooperation Treaty and its Regulations, the provisions of the latter shall prevail."*

The portion of the report of the Committee of Experts concerning the discussion of Article 703 reads as follows:

"The Delegations of the United States of America and the Federal Republic of Germany inquired as to the exact meaning of draft Article 703.

The Director General said that one could add, at the end of draft Article 703, the words 'in a procedure concerning international applications under the PCT' and that the notes accompanying such draft would identify the PCT provisions involved."

#### *Article 704: [No] Reservations*

Discussions were based on the text of Article 704 as elaborated by the International Bureau. This text read as follows:

*"No reservations may be made to this Treaty [except in respect of Articles ...]."*

The portion of the report of the Committee of Experts concerning the discussion of Article 704 reads as follows:

"The Director General suggested that discussion of draft Article 704 should be postponed until the Diplomatic Conference. The need for the possibility to make reservations for certain provisions by all or some countries, particularly developing countries, would have to be judged when all the provisions under the Treaty were agreed upon. Allowing a certain number of years—for example, 10—to comply with specified provisions could be an alternative solution.

The Delegation of Ghana expressed its agreement with the Director General's statement but would, nonetheless, prefer that the next draft of Article 704 delete the word 'No' in its title.

The Delegation of India also endorsed the ideas expressed by the Director General to provide flexibility to the harmonization exercise by making certain provisions of the Draft Treaty optional. As regards the question of the optional character of certain provisions in the Draft Treaty, it wanted to recall some of the principles it had

already mentioned earlier. The Delegation was of the opinion that harmonization should not or could not lead to complete uniformity, because of the different levels of economic development and legal systems among countries. Therefore, it may be necessary that all or some Contracting Parties, in particular developing countries, be given a certain degree of flexibility with respect to some provisions of the Treaty, so as to make the Treaty acceptable to the greatest number of countries.”

#### Article 705: Denunciation of the Treaty

Discussions were based on the text of Article 705 as elaborated by the International Bureau. This text read as follows:

“(1) [Notification] Any Contracting Party may denounce this Treaty by notification addressed to the Director General.

(2) [Effective Date] Denunciation shall take effect two years after the day on which the Director General has received the notification. It shall not affect the application of this Treaty to any application filed in or with effect for, or to any patent granted by or with effect in, the denouncing Contracting Party prior to the expiration of the said two-year period.”

The portion of the report of the Committee of Experts concerning the discussion of Article 705 reads as follows:

“After a short discussion, in which the Delegations of Australia, Japan and the United States of America asked for a time limit shorter than the two-year time limit proposed in draft paragraph (2), the Director General said, and the Committee noted, that the time limit in the next text would be one year. The Delegation of Australia pointed out that Article 66 of the PCT provided a six-month period, which was preferable in the Delegation’s opinion.”

#### Article 706: Languages of the Treaty; Signature

Discussions were based on the text of Article 706 as elaborated by the International Bureau. This text read as follows:

“(1) [Original Texts; Official Texts] (a) This Treaty shall be signed in a single original in the English, Arabic, Chinese, French, Russian and Spanish languages, all texts being equally authentic.

(b) Official texts shall be established by the Director General, after consultation with the interested Governments, in such other languages as the Assembly may designate.

(2) [Time Limit for Signature] This Treaty shall remain open for signature at the headquarters of the Organization for one year after its adoption.”

The Committee of Experts made no observations on Article 706.

#### Article 707: Depositary

Discussions were based on the text of Article 707 as elaborated by the International Bureau. This text read as follows:

“The Director General shall be the depositary of this Treaty.”

The Committee of Experts made no observations on Article 707.

### LIST OF PARTICIPANTS\*\*

#### I. States

**Algeria:** K.H.A. Benhamza; H. Yahia-Cherif. **Argentina:** A.G. Trombetta. **Australia:** P.M. Thomas; T. Collins; F. Old. **Austria:** N. Marterer. **Belgium:** G. De Cuypere. **Brazil:** P.A. Pereira; A.R. de Holanda Cavalcanti; P.R. de Almeida. **Bulgaria:** M. Tosheva. **Canada:** J.H.A. Gariépy; E.W. Bown. **China:** Ma Linyuan. **Czechoslovakia:** A. Vokalek; M. Hujerova. **Democratic People’s Republic of Korea:** C.R. Pak. **Denmark:** L. Østerborg; H.J. Jensen. **Egypt:** N. Gabr. **Finland:** E. Häkli; E. Nuorlahti-Solarmo; E.-L. Vilonen. **France:** M. Guerrini; J. Divoy. **German Democratic Republic:** S. Schröter. **Germany (Federal Republic of):** D. Schennen; W. Niedlich; H. Bardehle. **Ghana:** M.A. Abdullah. **Greece:** A.C. Kouroupaki. **Hungary:** I. Iványi; Gy. Szemzo; Z. Szabó. **Indonesia:** E. Husin. **Iraq:** D.K. Alsalih; E. Baker; J.A. Hamza. **Ireland:** B. Ó’Farrell. **Israel:** M. Cohn; I. Shachter. **Italy:** M.G. Fortini. **Japan:** F. Yoshida; S. Uemura; K. Ukai; Y. Muranaga; K. Sato; S. Takakura. **Kenya:** N. Cheluget. **Libya:** S. Shaheen. **Madagascar:** F. Narove. **Mexico:** M. del C. Calzada F.; A. Fuchs. **Morocco:** A. Bendaoud. **Netherlands:** W. Neervoort; T. de Bruyn. **New Zealand:** H. Burton; A.F. Wierzbicki. **Nigeria:** O. Jegede; C.J. Ihim. **Norway:** P.T. Lossius; E. Liljegren. **Portugal:** J. Mota Maia. **Republic of Korea:** Y.-B. Yu; J.-K. Kim; S.-H. Maeng. **Senegal:** M.B. Ly. **Soviet Union:** A. Korchagine; V. Shitikov. **Spain:** M. Hidalgo; J. Gómez Montero; C.E. Velasco. **Sweden:** R. Halvorsen; B. Sandberg; B. Davidsson. **Switzerland:** J.-L. Comte; E. Caussignac; P. Messerli; F.A. Jenny. **Tunisia:** Y. Mokaddem; H. Tebourbi; K. Khiari. **Turkey:** A. Algan. **United Kingdom:** V. Tarnofsky; A. Sugden; H.J. Edwards; A.C. Waters. **United Republic of Tanzania:** K.J. Suedi. **United States of America:** M.K. Kirk; C.E. Van Horn; L.E. Boland; L. Maassel; L. Schroeder; H.J. Winter. **Uruguay:** R. González-Arenas.

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

## II. Observer States

**Angola:** A. Pinto; M. Alberto. **Bangladesh:** I. Talukdar. **Ecuador:** R. Rivadeneira. **El Salvador:** A. González; B.F. Menjivar. **India:** L. Puri; R. Acharya; J. Watal. **Panama:** M. Saavedra Polo. **Yemen:** M.S. Al-Qutaish.

## III. Intergovernmental Organizations

**Commission of the European Communities (CEC):** L.M.C.F. Ferrão. **European Patent Office (EPO):** U. Schatz; R. Teschemacher; Y. Grandjean. **General Agreement on Tariffs and Trade (GATT):** M. Geuze.

## IV. Non-Governmental Organizations

**American Bar Association (ABA):** B.R. Pravel; M.N. Meller; W.J. Brunet; S. Helfgott. **American Intellectual Property Law Association (AIPLA):** W.S. Thompson; R.A. Armitage; H.C. Wegner; J.A. De Grandi. **Asian Patent Attorneys Association (APAA):** I. Shamoto; F. Old; N. Ogawa; A. Okawa. **Center for Advanced Study and Research on Intellectual Property (CASRIP):** A.G. Tramposch. **Centre for International Industrial Property Studies (CEIPI):** B. de Passemar. **Chartered Institute of Patent Agents (CIPA):** R.C. Petersen. **Committee of National Institutes of Patent Agents (CNIPA):** R.C. Petersen; J. Beier. **European Council of Chemical Manufacturers' Federations (CEFIC):** P. Leardini; H.-J. Schulze-Steinen. **European Federation of Agents of Industry in Industrial Property (FEMIP):** G. Tasset. **European Federation of Pharmaceutical Industries' Associations (EFPIA):** P. Leardini. **Federal Chamber of Patent Attorneys (FCPA):** J. Beier; G. Schmitt-Nilson. **Federation of German Industry (BDI):** H. Goldrian; H.-J. Schulze-Steinen. **Institute of Professional Representatives Before the European Patent Office (EPI):** R.C. Petersen. **Intellectual Property Owners, Inc. (IPO):** D.M. Sell. **International Association for the Advancement of Teaching and Research in Intellectual Property (ATRIP):** W.T. Fryer. **International Association for the Protection of Industrial Property (AIPPI):** G.P. Gaultier; M. Santarelli; J. Pagenberg.

**International Chamber of Commerce (ICC):** J.H. Kraus; D.A. Shetka. **International Confederation of Free Trade Unions (ICFTU):** G. Rohde. **International Federation of Industrial Property Attorneys (FICPI):** J. Beier; K. Raffnsøe; G. Schmitt-Nilson. **International Federation of Pharmaceutical Manufacturers Associations (IFPMA):** H.-J. Schulze-Steinen. **Japan Patent Association (JPA):** S. Mayeda; M. Abe. **Japanese Patent Attorneys Association (JPAA):** I. Shamoto; A. Okawa. **Latin American Association of Pharmaceutical Industries (ALIFAR):** M.N. Levis. **Licensing Executives Society (International) (LES):** R.S. Crespi. **Max Planck Institute for Foreign and International Patent, Copyright and Competition Law (MPI):** J. Pagenberg. **New York Patent, Trademark and Copyright Law Association, Inc. (NYPTC):** W.J. Brunet; S. Helfgott; M.N. Meller. **Pacific Industrial Property Association (PIPA):** K. Takehana; M. Ueda. **Patent and Trademark Institute of Canada (PTIC):** R.E. Mitchell. **Union of European Practitioners in Industrial Property (UEPIP):** H.-E. Bohmer. **Union of Industrial and Employers' Confederations of Europe (UNICE):** H. Goldrian; H.-J. Schulze-Steinen.

## V. Bureau

*Chairman:* J.-L. Comte (Switzerland). *Vice-Chairmen:* M. Abdullah (Ghana); A. Korchagine (Soviet Union). *Secretary:* L. Baeumer (WIPO).

## VI. International Bureau of WIPO

A. Bogsch (*Director General*); A. Schäfers (*Deputy Director General*); L. Baeumer (*Director, Industrial Property Division*); J. Quashie-Idun (*Head, Developing Countries (Industrial Property) Section, Industrial Property Division*); A. Ilardi (*Senior Legal Officer, Industrial Property Law Section, Industrial Property Division*); H. Lom (*Senior Legal Officer, Developing Countries (Industrial Property) Section*); O. Espinosa (*Senior Legal Officer, Industrial Property Law Section*); B. Ibos (*Legal Officer, Industrial Property (Special Projects) Division*); S. Zotine (*Legal Officer, Industrial Property (Special Projects) Division*); T. Niinomi (*Associate Officer, Industrial Property Law Section*); G. Leonardos (*Consultant, Industrial Property Division*).

## New Items

KENYA

*Director,  
Industrial Property Office*

We have been informed that Mr. Samuel Allela has been appointed Director of the Industrial Property Office.

# Calendar of Meetings

## WIPO Meetings

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

### 1990

**July 2 to 6 (Geneva)**

#### **PCT Committee for Administrative and Legal Matters (Third Session)**

The Committee will examine proposals for amending the Regulations under the Patent Cooperation Treaty (PCT), in particular in connection with the procedure under Chapter II of the PCT.

*Invitations:* States members of the PCT Union and, as observers, States members of the Paris Union not members of the PCT Union and certain organizations.

**July 2 to 13 (Geneva)**

#### **Committee of Experts on Model Provisions for Legislation in the Field of Copyright (Third Session)**

The Committee will continue to consider proposed standards in the field of literary and artistic works for the purposes of national legislation on the basis of the Berne Convention for the Protection of Literary and Artistic Works.

*Invitations:* States members of the Berne Union or WIPO and, as observers, certain organizations.

**September 24 to October 2 (Geneva)**

#### **Governing Bodies of WIPO and the Unions Administered by WIPO (Twenty-First Series of Meetings)**

Some of the Governing Bodies will meet in ordinary session, others in extraordinary session.

*Invitations:* As members or observers (depending on the body), States members of WIPO or the Unions and, as observers, other States and certain organizations.

**October 15 to 26 (Geneva)**

#### **Committee of Experts Set Up Under the Nice Agreement (Sixteenth Session)**

The Committee will complete the fifth revision of the classification established under the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks.

*Invitations:* States members of the Nice Union and, as observers, States members of the Paris Union not members of the Nice Union and certain organizations.

**October 22 to 26 (Geneva)**

#### **Committee of Experts on the Settlement of Intellectual Property Disputes Between States (Second Session)**

The Committee will examine principles for a possible multilateral treaty.

*Invitations:* States members of the Paris Union, the Berne Union or WIPO or party to the Nairobi Treaty and, as observers, certain organizations.

**October 29 to November 9 (Geneva)**

#### **Committee of Experts on the Harmonization of Certain Provisions in Laws for the Protection of Inventions (Eighth Session; Second Part)**

The Committee will continue to examine a draft treaty supplementing the Paris Convention as far as patents are concerned (patent law treaty).

*Invitations:* States members of the Paris Union and, as observers, States members of WIPO not members of the Paris Union and certain organizations.

**November 7 to 9 (Geneva)**

#### **Preparatory Meeting for the Diplomatic Conference for the Conclusion of a Treaty Supplementing the Paris Convention as Far as Patents Are Concerned (Second Part)**

The Meeting will complete the preparation of the organization of the diplomatic conference.

*Invitations:* States members of the Paris Union, EPO and OAPI.

- November 26 to 30 (Geneva)**      **Working Group on the Application of the Madrid Protocol of 1989 (Second Session)**  
 The working group will continue to study Regulations for the implementation of the Madrid Protocol of 1989.  
*Invitations:* States members of the Madrid Union, States having signed or acceded to the Protocol, the European Communities and, as observers, other States members of the Paris Union expressing their interest in participating in the Working Group in such capacity and certain non-governmental organizations.
- December 10 to 14 (Geneva)**      **PCT Committee for Administrative and Legal Matters (Fourth Session)**  
 The Committee will continue the work started during its third session (July 2 to 6, 1990).  
*Invitations:* States members of the PCT Union and, as observers, States members of the Paris Union not members of the PCT Union and certain organizations.
- 1991**
- January 28 to 30 (Geneva)**      **Information Meeting(s) on the Revision of the Paris Convention**  
 An information meeting of developing countries members of the Paris Union and China and, if it is so desired, information meetings of any other group of countries members of the Paris Union will take place for an exchange of views on the new proposals which will have been prepared by the Director General of WIPO for amending the articles of the Paris Convention for the Protection of Industrial Property which are under consideration for revision.  
*Invitations:* See the preceding paragraph.
- January 31 and February 1 (Geneva)**      **Assembly of the Paris Union (Fifteenth Session)**  
 The Assembly will fix the further procedural steps concerning the revision of the Paris Convention and will take cognizance of the aforementioned proposals of the Director General of WIPO. It will also decide the composition of a preparatory meeting which will take place in the first half of 1991.  
*Invitations:* States members of the Paris Union and, as observers, States members of WIPO not members of the Paris Union and certain organizations.
- June 3 to 28 (The Hague)**      **Diplomatic Conference for the Conclusion of a Treaty Supplementing the Paris Convention as Far as Patents Are Concerned**  
 This diplomatic conference will negotiate and adopt a treaty supplementing the Paris Convention as far as patents are concerned (patent law treaty).  
*Invitations:* States members of the Paris Union and, as observers, States members of WIPO not members of the Paris Union and certain organizations.
- September 23 to October 2 (Geneva)**      **Governing Bodies of WIPO and the Unions Administered by WIPO (Twenty-Second Series of Meetings)**  
 All the Governing Bodies of WIPO and the Unions administered by WIPO meet in ordinary sessions every two years in odd-numbered years. In the sessions in 1991, the Governing Bodies will, *inter alia*, review and evaluate activities undertaken since July 1990, and consider and adopt the draft program and budget for the 1992-93 biennium.  
*Invitations:* States members of WIPO or the Unions and, as observers, other States members of the United Nations and certain organizations.
- November 18 to December 6  
(dates and place to be confirmed)**      **Diplomatic Conference on the Revision of the Paris Convention for the Protection of Industrial Property (Fifth Session)**  
 The Diplomatic Conference is to negotiate and adopt a new Act of the Paris Convention.  
*Invitations:* States members of the Paris Union and, without the right to vote, States members of WIPO or the United Nations not members of the Paris Union as well as, as observers, certain organizations.

## UPOV Meetings

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

### 1990

- October 10 and 11 (Geneva)**      **Fifth Meeting with International Organizations**  
 The meeting is to enable international non-governmental organizations to express views on questions concerning the revision of the UPOV Convention.  
*Invitations:* Member States of UPOV and certain international non-governmental organizations.

- October 12, 15 and 16 (Geneva)**      **Administrative and Legal Committee (Twenty-Eighth Session)**  
 The Committee will continue the preparations for the Diplomatic Conference for the Revision of the UPOV Convention.  
*Invitations:* Member States of UPOV and, as observers, certain non-member States and inter-governmental organizations.
- October 17 (Geneva)**      **Consultative Committee (Forty-Second Session)**  
 The Committee will prepare the twenty-fourth ordinary session of the Council.  
*Invitations:* Member States of UPOV.
- October 18 and 19 (Geneva)**      **Council (Twenty-Fourth Ordinary Session)**  
 The Council will examine the reports on the activities of UPOV in 1989 and the first part of 1990 and approve documents for the Diplomatic Conference for the Revision of the UPOV Convention.  
*Invitations:* Member States of UPOV and, as observers, certain non-member States and inter-governmental and non-governmental organizations.
- 1991**
- March 4 to 19**  
**(dates and place to be confirmed)**      **Diplomatic Conference for the Revision of the UPOV Convention**  
*Invitations:* Member States of UPOV and, without the right to vote, States members of the United Nations not members of UPOV as well as, as observers, certain organizations.

### Other Meetings Concerned with Industrial Property

- 1990**
- September 12 to 16 (Brussels)      International League for Competition Law (LICD): 31st Congress
- September 30 to October 5 (Barcelona)      International Association for the Protection of Industrial Property (AIPPI): Executive Committee
- 1991**
- September 30 to October 4 (Harrogate)      International Federation of Industrial Property Attorneys (FICPI): Congress





