

WIPO



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INTERNATIONAL UNION FOR THE PROTECTION OF INDUSTRIAL PROPERTY
(PARIS UNION)

ASSEMBLY.

Twenty-Second Session (11th Extraordinary)
Geneva, September 26 to October 4, 1994

REPORT

adopted by the Assembly

INTRODUCTION

1. The Assembly was concerned with the following items of the Consolidated Agenda (document AB/XXV/1 Rev.): 1, 2, 6, 14 and 15.
2. The report on the said items, with the exception of item 6, is contained in the General Report (document AB/XXV/6).
3. The report on item 6 is contained in the present document.
4. Mr. Liviu A.G. Bulgar (Romania) Acting Chairman, chaired this session of the Assembly.

ITEM 6 OF THE CONSOLIDATED AGENDA:

CONTINUATION OF THE DIPLOMATIC CONFERENCE FOR THE CONCLUSION
OF A TREATY SUPPLEMENTING THE PARIS CONVENTION AS FAR AS
PATENTS ARE CONCERNED ("PATENT LAW TREATY" OR "PLT")

5. Discussions were based on document P/A/XXII/1.
6. The Delegation of the United States of America made the following statement:

"The United States at this time is not in a position to support any of the alternatives set forth in the document or to take any decision on the second part of the Diplomatic Conference. We would not object to the continuation of the decision taken by the Paris Union Assembly in its September 1993 meeting which is found in paragraph 6 of the document. That decision was to not fix the date for the continuation of the Diplomatic Conference, but to ask the Director General to convene an extraordinary session of the Paris Union Assembly when he believes that the time is ripe for considering the fixing of the date. This would also be extended to him putting an item on the agenda of an ordinary session of the Paris Union Assembly, if that was appropriate, when it met in September 1995.

"A number of factors have led to this situation. We found the document under discussion, P/A/XXII/1, to be of interest to us, primarily because it gave us an opportunity to measure the acceptability by our public of the possible continuation of the patent law harmonization exercise. The document was sent to more than a dozen organizations of patent practitioners, of businesses both large and small, of inventors, of researchers and to a number of academics. The responses that we received were generally not supportive of any of the alternatives that were offered in the document. Unfortunately, the reasons that were offered for finding none of the alternatives acceptable also differed greatly, depending on the nature of the particular respondent. One message that was very clear from all the answers was that none of the alternatives for a basis upon which the negotiation might be considered was acceptable to U.S. interests at this time.

"The same message that the public in the United States is not ready to support the continuation of the negotiation of a patent law harmonization exercise at this time is being repeated as we presently attempt to pass legislation in the United States implementing the GATT Uruguay Round. Part of that legislation to implement the TRIPS Agreement includes the changing of the term of patent protection to 20 years from filing. This provision is among many world-level type changes which are patent law harmonizing. This 20-year term provision had been viewed by the United States as a not particularly contentious provision when it was part of the patent law harmonization effort. But the furor over this provision, even as part of the GATT Uruguay Round implementing legislation which is given special treatment by our Congress, has prevented one member of this delegation from even coming to this meeting and has required the early departure of our Commissioner. Both persons are in the United States answering criticisms of the 20-year term so that

the results of the GATT Uruguay Round might be passed. This merely further supports our belief that at present we are not in a position to support any continuation of the exercise. Patent law harmonization would require many changes to United States law many of which are viewed as more problematic than the 20-year patent term provision.

"In summary, the United States is presently not in a position to take a decision on the second part of the Diplomatic Conference. We would not object to a decision being taken along the lines of the decision, found in the September 1993 report of the Assembly, to not fix a date for the second part of the Diplomatic Conference but to ask the Director General to convene the Assembly when the time is ripe."

7. The Delegation of the United Kingdom welcomed the Director General's efforts to recover the momentum toward harmonization of patent laws. The Delegation recalled that more than three years had passed since the first part of the Diplomatic Conference at The Hague, and expressed the concern that the great effort expended up to that time would be lost and that the resulting lack of harmonization would continue to lead to increased expenses and difficult procedures for patent applicants. However, the Delegation understood that a Diplomatic Conference at this time would be unlikely to be successful in achieving a worthwhile treaty. The Delegation could not presently support a restriction of the draft treaty to Alternative A as proposed in document P/A/XXII/1, since it doubted that a balance would be maintained in the retained articles, which it saw as relating to the basic quid pro quo for the excluded articles. The Delegation observed that, in its country, some interested circles were in favor of Alternative A, while others favored the AIPPI proposal of a possible two-part treaty. The Delegation proposed that WIPO convene a consultative meeting or committee of experts meeting within the first half of 1995, to discuss the proper balance of provisions in the treaty and other outstanding issues such as the possibility that adoption of a grace period could lead to a "first-to-publish" system.

8. The Delegation of Japan was confident that the demand for worldwide harmonization, including the first-to-file principle, was growing, and considered it important to continue the utmost effort to achieve harmonization. The Delegation remarked that the basic proposal was the result of nine years of work and that the objective of the basic proposal of substantial worldwide harmonization should not be forgotten. The Delegation could not support any of the Alternatives in document P/A/XXII/1, nor the proposal of AIPPI for a two-part treaty, since the timing of coming into force of the second part would be vague, and the chances of success would be reduced if minor items were separated from the more controversial items. Therefore, the Delegation favored proceeding on the basis of the basic proposal and supported convening the second part of the Diplomatic Conference as soon as possible. The Delegation also expressed support for the proposal of the Delegation of the United Kingdom.

9. The Delegation of the Republic of Korea remarked that it was regrettable that, in spite of the strong recognition of the need for harmonization of patent laws, this had not yet been achieved. The Delegation welcomed the recent bilateral agreements between the United States of America and Japan, which in its opinion would contribute to the conclusion of a patent harmonization treaty. The Delegation supported convening the second part of the Diplomatic Conference as soon as possible, with a minimum reduction of the scope of the treaty.

10. The Delegation of Sweden considered the setting of a date for the second part of the Diplomatic Conference to be premature but was concerned about losing momentum toward harmonization and about upsetting the balance achieved in the basic proposal. The Delegation supported the proposal of the Delegation of the United Kingdom to convene a consultative meeting or a committee of experts.

11. The Delegation of the Russian Federation endorsed the suggestion of the Delegation of the United Kingdom for a consultative meeting or a Committee of Experts meeting to clarify the possibility of achieving a final agreement.

12. The Delegation of Australia expressed strong support for the proposal of the Delegation of the United Kingdom, recognizing that it was premature to set a date for the second part of the Diplomatic Conference. It could not support any of the alternatives set out in document P/A/XXII/1. The Delegation perceived, in particular, that there still existed an uncertainty with respect to the outcome of the implementation of the TRIPS Agreement in a number of countries and with respect to the implications of the recent bilateral agreements between the United States of America and Japan.

13. The Delegation of France said that it was in favour of patent law harmonization and that such harmonization needed political will. It commended the Director General on the efforts which were undertaken by him to further harmonization. The Delegation stated that the proposal of the Delegation of the United Kingdom presented the best solution, under the condition that the participants also had the necessary political will to achieve the goal of patent harmonization.

14. The Delegation of Germany stated its dedication toward the harmonization of patent laws and expressed its disappointment with regard to the position of the Delegation of the United States of America. It recalled the enthusiasm the United States of America had shown in the negotiations of the Agreement on TRIPS and said that many of the results which had been achieved through the work in WIPO were copied by GATT and went into the Agreement on TRIPS. The Delegation said that, however, it had to accept that the United States of America were facing internal problems but expressed its hope that the United States of America would be able to solve those problems. The Delegation stated that, in its view, the discussions for establishing a basis for the second part of the Diplomatic Conference were of a political nature. Therefore, the suggested consultative meeting should meet on the understanding that the members of such a meeting should have the authority to take political decisions and that they should be in a position to decide on the scope of the provisions which should be discussed in the second part of the Diplomatic Conference.

15. The Delegation of Switzerland expressed its regret for the new situation. It stated that the situation now was unbalanced and that this unbalance could not be overcome by the suggestions contained in document P/A/XXII/1. In fact, it questioned whether Alternatives B and C of the said document could constitute a harmonization treaty at all. The Delegation supported the idea of setting up some kind of mechanism of consultations.

16. The Delegation of Slovenia expressed its preference for Alternative A of document P/A/XXII/1 and also stated that it considered the AIPPI resolution to be a reasonable compromise. It supported the suggestion of the Delegation of

the United Kingdom to set up a committee of experts or consultative meeting if the Diplomatic Conference could not be continued directly. However, the Delegation said that it would be unfortunate if the work of a committee of experts or consultative meeting would go on for an unlimited period of time and, therefore, suggested that a time schedule for such work and for the convening of the second part of the Diplomatic Conference be established.

17. The Delegation of Chile observed that patent law harmonization was particularly important for a country such as its own, which, as a consequence of the internationalization of its economy, started to have an innovative activity. It expressed the desire for true harmonization. The treaty should not be limited to administrative provisions, which would decrease the importance of the process. The Delegation favored moving forward on the basis of the basic proposal or, if necessary, Alternative A of document P/A/XXII/1. It also stated its readiness to support the idea of holding some kind of consultations.

18. The Delegation of Canada, with respect to the alternatives set out in document P/A/XXII/1, expressed concern about a possible loss of balance among the various provisions, especially the grace period. The Delegation considered it premature to set a date for the second part of the Diplomatic Conference and supported the proposal of the Delegation of the United Kingdom to convene a consultative meeting in order to maintain momentum.

19. The Delegation of China stated the hope that patent law harmonization would be achieved as soon as possible, and noted the position of the United States of America. The Delegation was of the opinion that the objectives of harmonization made it necessary to adopt a long term view.

20. The Delegation of the Netherlands expressed regret that it was not possible to make greater progress toward harmonization of patent laws in the near future, but was in favor of a realistic approach. The Delegation supported the proposal of the Delegation of the United Kingdom to convene a consultative meeting in early 1995.

21. The Delegation of Finland regretted the present situation, but advocated a realistic attitude. The Delegation supported the proposal of the Delegation of the United Kingdom, with the further suggestion that the consultative meeting be at a high level to address political, as well as substantive, questions.

22. The Delegation of Portugal observed that it should be possible to find solutions that achieve harmonization while taking into account all interests. It considered many of the outstanding questions to be political ones and favored the proposal of the Delegation of the United Kingdom of convening a consultative meeting.

23. The Delegation of Austria asserted that there was an economic interest and necessity for the most complete and earliest possible harmonization of patent laws. The Delegation supported the proposal of the Delegation of the United Kingdom to convene a consultative meeting in 1995.

24. The Delegation of Belgium supported the proposal of the Delegation of the United Kingdom.

25. The Delegation of Bulgaria expressed regret for the present situation and supported the proposal for a consultative meeting.

26. The Delegation of Indonesia supported, in order to maintain momentum toward harmonization of patent laws, the proposal of the Delegation of the United Kingdom to convene a consultative meeting.

27. The Delegation of Hungary supported the proposal of the Delegation of the United Kingdom and shared the view of the Delegation of Slovenia that there was a need for a time schedule for proceeding with the second part of the Diplomatic Conference.

28. The Delegation of the United Kingdom supported the suggestion of the Delegation of Slovenia to set a time frame at any consultative meeting so that the second part of the Diplomatic Conference would not be postponed indefinitely. The Delegation was ready to consider a treaty that would not be acceptable to all countries, but indicated that it would be important to consider the balance of provisions in any such treaty in view of the principle of national treatment, so that a country not party to the treaty could not benefit from its provisions without having made the concessions expected from it by the countries party to the treaty.

29. The Director General observed that the time was clearly not ripe to modify the scope of the basic proposal for the second part of the Diplomatic Conference. He submitted the following proposal for consideration by the Assembly:

"(a) A Consultative Meeting for the Further Preparation of the Diplomatic Conference for the Conclusion of the Patent Law Treaty should be convened by the Director General of WIPO in the first half of 1995 in order to try to recommend solutions to the principal issues involved so that, in due course, the Diplomatic Conference could be reconvened;

"(b) The members of the Consultative Meeting should be States members of WIPO and/or the United Nations;

"(c) In addition to the usual observer organizations, GATT/WTO should also be invited to the Consultative Meeting;

"(d) The results of the Consultative Meeting should be considered by the next session of the competent Governing Bodies of WIPO."

30. In response to a suggestion made by the Delegation of Zimbabwe, the Director General stated that WIPO would offer the financing of the participation (air ticket and per diem) of one person of each State which was a developing country and which expressed an interest in participating in the Consultative Meeting.

31. In explanation of the proposal, the Director General pointed out that a consultative meeting was preferable to a meeting of a committee of experts in order to underline that the discussions would not be limited to technical issues. He explained that the reason for re-naming the treaty the Patent Law Treaty was that, currently, there were two important international instruments dealing with patent law, the Paris Convention and the TRIPS Agreement, and that the new treaty should be independent of those existing treaties. The objective of the meeting would be to recommend solutions, meaning that it would be a policy meeting. This should maintain the impetus toward the reconvening of the Diplomatic Conference. The proposal would extend membership at the meeting to include member States of WIPO and/or the United Nations. The proposed Treaty would no longer be referred to as a "Treaty

Supplementing the Paris Convention as Far as Patents are Concerned." This change should lead to the de-linking of the Patent Law Treaty from the Paris Convention, that is, being a party to the Paris Convention should not be a condition for being a party to the Patent Law Treaty. A similar de-linking from the Paris Convention should, in due course, occur also in respect of the existing "special agreements" under the Paris Convention, in particular, in respect of the Patent Cooperation Treaty, the Madrid Agreement Concerning the International Registration of Marks and the future Trademark Law Treaty. According to the proposal, the results of the consultative meeting would be presented for consideration at the next meeting (ordinary or extraordinary) of the competent governing bodies of WIPO, that is, not only the Assembly of the Paris Union.

32. The Delegation of Germany wholeheartedly supported the proposal of the Director General. The Delegation stated that the proposal was reminiscent of the consultative mechanism under the proposed revision of the Paris Convention, which proved to be very useful.

33. The Delegation of the United Kingdom expressed its wholehearted support for the proposal of the Director General.

34. The Delegation of India expressed its support for the proposal of the Director General, and stated that--although not a member of the Paris Union--it would be glad to be able to take a more active part in the process of patent law harmonization.

35. The Delegation of Romania supported the proposal of the Director General.

36. The Delegation of Finland supported the proposal of the Director General.

37. The Delegation of the Netherlands supported the proposal of the Director General.

38. The Delegation of Slovenia supported the proposal of the Director General.

39. The Delegation of Zimbabwe supported the proposal of the Director General and thanked the Director General for his response concerning the financing of the participation of delegates from developing countries.

40. The Delegation of Brazil supported the proposal of the Director General. The Delegation expressed regret that countries which advocated changes in other countries' intellectual property laws may not themselves be ready to make changes in their own laws.

41. The Delegation of Belgium supported the proposal of the Director General.

42. The Delegation of Austria supported the proposal of the Director General.

43. The Delegation of Egypt supported the proposal of the Director General.

44. The Delegation of Côte d'Ivoire supported the proposal of the Director General.

45. The Delegation of Australia supported the proposal of the Director General.

46. The Delegation of Senegal supported the proposal of the Director General.

47. The Delegation of the Russian Federation supported the proposal of the Director General.
48. The Delegation of the Czech Republic supported the proposal of the Director General.
49. The Delegation of Portugal supported the proposal of the Director General.
50. The Delegation of Kenya supported the proposal of the Director General.
51. The Delegation of France supported the proposal of the Director General.
52. The Delegation of Algeria supported the proposal of the Director General.
53. The Delegation of Japan expressed a reservation concerning the membership in the Consultative Meeting under the Director General's proposal. The Delegation expressed a preference that the issues be addressed first by members of the Paris Union only.
54. Replying to the Delegation of Japan, the Director General said that the provision for expanded membership was included in the proposal in response to suggestions that WIPO take full account of the existence of the TRIPS Agreement.
55. The Delegation of Poland supported the proposal of the Director General.
56. The Delegation of Norway supported the proposal of the Director General.
57. The Delegation of Bulgaria supported the proposal of the Director General.
58. The Delegation of the Democratic People's Republic of Korea supported the proposal of the Director General.
59. The Delegation of Burkina Faso supported the proposal of the Director General.
60. The Delegation of the Central African Republic supported the proposal of the Director General.
61. The Delegation of Benin supported the proposal of the Director General.
62. The Delegation of Iraq supported the proposal of the Director General.
63. The Delegation of Cameroon supported the proposal of the Director General.
64. The Delegation of Congo supported the proposal of the Director General.
65. The Delegation of Nigeria supported the proposal of the Director General.
66. The Delegation of Viet Nam supported the proposal of the Director General.
67. The Delegation of Monaco supported the proposal of the Director General.
68. The Delegation of Slovakia supported the proposal of the Director General.

69. The Delegation of the United States of America acknowledged the overwhelming support for the proposal of the Director General and indicated that it did not object in anyway to the proposal.

70. The Chairman concluded that the proposal of the Director General was adopted by the Assembly.

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