

## **Comité permanent du droit des marques, des dessins et modèles industriels et des indications géographiques**

**Vingt-neuvième session  
Genève, 27 – 31 mai 2013**

### **ADDENDUM À L'ÉTUDE SUR L'INCIDENCE ÉVENTUELLE DES TRAVAUX DU COMITÉ PERMANENT DU DROIT DES MARQUES, DES DESSINS ET MODÈLES INDUSTRIELS ET DES INDICATIONS GÉOGRAPHIQUES (SCT) SUR LE DROIT ET LA PRATIQUE EN MATIÈRE DE DESSINS ET MODÈLES INDUSTRIELS**

*établi par le Secrétariat*

#### **INTRODUCTION**

1. À la vingt-sixième session du Comité permanent du droit des marques, des dessins et modèles industriels et des indications géographiques (ci-après dénommé "SCT"), tenue à Genève du 24 au 28 octobre 2011 et du 1<sup>er</sup> au 3 février 2012, le président a noté "qu'un certain nombre de délégations considéraient que, [...], une étude réalisée par le Secrétariat avec le concours de l'économiste en chef sur l'incidence que le projet d'articles et le projet de règlement d'exécution sur le droit et la pratique en matière de dessins et modèles industriels (documents SCT/26/2 et 3) auraient sur les pays en développement était nécessaire. Après des discussions informelles, le SCT est convenu de demander au Secrétariat d'établir une étude analytique, conformément au mandat figurant à l'annexe II [du document SCT/26/8]" (paragraphe 8 du document SCT/26/8).

2. Comme suite à la demande du SCT, le Secrétariat a réalisé, pour la vingt-septième session du SCT, tenue à Genève, du 18 au 21 septembre 2012, l'étude susmentionnée avec le concours de l'économiste en chef (document SCT/27/4). La première partie de l'étude, intitulée "Étude sur l'incidence éventuelle des travaux du SCT sur le droit et la pratique en matière de dessins et modèles industriels", contenait une analyse dans laquelle étaient présentés les principaux résultats de deux enquêtes menées par le Secrétariat en avril

et mai 2012 afin de mieux mesurer l'incidence éventuelle que les modifications proposées concernant le droit et la pratique en matière de dessins et modèles industriels auraient sur les déposants et les offices.

3. À la vingt-huitième session du SCT, tenue à Genève du 10 au 14 décembre 2012, le président a indiqué en conclusion que, sans préjudice des travaux concernant le projet de traité sur le droit des dessins et modèles, le Secrétariat était prié de prolonger de deux mois le délai prévu pour les enquêtes menées pour préparer l'étude, le but étant de disposer d'un échantillon de données plus large grâce à la transmission de nouvelles réponses et à la possibilité de modifier ou de compléter les réponses antérieures. En conséquence, les deux études ont de nouveau été mises à la disposition des offices et des déposants entre le 7 janvier et le 7 mars 2013.

4. Huit autres réponses ont été envoyées par les offices, portant à 27 le nombre total de réponses reçues des pays à haut revenu et à 32 le nombre total de réponses reçues des pays à revenu intermédiaire ou à faible revenu. En outre, 11 nouvelles réponses ont été reçues de déposants/utilisateurs, ce qui donne un total de 154 réponses, dont 80 ont été reçues des utilisateurs provenant de pays à revenu intermédiaire ou à faible revenu.

5. Ces réponses supplémentaires sont utiles pour renforcer la confiance dans les résultats et, par conséquent, aucune modification importante n'a été apportée aux conclusions générales. Çà et là, apparaissent certaines variations très subtiles, qui sont décrites ci-dessous :

- Les avis sur chaque modification proposée demeurent identiques. Les réponses supplémentaires ont confirmé les particularités déjà observées.
- L'importance relative des différentes modifications, telle qu'elle est perçue, reste la même.
- Modification 2 (nombre réduit de copies de chaque illustration) : les résultats révisés confirment que cette modification aura un plus grand impact sur les pays à revenu intermédiaire ou à faible revenu, notamment en ce qui concerne la simplification des procédures et la réduction des coûts.
- Modifications 5 et 6 (enregistrement d'un dessin ou modèle six mois et 12 mois après la divulgation) : les résultats révisés corroborent la conclusion selon laquelle ces deux modifications auront un plus grand impact sur les PME des pays à revenu élevé.
- Les réponses supplémentaires des offices nationaux des pays à revenu élevé ont entraîné de légères modifications au "classement" des différentes modifications pour ce qui est du coût perçu. Désormais, la modification 5 (enregistrement d'un dessin ou modèle six mois après sa divulgation) est perçue comme étant la plus coûteuse, suivie de la modification 7 (confidentialité pendant six mois après le dépôt). La modification 4 (il sera plus facile d'obtenir une date de dépôt sûre) est perçue comme étant la moins coûteuse en comparaison avec les autres. En outre, la modification 9 (simplification des procédures de soumission des documents juridiquement valides) et la modification 1 (choix de l'illustration) sont perçues comme apportant des améliorations aux procédures dans les pays à revenu élevé.

6. Dans tous les autres endroits, la preuve supplémentaire n'a pas entraîné de modification des conclusions présentées précédemment.

7. Une version révisée de l'étude, tenant compte des réponses supplémentaires, figure à l'annexe.

8. La version originale du document SCT/27/4 Add. est rédigée en anglais. Seule la présente introduction du présent document est disponible dans d'autres langues.

[L'annexe suit]

## **REVISED STUDY ON THE POTENTIAL IMPACT OF THE WORK OF THE SCT ON INDUSTRIAL DESIGN LAW AND PRACTICE**

### **INTRODUCTION**

This study was conducted to gain better understanding of the potential impact on users/applicants and offices of the proposed changes to industrial design law and practice. The study was run to satisfy the terms of reference (Annex II of document SCT/26/4), to provide an analytical study addressing the following two core elements:

1. The potential benefits, constraints and costs for SCT members, particularly Developing Countries, Least Developed Countries (LDCs) and Countries in Transition, of the application of the draft Articles and draft Rules on Industrial Design Law and Practice (documents SCT/26/2 and 3), with regard to:

- (a) applicants (natural and legal persons, particularly SMEs);
- (b) national and regional Offices' administrative capacity and legal expertise;
- (c) national and regional jurisdictions, as concerns the implementation of legislative changes to their design system;
- (d) developing countries and LDCs' needs for capacity building, investment in infrastructure and technical assistance.

2. The impact, if any, of the draft Articles and draft Rules on Industrial Design Law and Practice (documents SCT/26/2 and 3) on:

- (a) the access to design systems for SMEs;
- (b) fostering creativity, innovation and economic development and efficiency in developing countries;
- (c) technology transfer and access to knowledge.

This study was initiated in March 2012, with data collection carried out in April and May, 2012. Data analysis and reporting was completed in line with the timelines established in the terms of reference.

This revision of the document was produced on April 28, 2013, and incorporates additional responses from both applicants and national offices. A number of small errors have also been corrected.

### **SECTION A: APPROACH TO THE STUDY**

To address these objectives, a two-part survey was conducted. Given the need for data which represents a diverse set of stakeholders across a range of countries, a survey was viewed as the only viable mechanism by which this data might be collected. The first part consisted of a survey of offices in order to address objectives 1)b), 1)c) and 1)d). The second survey was targeted at users of the design rights system (either end users or legal agents) in order to address objectives 1)a) and 2)a). Objective 2)b) was explored in both parts of the survey.

Objective 2)c) could not be meaningfully addressed through the survey; but the study offers some perspectives on the matter informed by the nature of design protection and broader insights on what determines technology transfer.

## A.1 PROPOSED CHANGES TO INDUSTRIAL DESIGN LAW AND PRACTICE

The proposed changes to the design system are complex and are described in detail in two documents (draft Articles and draft Rules on Industrial Design Law and Practice – documents SCT/26/2 and 3). Given this complexity, before designing a questionnaire, it was necessary to establish the key features of the proposed changes and describe these in terms that might be understandable to an average designer, manager or industrialist. This simplification sought to preserve the main thrust of the proposed changes without prejudicing the content of any future instrument. This resulted in the following nine changes summarized in table A.1.1. Each change has a short description, followed by a more detailed explanation. This terminology was used in both the survey of offices and the survey of users/applicants.

Change	Proposed change	Explanation
1	Greater choice in how you represent or illustrate a design	With this change, the applicant will be able to choose whether to illustrate or represent the design using either drawings, photographs, other visual media (e.g. CAD) or a combination of media.
2	Reduced number of copies of each illustration required for filing	With this change, the applicant will not have to submit more than three copies of each illustration or representation when filing an application (or just a single copy in the case of e-filing)
3	Registering a set of related designs in a single application	With this proposed change, it will be possible to register several related designs in a single application, rather than register each individual design in a separate application. There will be safeguards in place to ensure that the original filing date is protected in the event that one of the individual designs is not accepted.
4	Easier to gain a secure filing date from which your design is protected	With this proposed change, it will be simpler to gain a secure filing date for the protection of your design. In order to gain a secure filing date, you will only need to provide details on the applicant, an illustration of the design and possibly a fee.
5	Register a design six months after public disclosure	With this change, it will be possible to register a design up to six months after a new design has been publically released.
6	Register a design 12 months after public disclosure	With this change, it will be possible to register a design up to 12 months after a new design has been publically released.
7	Secrecy for six months after filing an application	With this proposed change, it will be possible to keep a design secret for at least six months after filing a new design.
8	Standardising the information needed to submit (or make changes to) a design registration	With this proposed change, the information needed to submit a new application will be standardised internationally.
9	Simplifying the procedures to present legally valid documents in another country	With this proposed change, there will be a simplification to the requirements for creating and signing legal documents.

Table A.1.1: simplified descriptions of the proposed design changes.

## A.2 GROUPING OF RESPONDENTS FOR ANALYSIS

The terms of reference for the study requests analysis of users/offices in developing countries, least developed countries and countries in transition. Since there is no official list of developing countries and countries in transition, the study adopted the World Bank's income-based classification of economies<sup>1</sup>. In particular, countries are grouped under two headings.

- High-income countries: having gross national income per capita of USD12,276 or more (2010 data).
- Middle and low-income countries: these are often described as “developing economies” and have gross national income per capita of less than USD12,275 (2010).

Responses from applicants were also grouped according to the size of firm in order to establish the potential impact of the changes on SMEs. For this analysis, an SME is defined as a firm with less than 250 employees.

Due to the relatively small number of survey responses from LDCs, no separate results for this country groups are reported (see also below).

## A.3 QUESTIONNAIRE DESIGN AND DATA COLLECTION: OFFICES

The questionnaire targeted at the national regional offices sought primarily to establish the potential impact of each of the proposed changes, with the exception of change eight (standardizing the information needed to submit or make changes to a design registration). It was felt that this change in particular would have little direct impact on national regional offices and was therefore omitted. The questionnaire comprised five sections:

- Section 1 – Background Information on the Responding Office: e.g. country, office name, etc...
- Section 2 – Implementation of Previous Treaties: this section captured views on the complexity/time of implementation, impact on users and the impact on the national regional offices of three previous treaties; the TLT (1994), the STLT (2006) and the PLT (2000). Although not directly related to the proposed instrument, no data exists on the complexities of introducing such treaties and this evidence was viewed as an important benchmark in order to calibrate the responses to the proposed changes in design law and practice.
- Section 3 – Views on the Proposed Changes to Design Law: this section sought to establish the potential impact of each of the changes on the national regional office. Impacts include changes required to IT expertise, IT infrastructure, legal expertise, administrative capability, procedures and operating costs. For each proposed change, respondents were also asked to note whether this change is already offered as part of the country's national design system.

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<sup>1</sup> <http://data.worldbank.org/about/country-classifications/country-and-lending-groups>

- Section 4 – Views on the Complete Package of Changes: taking the changes as a whole package, this section sought to rank them in terms of their likely cost to implement and establish the overall impact on costs, administration, IT, procedures. Respondents were also asked to comment on the likely support they would need to implement the changes.
- Section 5 – Comments: an opportunity for respondents to provide any further commentary in support of their answers.

Requests to complete the questionnaire were circulated to the Industrial Property Offices of all 185 Member States of WIPO, by means of a circular letter. Requests were also sent to the following regional Offices of WIPO Member States: the African Intellectual Property Organization (OAPI), the African Regional Intellectual Property Organization (ARIPO), the Office of Harmonization for the Internal Market (Trade Marks and Designs) (OHIM) and the Benelux Office of Intellectual Property (BOIP).

Responses were gained initially from 53 offices, as detailed in table A.3.1. A further 44 respondents began to fill in the questionnaire, but did not complete. It is possible that some of these later re-opened and completed as one of the 53 responses. It is also unsurprising that there are a large number of incomplete responses in a survey of this complexity. Following this initial response, a further eight responses were gained, out of which two were second replies by offices that had previously replied. This makes a total of 59 usable responses, 32 from middle and low income countries, 27 from high income.

	High-income economies	Middle-income and low-income economies
1	Australia	Algeria
2	Austria	Argentina
3	Belgium	Belarus
4	Canada	Chile
5	Croatia	Colombia
6	Denmark	Costa Rica
7	Finland	Dominican Republic
8	France	Ecuador
9	Germany	El Salvador
10	Greece	Georgia
11	Hungary	Honduras
12	Ireland	Jordan
13	Japan	Kazakhstan
14	Luxembourg	Latvia
15	Monaco	Lesotho
16	Netherlands	Lithuania (Updated response)
17	Norway	Madagascar (Low-income)
18	Poland	Mali (Low-income)
19	Portugal	Mexico
20	Republic of Korea (Updated response)	Morocco
21	Singapore	Nicaragua
22	Spain	Pakistan
23	Sweden	Peru
24	Switzerland	Republic of Moldova
25	United States of America	Republic of Serbia
26	Slovenia	Romania
27	United Kingdom	South Africa
28		Suriname
29		Thailand

30		Turkey
31		Uruguay
32		Vietnam

Table A.3.1: summary of respondents from offices

#### A.4 QUESTIONNAIRE DESIGN AND DATA COLLECTION: USERS/APPLICANTS

The questionnaire targeted at users/applicants sought primarily to establish the potential impact of each of the proposed changes in terms of: costs of registering, time to register, ease of registration, and in some specific cases, the impact on commercialization of designs. The questionnaire comprised four sections:

- Section 1 – Background Information on the Respondent: including nationality, industrial sector, size of firm and export activity;
- Section 2 – Views on the Individual Changes: respondents were asked to comment on whether a proposed change is already offered in their national system. If so, then they were asked to move on to the next change, as thus the change would have no impact. If the proposed change is not already offered, respondents were asked to evaluate its likely impact on the costs, time, ease, and likelihood of registration, among others;
- Section 3 – Views on the Complete Package of Changes: respondents were asked to rank the proposed changes in terms of importance before scoring the likely impact on costs, time, ease, likelihood of registering, commercialization, registering overseas, profitability and design activity;
- Section 4 – Comments: an opportunity for respondents to provide any further commentary in support of their answers.

Initially, 143 responses were gained, with 79 from applicants/users in middle and low-income countries and 64 from applicants/users in high-income economies. Around 100 potential respondents also opened the survey but only partially completed. These partial or incomplete results are not included in the analysis. Again, this highlights the complexity of the survey. In pursuing responses, emphasis was given to seeking responses from middle and low-income countries.

In a follow up, a further 11 responses were gained, resulting in 74 from high income and 80 from middle and low-income countries. The total number of responses from applicants/users is 154.

Of the respondents from high-income countries, around 72% of the companies claimed to export goods and approximately 59% were from SMEs. Fewer respondents in the middle-income group claimed to export (51%) and a larger proportion (66%) worked in SMEs.



	High-income economies	Middle-income and low-income economies
	Australia	Brazil
	Austria	China
	Canada	Colombia
	Croatia	Ethiopia (Low-income)
	Denmark	Georgia
	Finland	Guatemala (Low-income)
	Germany	India
	Hungary	Kazakhstan
	Ireland	Kenya
	Italy	Malaysia
	Japan	Mexico
	Liechtenstein	Morocco
	New Zealand	Peru
	Norway	Philippines
	Republic of Korea	Republic of Moldova
	Spain	Russian Federation
	Sweden	Serbia
	Switzerland	South Africa
	United Kingdom	The former Yugoslav Republic of Macedonia
	United States of America	Turkey
<b>Total number of responses</b>	<b>74</b>	<b>80</b>
<b>Number of responses from SMEs (&lt;250 employees)</b>	<b>44</b>	<b>53</b>
<b>Number of firms exporting</b>	<b>53</b>	<b>41</b>

Table A.4.1: summary of nationality of responses from applicants/users

## A.5 STRATEGIES FOR GAINING RESPONSES

It is acknowledged that both surveys are complex and that this inevitably has an impact on the overall number of respondents. The comparatively large number of partial or incomplete responses provides confirmation that the survey is complex; both in content but also in the challenging nature of the concepts being studied.

Alternative, simpler approaches to creating questions were considered in the hope that a higher response rate might be gained. However, it was felt that in order to satisfy the terms of reference, specific questions on the key proposed changes had to be included, invariably leading to a certain level of complexity.

Of greatest concern was the number of responses to the applicant/user survey, as although the survey is complex, it was felt that the national regional offices were well placed to understand the questions and provide reliable answers. To mitigate the likelihood of low response rates, IP Offices of WIPO Member States were asked, through a circular letter, to invite applicants in their jurisdictions to complete the survey. It was hoped that these applicants would have current knowledge of the design rights system in their country. In addition, to promote the widest possible circulation, the applicant survey was promoted on WIPO media (including web site, newsletters and social media) and specific user groups known to WIPO were also targeted for responses.

Given the specialized nature of the survey and the complexity of the survey instrument, a total of 154 responses seem satisfactory. In addition, as discussed in the subsequent sections, the survey responses are relatively homogenous across different countries and accord with intuition. Therefore, it is likely that the overall direction of the results would have been similar if the number of responses had been substantially larger. However, a total of 154 responses worldwide remains a relatively small sample; in particular, the sample is too small to permit meaningful breakdowns by different sub-groups of countries or even by individual countries. In addition, caution is warranted in interpreting some of the survey results relying on a relatively small number of responses, as detailed in the graphs and text that follow.

## SECTION B: RESPONSES FROM OFFICES: IMPLEMENTATION OF PREVIOUS TREATIES

Before analyzing responses to the proposed changes to design law, we first sought to establish a baseline by compiling views on the implementation and impact of previous treaties: the TLT, the STLT and the PLT.

In high-income countries, around one in five countries have implemented all three treaties, with the TLT being the most commonly implemented. The response is similar from middle and low-income countries, although there are significantly fewer who have implemented the STLT and PLT. In the middle and low-income countries, over half had not implemented any of the treaties, in contrast with around a quarter in the high-income countries.

Have you implemented the treaty?			High-income economies	Middle and low-income economies
Trademark law treaty	Singapore trademark treaty	Patent law treaty		
Y	Y	Y	5	7
Y	Y	N	2	0
Y	N	Y	5	0
Y	N	N	4	8
N	Y	Y	2	0
N	Y	N	1	0
N	N	Y	1	0
N	N	N	7	17
<b>Totals</b>			<b>27</b>	<b>32</b>

Table B.1: Implementation of previous treaties #1

The TLT is the most widely adopted in slightly over 50% of the responding high-income countries and slightly lower than 50% of the low-income.

		Implemented	Not implemented
Trademark Law Treaty	High-income	16	11
	Middle and low-income	15	17
	<b>All</b>	<b>31</b>	<b>28</b>
Singapore Treaty	High-income	10	17
	Middle and low-income	7	25
	<b>All</b>	<b>17</b>	<b>42</b>
Patent Law Treaty	High-income	13	14
	Middle and low-income	7	25
	<b>All</b>	<b>20</b>	<b>39</b>

Table B.2: Implementation of previous treaties #2

There appears to be little overall consensus on the time it takes to implement a new treaty, with responses ranging roughly equally from 0-12 months to >4 years. Interestingly, it appears that the middle and low-income countries took less time to implement past treaties than the high-income ones. This difference is especially marked for both the TLT and the PLT.

		0-12 Months	1-2 years	2-4 years	>4 years	<i>Not answered</i>
Trademark Law Treaty	High-income	3	2	5	6	11
	Middle and low-income	5	4	5	0	18
	<b>All</b>	<b>8</b>	<b>6</b>	<b>10</b>	<b>6</b>	<b>29</b>
Singapore Treaty	High-income	5	0	2	2	18
	Middle and low-income	3	2	1	1	25
	<b>All</b>	<b>8</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>43</b>
Patent Law Treaty	High-income	2	1	2	6	16
	Middle and low-income	3	1	1	2	25
	<b>All</b>	<b>5</b>	<b>2</b>	<b>3</b>	<b>8</b>	<b>41</b>

Table B.3: Time to implement previous treaties

There is little difference between high-income countries and middle and low-income countries in relation to the mechanisms that are required to be used for implementation of a new treaty. In all cases, it is most likely that in order to fully implement a treaty, primary legislation will be needed.

		Office instruction	Executive order	Primary legislation
Trademark Law Treaty	High-income	3	6	12
	Middle and low-income	5	4	9
	<b>All</b>	<b>8</b>	<b>10</b>	<b>21</b>
Singapore Treaty	High-income	3	3	5
	Middle and low-income	2	3	5
	<b>All</b>	<b>5</b>	<b>6</b>	<b>10</b>
Patent Law Treaty	High-income	3	6	9
	Middle and low-income	1	4	5
	<b>All</b>	<b>4</b>	<b>10</b>	<b>14</b>
<b>ALL TREATIES, ALL COUNTRIES</b>		<b>17</b>	<b>26</b>	<b>45</b>

Table B.4: Mechanisms needed to implement previous treaties

Mechanisms to implement ALL treaties			High-income countries	Middle and low-income countries	ALL
Office Instruction	Executive Order	Primary Legislation			
Y	-	-	0	2	2
Y	Y	-	1	1	2
Y	-	Y	2	2	4
Y	Y	Y	7	3	10
-	Y	Y	3	3	6
-	Y	-	5	5	10
-	-	Y	16	11	27

Table B.5: Mechanisms needed to implement ALL previous treaties

## B.1 IMPACT ON USERS OF PREVIOUS TREATIES

Respondents were asked to rank the impact of the TLT, the STLT and the PLT *on users* in terms of procedures, costs, use of intellectual property overseas, and their level of innovation/creativity. For each element, respondents scored on a one to five scale, where one indicated significant improvement, three was no change and five indicated significant detriment to users. The perception of offices on how the TLT, STLT and PLT have affected users is necessarily subjective; but since offices continuously observe how the design system is used, it was felt that their perspectives were still interesting.

In figures B.1.1 and B.1.2, we can see that in general, the offices believe that previous treaties have had a slightly positive, tending to neutral impact on users. The area of most significant impact is on the simplification of procedures and reduction of costs. With only an occasional exception, no respondents believed that previous treaties had had a detrimental impact on users. Although the number of responses is small, offices in middle and low-income economies indicate a subtly greater impact on users than in high-income countries for both innovation and procedures.

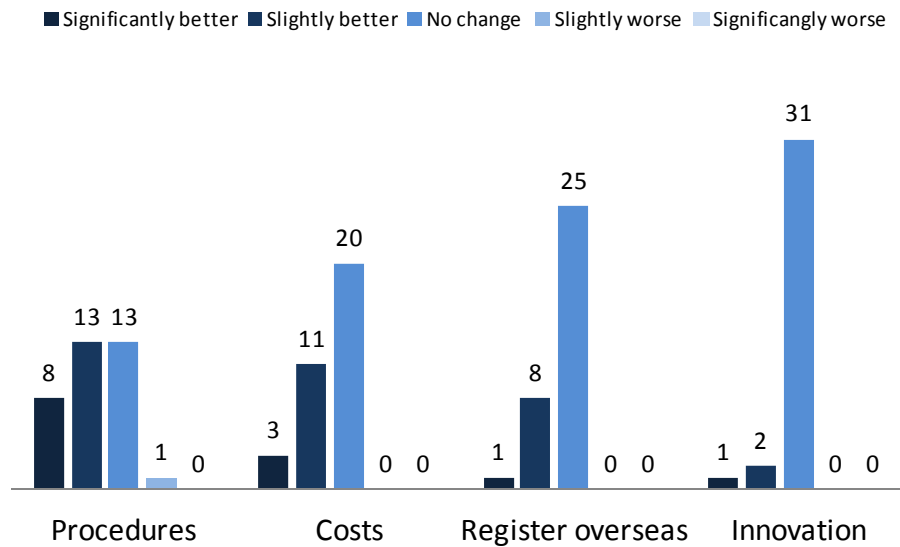


Fig B.1.1: Impact on users of ALL treaties – high-income countries

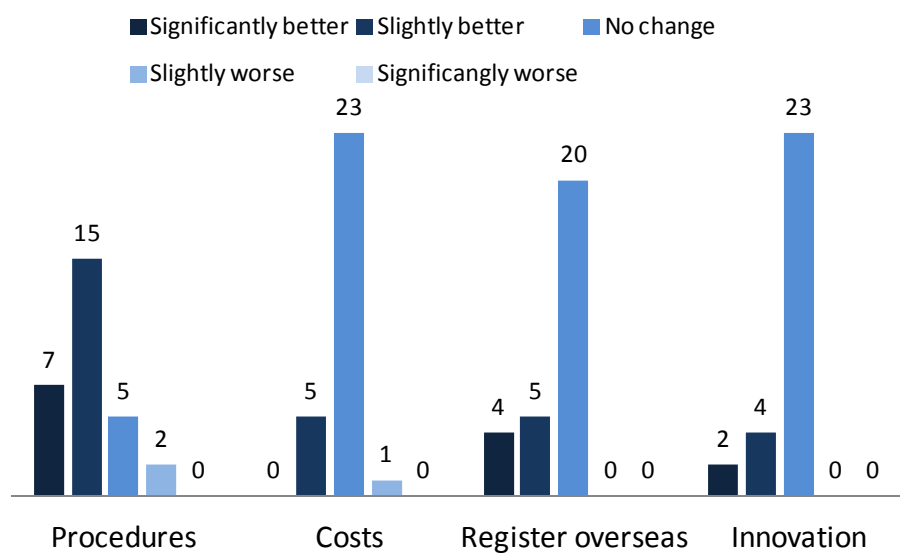


Fig B.1.2: Impact on users of ALL treaties – middle and low-income countries

The PLT has had perhaps the most significant impact on users, in terms of both procedures and costs.

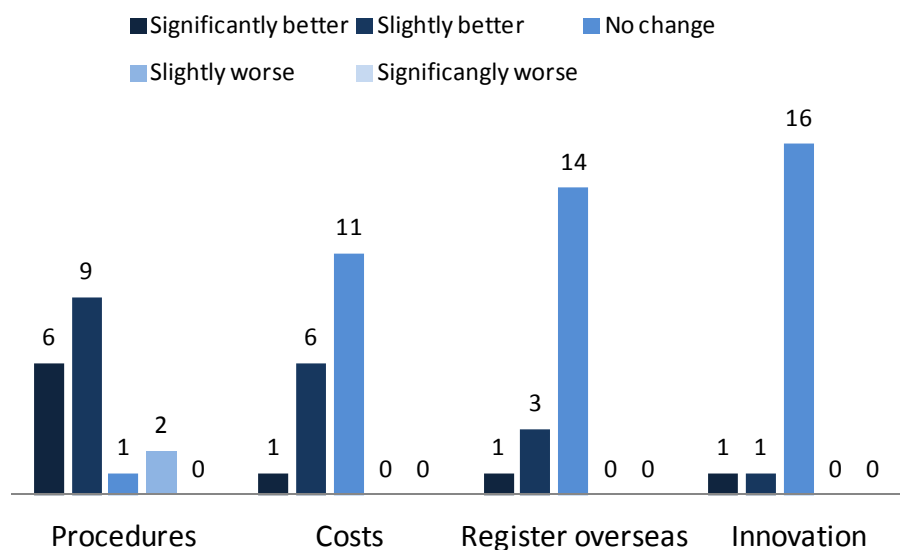


Fig B.1.3: Impact on users of PLT – all responding countries

## B.2 IMPACT OF PREVIOUS TREATIES ON THE OFFICES

In general, respondents believe that the three previous treaties have had a mostly neutral but tending slightly towards positive *impact on their offices*. Again, the differences between high-income and middle and low-income countries are subtle. One noteworthy distinction is the slightly higher expectation of usage of intellectual property as a result of the treaties in the middle and low-income countries.

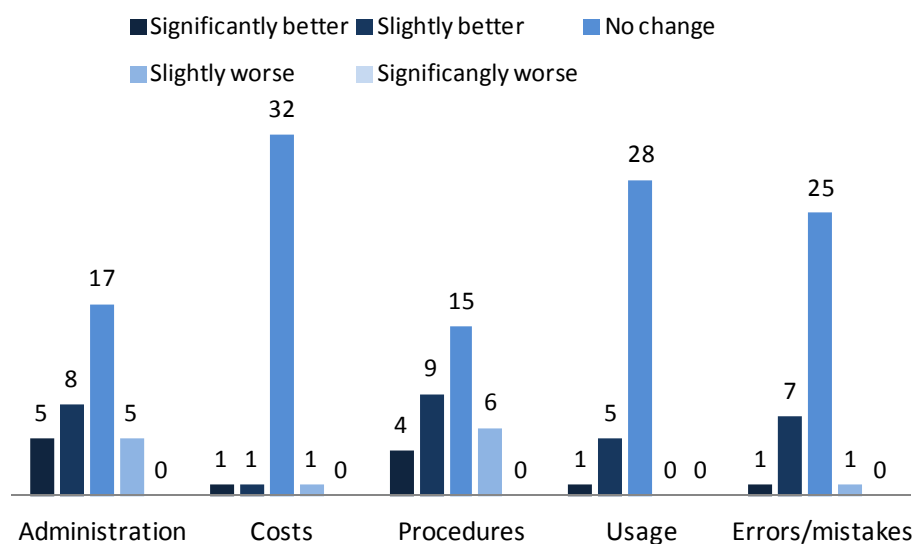


Fig B.2.1: Impact on offices of ALL treaties – high-income countries

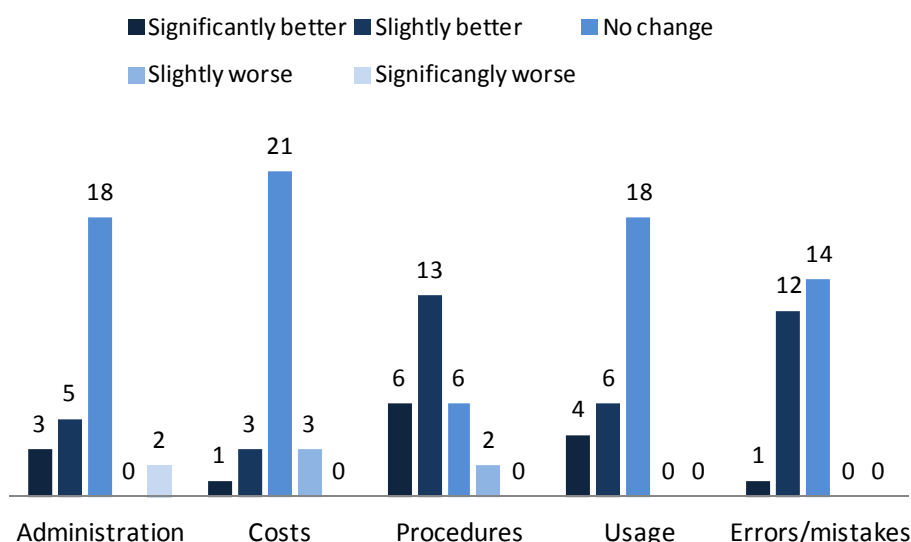


Fig B.2.2: Impact on offices of ALL treaties – middle and low-income countries

### B.3 CHANGES NEEDED TO IMPLEMENT PREVIOUS TREATIES ON THE OFFICES

Respondents were asked whether any changes in the office were needed to implement and run each treaty. Changes included: IT expertise, IT infrastructure, administrative capabilities, legal expertise and number of staff. This was simply scored as either “less”, “more” or “no change”.

In the high-income countries, the overall response is that previous treaties require little or no change, with the exception of IT expertise and infrastructure. In contrast, respondents in middle and low-income countries experienced a need for greater change, especially in their legal expertise and their administrative capabilities.

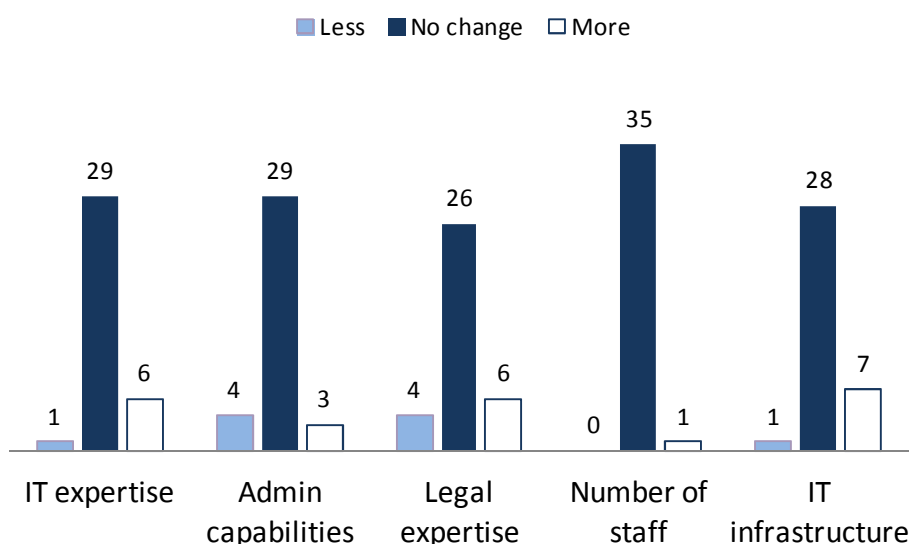


Fig B.3.1: Changes needed to implement ALL treaties – high-income countries

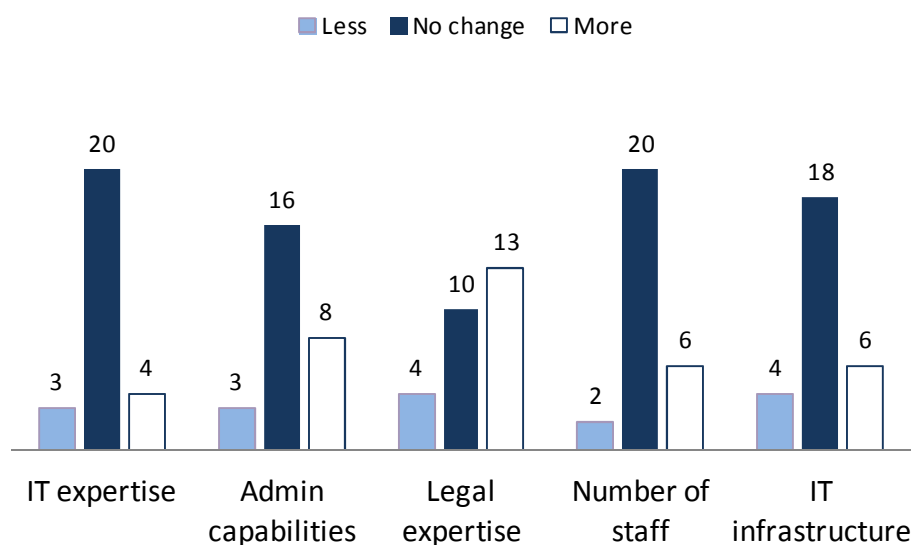


Fig B.3.2: Changes needed to implement ALL treaties – middle and low-income countries

#### B.4 SUPPORT NEEDED TO IMPLEMENT PREVIOUS TREATIES ON THE OFFICES

Recognizing the requirement for changes in legal expertise, the middle and low-income countries also indicated that legal advice was important in order that new treaties could be implemented. In contrast, the high-income countries sought little support in order to implement the three treaties.

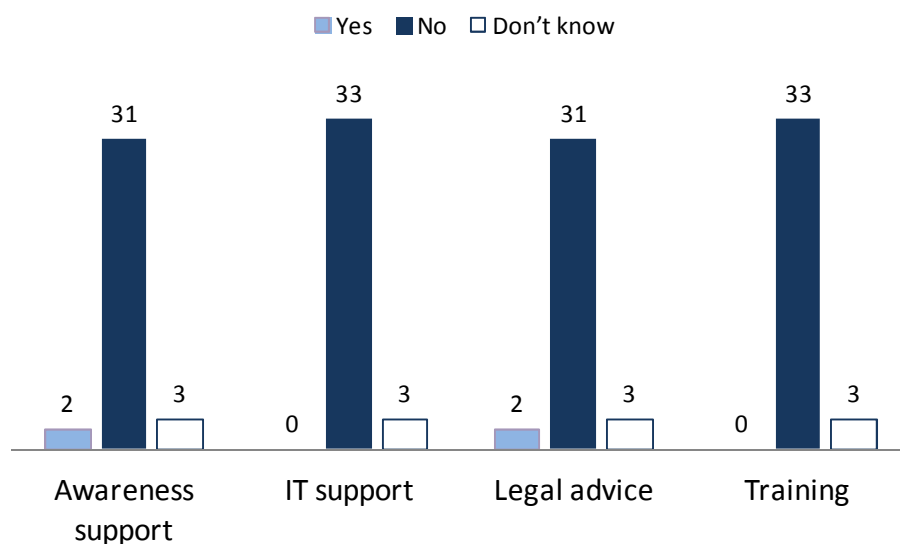


Fig B.4.1: Support needed to implement ALL treaties – high-income countries



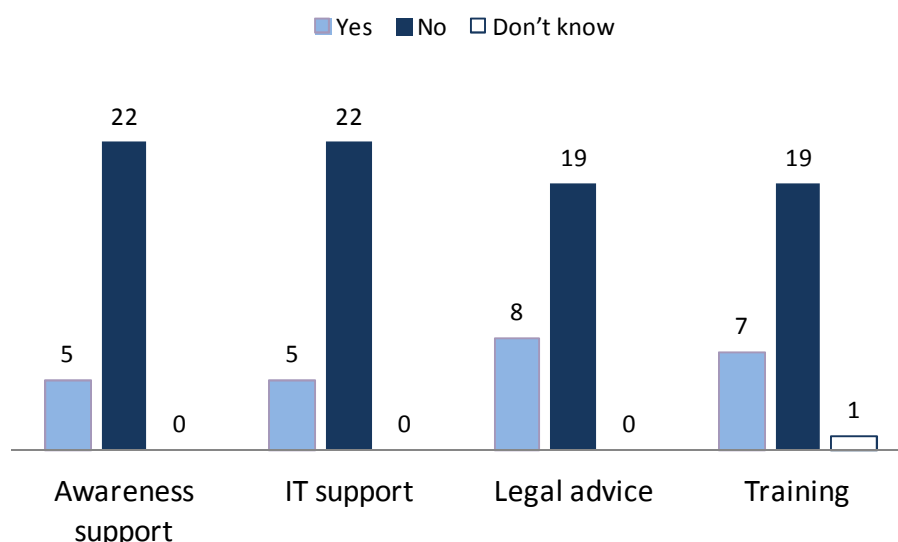


Fig B.4.2: Support needed to implement ALL treaties – middle and low-income countries

## B.5 VIEWS FROM OFFICES ON IMPLEMENTATION AND IMPACT OF PREVIOUS TREATIES

- Offices believe that the implementation of the TLT, the STLT and the PLT have mostly resulted in benefits to the users of these systems. At worst, the impact has been neutral. The most significant impact has been on simplifying procedures.
- Of the three treaties, the PLT had the most significant positive impact on users, particularly in terms of simplification of procedures.
- Different offices utilized different mechanisms to implement treaties, but primary legislation was needed in most cases.
- There is a diversity of views on the time needed to implement a treaty, although it appears that the middle and low-income countries took less time to implement past treaties.
- In the majority of high-income countries, the PLT and the TLT each took over four years to implement. In contrast, in the majority of middle and low-income countries, the treaties took less than two years to implement.
- There is a notable difference between high-income countries and middle and low-income countries with respect to the perceived support needed and potential changes needed to implement these treaties.
- High-income countries generally had less need for support and the treaties had little impact on office operations. For all countries, the most likely area of impact was on IT and middle and low-income countries needed most support in “legal advice”.

## SECTION C: RESPONSES FROM OFFICES AND APPLICANTS ON THE PROPOSED CHANGES

In this section, each of the proposed changes to design law and practice will be reviewed in turn. For each proposed change, responses from the national/regional office and from individual applicants will be compared.

In both surveys, as a qualifying question, the respondent was first asked whether the proposed change is already offered in the national design registration system. If the answer was “yes” then respondents were asked to progress to the next section of the questionnaire.

In the case of the national office, if the answer was “yes”, then it can be assumed that the proposed change will have no impact on the national office. If the specific change was not already offered, then the respondent was asked whether the national office believes it has the IT skills, IT infrastructure, legal expertise and administrative capacity needed to implement the proposed change (yes or no). Finally, the respondent was asked to rank whether the change will have an impact on costs and procedures, using a five-point scale (significantly worse to significantly better).

In the case of the applicant, if the proposed change was not already offered or the applicant was not sure whether it was offered, then the applicant was asked to score the likely effect of the change on cost, time and ease of registration, using a five-point scale (significantly worse to significantly better).

### C.1 CHANGE 1: GREATER CHOICE IN HOW THE APPLICANT REPRESENTS OR ILLUSTRATES A DESIGN

Greater choice in how you represent or illustrate a design

With this change, the applicant will be able to choose whether to illustrate or represent the design using either drawings, photographs, other visual media (e.g. CAD) or a combination of media.

This proposed change is already implemented in approximately 70% of both the high-income and middle and low-income countries that responded.

	Already Implemented	Not currently implemented	Total
High-income	20	7	27
Middle and low-income	24	8	32
<b>Total</b>	<b>44</b>	<b>15</b>	<b>59</b>

Table C.1.1: Office view on change 1 (choice in illustrating a design)

#### C.1.1 Office View of the Impact of Change 1

Of those countries which *do not* offer this capability, there are implications for IT expertise, administrative capability and legal expertise in all countries. One respondent noted: “this will have cost attached, especially with the inclusion of CAD files”. A second said “changes would be required to the IT systems to accept more formats such changes would be part of [a] plan to implement improvements to e-commerce functionality”. Both high and middle and low-income countries believed that additional IT infrastructure would be necessary.

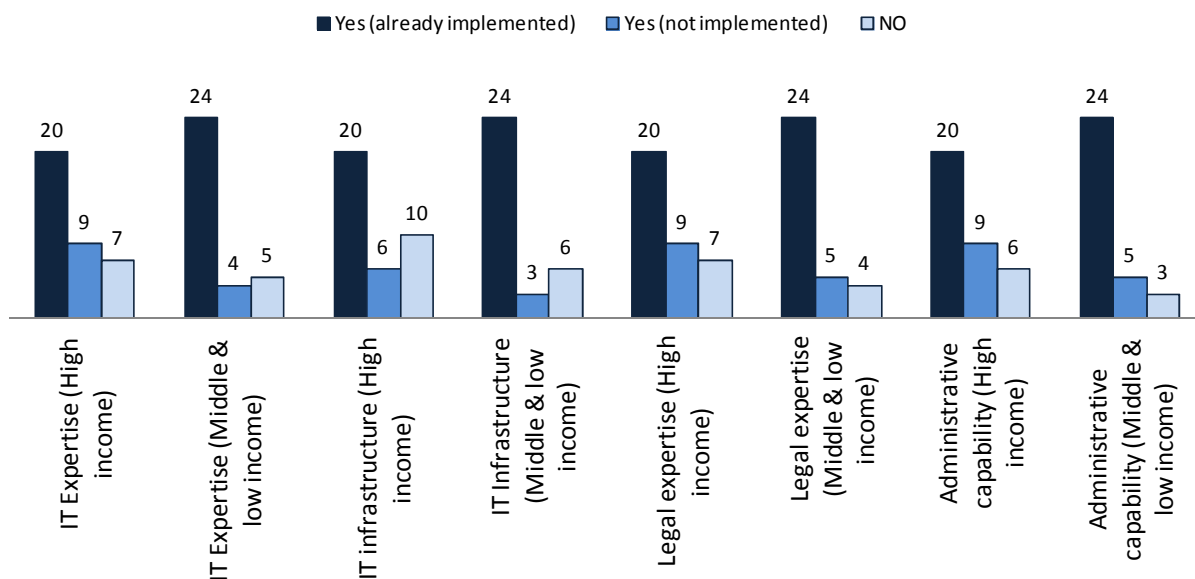


Fig C.1.1.1: Implementing change 1 (IT, Admin, Legal) – high-income and middle and low-income countries

Respondents from all countries believed that this change would result in a slight increase in costs, and those from high income also expect a slight decrease in complexity of procedures. Similarly, respondents from middle and low-income countries expect a slightly negative impact on procedures.

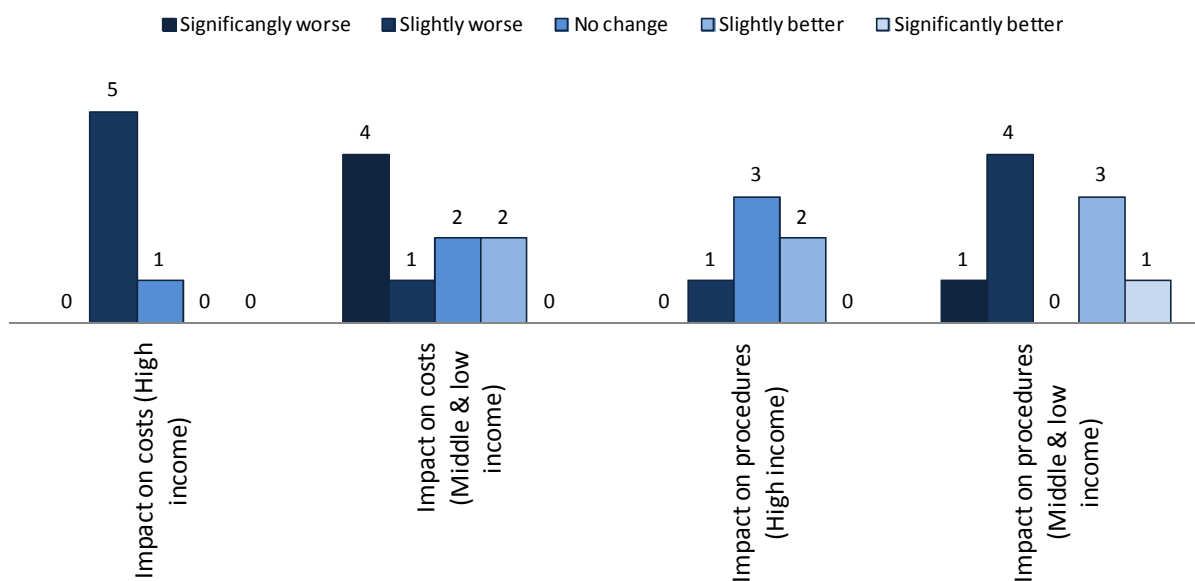


Fig C.1.1.2: Office view of the Impact of change 1 (Costs, Procedures) – high-income and middle and low-income

### C.1.2 Applicant View of the Impact of Change 1

	Applicant/user believes this is already offered	Applicant/user believes this is NOT already offered	Applicant/user does not know	Total
High-income	40	22	12	74
Middle and low-income	53	18	9	80
<b>Total</b>	<b>93</b>	<b>40</b>	<b>21</b>	<b>154</b>

Table C.1.2.1: Applicants view on whether change 1 is currently offered in their national design system

Applicants across all countries believed that this change would have a positive impact on the ease and time of registering, with little overall change in the costs. There is a similar pattern for SMEs and other firms (graph not shown), with no marked distinction between the two.

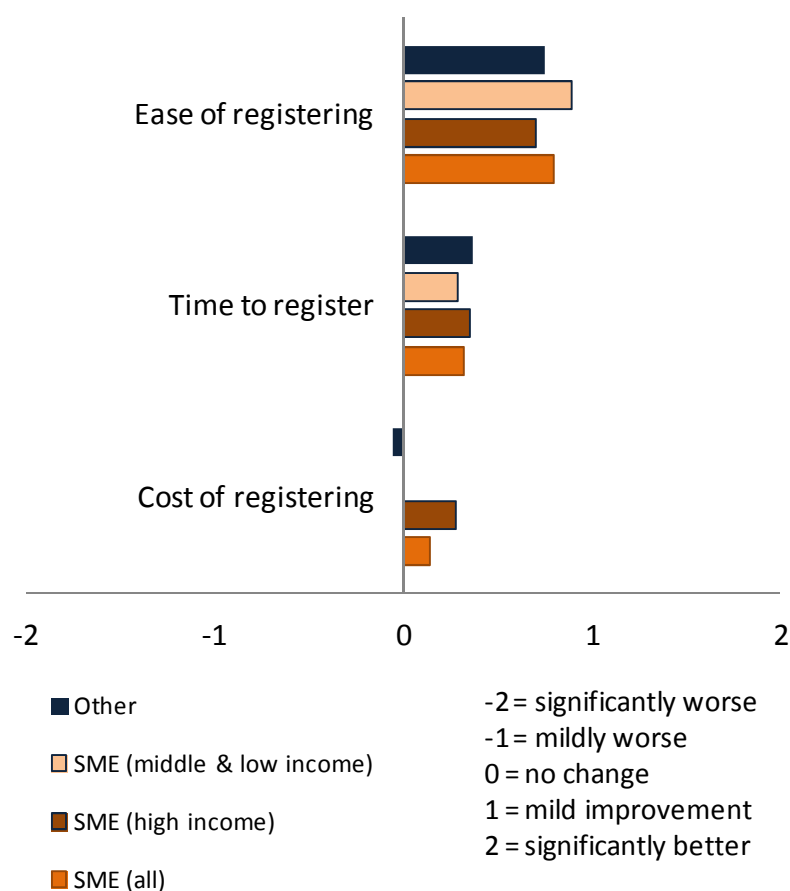


Fig C.1.2.2: Applicant view of the Impact of change 1

For this specific change, applicants/users were also asked about the media which they would prefer to use when registering a design. Here we see a marked difference between high-income and middle and low-income countries. In the high-income countries, the preference is towards drawings and CAD files. In middle and low-income, there is a preference towards photographs and CAD files, or potentially a combination of both.

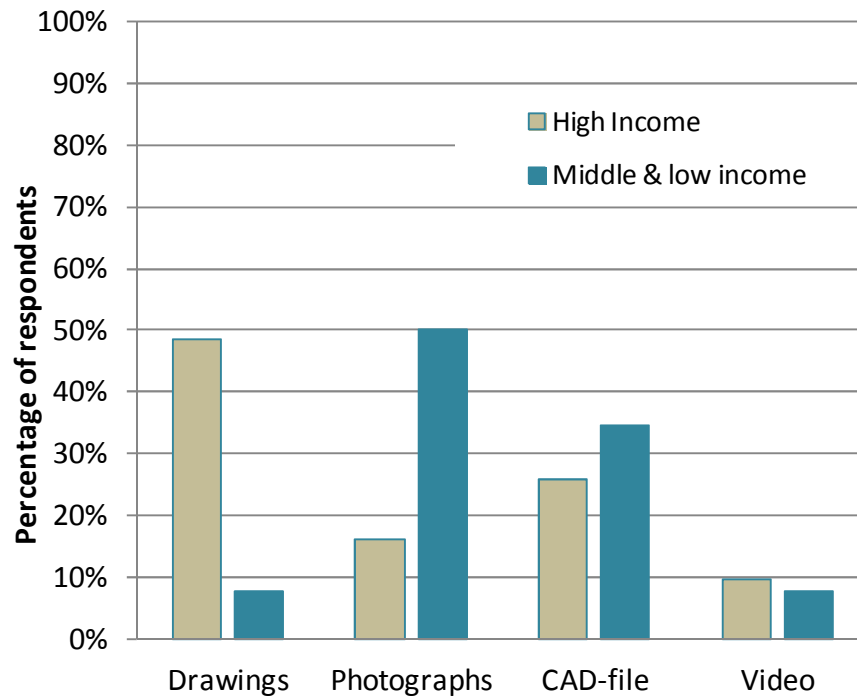


Fig C.1.2.3: Preferred choice of media for representing a design – high-income and middle and low-income countries

There is also a distinction that can be made between the SME respondents (from all countries) and other firms. There is a decided preference for using photographs from SMEs, whilst the other firms (larger and unknown size) prefer drawings.

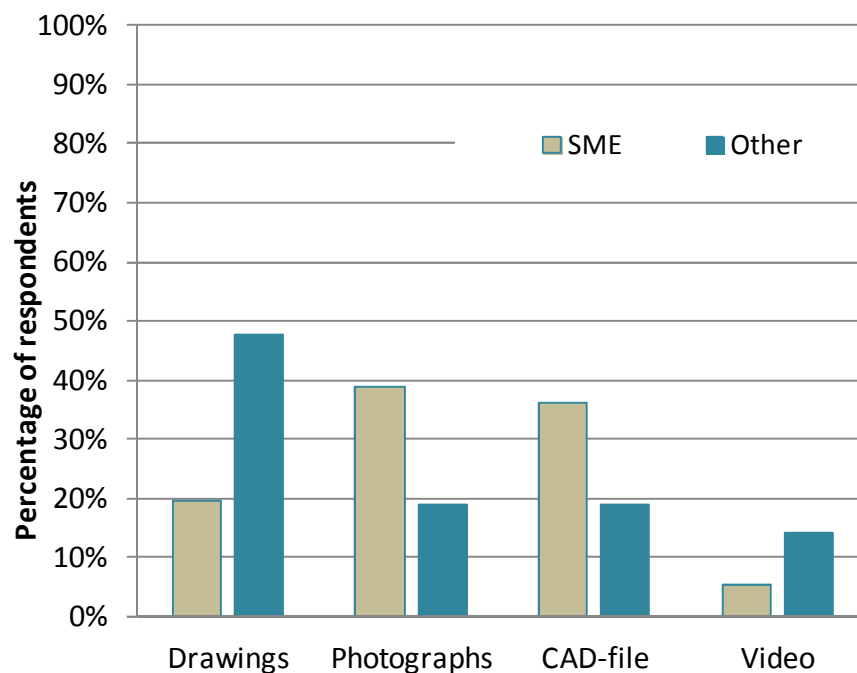


Fig C.1.2.4: Preferred choice of media for representing a design – SME vs. other firms

## C.2 CHANGE 2: REDUCED NUMBERS OF COPIES OF EACH ILLUSTRATION REQUIRED FOR FILING

Reduced number of copies of each illustration required for filing

With this change, the applicant will not have to submit more than three copies of each illustration or representation when filing an application (or just a single copy in the case of e-filing)

Of the 59 countries responding, only 13 do not already provide this capability as part of their national design law; almost all high-income countries have previously implemented this and roughly 50% of the middle and low-income countries. Thus, this proposed change will have a greater impact on the middle and low-income countries.

	Already Implemented	Not currently implemented	Total
High-income	24	3	27
Middle and low-income	22	10	32
<b>Total</b>	<b>46</b>	<b>13</b>	<b>59</b>

Table C.2.1: implementation of change 2 (choice in illustrating a design)

### C.2.1 Office View of the Impact of Change 2

Of the countries which *do not* offer this capability, most believe that they possess the administrative capacity to implement this change. Likewise, most also believe that they have the required legal expertise. Some countries believed that they do not have sufficient IT expertise or infrastructure, although the numbers are small.

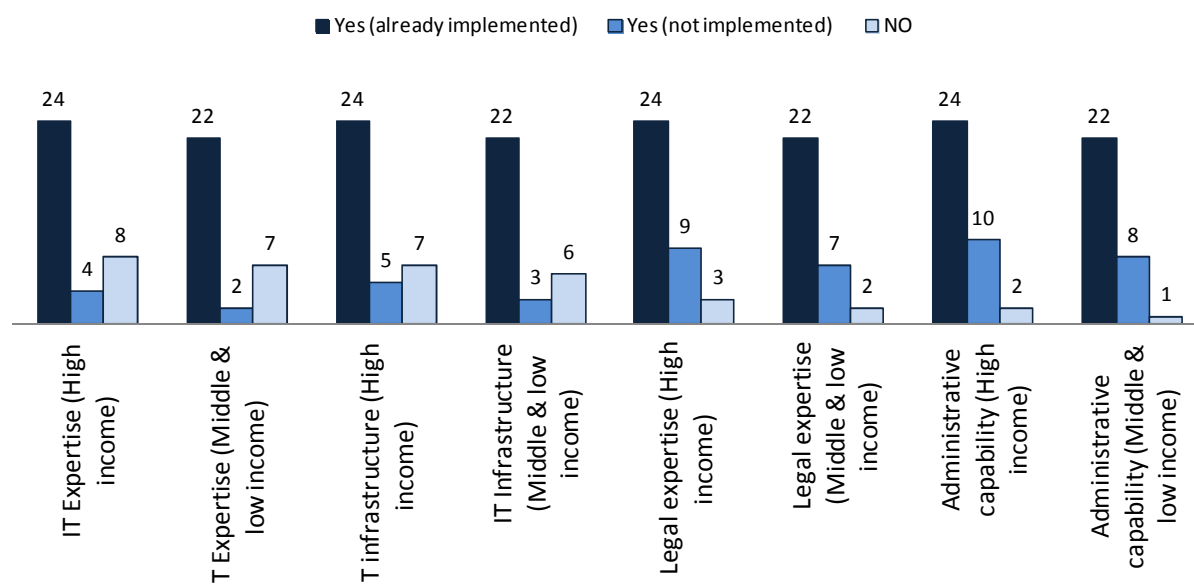


Fig C.2.1.1: Implementing change 2 (IT, Admin, Legal) – high-income and middle and low-income countries

Respondents from middle and low-income countries believe that this change will result in an overall improvement to procedures and costs. In contrast, the high-income countries are more neutral.

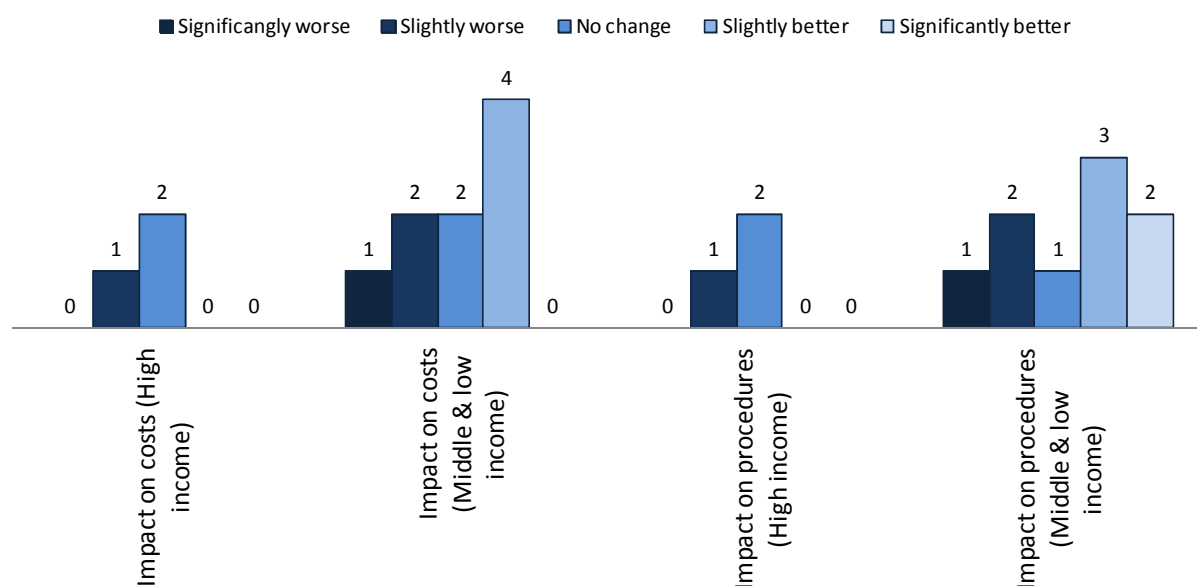


Fig C.2.1.2: Office view of the Impact of change 2 (Costs, Procedures) – high-income and middle and low-income countries

### C.2.2 Applicant view of the impact of change 2

	Applicant/user believes this is already offered	Applicant/user believes this is NOT already offered	Applicant/user does not know	Total
High-income	56	11	7	74
Middle and low-income	48	22	10	80
<b>Total</b>	104	33	17	154

Table C.2.2.1: Applicants view on whether change 2 is currently offered in their national design system

Applicants from all countries saw this change as having positive impact on the ease, time and cost of registering. Indeed, there was only one respondent who thought the change would result in it taking “significantly longer” and two respondents who thought it would make it “slightly more expensive”. All of the rest viewed this change as either neutral or positive.

There is a slightly more positive response towards this proposed change from large firms in comparison with SMEs, especially SMEs in high-income countries.

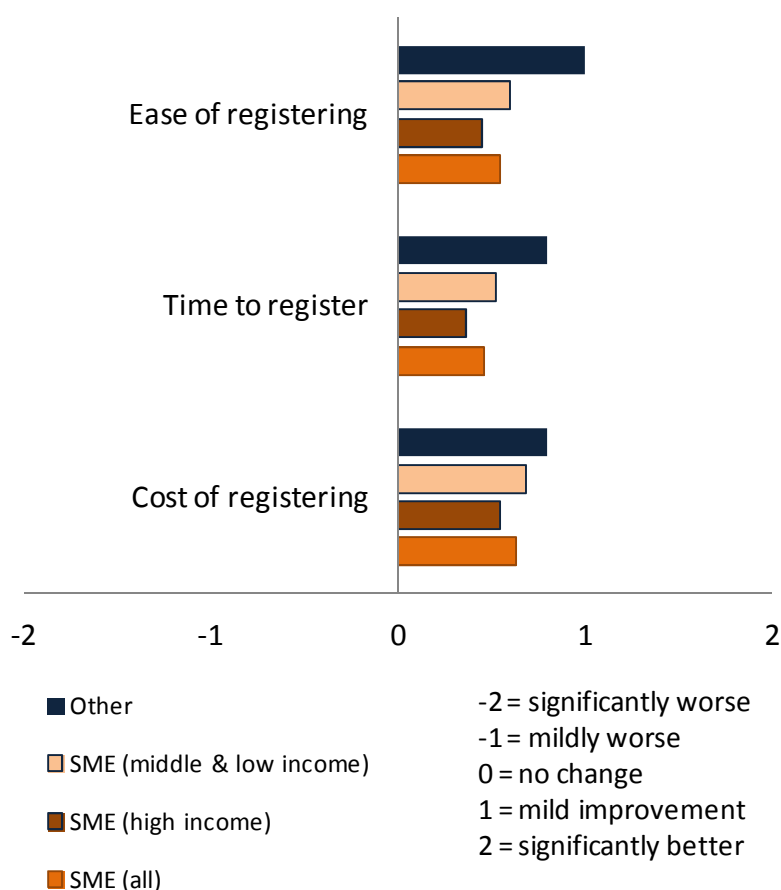


Fig C.2.2.2: Applicant view of the Impact of change 2

### C.3 CHANGE 3: REGISTERING A SET OF RELATED DESIGNS IN A SINGLE APPLICATION

Registering a set of related designs in a single application

With this proposed change, it will be possible to register several related designs in a single application, rather than register each individual design in a separate application. There will be safeguards in place to ensure that the original filing date is protected in the event that one of the individual designs is not accepted.

Of the 59 countries, 39 have previously implemented this change, with a roughly equal split between the high-income countries and the middle and low-income countries.

	Already Implemented	Not currently implemented	Total
High-income	22	5	27
Middle and low-income	18	14	32
<b>Total</b>	<b>40</b>	<b>19</b>	<b>59</b>

Table C.3.1: implementation of change 3 (choice in illustrating a design)



### C.3.1 Office View of the Impact of Change 3

For this proposed change, the most significant impact will be on IT infrastructure (in all countries). For example, 12 high-income countries noted that they do not currently have sufficient IT infrastructure. Legal expertise and administrative capability was less of a concern, with only 5 middle and low-income countries indicating that they do not have sufficient administrative capability and 4 middle and low-income countries noting that they do not have sufficient legal expertise.

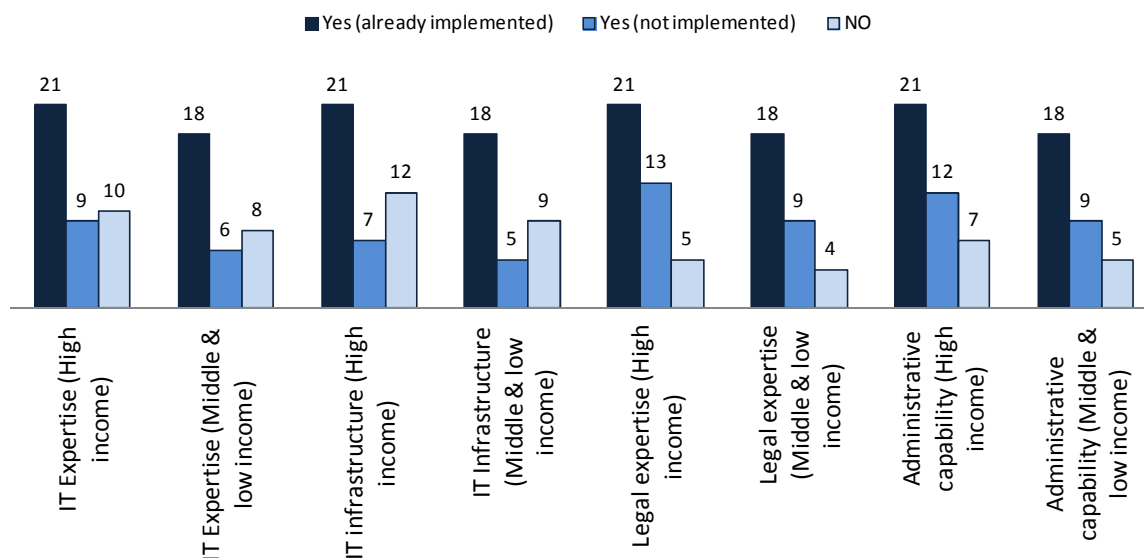


Fig C.3.1.1: Implementing change 3 (IT, Admin, Legal) – high-income and middle and low-income countries

Almost all high-income countries which do not currently have this capability noted that this change would result in significantly higher costs, and a slightly more complicated procedures. In contrast views from middle and low-income countries were less unified, with some indicating that there would be significant savings.

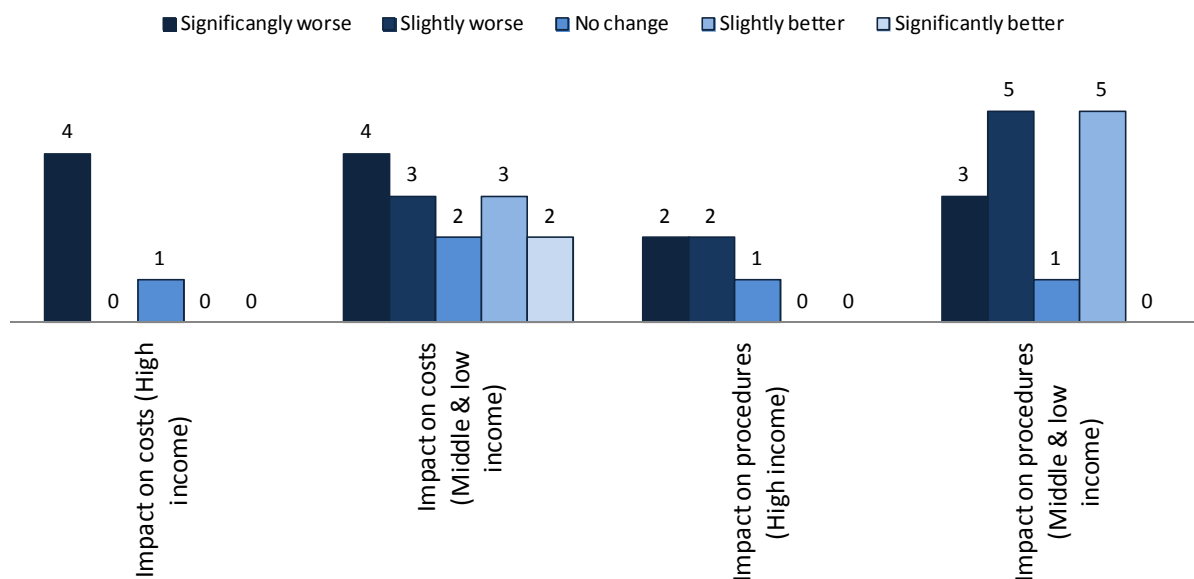


Fig C.3.1.2: Office view of the Impact of change 3 (Costs, Procedures) – high-income and middle and low-income countries

### C.3.2 Applicant/User View of the Impact of Change 3

Amongst applicants and users, many believe that this change is already offered in their national design system. A greater proportion from the middle and low-income countries believe that this is not currently offered.

	Applicant/user believes this is already offered	Applicant/user believes this is NOT already offered	Applicant/user does not know	Total
High-income	41	23	10	74
Middle and low-income	42	31	7	80
<b>Total</b>	<b>83</b>	<b>54</b>	<b>17</b>	<b>154</b>

Table C.3.2.1: Applicants view on whether change 3 is currently offered in their national design system

Applicants/users from all countries believe that this change will make it easier, cheaper and quicker to register designs. SMEs in high-income countries are more certain that there will be reduced costs than SMEs in middle and low-income countries. Similarly, SMEs in middle and low-income countries believe that there will be a mostly neutral impact on the time to register.

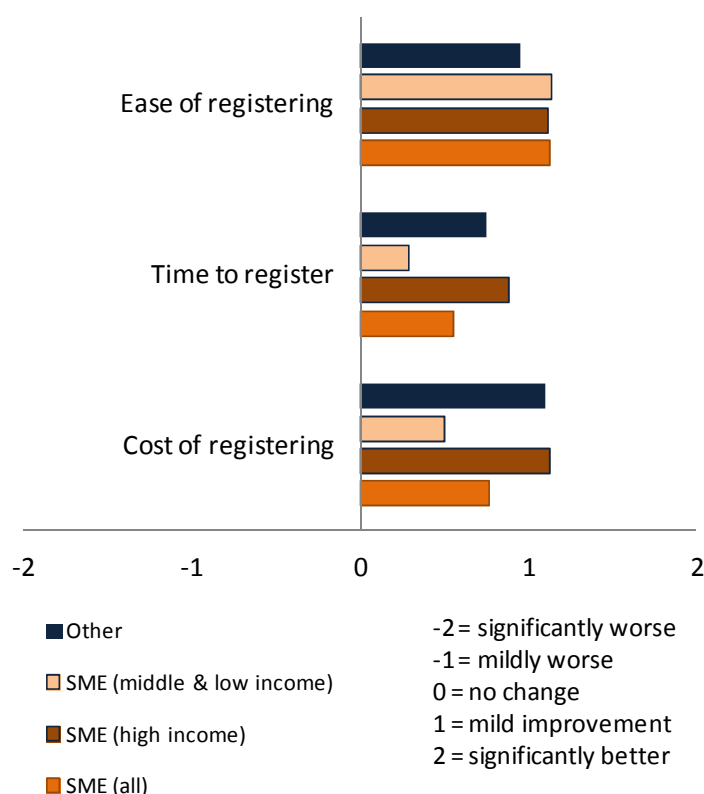


Fig C.3.2.2: Applicant view of the Impact of change 3

Interestingly however, for the majority of the changes, the distribution of responses follows a mostly “normal” distribution. In this case however, we can see that there are a substantial number of respondents who feel that the effects of this change would be “significantly” better, and thus the averaged view shown above is potentially misleading on its own. This is especially the case for “cost of registering”, for which respondents believe it will make a significant improvement.

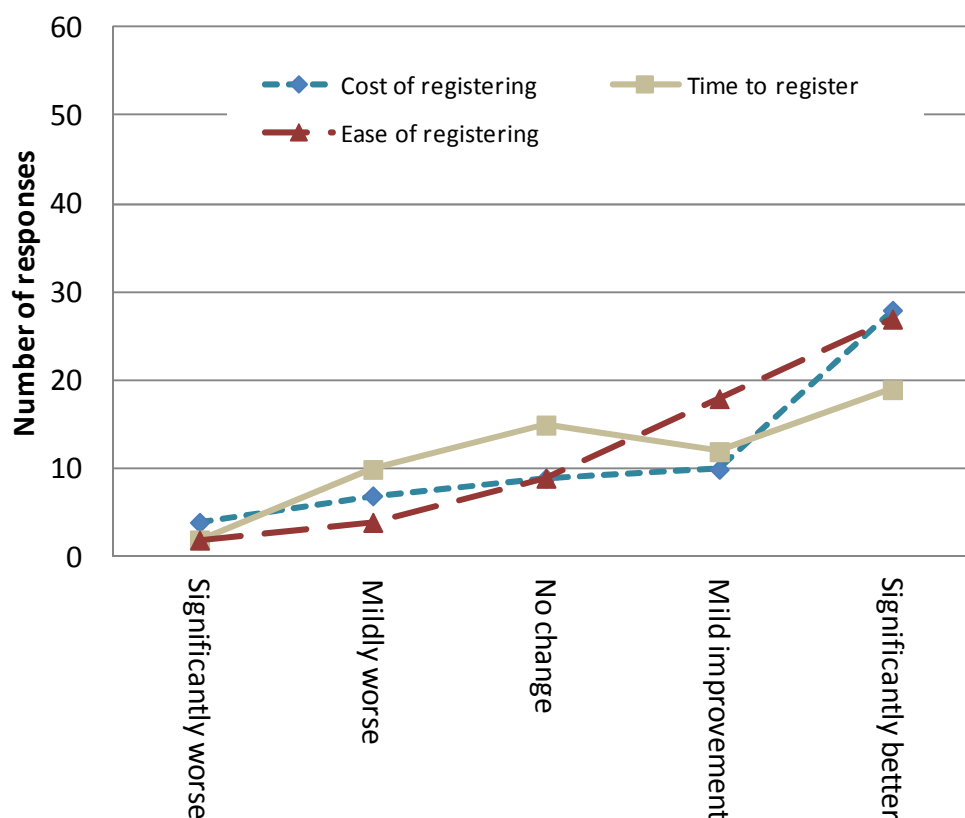


Fig C.3.2.3: Applicant view of the Impact of change 3 – all countries

#### C.4 CHANGE 4: EASIER TO GAIN A SECURE FILING DATE

Easier to gain a secure filing date from which your design is protected

With this proposed change, it will be simpler to gain a secure filing date for the protection of your design. In order to gain a secure filing date, you will only need to provide details on the applicant, an illustration of the design and possibly a fee.

Of the 59 countries, 45 have previously implemented this change, again with a roughly equal split between the high-income countries and the middle and low-income countries.

	Already Implemented	Not currently implemented	Total
High-income	20	7	27
Middle and low-income	25	7	32
<b>Total</b>	<b>45</b>	<b>14</b>	<b>59</b>

Table C.4.1: implementation of change 4 (choice in illustrating a design)

### C.4.1 Office View of the Impact of Change 4

Most countries believe that they have the necessary infrastructure, capability and expertise to implement this change. A small number of countries believed that they would need additional IT infrastructure or expertise.

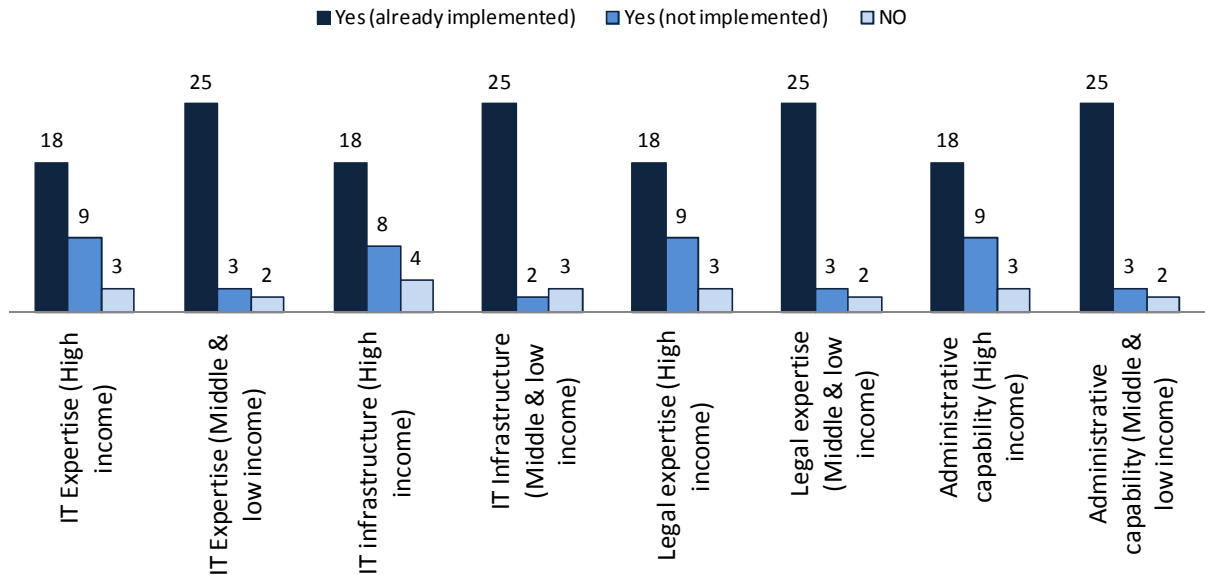


Fig C.4.1.1: Implementing change 4 (IT, Admin, Legal) – high-income and middle and low-income countries

For those countries not currently offering this capability, views are broadly neutral on the potential impact, with little strong opinion on whether this will reduce/increase costs or reduce/increase complexity of procedures.

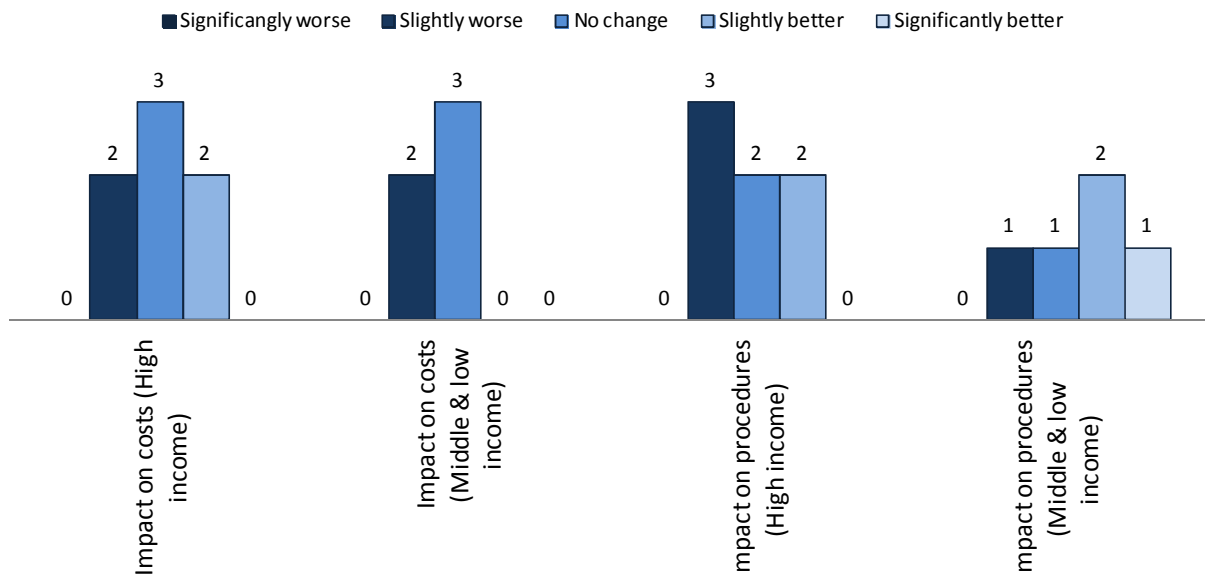


Fig C.4.1.2: Office view of the Impact of change 4 (Costs, Procedures) – high-income and middle and low-income countries

C.4.2 Applicant/User View of the Impact of change 4

	Applicant/user believes this is already offered	Applicant/user believes this is NOT already offered	Applicant/user does not know	Total
High-income	47	14	13	74
Middle and low-income	52	18	10	80
<b>Total</b>	<b>99</b>	<b>32</b>	<b>13</b>	<b>154</b>

Table C.4.2.1: Applicants view on whether change 4 is currently offered in their national design system

There is a clear difference in opinion regarding the benefits of this change to applicants/users in high-income compared with middle and low-income countries. Respondents in the middle and low-income countries believe that this change will reduce costs, reduce time and make it substantially simpler to register a design. In contrast, there is a much more neutral response from high-income nation respondents.

There is also a very marked difference in opinion between SMEs in middle and low-income countries compared with those in high-income countries. The former are most positive about the impact of this change on ease and time to register.

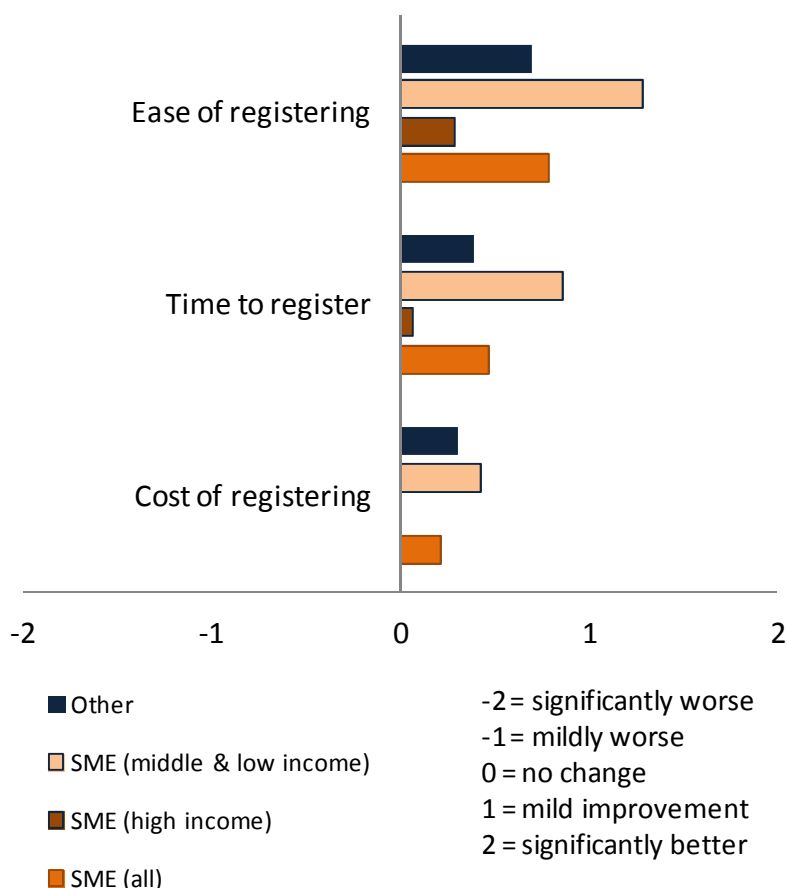


Fig C.4.2.2: Applicant view of the Impact of change 4

## C.5 CHANGE 5: REGISTER A DESIGN SIX MONTHS AFTER PUBLIC DISCLOSURE

Register a design 6 months after public disclosure

With this change, it will be possible to register a design up to six months after a new design has been publically released.

This capability is already offered in most of the high-income countries and in around half of middle and low-income countries.

	Already Implemented	Not currently implemented	Total
High-income	24	3	27
Middle and low-income	20	12	32
<b>Total</b>	<b>44</b>	<b>15</b>	<b>59</b>

Table C.5.1: Implementation of change 5 (choice in illustrating a design)

### C.5.1 Office View of the Impact of Change 5

Of the countries that do not currently have this capability, the majority believe that they have the capability to implement this change. There is little notable difference between the high-income and middle and low-income countries.

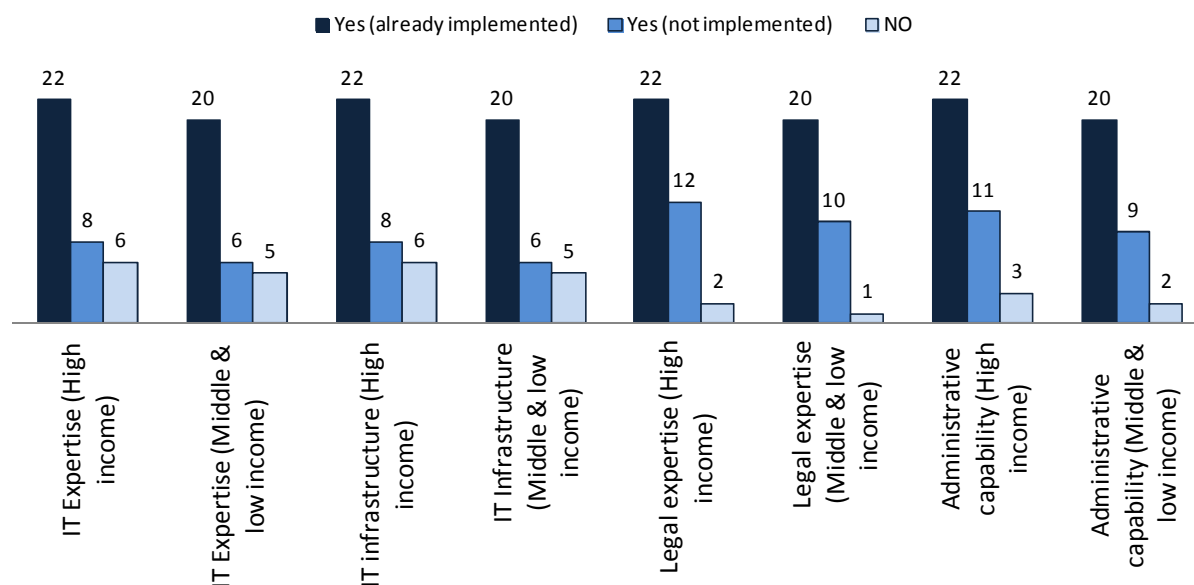


Fig C.5.1.1: Implementation of change 5 (IT, Admin, Legal) – high-income and middle and low-income countries

For those countries who do not have this capability, it is generally believed that the impact would be mostly neutral on costs and procedures.

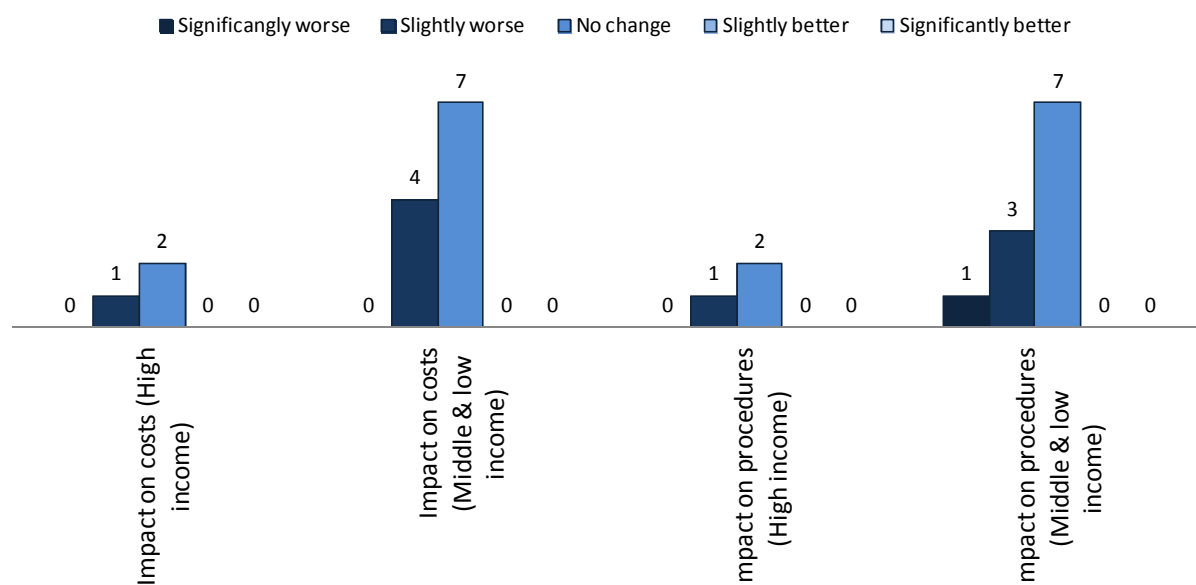


Fig C.5.1.2: Office view of the Impact of change 5 (Costs, Procedures) – high-income and middle and low-income countries

### C.5.2 Applicant/User View of the Impact of Change 5

	Applicant/user believes this is already offered	Applicant/user believes this is NOT already offered	Applicant/user does not know	Total
High-income	60	6	8	74
Middle and low-income	52	20	8	80
<b>Total</b>	<b>112</b>	<b>26</b>	<b>16</b>	<b>154</b>

Table C.5.2.1: Applicants view on whether change 5 is currently offered in their national design system

For this particular change, applicants/users were also asked to score whether there might be an impact on commercialization as a result. For this proposed change, the most significant benefit for all firms will be in aiding commercialization and the most positive response is from “other” companies (in all countries) and SMEs in high income countries. Interestingly, SMEs in high-income countries believe it might take very slightly longer to register a design.

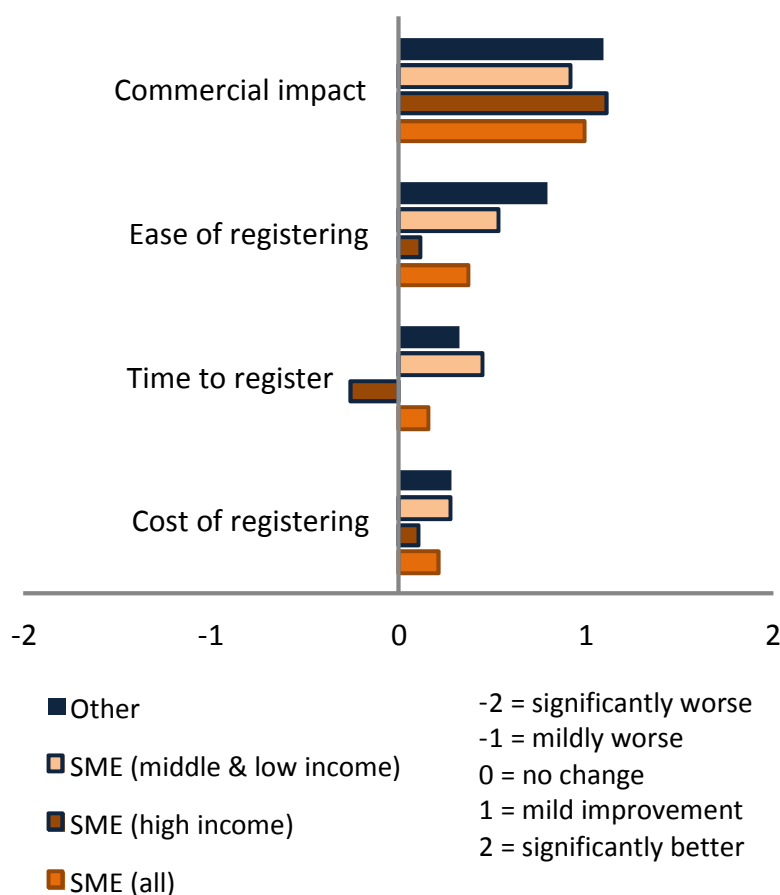


Fig C.5.2.2: Applicant view of the Impact of change 5

## C.6 CHANGE 6: REGISTER A DESIGN 12 MONTHS AFTER PUBLIC DISCLOSURE

Register a design 12 months after public disclosure      With this change, it will be possible to register a design up to twelve months after a new design has been publically released.

This capability is not offered in just under 50% of the middle and low-income countries and around one third of high-income countries responding.

	Already Implemented	Not currently implemented	Total
High-income	21	6	27
Middle and low-income	17	15	32
<b>Total</b>	<b>38</b>	<b>21</b>	<b>59</b>

Table C.6.1: implementation of change 6 (choice in illustrating a design)



### C.6.1 Office View of the Impact of Change 6

In middle and low-income countries, most offices believe that they do not have sufficient IT expertise or infrastructure to implement this change. Around 50% of the high-income countries who do not have this capability would also need to invest in IT expertise and infrastructure.

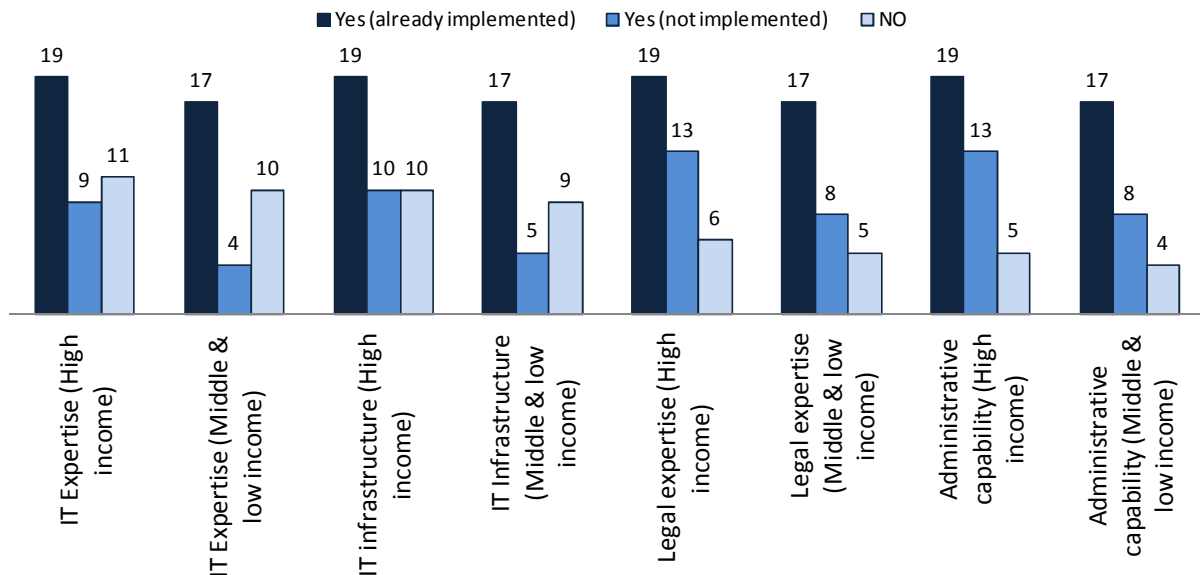


Fig C.6.1.1: Implementation of change 6 (IT, Admin, Legal)

Most countries believe that this change would have a mildly negative impact on costs and procedures. There is little substantive difference in view between high-income countries and middle and low-income countries.

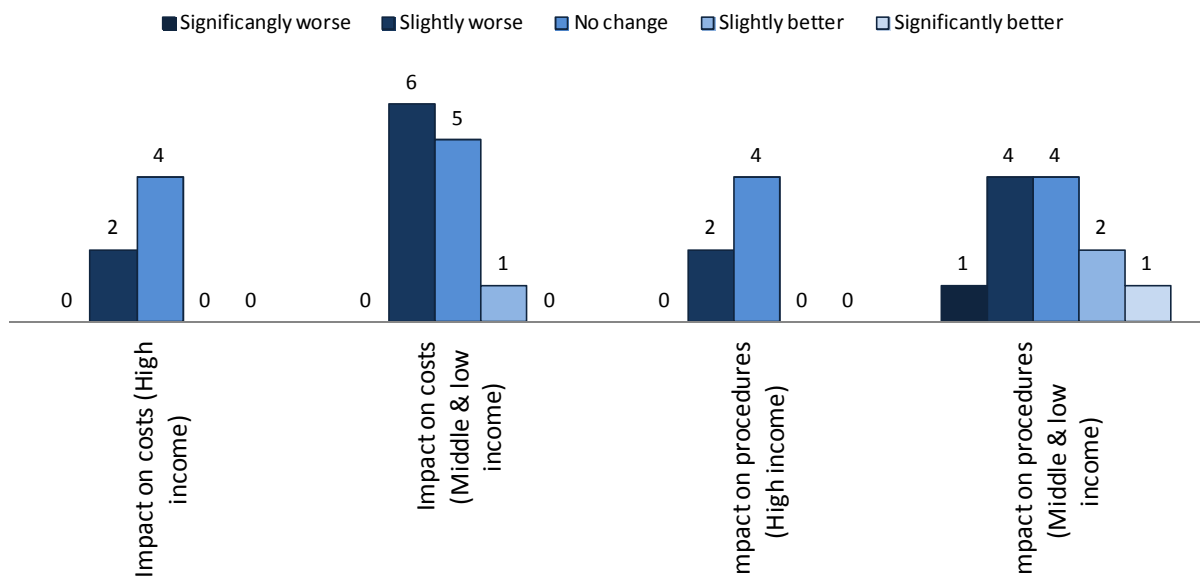


Fig C.6.1.2: Office view of the Impact of change 6 (Costs, Procedures) – high-income and middle and low-income countries

### C.6.2 Applicant/User View of the Impact of Change 6

	Applicant/user believes this is already offered	Applicant/user believes this is NOT already offered	Applicant/user does not know	Total
High-income	46	17	11	74
Middle and low-income	15	44	21	80
<b>Total</b>	<b>61</b>	<b>61</b>	<b>32</b>	<b>154</b>

Table C.6.2.1: Applicants view on whether change 6 is currently offered in their national design system

As with change 5, the most significant impact would be a positive improvement on commercialization, especially for SMEs in high income countries. Views on the impact of this change on time and cost are mostly neutral, and very slightly positive towards ease of registering.

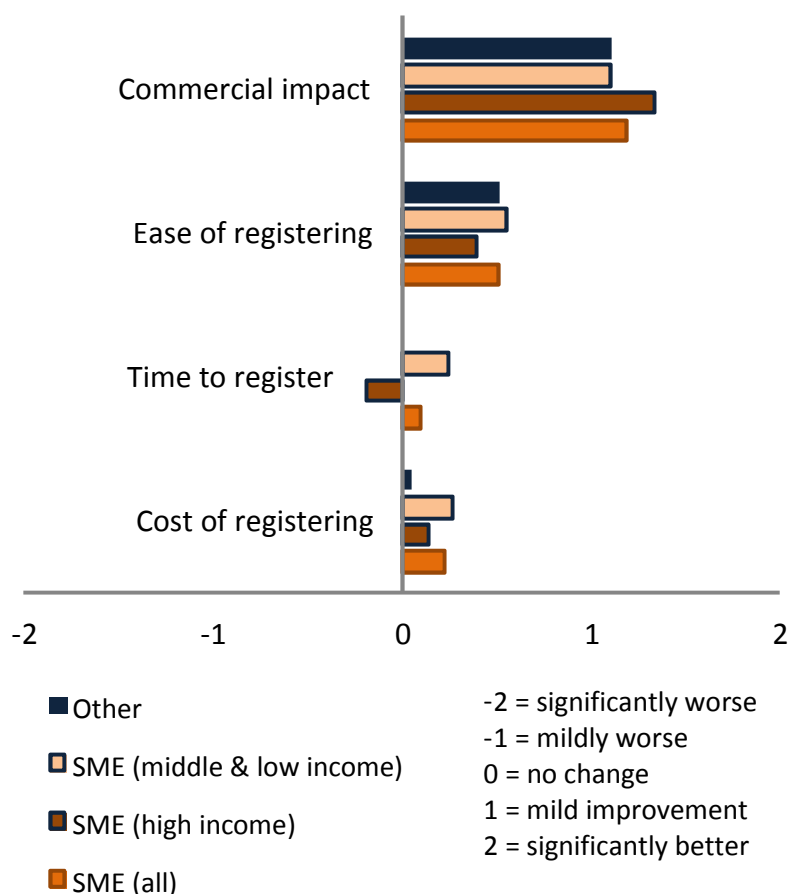


Fig C.6.2.2: Applicant view of the Impact of change 6 – high-income and middle and low-income countries

The pattern of responses towards commercialisation differs in comparison with ease, time and cost. The latter three follow a mostly normal distribution. However, there is a marked difference in viewpoint towards commercialisation, where the majority believe that this change would present a significant improvement.

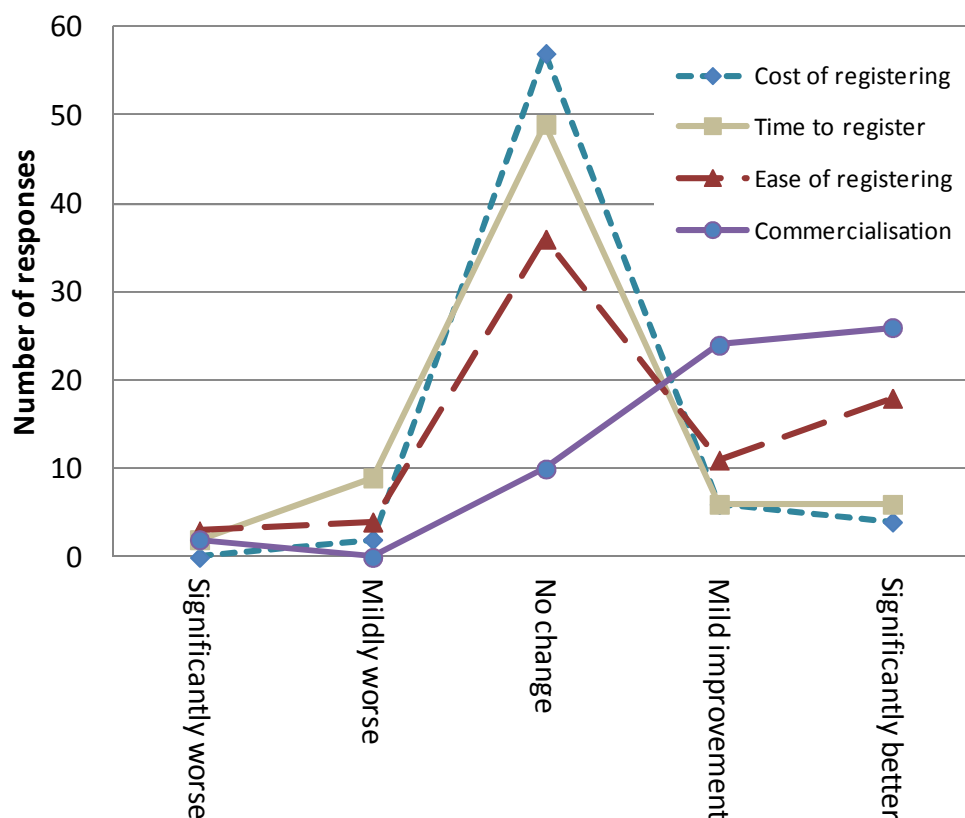


Fig C.6.2.3: Applicant view of the Impact of change 6 – all countries

## C.7 CHANGE 7: SECRECY FOR SIX MONTHS AFTER FILING AN APPLICATION

Secrecy for six months after filing an application

With this proposed change, it will be possible to keep a design secret for at least six months after filing a new design.

Around 20% of high-income countries do not have this capability and approximately 40% do not from middle and low-income countries.

	Already Implemented	Not currently implemented	Total
High-income	22	5	27
Middle and low-income	19	13	32
<b>Total</b>	<b>41</b>	<b>18</b>	<b>59</b>

Table C.7.1: implementation of change 7 (choice in illustrating a design)

### C.7.1 Office View of the Impact of Change 7

Views on the implementation of this proposed change are similar to previous changes. IT infrastructure remains the major area where responding countries feel they do not necessarily have current capability.

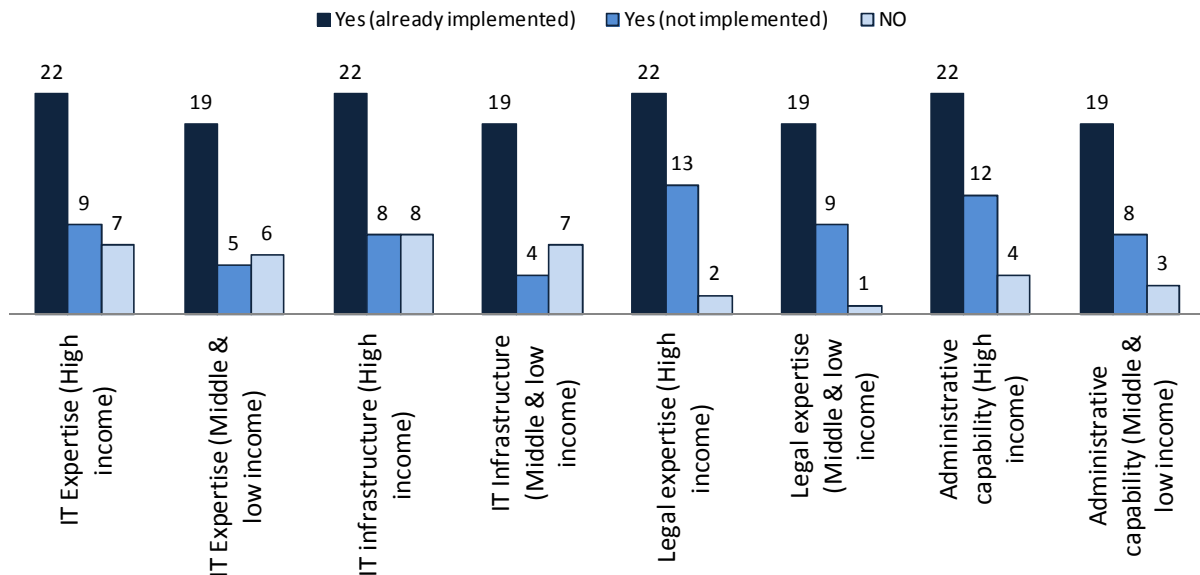


Fig C.7.1.1: Implementation of change 7 (IT, Admin, Legal) – high-income and middle and low-income countries

Middle and low-income countries are divided in their view on whether this change might have a positive or negative impact on procedures. Two offices indicated that this might result in a significant improvement, whilst two offices believed it would make things worse. Most respondents were neutral towards costs and procedures. Respondents in middle and low-income countries believed that this change might result in slightly increased costs to the office.

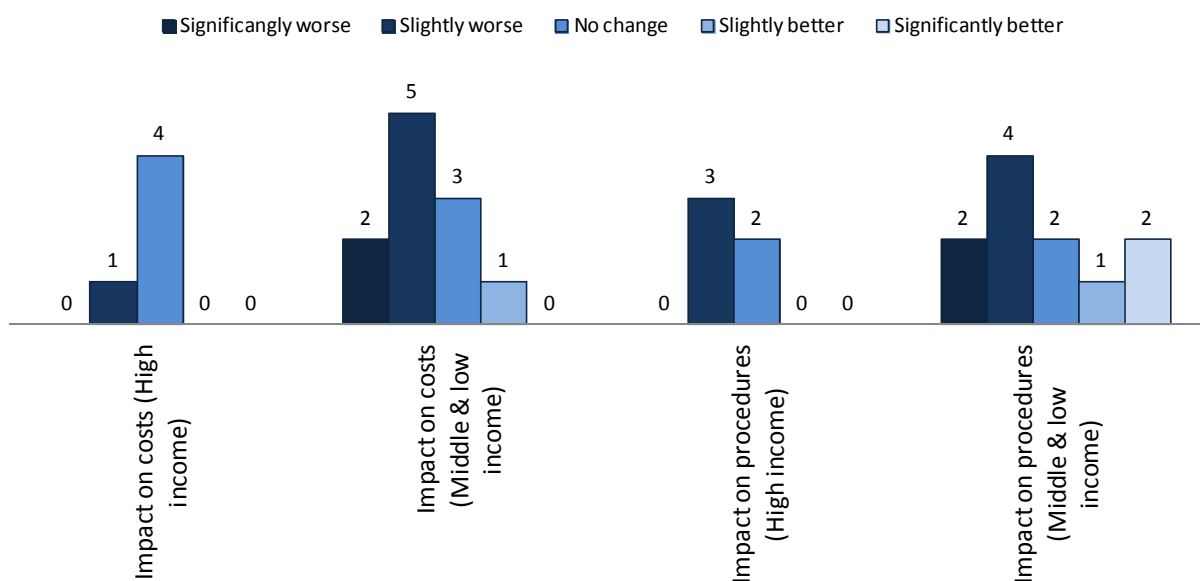


Fig C.7.1.2: Office view of the Impact of change 7 (Costs, Procedures) – high-income and middle and low-income countries

### C.7.2 Applicant/User View of the Impact of Change 7

	Applicant/user believes this is already offered	Applicant/user believes this is NOT already offered	Applicant/user does not know	Total
High-income	53	7	14	74
Middle and low-income	40	24	16	80
<b>Total</b>	<b>93</b>	<b>31</b>	<b>30</b>	<b>154</b>

Table C.7.2.1: Applicants view on whether change 7 is currently offered in their national design system

Responses towards this change are interesting and not simple to interpret. All firms, including SMEs in middle/low-income countries were in agreement that this change would have a positive impact on commercialization. SMEs in high-income countries believed that there would be a slightly negative impact on ease of registering, time to register and cost of registering. Likewise the “other” (mainly large) firms believed that this might result in increased costs or more time to register. Thus, there appears to be a balance between improved commercial gain and increased application cost/complexity.

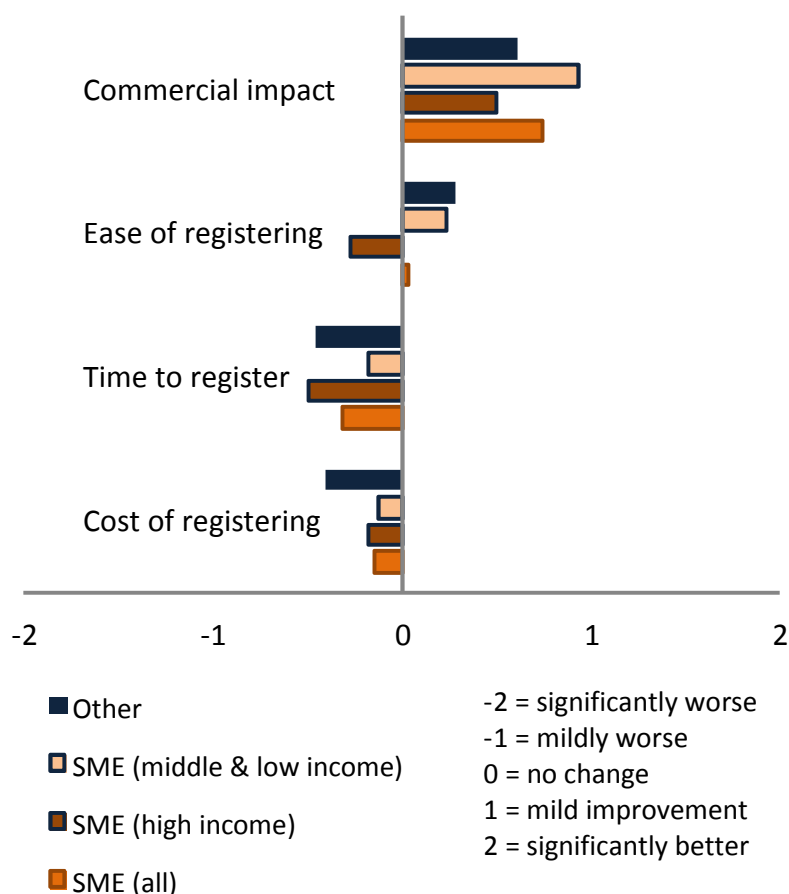


Fig C.7.2.2: Applicant view of the Impact of change 7 – high-income and middle and low-income countries

## C.8 CHANGE 8: STANDARDIZING INFORMATION

Standardizing the information needed to submit (or make changes to) a design registration	With this proposed change, the information needed to submit a new application will be standardised internationally.
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As this proposed change is outside of the remit of any one individual nation, then individual offices were not asked to comment. Instead, opinion was only sought from applicants/users. Indeed, this form of standardisation is less likely to be important within a nation, and to have greater impact for exporters.

### C.8.1 Applicant/User View of the Impact of Change 8

There is a marked difference in the perceptions of respondents from high-income countries and middle and low-income countries regarding whether this capability is currently offered. Only 14% of respondents from high-income countries believed this was not a current capability, in contrast to 39% from middle and low-income countries.

	<b>Applicant/user believes this is already offered</b>	<b>Applicant/user believes this is NOT already offered</b>	<b>Applicant/user does not know</b>	<b>Total</b>
High-income	61	10	3	74
Middle and low-income	41	31	8	80
<b>Total</b>	102	41	11	154

Table C.8.1.1: Applicants view on whether change 8 is currently offered in their national design system

Applicants/users from all countries believe that this change will make it easier, cheaper and quicker to register designs. However, the applicants/users with the strongest feelings were those from SMEs in high-income countries. It may be that these firms are more likely to export and thus to file overseas, where non-standardisation is then an issue. SMEs in middle and low-income countries are less positive, but it may be that they are less likely to export.

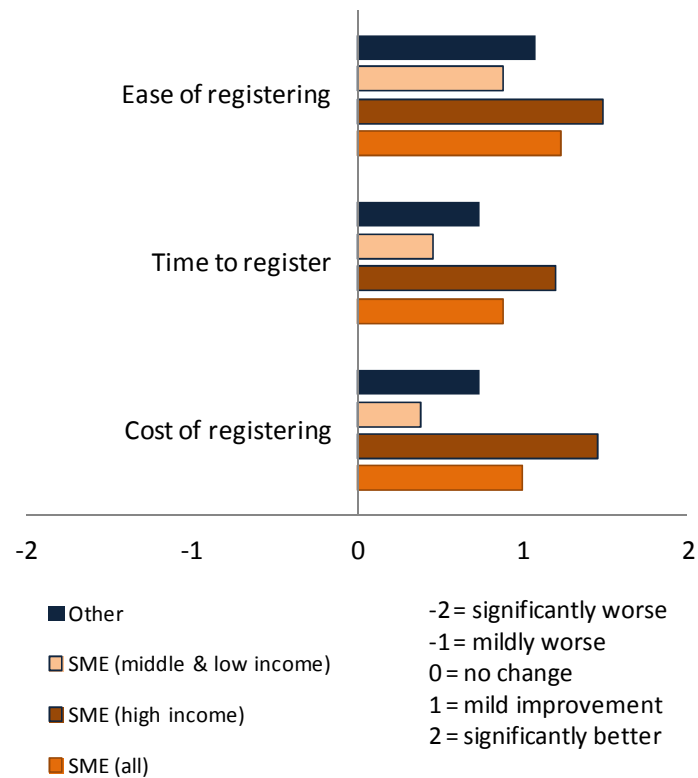


Fig C.8.1.2: Applicant view of the Impact of change 8 – high-income and middle and low-income countries

The pattern of responses is again interesting, with a very strong skew towards significant improvement, especially for both cost and ease of registration.

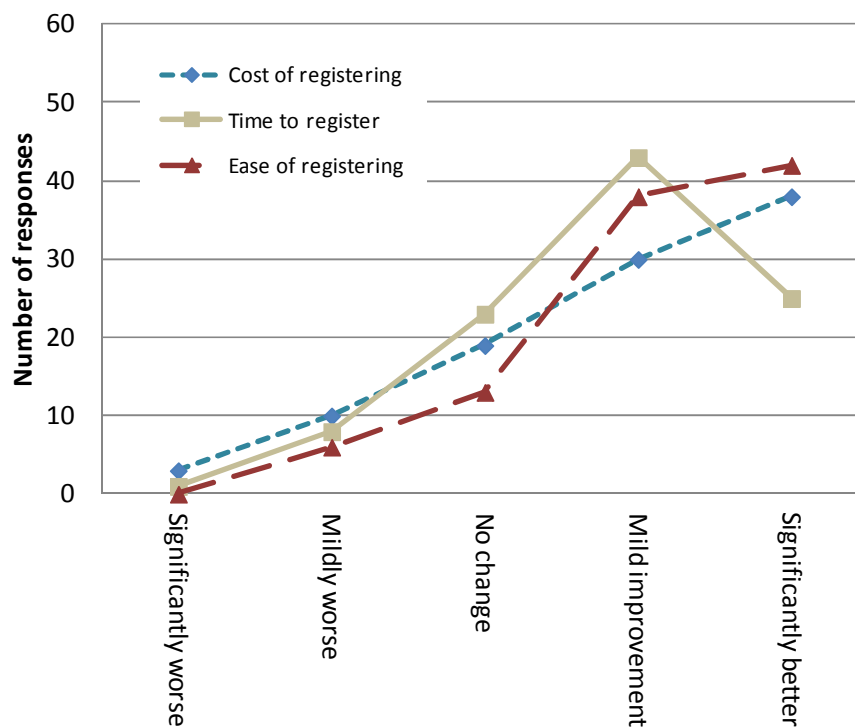


Fig C.8.1.3: Applicant view of the Impact of change 8 – all countries

## C.9 CHANGE 9: SIMPLIFYING PROCEDURES FOR LEGALLY VALID DOCUMENTS

Simplifying the procedures to present legally valid documents in another country

With this proposed change, there will be a simplification to the requirements for creating and signing legal documents.

There is a very significant difference in opinion between the high-income and middle and low-income countries. In the former, this is a capability that is offered in most countries. However, in middle and low-income countries, there is a greater likelihood that this capability is not offered.

	Already Implemented	Not currently implemented	Total
High-income	23	4	27
Middle and low-income	14	18	32
<b>Total</b>	<b>37</b>	<b>22</b>	<b>59</b>

Table C.9.1: implementation of change 2 (choice in illustrating a design)

### C.9.1 Office View of the Impact of Change 9

For those countries that do not offer this capability, roughly 50% do not currently have IT expertise, IT infrastructure or legal expertise needed to implement this change. All countries indicate that they do not have sufficient administrative capability to implement this change.

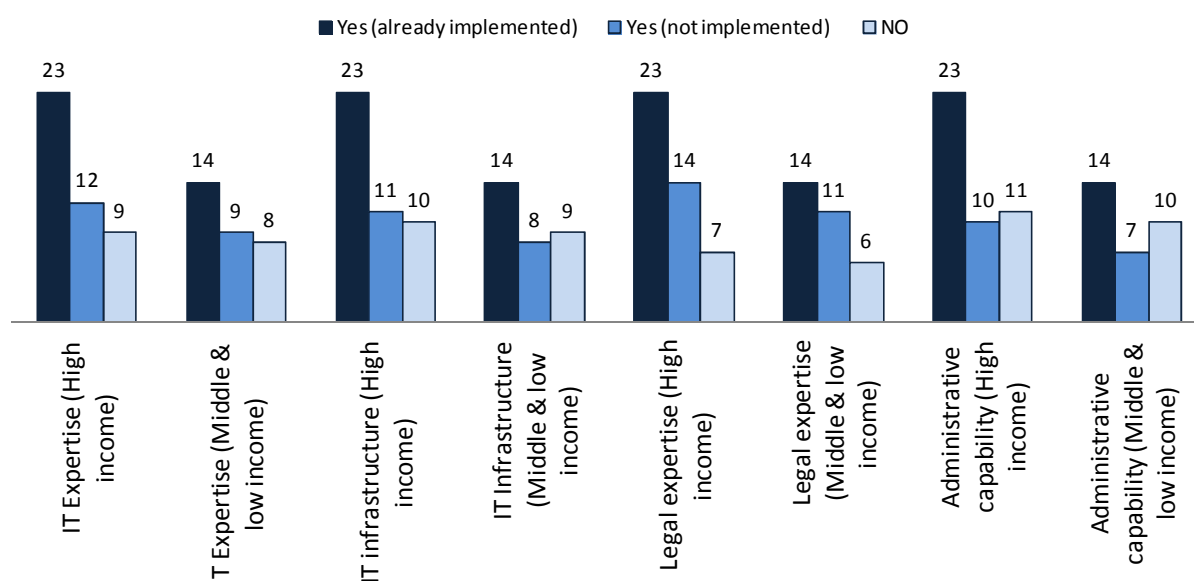


Fig C.9.1.1: Implementation of change 9 (IT, Admin, Legal) – high-income and middle and low-income countries



Most countries believe that this change would have a neutral impact on costs and procedures in offices. Interestingly, in middle and low-income countries, five respondents believe it would make procedures slightly more complicated, in comparison with eight claiming it would make procedures slightly simpler.

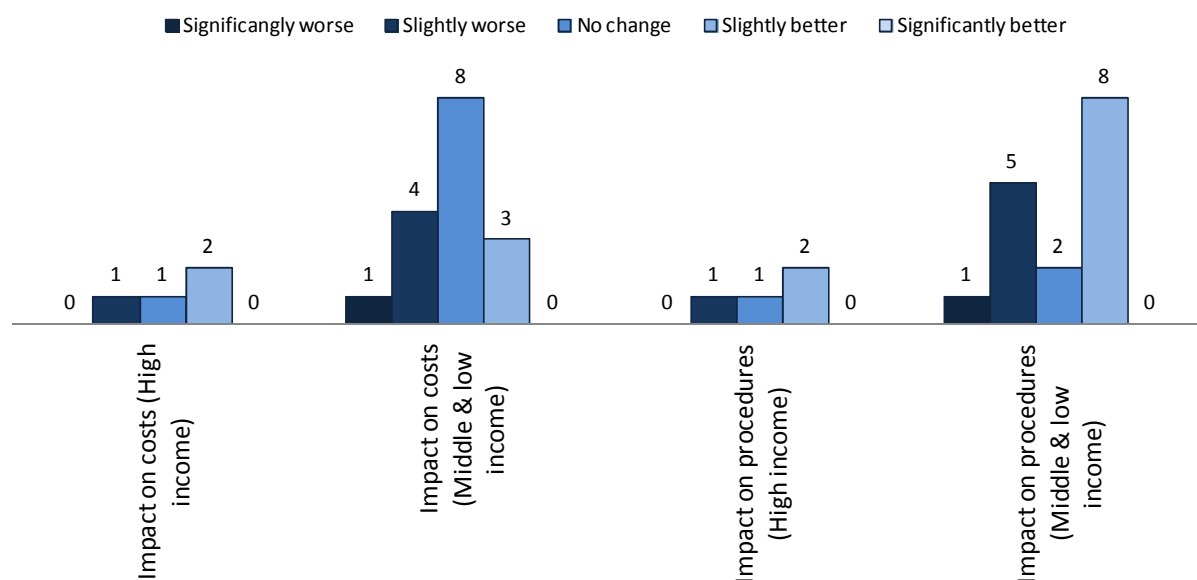


Fig C.9.1.2: Office view of the Impact of change 9 (Costs, Procedures) – high-income and middle and low-income countries

### C.9.2 Applicant/User View of the Impact of Change 9

	Applicant/user believes this is already offered	Applicant/user believes this is NOT already offered	Applicant/user does not know	Total
High-income	42	13	19	74
Middle and low-income	41	16	23	80
<b>Total</b>	<b>83</b>	<b>29</b>	<b>42</b>	<b>154</b>

Table C.9.2.1: Applicants view on whether change 9 is currently offered in their national design system

Applicants/users from all countries believe that this change will make it easier, cheaper and quicker to register designs. As with proposed change number 8, SMEs in high-income countries are most positive.

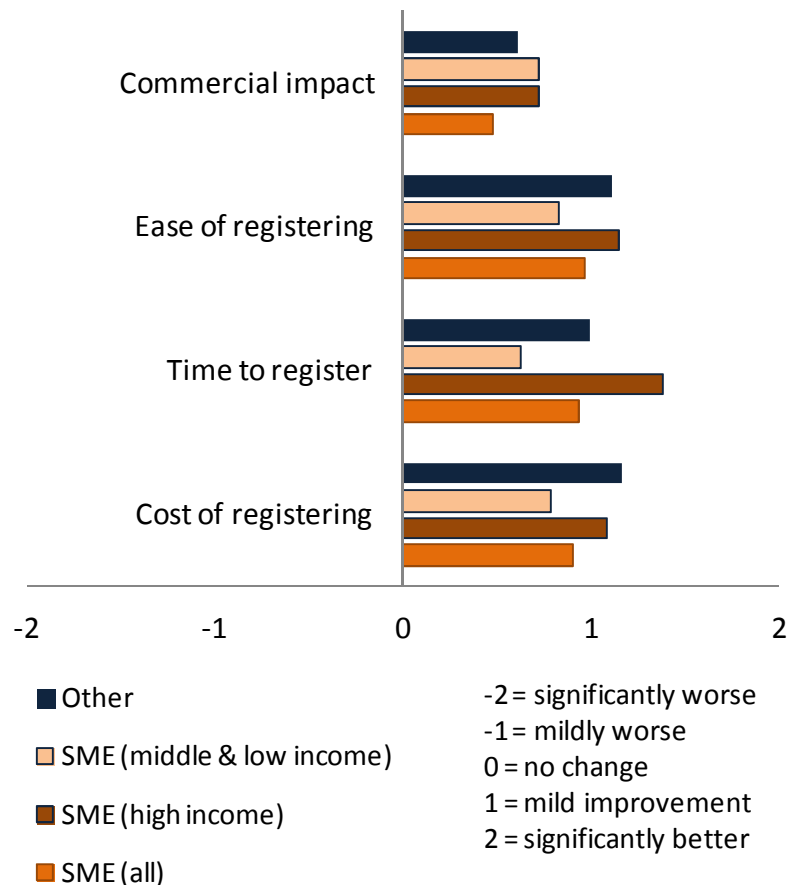


Fig C.9.2.2: Applicant view of the Impact of change 9 – high-income and middle and low-income countries

## SECTION D: VIEWS ON THE SET OF PROPOSED CHANGES

In this section, the views from applicants/users towards the complete set of changes are presented and compared against the views of the offices. This includes a summary of their perceived “relative importance”, as well as a summary of the overall impact of the set of changes.

### D.1 RELATIVE IMPORTANCE OF PROPOSED CHANGES TO APPLICANTS/USERS

The chart below shows the relative importance of the proposed changes to applicants/users in both high-income countries and middle and low-income countries. There is surprising consistency, with one notable difference. To applicants in high-income countries, being able to register a design 12 months after disclosure is the fourth most important change. In contrast, this is only 8<sup>th</sup> most important in middle and low-income countries.

The two changes which are consistently viewed as most important are: to be able to register a set of designs; and standardization of information. The least important change in all countries is the “reduced number of copies” needed for registration.

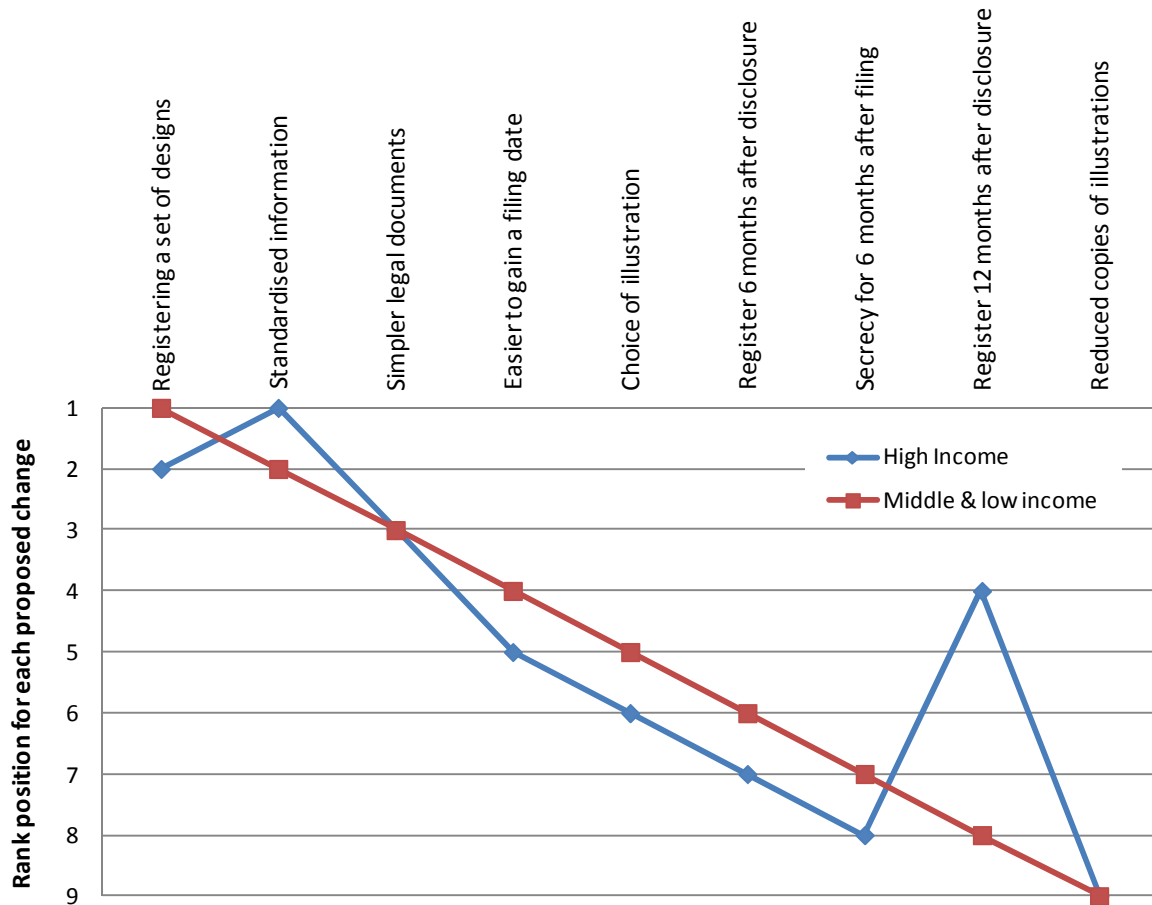


Fig D.1.1: Relative importance of proposed changes – high-income and middle and low-income countries

Fig D.1.2 shows the relative priority of the changes for different sizes of firm, including all SMEs, SMEs in high-income countries, SMEs in middle and low-income countries and “others” (large firms and unknowns).

The graph has been sorted to show the relative priority for “others” as a linear progression from most important (set of designs) to least important (number of copies). Interestingly, there is broad agreement in importance for all groups, except SMEs in middle and low-income countries. It is this group of respondents that lowers the overall importance of “register 12 months after disclosure” in figure D.1.2. Similarly, this group raises the importance of “easier to gain a filing date” in figure D.1.2. Registering six months after public disclosure is also viewed as less important in SMEs in middle and low-income countries.

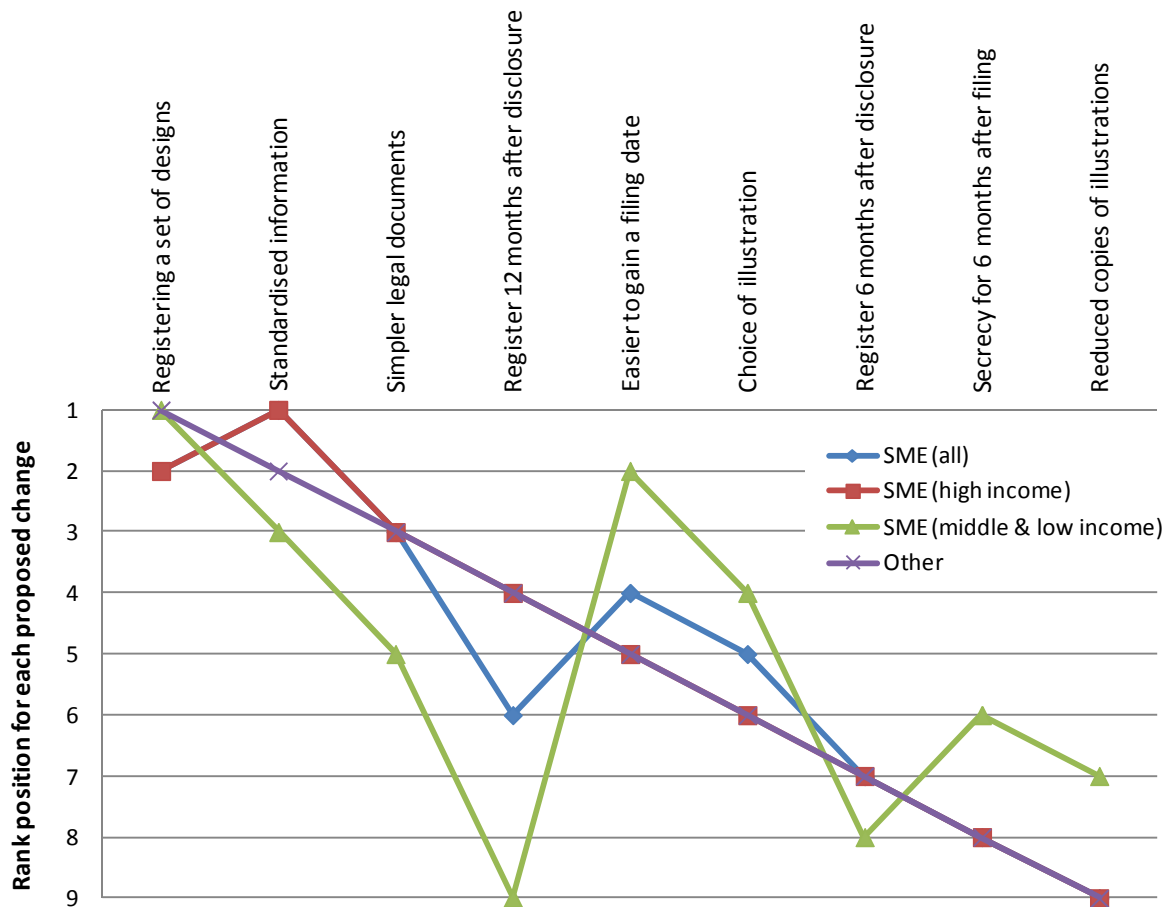


Fig D.1.2: Relative importance of proposed changes – SMEs and other firms

## D.2 APPLICANT/USER'S VIEWS ON THE POTENTIAL IMPACT OF ALL CHANGES

Respondents were asked to score the potential impact of the set of changes on: the cost of registering a design, ease, time, likelihood of registering, commercialization, registering overseas, profitability and also the level of design activity. They scored on a one to five scale (significantly worse – significant improvement).

Overall, the results demonstrate that respondents in all countries believe that these changes would result in improvements.

There are some notable differences however. In high-income countries, respondents believe the changes will make a greater improvement to costs and time to register than in middle and low-income countries. Conversely, respondents in middle and low-income countries believe that the changes will have a greater impact on profitability.

Overall, the most prominent improvements would be the ease of registering and the likelihood of registering overseas.

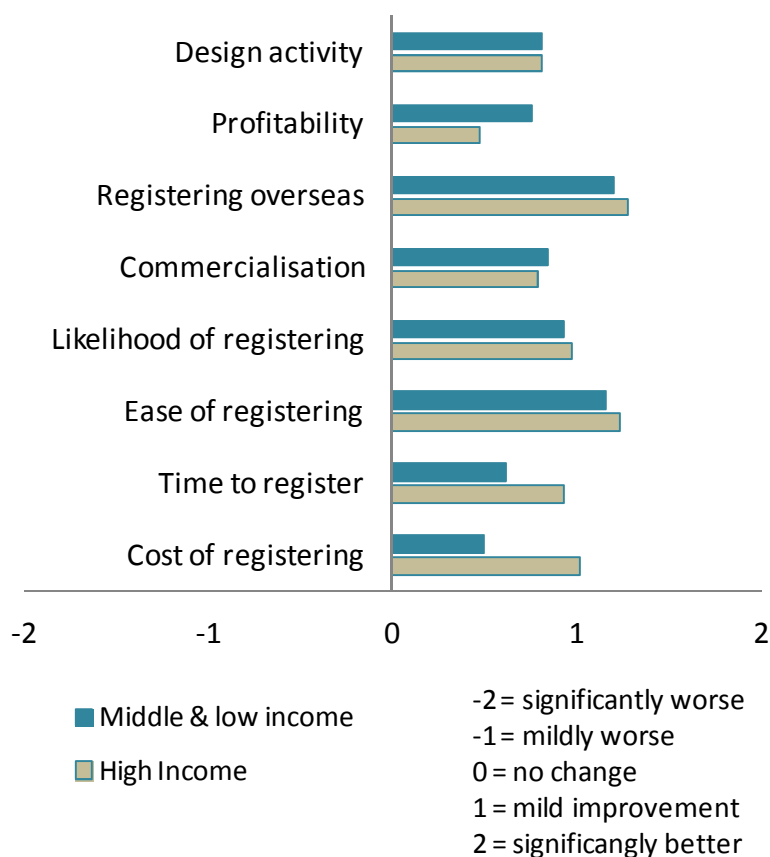


Fig D.2.1: Potential impact of changes – high-income and middle and low-income countries

Looking at the same data, but this time comparing responses amongst company types (SME and other) there are also some interesting patterns. Whilst believing that the changes will make improvements, respondents in SMEs in middle and low-income countries are generally a little less effusive in their responses. This is especially the case for time to register and cost of registering. SMEs in high-income countries are generally the most positive towards the set of proposed changes.

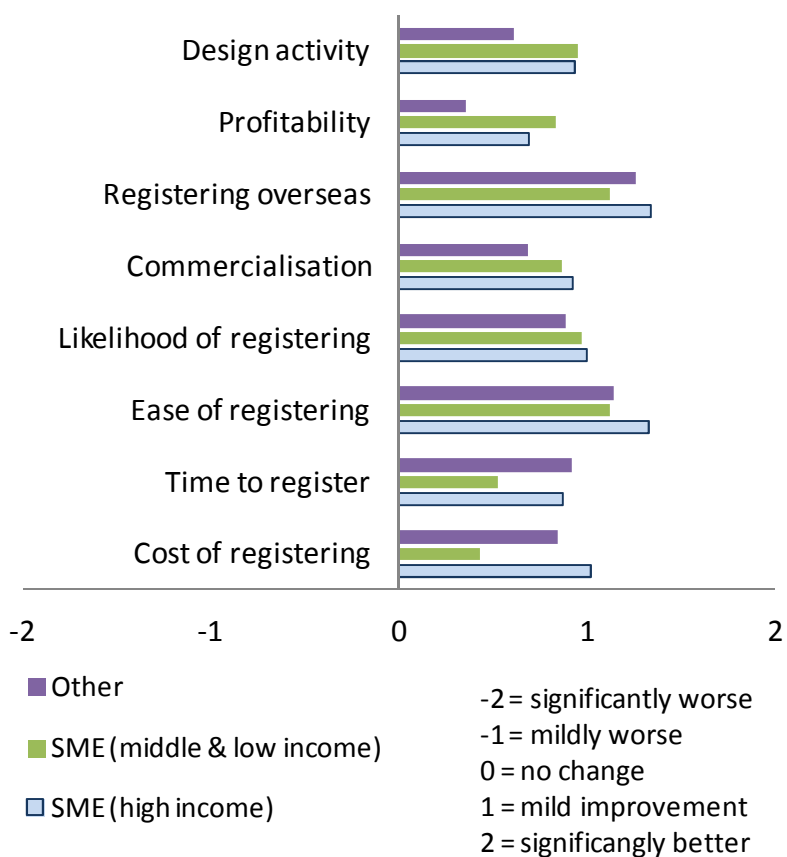


Fig D.2.2: Potential impact of changes – SMEs and other respondents

### D.3 OFFICE VIEWS ON THE POTENTIAL IMPACT OF THE CHANGES

The offices are generally positive towards the likely impact of these changes on users of the design system. Offices in middle and low-income countries are slightly more positive towards the impact on innovation, use of intellectual property and simplification of procedures. However, they believe that the cost will be mostly neutral, with perhaps small savings.

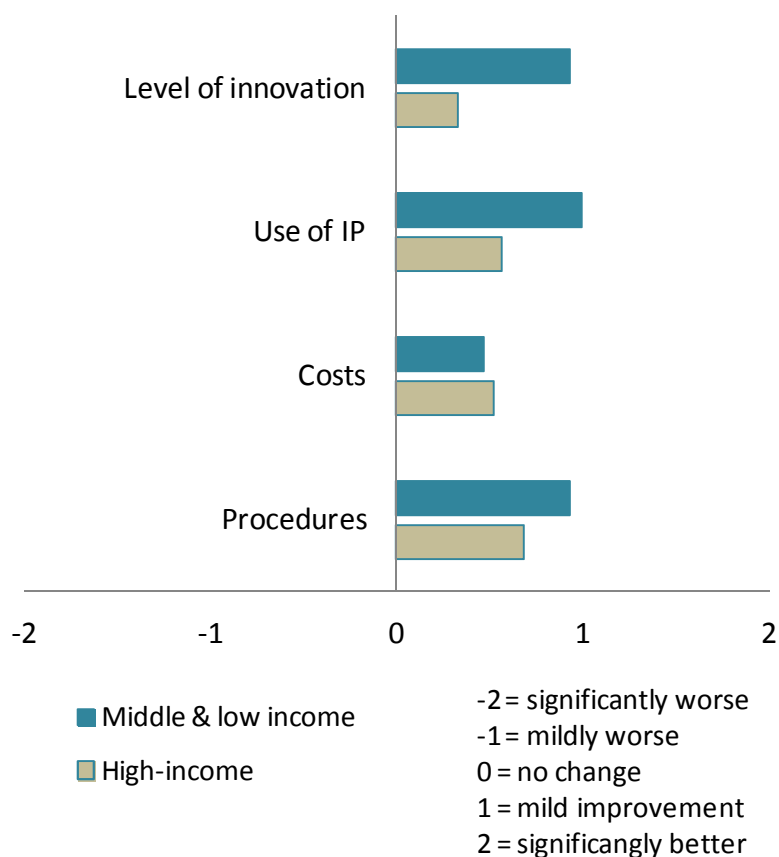


Fig D.3.1: Office's view on the impact of the set of changes for users/applicants

The offices are mostly relatively neutral towards the likely impact of the changes on the national office. It is not broadly felt that there will be a significant impact in terms of cost. In the middle and low-income countries, it is felt that the changes would have a slight beneficial impact on errors, usage of design rights, procedures and administration.

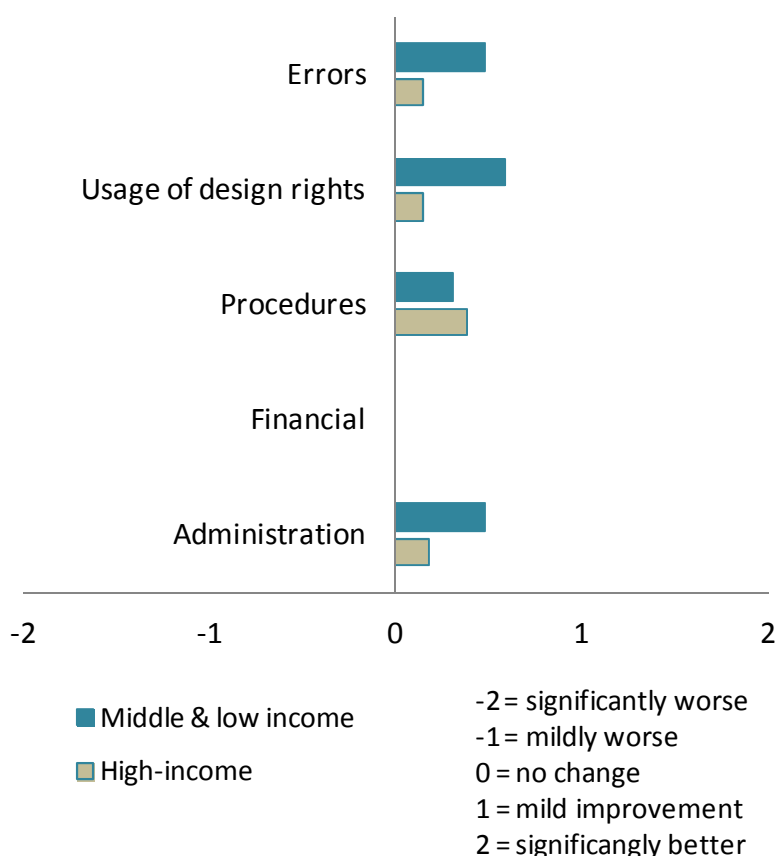


Fig D.3.2: Office's view on the impact of the set of changes for their national office

#### D.4 VIEWS OF OFFICES AND APPLICANTS/USERS ON THE PROPOSED CHANGES

– Change 1 – Choice of Illustration: applicants in large and small firms saw this change as having a positive influence on the ease of registering a new design. Offices not offering this capability saw implications for IT expertise and infrastructure as well as a slight increase in costs. Some offices in middle and low-income countries expect a positive impact on complexity of procedures. SMEs in all countries expressed a preference for photographs and CAD files as the means of illustrating a design. Applicants/users in high-income countries expressed a preference for drawings, whilst in middle and low-income countries, there was a preference for photographs.

– Change 2 – Reduced Number of Copies of Each Illustration: this is a capability already offered in most high-income countries, and many middle and low-income countries. Most offices believe that they have the capability, resources and expertise to implement this change. The majority of offices in middle and low-income countries believe that this would help simplify procedures and reduce costs. Applicants/users from all countries saw positive benefits to cost, time and ease of registration.

– Change 3 – Registering a Set of Designs: roughly 70% of all countries already have this capability. For those that do not, the most significant impact would be on IT infrastructure. All offices in high-income countries indicated that costs would be significantly higher, whereas those in middle and low-income countries believed that there might be savings. In all countries,



responding offices felt that procedures might be more complex. All applicants/users felt that this would simplify registration. SMEs in high-income countries felt there would be significant cost savings.

– Change 4 – Easier to Gain a Secure Filing Date: a small number of offices in high, middle and low-income countries felt that additional IT infrastructure would be needed to implement this change. Offices were broadly neutral on the impact of this change on costs and procedures. SMEs in middle and low-income countries were most positive towards this change in terms of ease, time and cost of registration. These firms felt the biggest impact would be on ease of registration.

– Change 5 – Register a Design Six Months After Disclosure: this capability is offered in most high-income countries. Most countries believe that they have the capability to implement this change, and it would have minimal impact on costs or procedures. Applicants are similarly neutral on the impact of this change on ease, time and costs. But, they perceive clear benefits in commercializing a design.

– Change 6 – Register a Design 12 Months After Disclosure: most offices indicated that they do not have the IT infrastructure or expertise to implement this change. They also suggested that additional administrative capacity and legal expertise would be needed. Applicants, especially SMEs in high income countries, reported a very strong commercial benefit to this proposed change. They noted little benefit to either ease, time or cost of registration.

– Change 7 – Secrecy for Six months After Filing: additional IT infrastructure was viewed as important for implementation. Applicants felt that this change might have a mild benefit on commercialization, but that it might make registration slightly costlier, take slightly longer and possibly cost slightly more.

– Change 8 – Standardizing Information: all applicants/users felt that this change would have a very positive impact on the ease, cost and time to register. This was especially the case in SMEs in high-income countries. SMEs in middle and low-income countries were still positive, but less so.

– Change 9 – Simplifying Procedures for Legally Valid Documents: this capability is offered in most high-income countries, but not in many middle and low-income countries. Many countries believe that they do not have the IT expertise, IT infrastructure or legal expertise to implement this change and that the change would have a neutral impact on costs and procedures in offices. Applicants in all types of firms believe that this change will make it easier, cheaper and quicker to register designs.

– In order to implement these proposed changes, offices perceive the need for increased IT expertise and infrastructure, especially in middle and low-income countries. There is some, but less need for increased administration capability and legal expertise.

– Applicants/users in all countries judge “registering a set of designs”, “standardized information” and “simpler legal documents” as their top priority changes. “Reduced copies of illustrations” is consistently the least priority change.

– SMEs in middle and low-income countries have different priorities to firms in other countries. SMEs in middle and low-income countries consider “easier to gain a filing date” as a high priority change, and “register 12 months after disclosure” as a low priority.

- Applicants in high-income countries generally feel that the set of changes will have a stronger impact than those in middle and low-income countries. Interestingly, the most significant benefit in the views of applicants will be on “registering overseas” and “ease of registration”.
- Offices in all countries believe that the set of changes will have positive benefits to applicants/users. In high-income countries, it is believed that the changes will improve the level of innovation and usage of intellectual property. In middle and low-income countries, it is believed that the benefits to users will be reduced costs and simplification of procedures.

## SECTION E: OFFICE VIEWS ON IMPLEMENTATION

### E.1 PERCEIVED COSTS OF IMPLEMENTATION

Taking the data from each section, it is possible to compare the perceived costs of each of the individual change. Fig E.1.1 shows that for high-income countries, change 3 (registering a set of designs) followed by change 1 (greater choice in how a design is illustrated) are both perceived as the most costly to implement. In middle and low-income countries, change 1 would also increase costs, followed by change 7 (secrecy for six months after filing). For the remaining changes, the consensus is that the change might incur a slight increase in costs.

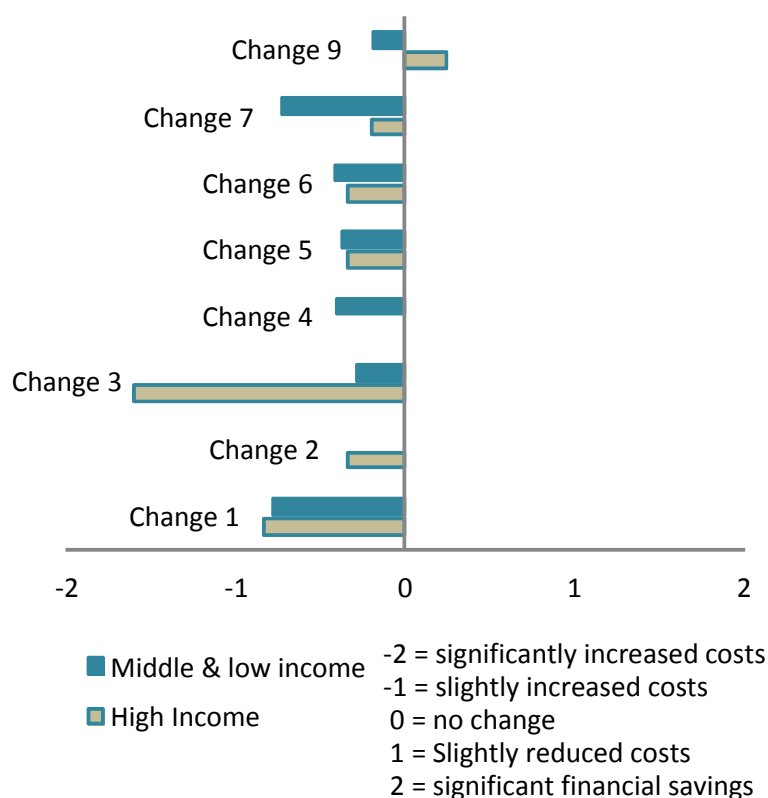


Fig E.1.1: Perceived cost implications of each change

Respondents were also asked to “rank” the changes in terms of the “most costly to implement”. In fig E.1.2, we can see that for the middle and low-income countries, there is broad consistency with the graph above; changes 1 and 7 are perceived as most costly. However, change 4 is also perceived as costly. Change 2 is perceived as the least costly. For the high-income countries,

the picture is less consistent. Here, changes 5, 7 and 9 are perceived to be the most costly, and changes 2, 6 and 4 the least. From E1.1, change 3 would have been expected to have been the most costly in high-income countries.

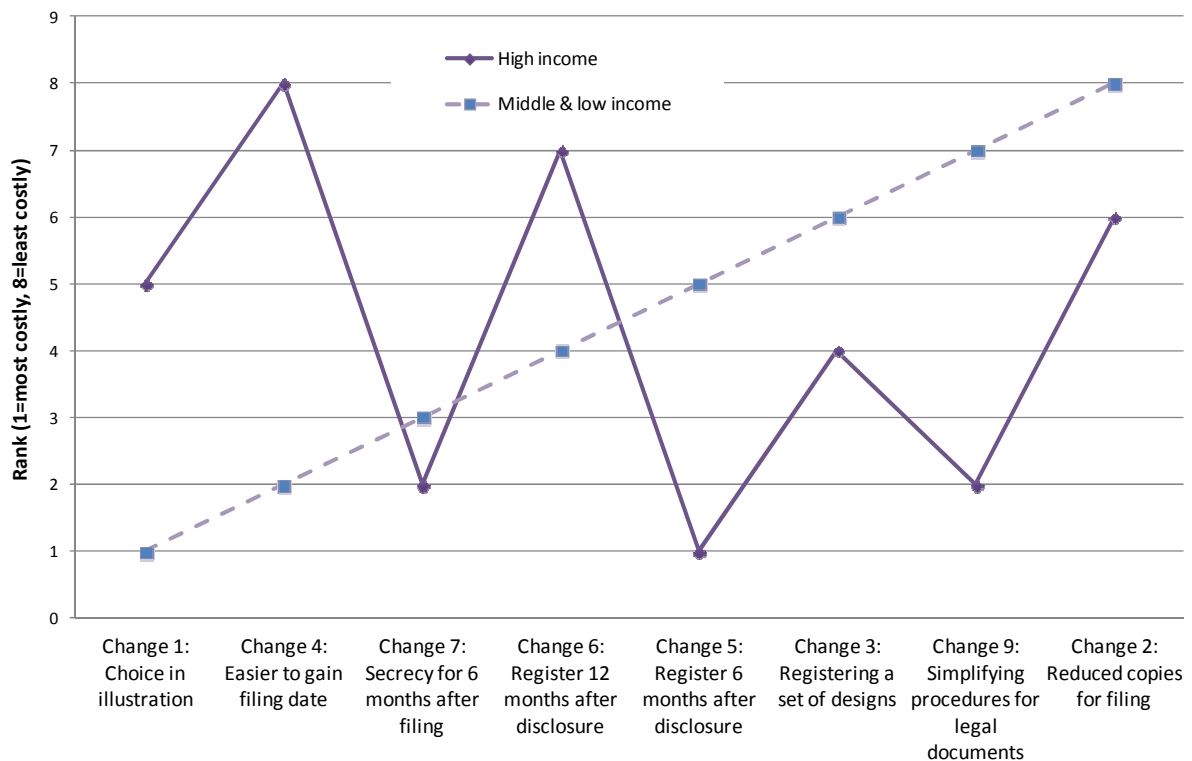


Fig E.1.2: Changes ‘ranked’ for cost implications (1 = most costly, 8 = least costly)

## E.2 PERCEIVED PROCEDURAL IMPLICATIONS OF CHANGES

It is also possible to summarize the perceived impact on procedures of the changes based on responses to individual changes.

In middle and low-income countries, changes 2 (reduced number of copies of illustrations) and 4 (easier to gain a secure filing date) are both perceived as reducing procedural complexity. In contrast, change 3 (registering a set of designs) will make procedures more complex.

In high income countries, change 3 (registering a set of designs) is perceived as making procedures significantly more complex. Change 9 (simplifying procedures for legal documents) and change 1 (choice in illustration) are both perceived as making a small improvement to procedures.

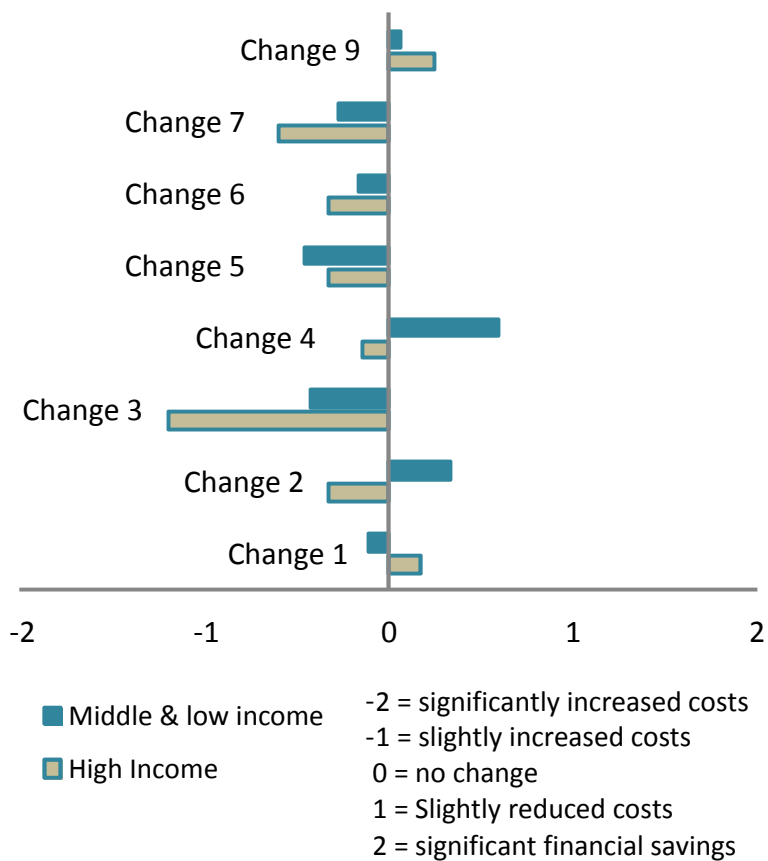


Fig E.2.1: Perceived implications on procedures for each of the changes

### E.3 TIME AND CHANGES TO CAPABILITIES TO IMPLEMENT

The offices are generally optimistic that the set of changes could be implemented in under four years. It is useful to contrast this with the time taken to implement previous treaties. In the majority of cases, it was over four years, although the middle and low-income countries took less time to implement past treaties than their higher-income counterparts.

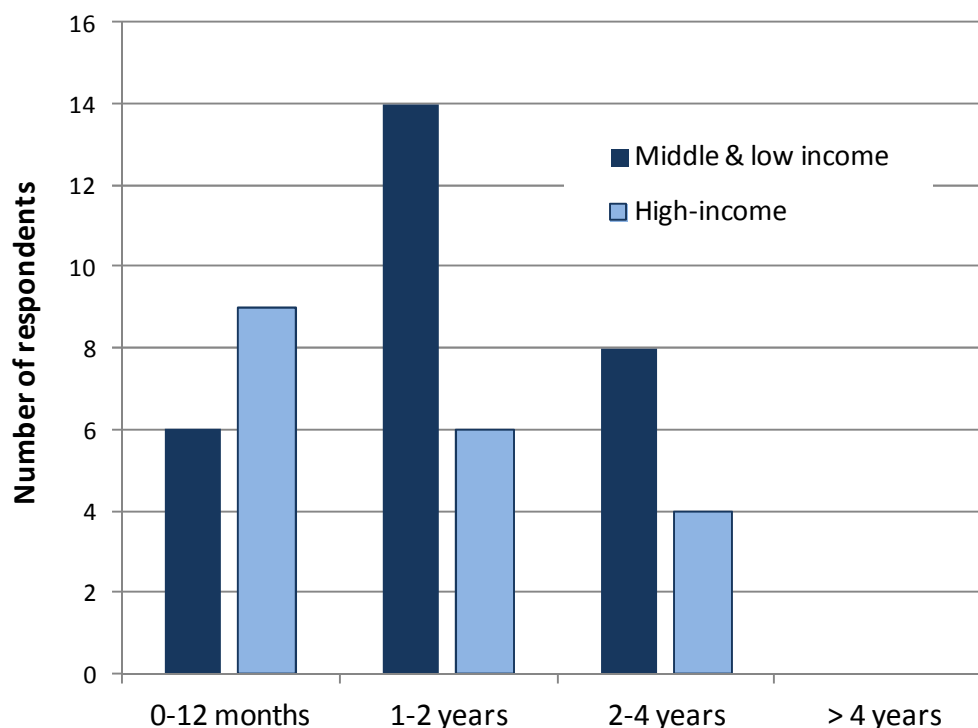


Fig E.3.1: National office views on time to implement

The offices believe that more IT expertise and infrastructure will be needed in order to implement the changes. This is consistent with the results from each of the individual changes. But, the responses from high-income countries and middle and low-income countries vary greatly. It is evident that the high-income countries are better placed to implement the set of changes with minimal impact on the offices.

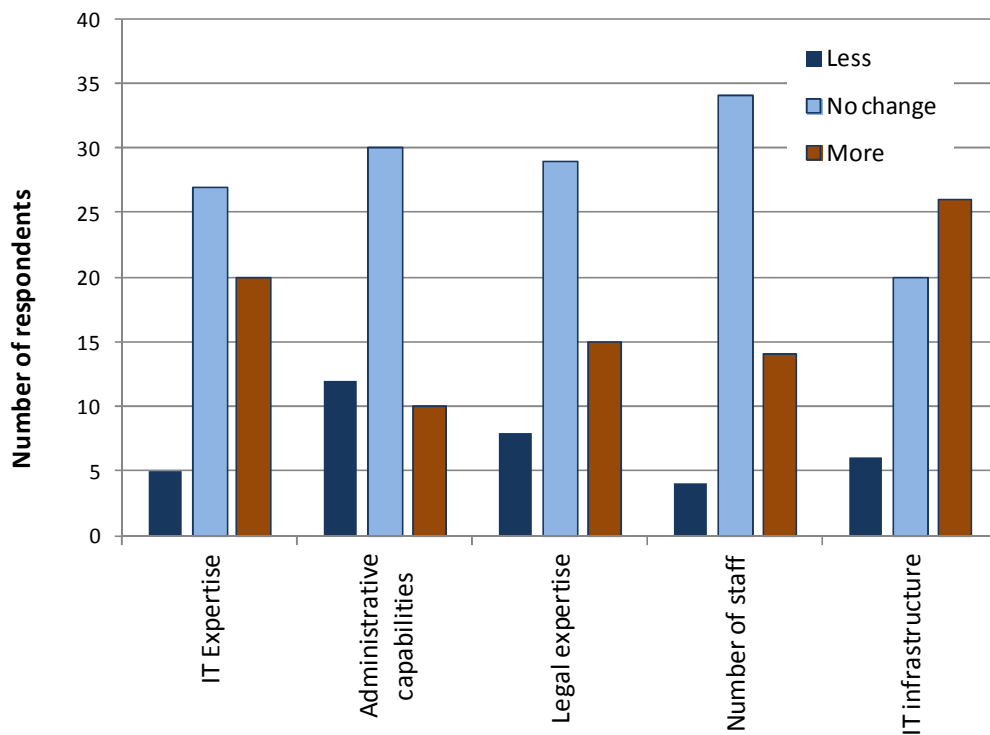


Fig E.3.2: Office views on changes needed in the offices to implement – ALL countries

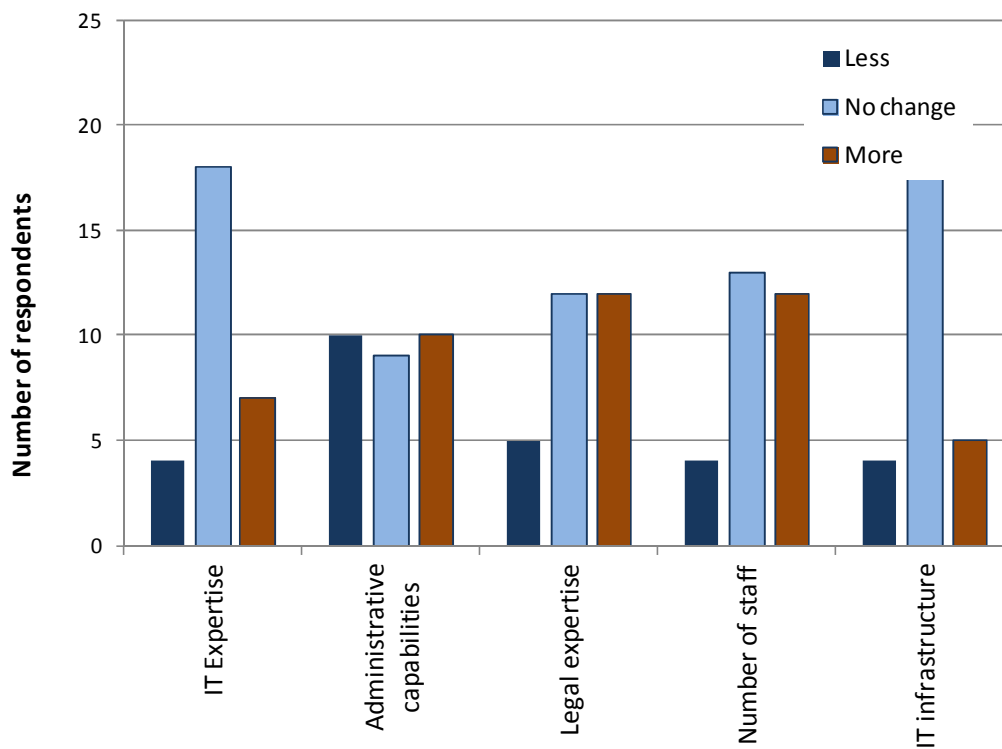


Fig E.3.3: Office views on changes needed in the offices to implement – Middle and low-income countries

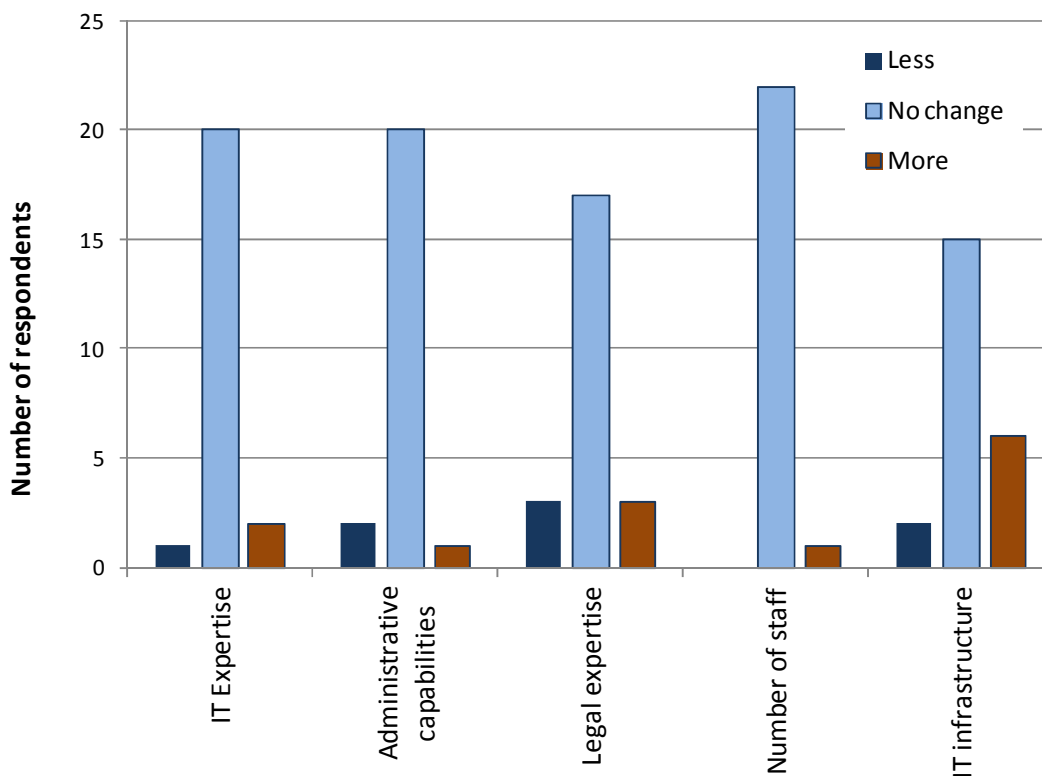


Fig E.3.4: Office views on changes needed in the offices to implement – High-income countries

Consistent with the finding that IT infrastructure and expertise are key issues for implementation, it is in these areas that offices are most keen on support. Again though there is a significant difference between high-income countries and middle and low-income countries.

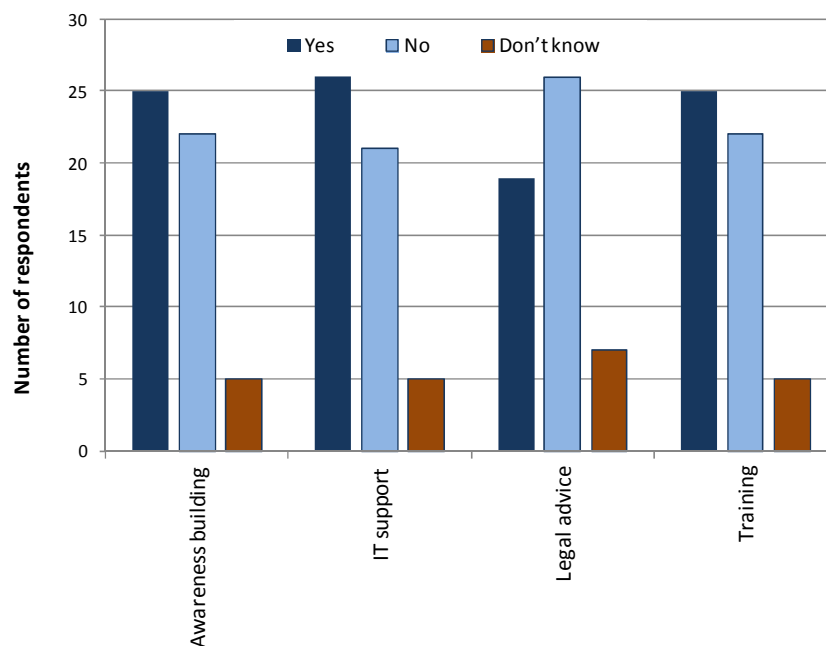


Fig E.3.5: Support needed to implement changes – all countries

In the middle and low-income countries, there is a widespread demand for support in all areas in order to facilitate the implementation of the proposed changes.

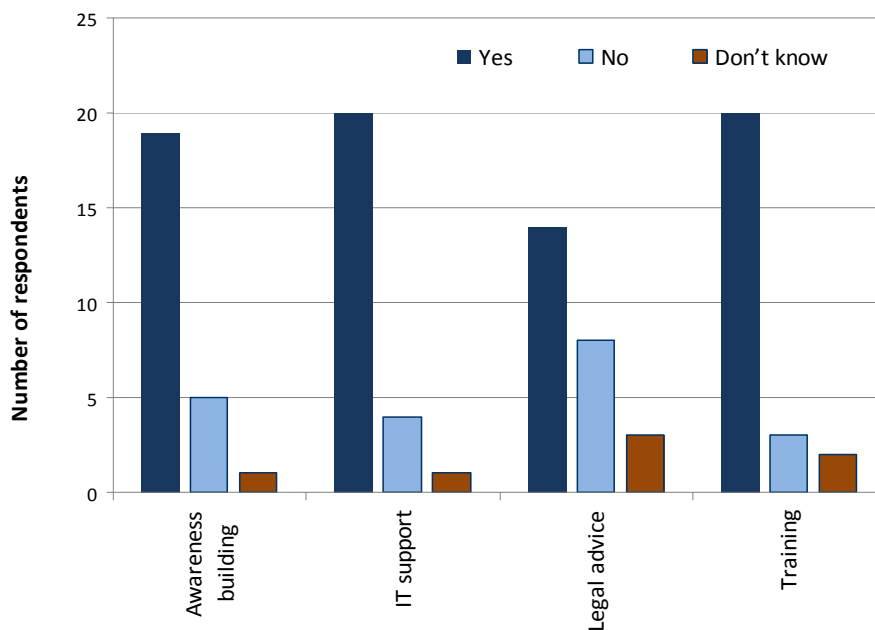


Fig E.3.6: Support needed to implement changes – middle and low-income

In contrast, in the high-income countries, there is little demand for support, with most countries claiming to be self sufficient.

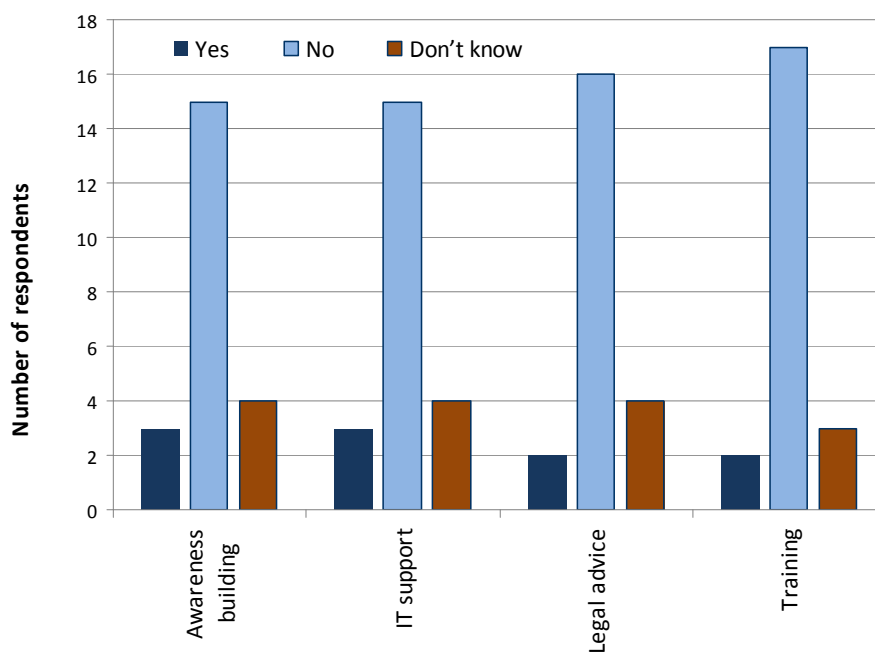


Fig E.3.7: Support needed to implement changes – High-income



#### E.4 VIEWS OF OFFICES REGARDING IMPLEMENTATION

- Offices are optimistic that a design law treaty could be implemented in under four years, and most in under two years. This would be quick in comparison with experiences with previous treaties.
- To implement these changes, there is consensus from offices that IT infrastructure and expertise will need to improve.
- Change 3 (registering a set of designs) is seen as the most costly change to implement and requiring more complex procedures. But, it is interesting to note that this is also the change which is viewed as the highest priority by most applicants/users.
- In middle and low-income countries, there is a need for support in IT, administration, legal expertise and training. In contrast, high-income countries perceive a much lower need for support. Thus, it is clear that offices in high-income countries are better placed to implement these changes with the least impact on existing capabilities, expertise and resources.

[Fin de l'annexe et du document]