

HIGHLIGHTS

Intellectual property filings worldwide rebound strongly in 2010

Intellectual property (IP) filings worldwide rebounded in 2010 after experiencing a considerable drop in 2009. The recovery in IP filings was stronger than overall economic recovery. Patent and trademark filings worldwide grew by 7.2% and 11.8%, respectively, in 2010 compared to a 5.1% increase in global gross domestic product (GDP).

China and the US – the two offices that accounted for the majority of worldwide growth – saw higher IP filing growth than GDP growth in 2010. In the case of China, IP growth rates were more than double its GDP.

Patent filing growth in Europe – represented here by applications at the national offices of France, Germany and the United Kingdom plus applications at the European Patent Office (EPO) – far exceeded the GDP growth rate of the three largest European economies in 2010. Similar conclusions hold true for trademark filings by major European economies.

In Japan, the trademark filing growth rate was more than double the GDP growth rate in 2010. Over the past few years, patent filings in Japan have seen a declining trend, but the decrease in filings in 2010 was lower than in 2009. The Republic of Korea is the only reported office for which GDP growth exceeded filing growth for both patents and trademarks.

Patents, trademarks and GDP annual growth rate (%), 2009 and 2010

IP Office	GDP		Patent applications		Trademark applications	
	2009	2010	2009	2010	2009	2010
World	-0.7	5.1	-3.6	7.2	-2.6	11.8
Advanced economies*	-3.7	3.1	-5.4	3.7	-9.5	4.0
France, Germany and the United Kingdom*	-4.3	2.3	-6.5	7.1	-2.6	6.9
United States of America (US)	-3.5	3.0	0.0	7.5	-10.1	5.0
Japan	-6.3	4.0	-10.8	-1.1	-8.1	11.1
Republic of Korea	0.3	6.2	-4.2	4.0	-10.1	-5.3
China	9.2	10.3	8.5	24.3	19.1	29.8

Note: Except for "world total" figures, trademark application data refer to class counts, that is the number of classes specified in applications.

*Patent application data for European countries include both national patent office and EPO data. Trademark application data for European Union (EU) countries include national trademark office data and resident regional applications at the EU's Office for Harmonization in the Internal Market (OHIM).

PATENTS & UTILITY MODELS

In spite of fragile world economy, patent filings worldwide rebound strongly in 2010

Patent filings worldwide grew by 7.2% in 2010, after having fallen by 3.6% in 2009. That growth was driven by a steep filing increase in China and the US, which accounted for four-fifths of worldwide growth. An all-time high of 1.98 million applications were filed globally, consisting of 1.23 million resident applications and 0.75 million non-resident applications.

Renewed growth in international patent filings

International filings through the Patent Cooperation Treaty (PCT) grew by 5.7% in 2010, following a 4.8% decline in 2009. Growth in PCT filings was driven by China, Japan and the Republic of Korea, with these countries accounting for 94% of total growth. The 164,293 PCT applications filed in 2010 exceed the 2008 pre-crisis level.

Growth in applications at major offices

The majority of larger offices saw growth in the numbers of applications received in 2010, after experiencing decreases in 2009. China (24.3%), the EPO (12.2%), Singapore (11.9%) and the Russian Federation (10.2%) saw double-digit growth in 2010. The United States Patent and Trademark Office (USPTO) saw a 7.5% growth rate in 2010 after two years of almost zero growth. The Korean Intellectual Property Office (KIPO) experienced 4% growth in 2010, having seen a 4.2% decline in 2009.

Patent applications at the offices of middle- and low-income economies also rebounded strongly in 2010, having fallen in 2009. Brazil, Colombia, Mexico, the Philippines and Ukraine returned to positive growth in applications in 2010, after seeing decreases the previous year.

Contribution of resident and non-resident applicants to filing growth varies across offices

Growth in resident applications was the main contributor to overall growth in China and the Republic of Korea. By contrast, non-resident applications accounted for 65% of overall growth at the EPO. Growth in resident and non-resident applications contributed equally to overall growth in the US. In Brazil, Malaysia, the Philippines and Viet Nam, growth was entirely due to increases in non-resident applications, while resident application numbers dropped.

Growth in PCT filings was due to the increasing number of applications filed by residents of China, Japan and the Republic of Korea. These accounted for 94% of total growth in 2010. PCT applications filed by residents of China, the Republic of Korea and Japan grew in 2010 by 55.6%, 20.3% and 7.9%, respectively.

China displaces Japan to become the top country for resident patent applications

China, with 293,066 resident applications, overtook Japan (with 290,081) to become the top country for resident applications. However, filings abroad constituted only 5% of all Chinese applications. The US, with 241,977 resident applications, ranked third, but US residents filed the greatest numbers of applications in foreign countries.

Canada, Israel, the Netherlands and Switzerland filed more than 80% of their total applications abroad. Total applications include resident filings and filings abroad.

High-income economies account for the majority of patent activity worldwide

Despite growth in applications from middle- and low-income economies, patent activity remains concentrated in high-income countries. In particular, high-income countries accounted for 70% of total national patent applications – similar to research and development (R&D) expenditure share – and 90% of total PCT applications in 2010. Most growth in the shares of middle-income countries was due to rapid filing growth in China.

Decrease in patent productivity

Since 1995, business sector R&D expenditure has grown at a faster rate than resident patents, resulting in a downward trend in number of resident patents per R&D dollar. China, Japan and the Republic of Korea had the highest patents-per-GDP and patents-per-R&D dollar ratios. The majority of countries had lower patent-to-GDP ratios and patent-to-R&D dollar ratios in 2010 than in 2001. One of the few exceptions, China saw an increase in both ratios from 2001 to 2010.

Japan and the US the main contributors for patent grants worldwide

The number of patents granted worldwide stood at 909,000 in 2010, a 12.4% increase on 2009. The Japan Patent Office (JPO) and the USPTO accounted for 80% of total growth. The number of patents granted by the USPTO and the JPO rose by 31.2% and 15.2%, respectively. The EPO and KIPO also saw double-digit growth in 2010. The growth rate of patents granted by the State Intellectual Property Office of China (SIPO) was 5.2%, considerably lower than its application growth rates over the past few years.

More than seven million patents in force worldwide

An estimated 7.3 million patents were in force worldwide in 2010. The largest numbers of patents in force were granted by the USPTO (2 million) and the JPO (1.4 million). Their combined share in the world total was around 48%. The patent offices of China (29%), Mexico (10%) and Spain (14%) saw considerable growth in 2010.

Residents of Japan, with 2 million patents, held the largest number of patents in force, followed by residents of the US (1.46 million) and the Republic of Korea (0.56 million).

Pending patent applications drop for two consecutive years

Potentially pending applications worldwide – defined as all unprocessed applications at any stage in the application process – declined by 3.3% in 2010 and 2.1% in 2009. The drops in pending applications at the JPO and the USPTO were the main contributors to this decline. Potentially pending applications worldwide stood at around 5.17 million in 2010. This estimate is based on data from 70 offices, but does not include SIPO – the second largest

office – for whom these data are unavailable. Medium-sized offices – such as Chile (-11.6%), Israel (-8.8%), Mexico (-3.6%), Poland (-14.6%) and Ukraine (-5.9%) – also saw a considerable drop in pending applications.

The number of pending applications undergoing examination also declined for most offices. The JPO saw a considerable drop (-20%) in pending applications undergoing examination in 2010. The EPO (-6.9%) and the USPTO (-2.3%) also had fewer applications pending in 2010 than in 2009. The Republic of Korea, in contrast, saw growth in the number of pending applications.

Evolution of pendency time varies across offices

Pendency time differs markedly across offices. The average pendency time at the EPO and the USPTO increased during the 2000-2009 period. However, average pendency times in China, Japan and the Republic of Korea declined over the same period.

Record number of utility model applications filed in 2010

The total number of utility model applications filed across the world grew by 24% in 2010, driven by substantial growth in applications at SIPO. An all-time high of 496,000 applications were filed globally, with SIPO accounting for 83%. The patent offices of Germany (-1.7%) and the Republic of Korea (-20.3%) – the second and third largest offices – received fewer applications in 2010. Brazil also saw a 36% decline in applications.

TRADEMARKS

2010 sees largest growth in trademark applications

Trademark applications grew by 11.8% in 2010 – the largest growth since 2000 – after having declined over the previous two years. An estimated 3.66 million applications were filed globally, consisting of 2.78 million resident and 0.88 million non-resident applications. The IP office of China accounted for three-fifths of total growth.

Madrid international registrations return to positive growth

After experiencing a 12.3% fall in 2009, international registrations through the Madrid system saw renewed growth of 4.5% in 2010. However, the total of 37,533 registrations in 2010 remained below the pre-crisis peak of nearly 41,000.

Many large offices record double-digit growth in trademark applications

The majority of top offices that saw a drop in applications in 2009 returned to growth in the numbers of applications received in 2010. Growth in resident applications was the main contributor to overall growth. The IP office of China received around a quarter of a million more applications in 2010 than in 2009. This is greater than the total number of classes specified in applications received by Germany – the fifth largest office.

In addition to China, a number of top offices saw double-digit growth in 2010, most notably China Hong Kong (SAR) (18.3%), Mexico (16%), France (13.1%), OHIM (12.2%), Brazil (11.5%) and the Russian Federation (11.4%). In contrast, the Republic of Korea saw a 5.3% drop in application class counts due to a fall in both resident and non-resident applications.

Trends at the offices of selected middle- and low-income economies reveal a mixed picture. Several Eastern European countries – such as Estonia (-15.1%), Georgia (-13%) and Lithuania (-14.8%) – saw considerable declines in application class counts. By contrast, a few non-European countries – for example, Argentina (17.1%), Madagascar (16%), Panama (24.1%) and South Africa (13.9%) – saw rapid growth in application class counts.

German applicants file the largest number of applications worldwide

In 2010 residents of Germany filed around 1.9 million equivalent applications – applications based on class counts and regional filings. Residents of China and the US also filed more than one million applications each. The reason for the high number of applications for European countries and the US is the frequent use of OHIM to seek protection in the EU. Each application at OHIM covers all 27 of its member states, leading to higher numbers of equivalent applications for applicants that file at this office.

Trademark registrations worldwide grow by 21.4% in 2010

Around 3.16 million trademarks were registered across the world in 2010, a 21.4% increase on 2009. Growth of registrations in China was the main source of growth in the worldwide total.

Trademark registration class counts in China grew by 61% in 2010. OHIM (16.3%), Chile (10.8%) and the Republic of Korea (10.1%) also saw double-digit growth in 2010. In contrast, the Czech Republic (-15.3%) and Spain (-13.7%) saw considerable declines in registrations.

Middle-income countries file a higher number of trademark applications per GDP than high-income countries

Chile filed 218 trademark applications – based on class counts – per billion dollars of GDP in 2010. Bulgaria (167), Ecuador (158) and Viet Nam (129) also filed higher numbers of applications per GDP than did high-income countries such as Germany (72), Japan (39) and the US (22).

More than 18 million trademarks in force around the globe in 2010

Around a quarter of the 18 million trademarks in force globally, reported by 58 offices, were in China, which has seen rapid growth in registrations over the past decade. Japan (1.75 million) and the US (1.54 million) also had high numbers of trademarks in force in 2010. For most jurisdictions reported, the number of trademarks in force in 2010 was higher than in 2009.

INDUSTRIAL DESIGNS

Industrial design applications grow by 13% in 2010, following a slowdown in filing growth in the two preceding years

In 2010, the number of industrial design applications filed across the world grew by 13%, mainly due to high growth in China which accounted for 83% of total growth. The IP office of China received around 70,000 additional applications in 2010 than in 2009.

Of the approximately 724,000 industrial design applications filed globally, 637,000 were resident applications and 86,700 were filed by non-residents. The non-resident share of 12% in 2010 was lower than in previous years due to high growth in China, where residents account for the most filings.

The growth rate for international registrations issued via the Hague system has also returned to pre-crisis levels. In 2010, international registrations grew by 32%, a considerable increase compared to the growth rate of 10% in 2009.

Substantial increases in applications at many offices

The IP office of Canada received 20% more applications (based on design counts) in 2010. The IP offices of China (20%), Australia (14%), Spain (13%) and the US (12.6%) also received additional applications in 2010. Two major offices – France and the Republic of Korea – experienced slight drops in application numbers in 2010.

China accounts for more than half of industrial design filings worldwide

The share of China in the world total of industrial design filings increased from 54% in 2009 to 58% in 2010, more than five times greater than the share of the second largest office – OHIM. The IP offices of Japan, the Republic of Korea and the US accounted for around 16% of the world total, with their combined share having declined by a percentage point.

OHIM has largest number of industrial designs in force

In 2010, there were a combined total of 1.65 million industrial designs in force at the 56 offices for which data are available. OHIM accounted for the largest number of industrial designs in force with 511,505, followed by the US and Japan with around 252,000 each. OHIM (24.2%), the Russian Federation (11.9%), Mexico (10.9%) and Canada (9.4%) saw considerable growth between 2006 and 2010. In contrast, Austria (-15.6%) and the Benelux Office for Intellectual Property (BOIP) (-8.2%) saw declines in industrial designs in force over the same period.