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Working Group on the Legal Development of the Hague System for the International Registration of Industrial Designs

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RECENT TRENDS UNDER THE HAGUE SYSTEM

Document prepared by the International Bureau

I. INTRODUCTION

1. It is recalled that in its fifth session the Working Group on the Legal Development of the Hague System for the International Registration of Industrial Designs (hereinafter referred to as the “Working Group”) discussed the increase in the number of international applications, which is expected to continue in the coming years (refer to document H/LD/WG/5/6, “Considerations Relating to a Possible Revision of the Schedule of Fees” and to paragraphs 138 to 147 of document H/LD/WG/5/8 Prov., “Draft Report”).
2. Furthermore, the recent accession of Contracting Parties with examination systems has required for the first time the practical implementation of a number of features that had been agreed at the Diplomatic Conference for the Adoption of a New Act of the Hague Agreement Concerning the International Deposit of Industrial Designs (Geneva Act) in 1999. The challenge behind this expansion is that the Hague System must accommodate a wide variety of national or regional systems while remaining simple, efficient and cost-effective.
3. The purpose of the present document is to present a first set of observations and analyses relating to filings made under the Hague System since the accessions of Japan, the Republic of Korea and the United States of America, i.e., countries with examination systems and with a large filing activity, to see if there are any emerging trends.
4. The statistics on which the present document is based relate to international registrations rather than international applications filed, and according to their international registration date (which is normally the filing date of the international application) rather than their recording date. Thus, for example, the figures relating to the international registrations in the first quarter

of 2016, strictly refer to international registrations with an international registration date in January, February or March 2016. This methodology was chosen for the sake of stability of the data whilst at the same time reflecting as closely as possible the latest trends. However, it should be noted that figures on the “Statistics under the Hague System”, available on the WIPO website¹ are based instead on the date on which international registrations are recorded in the International Register. Therefore, the figures used in the present document may not always be consistent with the figures under the said statistics. This is especially as far as the first quarter of 2016 is concerned, in respect of which the methodology used yields a very small sample². So as to minimize the inconvenience, reference is sometimes made to the international applications filed in the first quarter of 2016.

II. SOME HIGHLIGHTS CONCERNING STATISTICS FOR 2015 AND THE FIRST QUARTER OF 2016

INCREASED ACTIVITY UNDER THE HAGUE SYSTEM

5. In recent years, the number of international registrations has been growing each year. 3,821 international registrations with an international registration date in 2015 were recorded, corresponding to a 40.5 per cent increase compared to those with an international registration date in 2014. Furthermore, the total number of designs in such international registrations was 15,132, corresponding to a 10.9 per cent increase on 2014.

6. The number of inscribed international registrations with an international registration date in January to March 2016, was 752; the number of designs in those international registrations was 2,405³.

NEW CONTRACTING PARTIES IN TOP TEN

Most Designated Contracting Parties

7. In 2014, the European Union (2,057 designations, i.e., 75.7 per cent of the total number of registrations in 2014) was the most designated Contracting Party, followed by Switzerland (1,750, i.e., 64.4 per cent), Turkey (1,199, i.e., 44.1 per cent), Norway (705, i.e., 25.9 per cent), Singapore (675, i.e., 24.8 per cent), Ukraine (581, i.e., 21.4 per cent), Morocco (381, i.e., 14 per cent), Monaco (369, i.e., 13.6 per cent), Liechtenstein (327, i.e., 12 per cent) and The former Yugoslav Republic of Macedonia (322, i.e., 11.8 per cent).

8. In 2015, the most designated Contracting Party continued to be the European Union (2,858 designations, i.e., 74.8 per cent of the total number of registrations that year), followed by Switzerland (1,793, i.e., 46.9 per cent) and Turkey (1,262, i.e., 33 per cent). Out of the new Contracting Parties to the Hague Agreement, the United States of America (868, i.e., 22.7 per cent) was already the fourth most designated Contracting Party, the Republic of Korea (853, i.e., 22.3 per cent) the fifth and Japan (540, i.e., 14.1 per cent) the ninth. Other Contracting Parties in the top 10 were Norway (821, i.e., 21.5 per cent), Singapore (745, i.e., 19.5 per cent), Ukraine (624, i.e., 16.3 per cent) and Morocco (485, i.e., 12.7 per cent).

¹ Refer to <http://www.wipo.int/hague/en/statistics/index.jsp>.

² The data used in the present document was extracted early April 2016. Therefore, the total final number of international registrations with an international registration date in the first quarter of 2016 will increase as more international applications filed during that period and still pending on March 31, 2016, mature into registrations.

³ As a marginal note, it is remarked that during the first quarter of 2016, 1,130 international registrations have already been inscribed in the International Register but 378 of them have their international registration date (i.e., in most cases, the same as the filing date) in 2015.

9. During the first three months of 2016, the four most designated Contracting Parties remained unchanged; the European Union (575 designations, i.e., 76.5 per cent of the total number of registrations in the first quarter of 2016) was the most designated, followed by Switzerland (332, i.e., 44.1 per cent), Turkey (243, i.e., 32.3 per cent) and the United States of America (219, i.e., 29.1 per cent). Japan (145, i.e., 19.3 per cent) moved up to fifth place, followed by Norway (143, i.e., 19 per cent), the Republic of Korea (141, i.e., 18.8 per cent), Ukraine (120, i.e., 16 per cent) and Morocco (104, i.e., 13.8 per cent).

Designs in International Registrations by Designated Contracting Party

10. In 2014, the European Union (10,897 designs, i.e., 79.9 per cent of the total number of designs registered in 2014) was the most designated Contracting Party according to the number of designs in international registrations, followed by Switzerland (9,700, i.e., 71.1 per cent), Turkey (5,923, i.e., 43.4 per cent), Norway (2,769, i.e., 20.3 per cent), Singapore (2,695, i.e., 19.8 per cent), Ukraine (2,457, i.e., 18 per cent), Morocco (1,693, i.e., 12.4 per cent), Monaco (1,609, i.e., 11.8 per cent), Liechtenstein (1,420, i.e., 10.4 per cent) and The former Yugoslav Republic of Macedonia (1,228, i.e., 9 per cent).

11. In 2015, also, the European Union (12,360 designs, i.e., 81.7 per cent of the total number of designs registered that year) was the most designated Contracting Party according to the number of designs in international registrations, followed by Switzerland (9,012, i.e., 59.6 per cent), Turkey (5,701, i.e., 37.7 per cent), Norway (3,219, i.e., 21.3 per cent), Ukraine (2,739, i.e., 18.1 per cent), and Singapore (2,703, i.e., 17.9 per cent). Of the new Contracting Parties, the Republic of Korea (2,478, i.e., 16.4 per cent) was seventh; the United States of America (2,159, i.e., 14.3 per cent) was eighth and Japan (1,140, i.e., 7.5 per cent) was seventeenth. Ninth and tenth were Morocco (1,966, i.e., 13 per cent) and Monaco (1,493, i.e., 9.9 per cent) respectively.

12. During the first quarter of 2016, the top three remained the same, namely the European Union (1,990 designs, i.e., 82.7 per cent of the total number of designs registered during that period), Switzerland (1,335, i.e., 55.5 per cent) and Turkey (955, i.e., 39.7 per cent), followed by Singapore (625, i.e., 25.9 per cent), Morocco (499, i.e., 20.8 per cent), Ukraine (485, i.e., 20.2 per cent) and Norway (465, i.e., 19.3 per cent). Among the new Contracting Parties, the Republic of Korea (379, i.e., 15.8 per cent) occupied eighth place and Japan ninth place (348, i.e., 14.5 per cent). Tenth place went to Tunisia with 338 designs (i.e., 14.1 per cent), just before the United States of America (336, i.e., 14 per cent).

International Registrations by Country of Address of the Holder

13. In 2014, international registrations originated primarily from Germany (633, i.e., 23.3 per cent of the total number of registrations that year), followed by Switzerland (627, i.e., 23.1 per cent), France (303, i.e., 11.1 per cent), Italy (191, i.e., 7 per cent), the United States of America (125, i.e., 4.6 per cent), the Netherlands (109, i.e., 4 per cent), Turkey (91, i.e., 3.3 per cent), Finland (49, i.e., 1.8 per cent), Norway (50, i.e., 1.8 per cent) and the United Kingdom (44, i.e., 1.6 per cent).

14. In 2015, international registrations originated primarily from Switzerland (718, i.e., 18.8 per cent of the total number of registrations that year), followed by Germany (623, i.e., 16.3 per cent), the Republic of Korea (520, i.e., 13.6 per cent), France (363, i.e., 9.5 per cent), Italy (289, 7.6 per cent), the United States of America (197, i.e., 5.1 per cent), the Netherlands (147, i.e., 3.8 per cent), Japan (124, i.e., 3.2 per cent), the United Kingdom (96, i.e., 2.5 per cent), and Sweden (91, i.e., 2.4 per cent). It is to be noted that, in addition to the "traditional" origins,

i.e., countries that have been party to the Hague Agreement for several decades and others that are not but are member states of the European Union, three “new comers”, namely, Japan, the Republic of Korea and the United States of America are represented in the top 10.

15. During the first quarter of 2016, the Republic of Korea, from where originated 190 international registrations, i.e., 25.3 per cent of the registrations, overtook Switzerland (142, i.e., 18.9 per cent) and Germany (95, i.e., 12.6 per cent). France (75, i.e., 10 per cent) kept its fourth place, followed by the Netherlands (39, i.e., 5.2 per cent) and Italy (35, i.e., 4.7 per cent); Japan (29, i.e., 3.9 per cent) and the United States of America (29, i.e., 3.9 per cent) shared seventh position, Turkey (15, i.e., 2 per cent) was ninth and the United Kingdom (13, i.e., 1.7 per cent) was tenth⁴.

Designs in International Registrations by Country of Address of the Holder

16. In 2014, designs in international registrations originated primarily from Germany (3,666 designs, i.e., 26.9 per cent of the total number of designs registered that year), followed by Switzerland (3,101, i.e., 22.7 per cent), France (1,438, i.e., 10.5 per cent), Italy (878, i.e., 6.4 per cent), the United States of America (755, i.e., 5.5 per cent), Turkey (379, i.e., 2.8 per cent), the Netherlands (330, i.e., 2.4 per cent), Finland (207, i.e., 1.5 per cent), the United Kingdom (156, i.e., 1.1 per cent) and Norway (104, i.e., 0.8 per cent).

17. In 2015, designs in international registrations originated, primarily, from Germany (3,358 designs, i.e., 22.2 per cent of the designs registered in 2015), Switzerland (3,125, i.e., 20.7 per cent), France (1,184, i.e., 7.8 per cent), the Republic of Korea (1,184, i.e., 7.8 per cent), Italy (1,121, i.e., 7.4 per cent), the United States of America (944, i.e., 6.2 per cent), the Netherlands (680, i.e., 4.5 per cent), Japan (391, i.e., 2.6 per cent), Austria (379, i.e., 2.5 per cent) and the United Kingdom (358, i.e., 2.4 per cent).

18. During the first quarter of 2016, designs in international registrations originated, primarily, from Switzerland (527 designs, i.e., 21.9 per cent of the total number of designs during that period), Germany (414, i.e., 17.2 per cent), the Republic of Korea (263, i.e., 10.9 per cent), the Netherlands (221, i.e., 9.2 per cent), France (219, i.e., 9.1 per cent), the United States of America (156, i.e., 6.5 per cent) and Italy (123, i.e., 5.1 per cent). Japan was in eighth place (69, i.e., 2.9 per cent), Austria was ninth (59 designs, i.e., 2.5 per cent) and Turkey was tenth (47 designs, i.e., 2 per cent)⁵.

III. RECENT TRENDS IN FILING STRATEGIES

FEWER DESIGNS IN INTERNATIONAL REGISTRATIONS

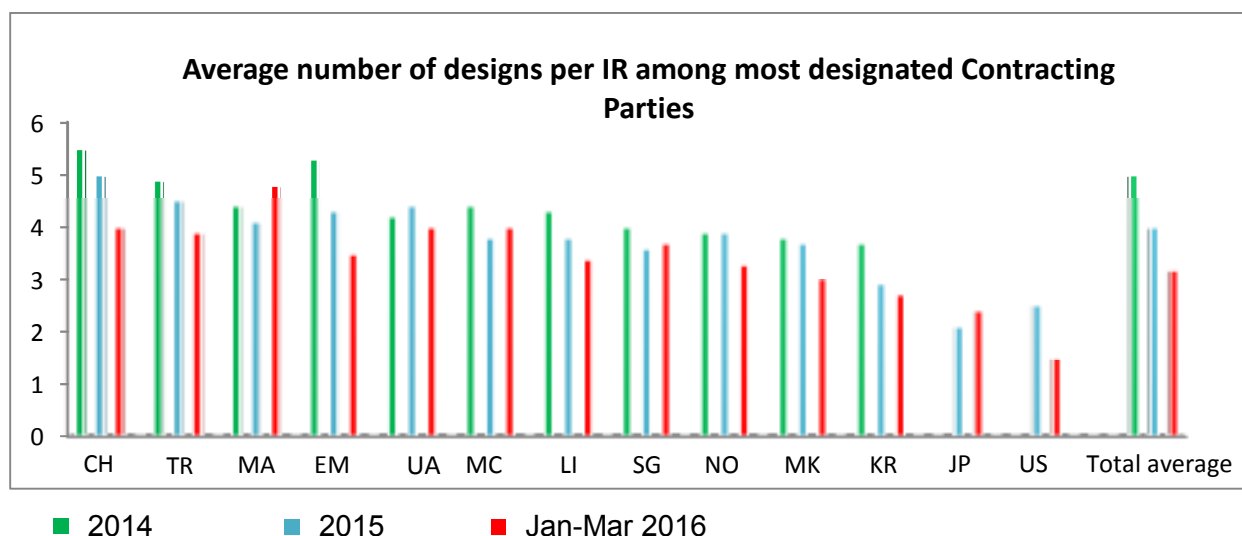
Average Number of Designs in International Registrations

19. In 2014, the average number of designs in an international registration was five, whereas in 2015, that number was four designs. During January to March 2016, the average number of designs in an international registration was further diminished to 3.2 designs. It is worth having a closer look at this phenomenon.

⁴ It is noted that in the first quarter of 2016, out of the total number of 1,451 international applications filed, the top origins were the Republic of Korea (299), Switzerland (200), Germany (177), United States of America (118), France (113), Japan (73), the Netherlands (65), Italy (64), the United Kingdom (39) and Turkey (36).

⁵ In respect of international applications filed in the first quarter of 2016, for a total of 5,141 designs in international applications filed, the top origins were Germany (914), Switzerland (822), the United States of America (453), the Netherlands (436), the Republic of Korea (393), France (341), Italy (255), Japan (176), Turkey (156) and Austria (143).

By Designated Contracting Party



20. Looking at the most designated Contracting Parties, in 2014, the highest average number of designs was in international registrations designating (at least) Switzerland (5.5) or the European Union (5.3). The average number of designs in international registrations designating (at least) the Republic of Korea (3.7) was lower than the average number of designs (5) in all the international registrations.

21. In 2015, the highest average numbers of designs were still in respect of Switzerland (5) and the European Union (4.3) but went down slightly compared to 2014. The average number of designs in international registrations designating (at least) Japan (2.1), the United States of America (2.5) or the Republic of Korea (2.9) was significantly lower than the average number of designs (4) in all international registrations.

22. During the first three months of 2016, the average number of designs in international registrations designating (at least) Switzerland (4), or the European Union (3.5) further dropped. The average number of designs in international registrations designating (at least) the United States of America (1.5), Japan (2.4) or the Republic of Korea (2.7) remained low.

23. It is recalled that the United States of America is a frequently designated Contracting Party⁶, and it seems that the filing strategies take into account the requirement of unity of design under the law of the United States of America⁷. Thus, an explanation to an overall trend of fewer designs in an international registration might be that users of the Hague System wish to forestall a possible refusal by the United States Patent and Trademark Office (USPTO) on the grounds of lack of unity and, consequently, instead of filing divisional applications prefer to file several single design international applications.

⁶ Among the new Contracting Parties to the Hague System, both Japan and the United States of America have made a declaration concerning “unity of design” under Article 13(1) of the 1999 Act. However, Japan has indicated to the International Bureau that the Japan Patent Office (JPO) will not issue refusals in accordance with Article 13(2) of the 1999 Act but will perform the division of an international registration containing multiple designs only at the Office level, for examination purposes.

⁷ It is to be noted that pursuant to Article 13(1) of the 1999 Act “no such declaration shall affect the right of an applicant to include two or more industrial designs in an international application in accordance with Article 5(4), even if the application designates the Contracting Party that has made the declaration”.

By Country of Address of the Holder of the International Registration

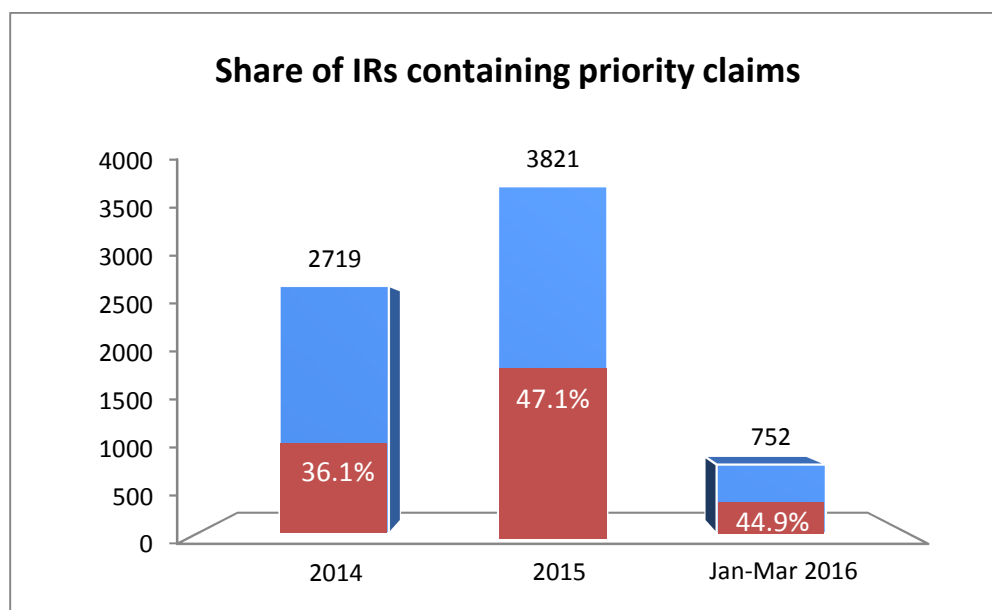
24. In 2014, in the top 10 origins, the highest average number of designs was in respect of international registrations originating from the United States of America (6), followed by Germany (5.8) and Switzerland (4.9). Furthermore, the average number of designs of international registrations originating from the Republic of Korea (2.2) was among the lowest⁸.

25. In 2015, there was a slight decrease in respect of certain of those figures, namely, Germany (5.4), the United States of America (4.8), as well as Switzerland (4.4), but there were also trends in the opposite direction (for example, the Netherlands, with 4.6 and up from three in 2014). Finally, in 2015, the average number of designs in international registrations originating from the Republic of Korea (1.2) and Japan (3.2) were among the lowest.

26. During the first three months of 2016, the average number of designs in international registrations originating from the Netherlands (5.7) continued to increase to become the highest, followed by that relating to the United States of America (5.4) and Germany (4.4 designs). On the other hand, the average number of designs in international registrations originating from the Republic of Korea (1.4) and Japan (2.4) continued to be low.

27. In comparison with international registrations originating from Japan and the Republic of Korea, those originating from the United States of America seem to reflect a greater tendency to take advantage of the possibility under the Hague System of filing multiple design applications.

SHARE AND ORIGIN OF PRIORITY CLAIMS IN INTERNATIONAL REGISTRATIONS



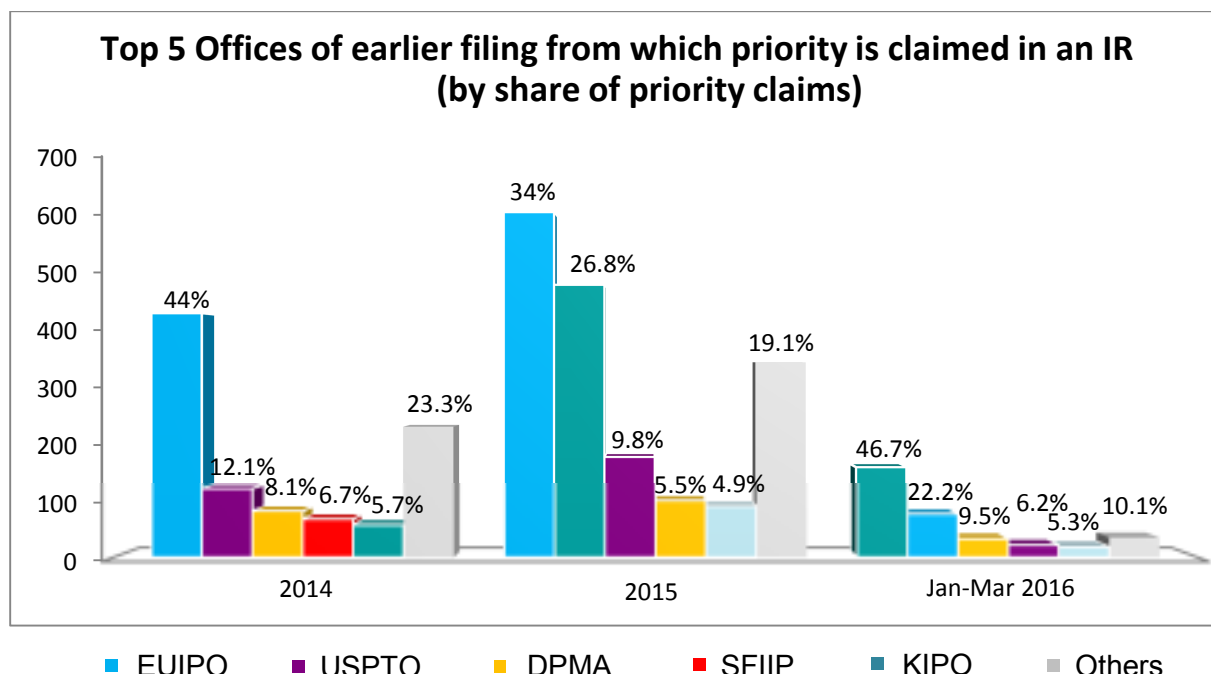
28. As prescribed by Article 6(2) of the 1999 Act, an international application may be a first application and serve as a basis for claiming priority. However, certain users of the Hague System obviously prefer making a first application which they would claim priority from in an international registration, in accordance with Article 6(1)(a)⁹. In 2014, 36.1 per cent of international registrations contained a priority claim, whereas in 2015, that share was

⁸ In 2014, only two international registrations originated from Japan, one containing 3 designs, and the other 17.

⁹ Whilst in the large majority of cases the priority claim is based on a national or regional first filing, there is also a limited number of cases where the first filing is another international application under the Hague System.

47.1 per cent and during the first three months of 2016, 44.9 per cent. This phenomenon is further detailed below.

Office of the Earlier Filing Under Article 6(1)(a) of the 1999 Act

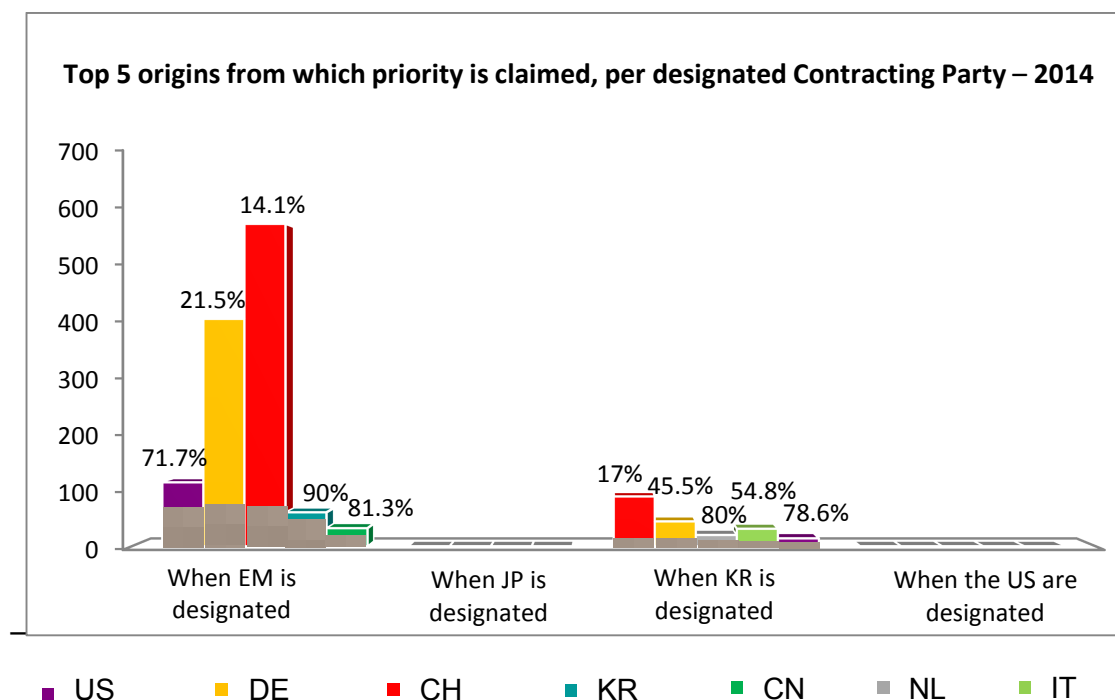


29. Until recently, the majority of earlier applications on which priority claims in international registrations were based, were filed at the European Union Intellectual Property Office (EUIPO). Thus, in 2014, 44 per cent of all priority claims in international registrations were based on an earlier filing at EUIPO.

30. In 2015 already, i.e., the first whole year after the accession of the Republic of Korea to the 1999 Act, 34 per cent of all priority claims were based on an earlier filing at EUIPO and 26.8 per cent at the Korean Intellectual Property Office (KIPO). In the same year, i.e., the year where both the United States of America and Japan became parties to the 1999 Act, 9.8 and 4.9 per cent of priority claims were based on earlier filings made respectively at the USPTO and the Japan Patent Office (JPO). It is to be noted that both Japan and the United States of America became party to the 1999 Act on May 13, 2015. In respect of international registrations with a registration date from May to December 2015, 6.9 per cent of international registrations contained a priority claim with the USPTO and 3.5 per cent a priority claim with the JPO.

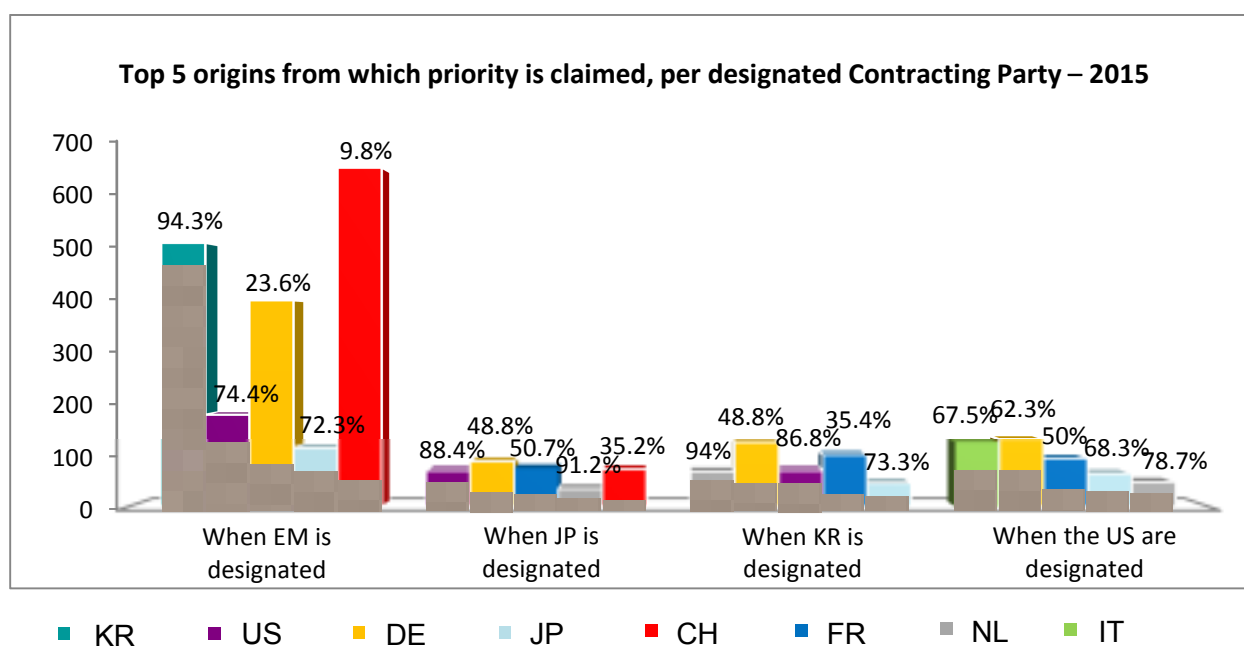
31. During the first quarter of 2016, almost half of the priority claims in international registrations, i.e., 46.7 per cent were based on an earlier filing at KIPO, 22.2 per cent at EUIPO, 9.5 per cent at the German Patent and Trademark Office (DPMA), 6.2 per cent at the USPTO, and 5.3 per cent at the JPO.

Share of Priority Claims in International Registrations by Origin



32. In 2014, where the European Union was designated in an international registration, 71.7 per cent of international registrations originating from the United States of America contained a priority claim, compared to 21.5 per cent of those originating from Germany, 14.1 per cent of those originating from Switzerland, 9.0 per cent of those originating from the Republic of Korea and 81.3 per cent of those originating from China.

33. On the other hand, in 2014, where the Republic of Korea was designated in an international registration, 17 per cent of international registrations originating from Switzerland contained a priority claim, compared to 45.5 per cent of those originating from Germany, 80 per cent of those originating from the Netherlands, 54.8 per cent of those originating from Italy, and 78.6 per cent of those originating from the United States of America.

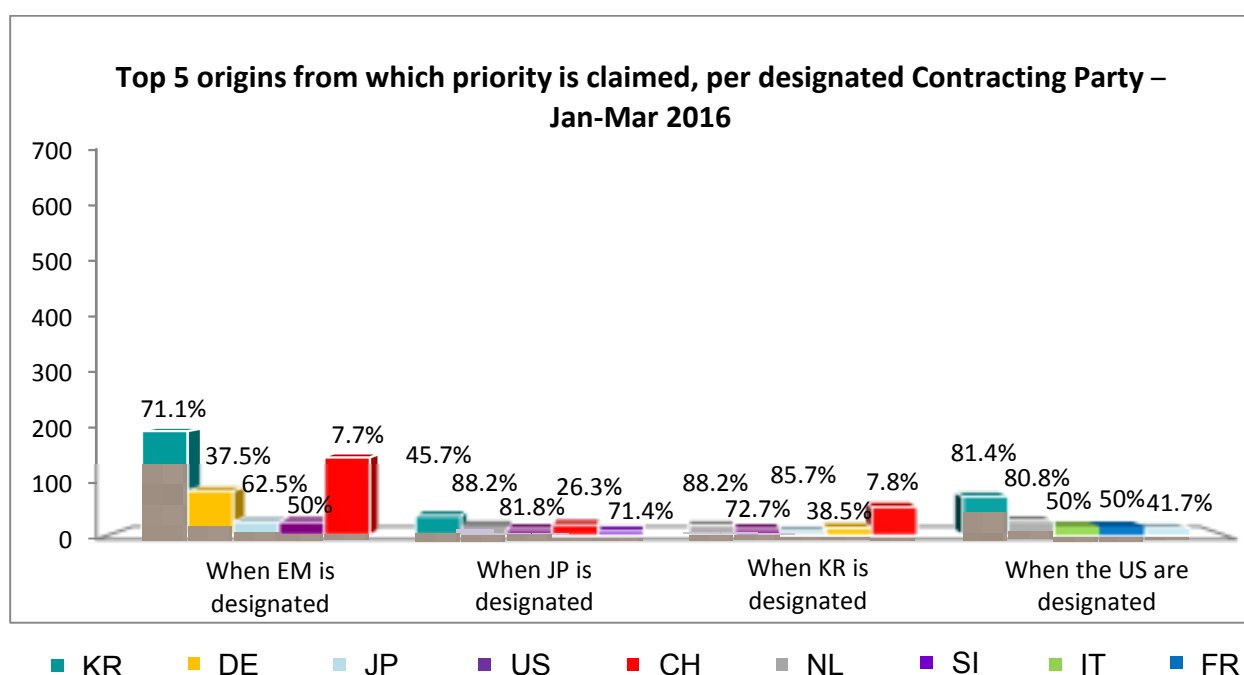


34. In 2015, where the European Union was designated in an international registration, 94.3 per cent of international registrations originating from the Republic of Korea contained a priority claim, compared to 74.4 per cent of those originating from the United States of America, 23.6 per cent of those originating from Germany, 72.3 per cent of those originating from Japan and 9.8 per cent of those originating from Switzerland.

35. On the other hand, in 2015, where the Republic of Korea was designated in an international registration, 94 per cent of international registrations originating from the Netherlands contained a priority claim, compared to 48.8 per cent of those originating from Germany, 86.6 per cent of those originating from the United States of America, 35.4 per cent of those originating from France and 73.3 per cent of those originating from Japan.

36. Also in 2015, where Japan was designated in an international registration, 88.4 per cent of international registrations originating from the United States of America contained a priority claim, compared to 48.8 per cent of those originating from Germany, 50.7 per cent of those originating from France, 91.2 per cent of those originating from the Netherlands and 35.2 per cent of those originating from Switzerland.

37. Finally in 2015, where the United States of America was designated in an international registration, 67.5 per cent of international registrations originating from Italy contained a priority claim, compared to 62.3 per cent of those originating from Germany, 50 per cent of those originating from France, 68.3 per cent of those originating from Japan and 78.7 per cent of those originating from the Netherlands.



38. In 2016, where the European Union was designated in an international registration, 71.1 per cent of international registrations originating from the Republic of Korea contained a priority claim, compared to 37.5 per cent of those originating from Germany, 62.5 per cent of those originating from Japan, 50 per cent of those originating from the United States of America and 7.7 per cent of those originating from Switzerland.

39. On the other hand, in 2016, where the Republic of Korea was designated in an international registration, 88.2 per cent of international registrations originating from the Netherlands contained a priority claim, compared to 72.7 per cent of those originating from the United States of America, 85.7 per cent of those originating from Japan, 38.5 per cent of those originating from the Republic of Korea and 7.8 per cent of those originating from Switzerland.

40. Also in early 2016, where Japan was designated in an international registration, 45.7 per cent of international registrations originating from the Republic of Korea contained a priority claim, compared to 88.2 per cent of those originating from the Netherlands, 81.8 per cent of those originating from the United States of America, 26.3 per cent of those originating from Switzerland and 71.4 per cent of those originating from the United States of America.

41. Finally in 2016, where the United States of America was designated in an international registration, 81.4 per cent of international registrations originating from the Republic of Korea contained a priority claim, compared to 80.8 per cent of those originating from the Netherlands, 50 per cent of those originating from Italy, 50 per cent of those originating from France and 41.7 per cent of those originating from Japan.

Trends Regarding Claiming Priority

42. A visible trend may be observed in respect of international registrations originating from the Republic of Korea. Almost all such international registrations claim priority. In contrast, it may be remarked that the share of priority claims in international registrations originating from Switzerland was significantly lower than from most other top origins.

43. It may be further observed that the priority claims outside the members of the Hague Union have been quite naturally rare, but not inexistent. Thus, in 2014, 2015 and the first quarter of 2016, 36, 18 and two international registrations, respectively, claimed priority from an earlier filing with the State Intellectual Property Office of the People's Republic of China (SIPO). Furthermore, in 2014, 2015 and the first quarter of 2016, six, two and one international registrations claimed priority from the Federal Service for Intellectual Property (ROSPATENT).

44. Finally, in parenthesis, it may be remarked that a relatively high share of priority claims from an earlier international application were contained in international registrations designating the United States of America in 2015, which may be explained by the fact that the ratification by the United States of America of the 1999 Act came into effect on May 13, 2015, and the holders of prior international registrations wished to extend the protection to the United States of America. It is to be noted that in the first quarter of 2016, none of the international registrations designating the United States of America contained a priority claim from an earlier international application.

PUBLICATION OF INTERNATIONAL REGISTRATIONS

45. The weekly publication cycle of the *International Designs Bulletin* was introduced in 2012, making the immediate publication option more attractive for users. In 2014, immediate publication was requested in respect of the 53.9 per cent of international registrations, whereas, in 2015, that share was 50.1 per cent of international registrations.

46. In 2014, 38,4 per cent of international registrations were the subject of standard publication, whereas in 2015 that share was 40 per cent. In 2014, deferment of publication was requested in respect of 7.7 per cent of international registrations whereas in 2015 it was requested in respect of 9.9 per cent of international registrations.

47. During the first three months of 2016, 47.9 per cent of international registrations were the subject of immediate publication, 45.6 per cent of standard publication and 6.5 per cent of deferred publication.

48. It may be foreseen that the share of deferred publications will remain low, since a number of Contracting Parties, including the United States of America, which is frequently designated in international registrations, have made declarations under Article 11(1)(b) of the 1999 Act prohibiting the deferment of publication.

IV. SELF-DESIGNATION AND “DESIGNATION-FAMILIES” IN INTERNATIONAL REGISTRATIONS

SELF-DESIGNATIONS OF “NEW” CONTRACTING PARTIES IN COMPARISON WITH “TRADITIONAL” CONTRACTING PARTIES

Self-Designation by Country of Address of the Holder of the International Registration

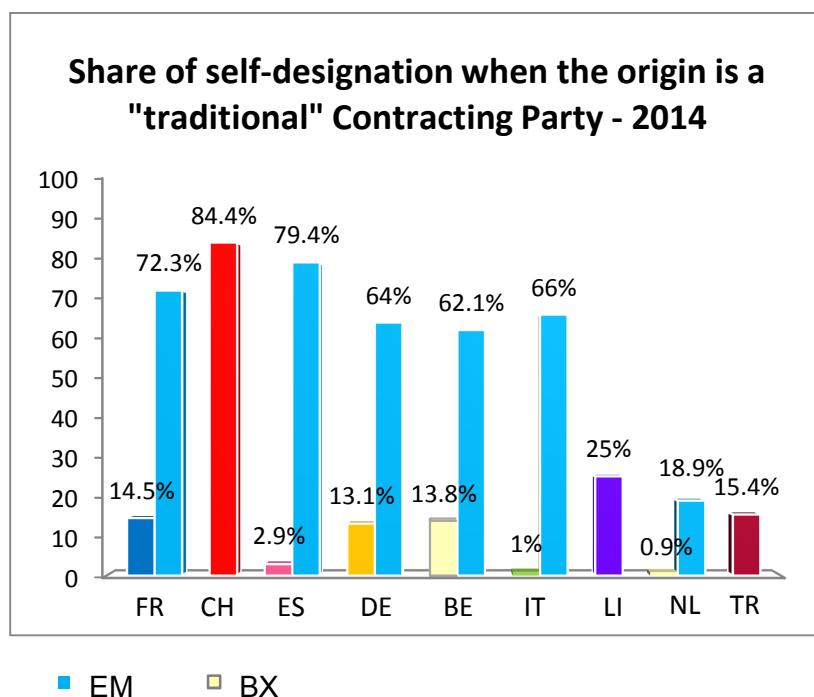
49. Under the Hague System, the “Contracting Party of the holder” of the international registration may also be designated¹⁰. This possibility is widely used by users from certain traditional origins of the Hague System, such as users having an address in Switzerland or a member State of the European Union.

50. Regarding the member states of the European Union, and for the sake of this document, the concept of self-designation comprises both the designations of the European Union and the respective State (i.e., the country of the address of the holder) that is itself a Contracting Party. Furthermore, it is observed that an international registration may contain both the designation of the European Union and of any of its member states that are Contracting Parties.

51. Furthermore, the concept of self-designation regarding the Benelux comprises, for the sake of this document, both the designations of the European Union and the Benelux by holders having an address in Belgium, the Netherlands or Luxembourg.

¹⁰ None of the Contracting Parties to the 1999 Act has made a declaration under Article 14(3) of the 1999 Act prohibiting “self-designation”.

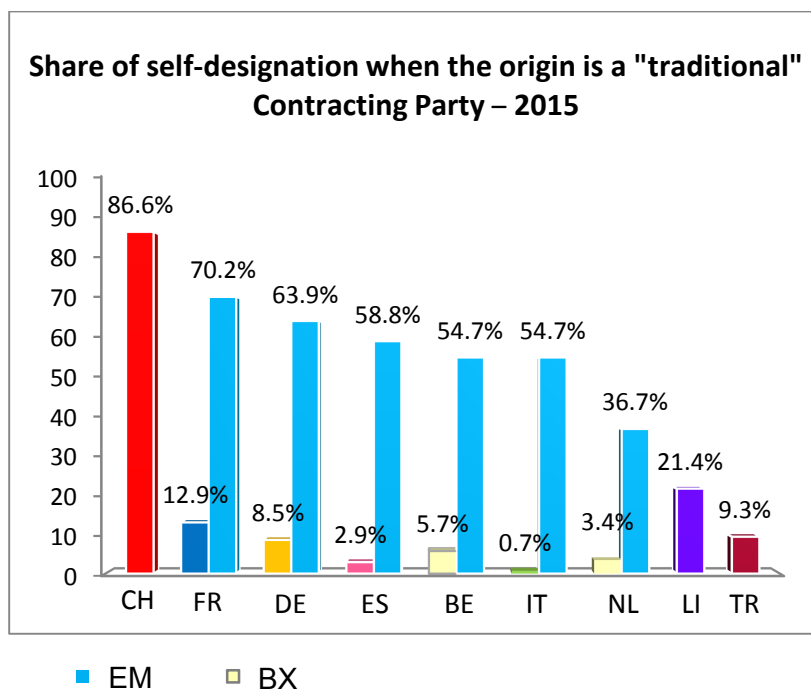
Geo-European Family¹¹ under the Hague System



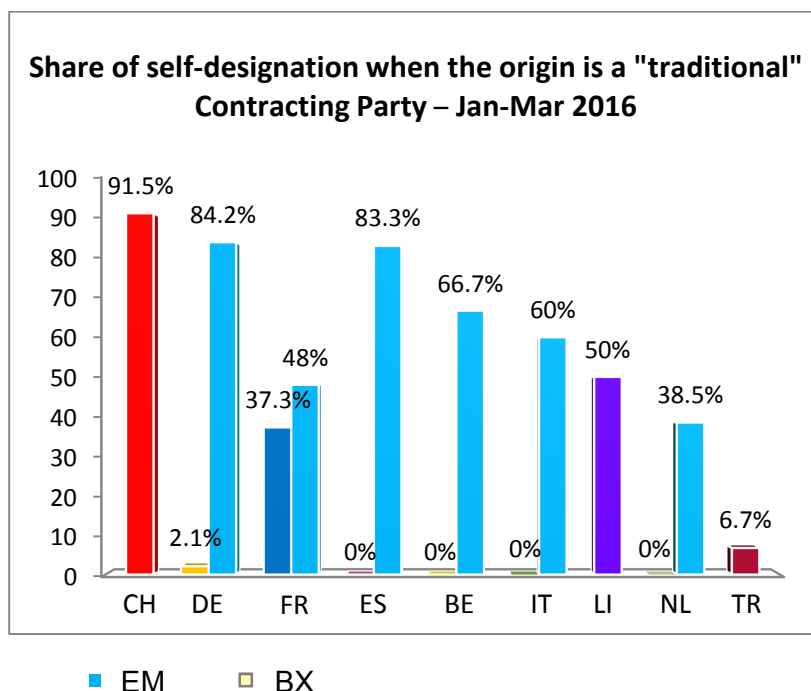
52. It may be remarked that, in 2014, the holders with an address in France are those who most frequently made self-designations, namely, 72.3 per cent of international registrations originating from France contained a self-designation of the European Union, and 14.5 per cent of France, which could make it altogether up to 86,8 per cent of all international registrations, it being understood that a fraction of those may contain both a designation of France and of the European Union.

53. In 2014, the vast majority (84.4 per cent) of international registrations originating from Switzerland designated also Switzerland. In respect of other "traditional" origins of the Hague System, it may be noted that only 15.4 per cent of the international registrations originating from Turkey contained a self-designation of Turkey.

¹¹ For the sake of this document, "Geo-European Family" refers to European and its neighboring countries.



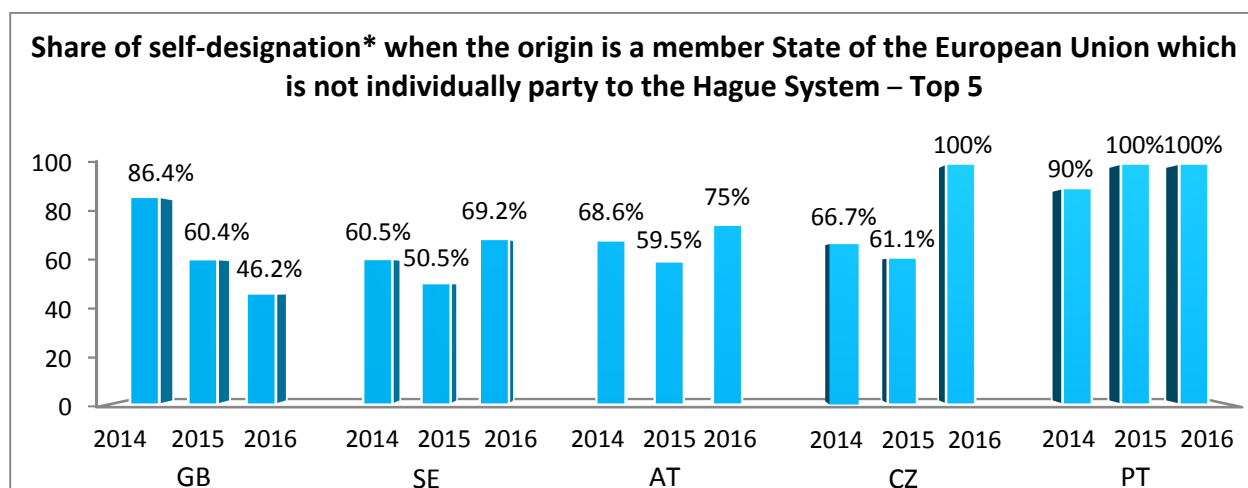
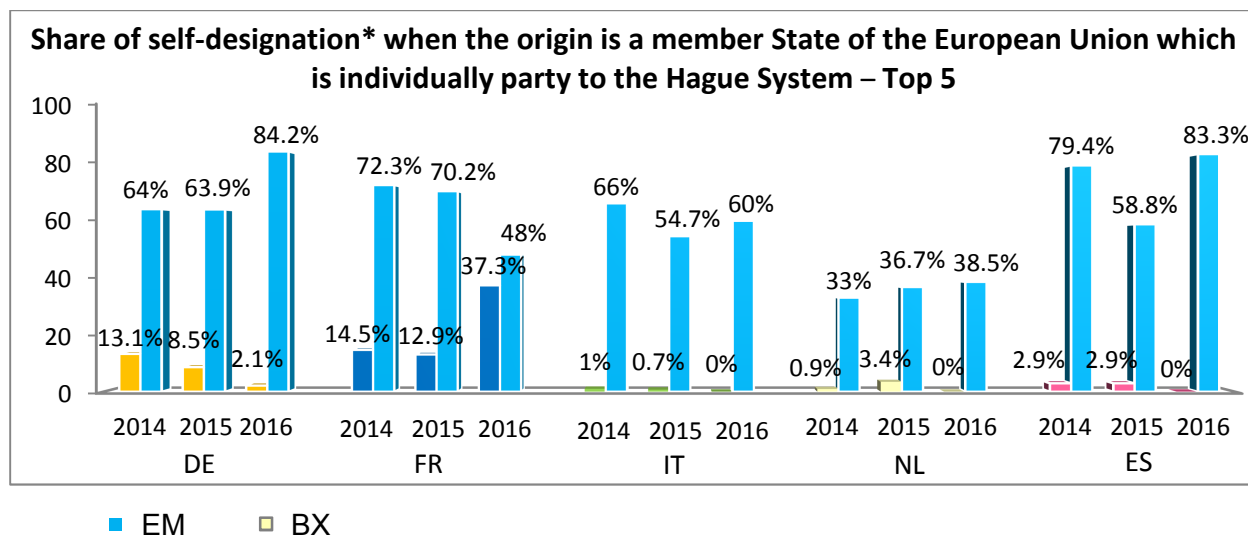
54. In 2015, the share of self-designations in international registrations remained high, except for international registrations originating from Turkey, in respect of which only 9.3 per cent contained a self-designation.



55. In the first quarter of 2016, it may be observed that the share of self-designations of France (37.3 per cent) had increased in comparison with the share of self-designations of the European Union (48 per cent) in international registrations originating from France. Otherwise, the share of self-designation seems to be stable and no other detectable evolution as to the self-designations in the Geo-European family could be observed.

European Union

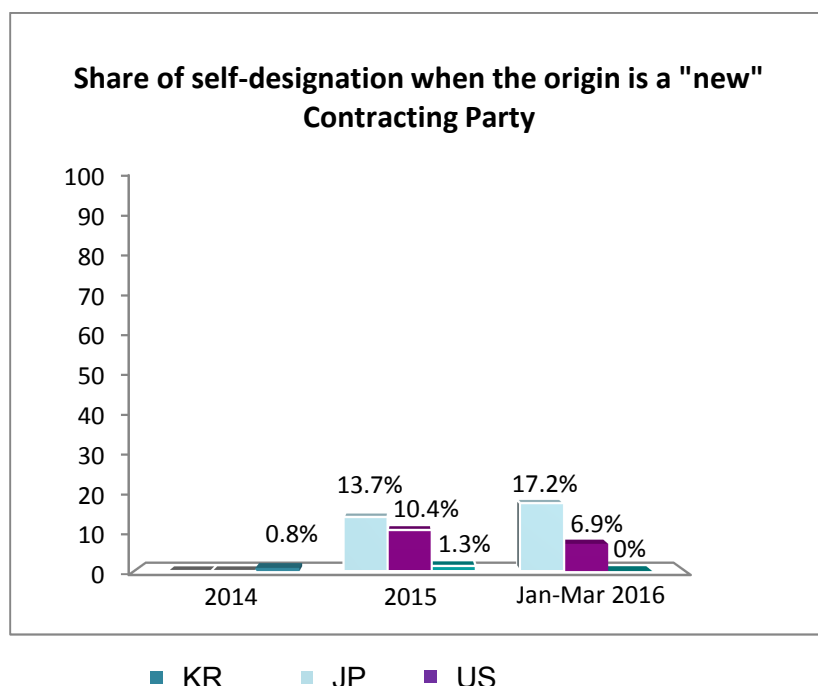
56. It may be recalled that the designation of the European Union in an international registration covers its whole territory¹², including those member states which are not individually party to the 1999 Act.



57. The share of self-designation of the European Union has remained at a very high level, both in international registrations originating from the member states of the European Union, which are also individually party to the 1999 Act and those which are not (i.e., Austria, Cyprus, Czech Republic, Ireland, Malta, Portugal, Slovakia, Sweden and the United Kingdom).

¹² In accordance with Article 14 of the 1999 Act, the designation of the European Union in an international registration has the same effect as Registered Community Design (RCD) in the territory of the European Union.

New Contracting Parties



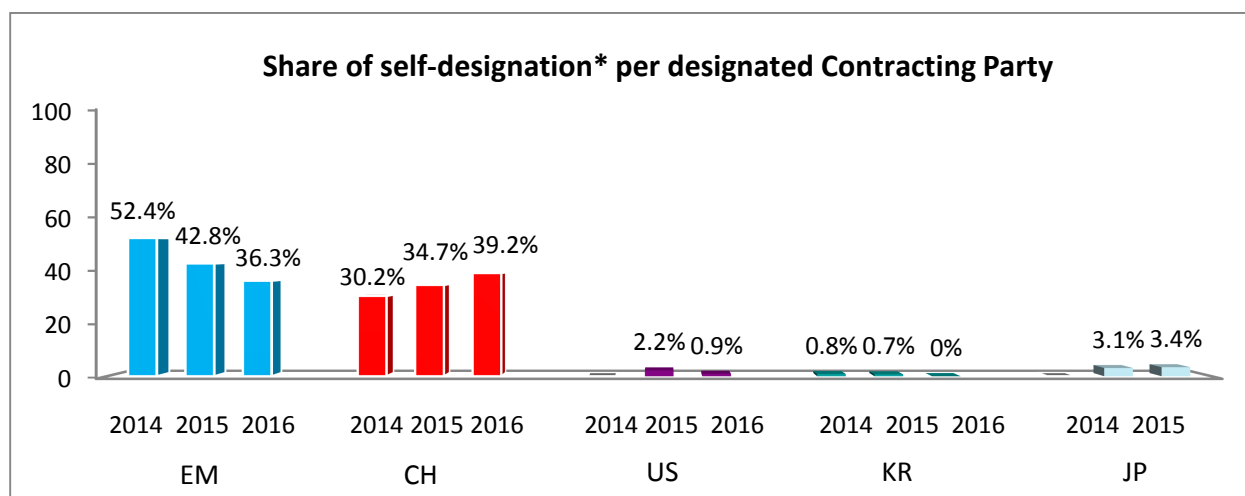
58. In 2015, with regard to holders having an address in the United States of America, the Republic of Korea or Japan, the share of self-designation was very low. Namely, 9.6 per cent of international registrations originating from the United States of America, 1.2 per cent of those originating from the Republic of Korea and 13.7 per cent of those originating from Japan contained a self-designation.

59. In the first quarter of 2016, the United States of America was self-designated in 6.9 per cent of international registrations, whereas that share in respect of Japan was 17.2 per cent. None of the international registrations originating from the Republic of Korea contained a self-designation.

60. It may be concluded that international registrations from the “traditional” origin often use the possibility of self-designation under the Hague System, and therefore, for example, enjoy the benefit of the subsequent management of the international registration, such as the renewal of a single international registration, instead of managing several (regional/national) registrations.

61. On the other hand, international registrations originating from new Contracting Parties, such as Japan, the Republic of Korea and the United States of America, take less advantage of this option. As already referred to previously in this document, KIPO is frequently the Office of the first filing from which a priority is claimed in an international registration originating from the Republic of Korea, therefore self-designation in an international registration in such cases would be unwarranted.

Share of Self-Designation by Designated Contracting Party



62. By far the biggest share of self-designations in all international registrations is in respect of the European Union or Switzerland. However, in recent years, the share of self-designations of the European Union has been decreasing (in 2014: 52.4 per cent; in 2015: 42.8 per cent). In the course of the first quarter of 2016, the share of self-designations in international registrations designating the European Union had already dropped to 36.3 per cent.

63. On the other hand, the share of self-designations of Switzerland seems to be increasing (in 2014: 30.2 per cent; in 2015: 34.7 per cent and in the first quarter of 2016: 39.2 per cent.).

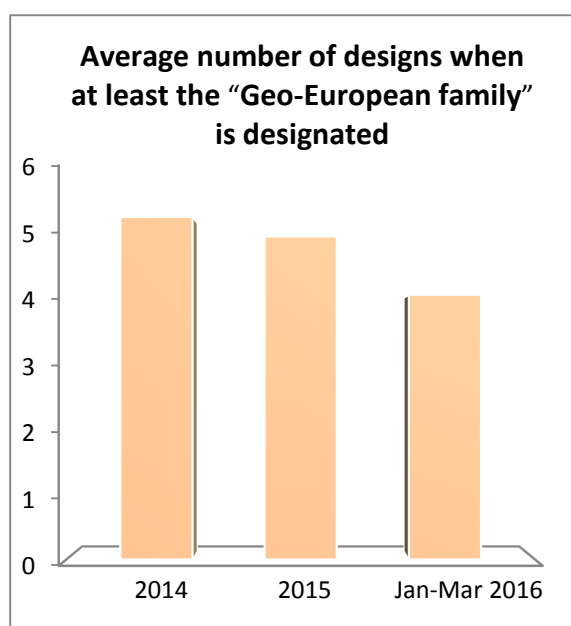
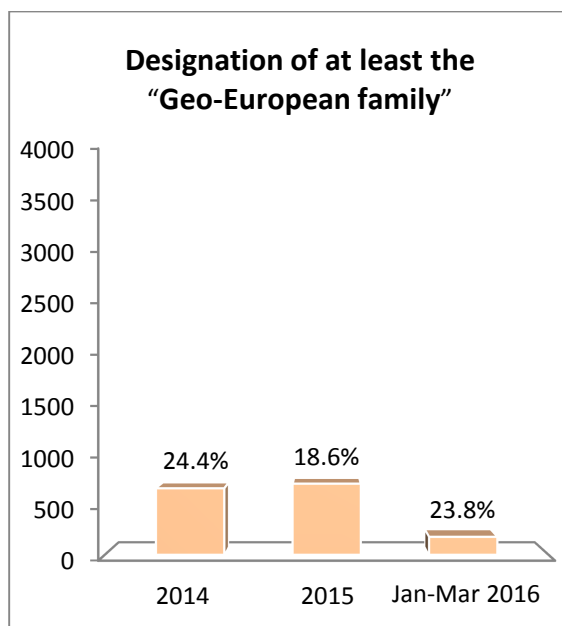
64. As to new Contracting Parties, the share of self-designations is very low. In 2015, only 2.2 per cent of designations of the United States of America, 0.7 per cent of designations of the Republic of Korea, and 3.1 per cent of designations of Japan were self-designations. During the first three months of 2016, 0.9 per cent of designations of the United States of America, and 3.4 per cent of designations of Japan were self-designations, whereas none of the designations of the Republic of Korea was a self-designation.

65. The decreasing share of self-designations of the European Union is largely explained by the increasing filing activity of the new Contracting Parties to the 1999 Act, which designate the European Union. Thus, the share of international registrations originating from within the European Union dropped, particularly in respect of Germany (2014: 23.3 per cent; 2015: 16.3 per cent; 2016: 12.6 per cent), whilst the designation rate of the European Union has remained stable (2014: 75.7 per cent; 2015: 74.8 per cent; 2016: 76.5 per cent; refer to paragraphs 7 to 9 and 13 to 15 of the present document). Conversely, the increasing share of self-designations of Switzerland may be partly explained by the increasing number of international registrations originating from Switzerland, which overtook Germany in 2015, combined to a gradual decline in its overall designation rate (2014: 64.4 per cent; 2015: 46.9 per cent; 2016: 44.1 per cent).

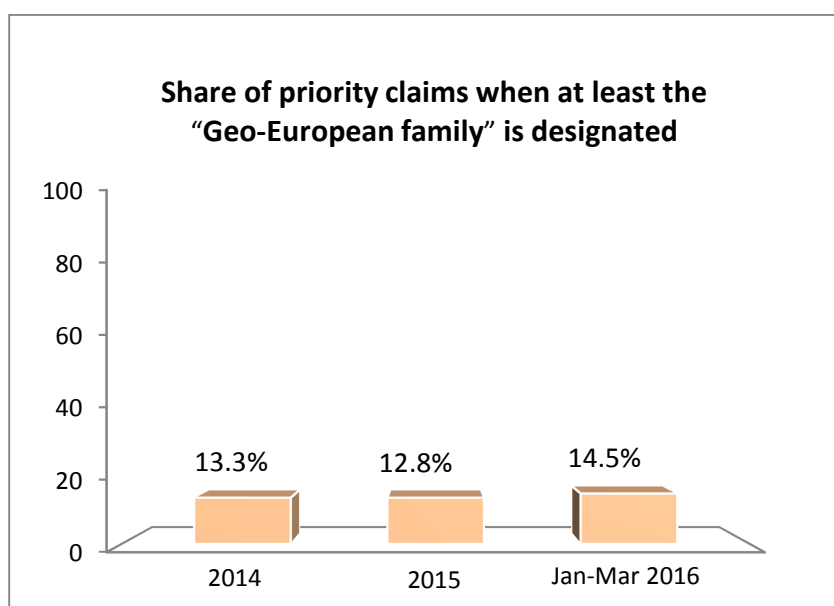
66. Furthermore, the low share of self-designations in international registrations designating the Republic of Korea may be explained by the high level of priority claims from an earlier filing at KIPO in those international registrations.

“DESIGNATION -FAMILIES” IN INTERNATIONAL REGISTRATIONS

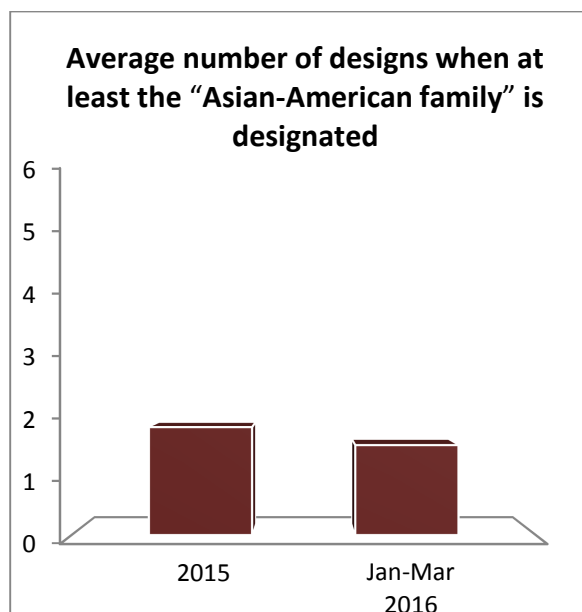
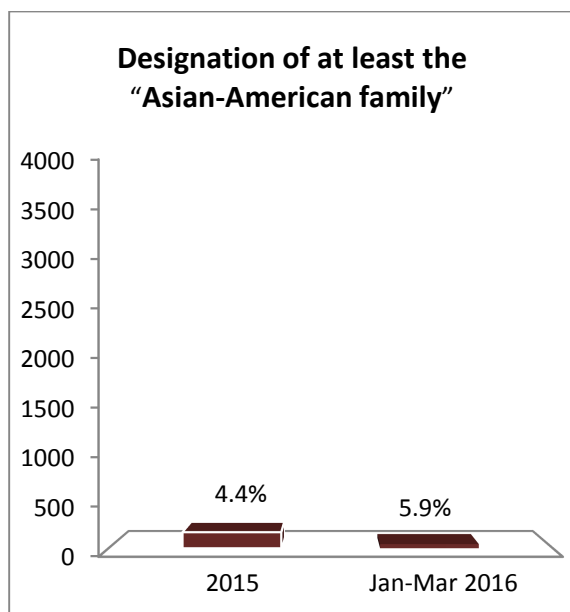
67. Given the disappearance of an epicenter in the Hague System, which used to be in Europe, in favor of a more spread-out coverage, it may be worth taking a look at the recently formed “designation-families” in international registrations.



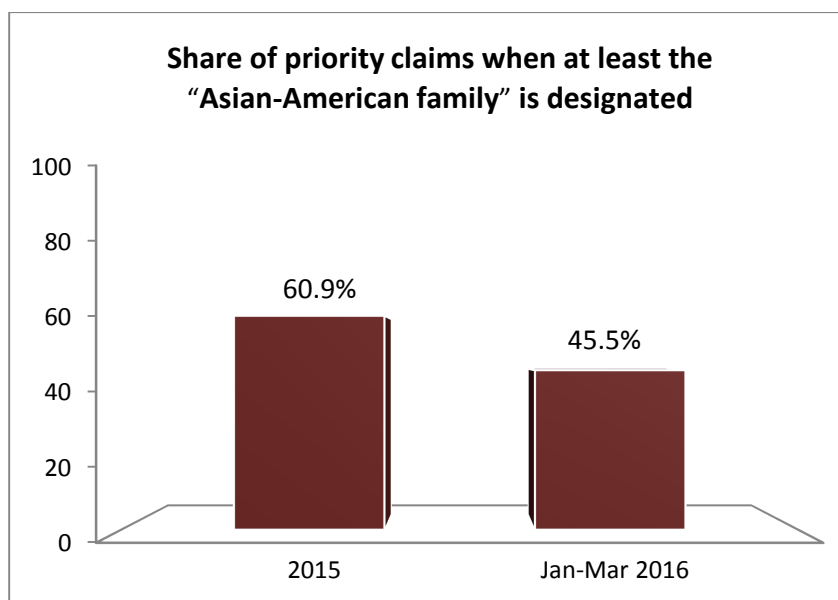
68. The first group of “designation-families” may be defined as the “Geo-European family”. The most designated Contracting Parties in this group are the European Union, Switzerland and Turkey. In 2014, 2015 and during the first quarter of 2016, respectively, 663, 732 and 179 international registrations contained designations, at least, of all those three Contracting Parties. The average number of designs contained in such international registrations by year, was 5.3, 5.1 and 4.1, respectively.



69. In respect of the “Geo-European family”, the vast majority of international registrations would seem to be first filings. The share of priority claims in that family is low and stable, namely, in 2014, 13.3 per cent, in 2015, 12.8 per cent and, in the first quarter of 2016, 14.5 per cent of such international registrations contained a priority claim.



70. The second group of “designation-families” may be defined as the “Asian-American family”, which could be construed to contain, in addition to Japan, the Republic of Korea and the United States of America, other Asian countries frequently designated, such as Singapore. The most designated Contracting Parties in this group are Japan, the Republic of Korea and the United States of America. In 2015 and in the first quarter of 2016, respectively, 181 and 44 international registrations contained designations, at least, of all those three Contracting Parties. The average number of designs contained in such international registrations by year, was 1.8 and 1.5, respectively.



71. In 2015, in respect of the “Asian-American family”, 60.9 per cent of international registrations contained a priority claim, and in the first quarter of 2016, that share was 45.5 per cent.

NEW "DESIGNATION-FAMILIES" FORMING

72. Other "designation-families" may form in the future, for example, designations of, at least, all of the above three Contracting Parties in the "Asian-American family" and the European Union. However, at present it is too early to predict the filing strategies by users of the Hague System, which most likely will only be visible in the coming years.

V. FURTHER CONSIDERATIONS

73. Following the recent and forthcoming accessions to the Hague System of some of the biggest trade areas in the world, more time will be needed to digest the growth and increased complexity of the system.

74. It seems that, in response to the geographical expansion of the Hague System, users are adopting different filing strategies, such as using the international application less as a first filing, including fewer designs in international registrations or forming designation-families. It appears that users of the system take into account the declarations made by the Contracting Parties, such as the declaration under Article 13(1) of the 1999 Act concerning unity of design, when filing international applications.

75. It goes without saying that, in addition to the declarations, the possibility of a refusal in a Contracting Party will impact the filing strategies by the users of the system. In particular, the expected increase in the refusals to be issued by the Examining Offices, and their grounds, will be closely monitored by the International Bureau. At the time of preparing the present document, the number of refusals received from Examining Offices, other than KIPO, is too low to constitute a significant basis for the analysis on refusal grounds. Given the increasing number of international registrations designating Contracting Parties with an Examining Office, the number of refusals issued by these Offices may well correlate with their designations.

76. Finally, it may take some years before visible trends in filing strategies under the Hague System may be detected. The International Bureau will continue to follow them, and share its findings with the Working Group in its future sessions. There is still some distance to travel to have an overall look at the transformed Hague System and, at the cross roads, decide the future direction of the Hague highway.

77. The Working Group is invited to take note of the information contained in this document and comment on it.

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