

Working Group on the Development of the Lisbon System (Appellations of Origin)

**Ninth Session
Geneva, June 23 to 27, 2014**

PROPOSAL TO UPDATE THE FEE SCHEDULE UNDER RULE 23 OF THE REGULATIONS UNDER THE LISBON AGREEMENT

Document prepared by the Secretariat

INTRODUCTION

1. The WIPO Program and Budget for the 2014/15 biennium, Annex III, Table 14, indicates a projected income for the Lisbon Union of 694,000 Swiss francs and a projected expenditure of 1,606,000 Swiss francs. Comparison with the actual income and expenditure figures in previous biennia shows that a deficit has occurred since 2009. In that year, the Working Group on the Development of the Lisbon System, established by the Lisbon Union Assembly in September 2008, started its review of the Lisbon system, which has resulted in increased costs in respect of the Lisbon Union, not only the cost related to holding the sessions of the Working Group, but also staff costs.

2. As regards staff costs, it should be noted that, in comparison with the core business of the Lisbon Registry, as mentioned below, currently about 70 per cent of the total workload of the Lisbon Registry consists of the services it provides in respect of the revision of the Lisbon system or related information and promotion activities. These activities are not likely to stop immediately after the conclusion of the planned revision of the Lisbon Agreement in 2015. While the work related to the revision process will disappear, requests for information and promotion activities in respect of the revised Lisbon Agreement are likely to increase, in view of the set objective for revising the Agreement – to allow the Lisbon system to attract a truly global membership.

3. In view of the increased costs in respect of the Lisbon Union and the prospects in that regard for the years to come, the question has arisen as to what measures should be taken to ensure that the Lisbon system can be administered by the International Bureau in a cost-effective manner.

CORE BUSINESS OF THE LISBON REGISTRY

4. As mentioned in the WIPO Program and Budget for the 2014/15 biennium, Section III, Program 6 under B, paragraph 6.14, the average number of international applications and other requests for recording in the International Register under the Lisbon system since 1967 has amounted to approximately 25 such transactions per year, with large variations, however, between years (for example, seven transactions were received in 2009 and 596 in 2007).

5. Processing of transactions includes: the receipt and examination of international applications; recording of appellations of origin in the International Register (immediately following examination or after correspondence with the country of origin concerning any irregularities found in the international application); notification of new international registrations to all contracting parties; confirmation of the dates of receipt of these notifications to all contracting parties and notification of these dates to the country of origin; receipt and examination of refusals and grants of protection; recording of refusals and grants of protection in the International Register; notification of refusals and grants of protection to the country of origin; receipt, examination, recording and notification of modifications to international registrations; updating the Lisbon Express database on the WIPO web site; preparing and publishing the periodic official Bulletin of the Lisbon system.

6. The staff of the Lisbon Registry currently consists of four persons: Head (P5), Senior Legal Officer (P4), Associate Legal Officer (P2), Clerk (G5). Based on the average number of annual transactions mentioned above, the processing of transactions represents about 30 per cent of the total workload of the Lisbon Registry. Although further refinement of the registration and notification procedures with the help of electronic tools is expected to shorten the processing time per transaction considerably in the near future, this does not necessarily mean that the overall processing time will decrease, as the number of transactions may well increase, certainly after the revision of the Lisbon Agreement, as and when new contracting parties join the Lisbon system.

RELEVANT PROVISIONS OF THE LISBON AGREEMENT

7. According to Article 11(3) of the Lisbon Agreement, the Lisbon system shall, in principle, be financed from: (i) international registration fees; (ii) proceeds from the sale of, or royalties on, WIPO publications concerning the Lisbon system; (iii) gifts, bequests and subventions; (iv) rents, interest and other miscellaneous income. However, the provision further specifies that, if and to the extent to which receipts from these sources do not suffice to cover the expenses of the Lisbon system, this deficit should be covered by contributions of the Contracting Parties of the Lisbon Agreement. In addition, Article 11(5) specifies that these contributions shall be established taking into account the class to which a Member State belongs in accordance with Article 16(4) of the Paris Convention for the Protection of Industrial Property.

8. Under Article 11(4) of the Lisbon Agreement, the amount of international registration fees under the Agreement shall be fixed by the Lisbon Union Assembly on the proposal of the Director General. This amount shall be so fixed that the revenue of the Lisbon system should, under normal circumstances, be sufficient to cover the expenses of the International Bureau for

maintaining the international registration service, without requiring payment of contributions as referred to in the previous paragraph.

9. Article 7 of the Lisbon Agreement specifies that “a single fee shall be paid for the registration of each appellation of origin” and that registration is not subject to renewal.

PRACTICAL ASPECTS

10. As reflected in the WIPO Program and Budget for the 2014/15 biennium, Annex III, Table 12, fee income is by far not sufficient to cover the expenses of the International Bureau for maintaining the international registration service of the Lisbon system: 98 per cent of the abovementioned income of the Lisbon Union is from other sources than fees, including from its share in the miscellaneous income of WIPO*.

11. Moreover, as appellations of origin and other geographical indications are based on geographical names, whether directly or indirectly, there is a limit to the total number that may ever exist. In any event, unlike in other registration systems in respect of intellectual property rights, there will never be a continuous and major flow of new applications in respect of geographical indications and appellations of origin.

DEVELOPMENT OF THE AMOUNTS OF FEES UNDER THE LISBON SYSTEM

12. At the time of the conclusion of the Lisbon Agreement in 1958, a single fee of 50 Swiss francs was established for the international registration of appellations of origin.

13. Following the entry into force of the Lisbon Agreement, in September 1966, the international registration fee was increased to 200 Swiss francs by a decision of the Council of the Lisbon Union, at its second session, in December 1967, with effect from January 1, 1968.

14. Following the entry into force of the Stockholm Act of the Lisbon Agreement, in 1973, the Lisbon Union Assembly established new fees in October 1976, with effect from January 1, 1977: (i) an international registration fee of 300 Swiss francs; (ii) a fee of 100 Swiss francs for the modification of an international registration; (iii) a fee of 60 Swiss francs for providing an extract from the International Register; (iv) a fee of 50 Swiss francs for providing an attestation or any other information given in writing concerning the contents of the International Register; (v) a fee of 10 Swiss francs for information provided orally on the content of the International Register; (vi) a fee of 10 Swiss francs for providing photocopies up to five pages and of 2 Swiss francs for any additional page.

15. The fee schedule currently applying under the Lisbon Agreement is contained in Rule 23 of the Regulations under the Lisbon Agreement and was established by the Lisbon Union Assembly in September 1993, with effect from January 1, 1994: (i) an international registration fee of 500 Swiss francs; (ii) a fee of 200 Swiss francs for the modification of an international registration; (iii) a fee of 90 Swiss francs for providing an extract from the International Register; (iv) a fee of 80 Swiss francs for providing an attestation or any other information given in writing concerning the contents of the International Register.

* Section II, paragraph 26, of the WIPO Program and Budget for the 2014/15 Biennium mentions that such miscellaneous income “includes payments by UPOV to WIPO for administrative support services; rental income; support charges in respect of extra-budgetary activities executed by WIPO and financed by trust funds; registration fees for conferences and training programs”.

PROPOSAL

16. In view of the preceding considerations, it is proposed:

(a) that the fee schedule mentioned in paragraph 15, above, be updated so as to reflect the following amounts: (i) an international registration fee of 1,000 Swiss francs; (ii) a fee of 500 Swiss francs for the modification of an international registration; (iii) a fee of 150 Swiss francs for providing an extract from the International Register; (iv) a fee of 100 Swiss francs for providing an attestation or any other information given in writing concerning the contents of the International Register; and

(b) that the possible introduction of a maintenance fee be considered in the context of the revision of the Lisbon Agreement.

17. *The Working Group is invited to:*

(i) take note of the present document; and

(ii) comment on paragraph 16.

[End of document]