Results in 2018
Program Highlights 2019

Francis Gurry
Director General
World Intellectual Property Organization (WIPO)

Briefing for Ambassadors
14 March 2019
Key Messages
Key Messages

1. Global IP context
   - Strong demand for IP
   - Continuing geopolitical shift
   - Strategic position of IP

2. WIPO global systems and treaties
   - Reflect trends in global IP context

3. Strong financial results and financial stability
   - Significant investment requirements

4. Digital transformation of the Organization at advanced stage
Key Messages - 2

5. High impact and global acceptance of flagship reports

6. Development main-streamed with expanding menu of services

7. 2018 initiatives well underway

8. Robust and successful global partnerships in support of SDGs

9. Increasing reach and coverage of communications

10. Prospects and Challenges for 2019
    • Consolidation
    • Broadening and deepening of global systems and initiatives
    • Program and Budget
    • New initiatives
Global IP Context
Global intellectual property applications and active IP rights

Worldwide filings for patents, trademarks and industrial designs reached record heights in 2017

1. Total applications worldwide

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Patents</td>
<td>n.a.</td>
<td>3.17 million</td>
</tr>
<tr>
<td>Utility models</td>
<td>n.a.</td>
<td>1.76 million</td>
</tr>
<tr>
<td>Trademarks*</td>
<td></td>
<td>12.39 million</td>
</tr>
<tr>
<td></td>
<td></td>
<td>↑26.8%</td>
</tr>
<tr>
<td>Industrial designs**</td>
<td></td>
<td>1.24 million</td>
</tr>
<tr>
<td></td>
<td></td>
<td>n.a.</td>
</tr>
</tbody>
</table>

* refers to class count – the total number of goods and services classes specified in trademark applications.

** refers to design count – the total number of designs contained in industrial design applications.

n.a. indicates not available. China’s 2017 data are not comparable with its previous year’s data for patent, utility model and industrial design applications due to a change in how this office counts the applications it receives. As China accounts for large shares of global filings for these IP rights, it is not possible to report accurate 2017 worldwide growth rates.

3.17 million patent applications worldwide in 2017
Asia has strengthened its position as the region with the most IP filing activity

2. Percentage shares of IP filing activity by region

Asia Share 2017

Patents 65.1%
Trademarks 66.6%
Designs 67.9%

Distribution of Global Patenting has Shifted in Recent Decades
The U.S. leads in filings abroad

- U.S.: Residents 293,904, Abroad 231,148
- Japan: Residents 260,290, Abroad 200,394
- Germany: Residents 73,345, Abroad 102,953
- Rep. of Korea: Residents 159,084, Abroad 67,491
- China: Residents 25,040, Abroad 45,982
- France: Residents 8,622, Abroad 35,849
- Switzerland: Residents 18,632, Abroad 35,142
- U.K.: Residents 9,274, Abroad 28,341
- Netherlands: Residents 4,053, Abroad 19,866
WIPO Treaties and Global Systems
• 2018 was a record year for accessions to WIPO administered treaties – reaching the highest rate of accessions in ten years

• The majority of accessions were to copyright treaties
Global IP Systems - 2018

• Significant growth in the PCT and Madrid systems

• PCT
  ▪ 253,000 international applications
  ▪ +3.9% over 2017

• Madrid System
  ▪ 61,200 applications
  ▪ +6.4% over 2017

• Hague System
  ▪ 5,404 applications (19,296 designs)
  ▪ +3.7% over 2017 (-0.7% designs)

• Priorities
  ▪ Extending geographical reach and participation
  ▪ Quality, efficiency and cost-effectiveness of service
  ▪ Comprehensive IT environments
Trend in PCT filings

- Number of PCT filings
- Growth (%)


Growth (%): 2.1, 5.8, 11.0, 7.1, 5.1, 4.4, 1.4, 7.2, 4.6, 3.9

Graph shows the number of PCT filings and the percentage growth over the years.
PCT Filings by origin – top 10 origins

Number of PCT filings

<table>
<thead>
<tr>
<th>Country</th>
<th>2008</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>56,142</td>
<td>53,345</td>
</tr>
<tr>
<td>China</td>
<td>53,345</td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>49,702</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>19,883</td>
<td>17,014</td>
</tr>
<tr>
<td>Rep. of Korea</td>
<td>19,883</td>
<td>17,014</td>
</tr>
<tr>
<td>France</td>
<td>7,914</td>
<td></td>
</tr>
<tr>
<td>U.K.</td>
<td>5,641</td>
<td>4,568</td>
</tr>
<tr>
<td>Switzerland</td>
<td>4,568</td>
<td></td>
</tr>
<tr>
<td>Sweden</td>
<td>4,162</td>
<td>4,138</td>
</tr>
<tr>
<td>Netherlands</td>
<td>4,162</td>
<td>4,138</td>
</tr>
</tbody>
</table>
Share of PCT filings
Trend in Madrid applications

- Number of Madrid filings
- Growth (%)

Year: 2008 to 2018

- 2008: 3.5%
- 2009: -13.8%
- 2010: 10.7%
- 2011: 5.8%
- 2012: 5.8%
- 2013: 5.4%
- 2014: 3.0%
- 2015: 1.1%
- 2016: 9.2%
- 2017: 7.4%
- 2018: 6.4%
Madrid applications for the top 10 origins

<table>
<thead>
<tr>
<th>Country</th>
<th>2008</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>8,825</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>7,495</td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>6,900</td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>4,490</td>
<td></td>
</tr>
<tr>
<td>Switzerland</td>
<td>3,364</td>
<td></td>
</tr>
<tr>
<td>U.K.</td>
<td>3,347</td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td>3,140</td>
<td></td>
</tr>
<tr>
<td>Japan</td>
<td>3,124</td>
<td></td>
</tr>
<tr>
<td>Australia</td>
<td>2,074</td>
<td></td>
</tr>
<tr>
<td>Russian Federation</td>
<td>1,502</td>
<td></td>
</tr>
</tbody>
</table>
Trend in Hague applications (# of designs)

![Graph showing the trend in Hague applications over years with numbers indicating growth and number of designs.]

- Growth (%)
- Designs in Hague filings

Number of designs vs. Growth (%) over the years 2008 to 2018.
Hague applications for the top 10 origins (No. of Designs)
## Expanding Use and Geography of Global IP Systems

<table>
<thead>
<tr>
<th>System</th>
<th>2008</th>
<th>2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PCT</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Applications</td>
<td>163,600</td>
<td>253,000</td>
<td>+54.6%</td>
</tr>
<tr>
<td>No of Members</td>
<td>139</td>
<td>152</td>
<td>+9.3%</td>
</tr>
<tr>
<td><strong>Madrid</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Applications</td>
<td>42,075</td>
<td>61,200</td>
<td>+45.5%</td>
</tr>
<tr>
<td>No of Members</td>
<td>84</td>
<td>103</td>
<td>+22.6%</td>
</tr>
<tr>
<td><strong>Hague</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Applications</td>
<td>1,714</td>
<td>5,404</td>
<td>+215.3%</td>
</tr>
<tr>
<td>No of Members</td>
<td>32</td>
<td>60</td>
<td>+87.5%</td>
</tr>
<tr>
<td>(Geneva Act)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2018 results

- 60 arbitration, mediation and expert determination cases (+15%)
- Parties from 23 countries
- Additional 95 requests for WIPO ‘Good Offices’ for existing disputes (+13%)

Cumulative total arbitration, mediation and expert determination filing: 595

Example areas of dispute in 2018: patent licenses, R&D agreements, trademark co-existence agreements, distribution agreements, software agreements, film co-production agreements and consortium agreements

Launch of voluntary WIPO Mediation Pledge for IP and Technology Disputes
**WIPO Center Collaborations with IP and Copyright Offices**

- Increasing collaboration with Member States’ intellectual property authorities for promotion and/or integration of alternative dispute resolution options
- New edition of WIPO Guide on ADR Options for IPOs and Courts
• **2018 results**
  - Record 3,447 WIPO UDRP-based cases (+12%), 5,655 domain names
  - Parties from 109 countries, 318 panelists appointed from 54 countries, 19 languages of proceedings
  - Many cases including allegations of counterfeit sales, fraud and phishing

• **Cumulative total** since 1999: 42,500+ WIPO UDRP-based cases for 78,500+ domain names

• **76 ccTLDs** (country code Top-Level Domains) designating WIPO dispute resolution
  - 15% of WIPO 2018 caseload
  - 2018 additions: .AI (Anguilla), .GE (Georgia), and .PY (Paraguay)
  - Significantly expanded posted party resources for ccTLD disputes
Financial Results
Financial Results 2018 (unaudited)

- Overall surplus of CHF 42.5 million
- Revenue CHF 430.6 million
  - +CHF 21.4 million over 2017
- Expenditure CHF 375.8 million
  - CHF 18.9 million below 2017
## Statement of Financial Performance (in thousands of Swiss francs)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assessed contributions</td>
<td>17,361</td>
<td>17,829</td>
</tr>
<tr>
<td>Voluntary contributions</td>
<td>11,605</td>
<td>12,096</td>
</tr>
<tr>
<td>Publications revenue</td>
<td>542</td>
<td>242</td>
</tr>
<tr>
<td>Fees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PCT system</td>
<td>321,348</td>
<td>296,356</td>
</tr>
<tr>
<td>Madrid system</td>
<td>74,297</td>
<td>69,952</td>
</tr>
<tr>
<td>Hague system</td>
<td>4,919</td>
<td>5,076</td>
</tr>
<tr>
<td>Lisbon system</td>
<td>31</td>
<td>39</td>
</tr>
<tr>
<td><strong>Sub-total fees</strong></td>
<td>400,595</td>
<td>371,423</td>
</tr>
<tr>
<td>Arbitration and Mediation</td>
<td>1,810</td>
<td>1,689</td>
</tr>
<tr>
<td><strong>Other/miscellaneous revenue</strong></td>
<td>-1,349</td>
<td>5,860</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>430,564</td>
<td>409,139</td>
</tr>
</tbody>
</table>

| **EXPENSES**             |         |         |
| Personnel expenditure    | 220,597 | 228,594 |
| Internships and WIPO fellow ships | 4,440 | 3,853 |
| Travel, training and grants | 16,764 | 18,195 |
| Contractual services     | 93,838  | 89,422  |
| Operating expenses       | 26,643  | 26,300  |
| Supplies and materials   | 1,663   | 3,457   |
| Furniture and equipment  | 382     | 1,669   |
| Depreciation and amortization | 11,302 | 11,350 |
| Finance costs            | 209     | 12,007  |
| **TOTAL EXPENSES**       | 375,838 | 394,847 |

| **Surplus/(Deficit) for the period** | 42,486 | 18,629 |
Composition of 2018 Revenue on an IPSAS basis (millions of Swiss francs)

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount (millions)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>PCT system fees</td>
<td>321.4</td>
<td>74.6%</td>
</tr>
<tr>
<td>Madrid system fees</td>
<td>74.3</td>
<td>17.3%</td>
</tr>
<tr>
<td>Assessed contributions</td>
<td>17.4</td>
<td>4.1%</td>
</tr>
<tr>
<td>Voluntary contributions</td>
<td>11.6</td>
<td>2.7%</td>
</tr>
<tr>
<td>Hague system fees</td>
<td>4.9</td>
<td>1.1%</td>
</tr>
<tr>
<td>Other revenue</td>
<td>1.0</td>
<td>0.2%</td>
</tr>
<tr>
<td>Expenditure Category</td>
<td>Amount (millions of Swiss francs)</td>
<td>Percentage</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>-----------------------------------</td>
<td>------------</td>
</tr>
<tr>
<td>Personnel expenditure</td>
<td>220.6</td>
<td>(58.7%)</td>
</tr>
<tr>
<td>Contractual services</td>
<td>93.8</td>
<td>(24.9%)</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>26.7</td>
<td>(7.1%)</td>
</tr>
<tr>
<td>Travel, training and grants</td>
<td>16.8</td>
<td>(4.5%)</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>11.3</td>
<td>(3.0%)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>6.7</td>
<td>(1.8%)</td>
</tr>
</tbody>
</table>
Evolution of Overall Result for Organization

OVERALL RESULT

in millions of Swiss francs


OVERALL RESULT

(13.5) (32.2) 19.5 15.2 37.0 33.2 32.0 18.6 42.5
# Net Assets

**Reserves and Working Capital Funds (RWCF)**

*(in millions of Swiss francs)*

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>RWCF Target (Regular Budget)***</td>
<td>116.8</td>
<td>116.8</td>
<td>120.6</td>
<td>120.6</td>
<td>124.7</td>
<td>124.7</td>
<td>157.0</td>
<td>157.0</td>
<td>160.4</td>
</tr>
<tr>
<td>Difference</td>
<td>77.8</td>
<td>57.4</td>
<td>73.1</td>
<td>88.2</td>
<td>121.0</td>
<td>154.3</td>
<td>165.7</td>
<td>184.4</td>
<td>223.5</td>
</tr>
<tr>
<td>Actuarial Gains/(Losses)</td>
<td>(173.3)</td>
<td>(138.7)</td>
<td>(122.4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Net Assets**</td>
<td>149.4</td>
<td>202.7</td>
<td>261.4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Current Assets <em>(Net Liquid Assets - non current investments included)</em></td>
<td>75.9</td>
<td>47.2</td>
<td>81.4</td>
<td>76.8</td>
<td>68.1</td>
<td>88.4</td>
<td>136.1</td>
<td>104.2</td>
<td>178.4</td>
</tr>
<tr>
<td>Note: Appropriations already approved, not yet spent</td>
<td>23.7</td>
<td>16.8</td>
<td>11.8</td>
<td>31.5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Flagship Reports
Major Reports

Statistics

World Intellectual Property Indicators (Annual)
Annual Reports PCT, Madrid System and Hague System

Economic Analysis

World Intellectual Property Report
  The Changing Face of Innovation (2011)
  Breakthrough Innovation and Economic Growth (2015)
  Intangible Capital in Global Value Chains (2017)

Global Innovation Index

World Technology Trends

Artificial Intelligence (2019)
Global Innovation Index 2018 – Worldwide Engagement

**Media Mentions:** 13,000+ (excluding TV)
Delivering increases in targeted markets: USA ↑57%; Brazil ↑122%

**Share of Voice** GII articles vs. articles on WEF
Competitive Index and TI Corruption Index increased significantly ↑17%

**GII Press Release**
Pageviews, 2014-18

**GII Tweets:** 200,000 impressions
↑80%
Development Services
Development Services

- All programs of the Organization involved

- Menu of services covers:
  - National strategies and plans (Regional Bureaux)
  - Institution building (Regional Bureaux)
  - Technical infrastructure (Global Infrastructure)
  - Capacity building (Academy)
  - Global partnerships (Global Issues)
WIPO Academy’s Record (1998-2018)

- **518,325 individuals** have followed our distance learning courses since 2001.
- **10,412 specialized courses** have been organized with our Member States for over 4,300 government officials since 2000.
- **1,595 students** have graduated from our Joint Master’s Program since 2003, of whom 695 received scholarships as government officials.
- **Five national IP training centers** have been established, and **138 trainers** have been certified.
- **More than 3,355 participants** have taken part in the WIPO Summer Schools since 1998.
155,550 participants from 191 Member States followed the DL courses in 2017 and 2018
ICT in Support of Development

- Industrial Property Administration System (IPAS)
  - WIPO free of charge software, supplemented by free services of advice on digitization, data capture, quality improvement, workflow optimization
  - In use in 81 IP Offices in all regions

- WIPO Connect
  - Supports the business operations of Collective Management Organizations (CMOs) in the Digital marketplace
  - Deployed in 7 pilot CMOs (4 in Africa, 2 in Asia, 1 in Caribbean) at the end of 2018

- Technology and Innovation Support Centers (TISCs)
  - Over 750 in 78 national networks in developing and least-developed countries

- Public-Private Partnerships on Access to Information and Knowledge
  - ARDI
    - part of UN partnership “Research4Life” with free/affordable access to 28,000 science and technology books/journals
    - 1,250 institutions actively using ARDI
  - ASPI – free/affordable access to seven commercial patent databases
    - 120 registered institutions
2018 Initiatives
WIPO Judicial Institute

- Collaborates closely and coordinates with all relevant WIPO sectors in building an Organization-wide approach to judicial activities
- WIPO Advisory Board of Judges
  - 15 judges from Australia, Cameroon, China, France, Germany, India, Japan, Philippines, Republic of Korea, Serbia, South Africa, United Arab Emirates, United Kingdom, United States of America, and Uruguay

Platform of exchange of judicial information and practices on IP

- Intellectual Property Judges Forum
  - Inaugural meeting in Geneva, November 7 to 9, 2018
  - 119 judges from 64 countries from across all regions
  - 33 judges participated as moderators or panelists
  - Next Forum: November 13 to 15, 2019

Strengthened judicial capacity building

- Master Class on IP Adjudication
  - August 21 to 23, 2018: in collaboration with the Supreme People’s Court of China in Beijing, China
  - 31 judges from 15 countries, including 5 members of the WIPO Advisory Board of Judges
  - Next Master Class: Expected September 2019

- Continuing judicial education programs on IP (CDIP project)
- WIPO Academy Distance Learning Course on IP for Judges
- Topic-specific, ad hoc judicial colloquia (+10/year)

3. Research and studies on judicial systems and decisions on IP

- Online Database of Selected IP Judgments
  - Pilot initiated with select number of judiciaries in Latin America; launch expected at the end of 2019

- Empirical data about the different judicial approaches to the administration of IP
  - WIPI 2018 Special Theme: An overview of patent litigation systems across jurisdictions

- Publications
Advanced Technologies Application Center (ATAC)

- **Objective**
  - Explore the use of the latest technologies for IP Administration

- **Initial Applications**
  - WIPO Translate (machine translation)
  - Trademark image similarity search (2019)
  - Speech to text for meetings (2019)
WIPO Translate usage (PATENTSCOPE)

1.5 - 2 Million words translated every day

Most uses are from Chinese (zh) to English
Organizations benefiting from WIPO Translate services

- 10+ UN Agencies
Technology Trends

- Artificial Intelligence
  - First of a new annual series of reports based on analysis of patent applications and scientific publications
  - Provides empirical basis for insights into the development and geography of particular fields of technology
Global Partnerships
Partnerships in Support of SGDs

• Accessible Books Consortium

• WIPO Re:Search

• WIPO Green

• Access to Knowledge and Information (ARDI, ASPI)

• Publishers Circle
Accessible Books Consortium

• Consortium between authors, publishers, libraries, blind associations

• Functions
  ▪ International (Accessible Format) Book Exchange
    ▪ 29 Authorized Entities (AEs)
    ▪ Catalogue of 400,000 works in 76 languages
  ▪ Inclusive Publishing
    ▪ ABC Charter for Accessible Publishing
  ▪ Capacity Building
    ▪ Capacity building projects in Argentina, Bangladesh, Botswana, India, Nepal, Sri Lanka and Uruguay
    ▪ 4,000 educational titles produced in accessible formats
WIPO Re:Search

- Public-private partnership with 141 members (national institutes of health, pharmaceutical companies, universities and public research institutions) from 41 countries

- Aims to accelerate discovery and development of technologies for neglected tropical diseases, malaria and tuberculosis, by:
  - sharing intellectual property with the global health research community
  - catalyzing and fostering global health collaborations, and
  - contributing to capacity building in developing countries

- 148 agreements established among members, of which 55 are active

- BVGH manages agreements
Collaborations

148 research collaborations as of March 2019
14 Fellowships in 2017-2018

Funded by Government of Australia
Communications
Media Coverage: 99% Positive or Neutral
60,000 Media Mentions, ↑27%
Total Twitter impressions : 9 million
A global fan base on Facebook

India, 10.1%
U.S.A., 9.7%
Mexico, 9.6%
Brazil, 6.6%
Egypt, 5.7%
Peru, 2.6%
Colombia, 2.4%
Pakistan, 2.4%
France, 2.4%
Italy, 2.3%
Algeria, 2.2%
Spain, 2.1%
Viet Nam, 2.1%
Bangladesh, 2.0%

Rest of the world & n/a, 35.6%

“Likes” of World IP Day Facebook Page.
634 World IP Day celebrations in 135 countries around the world in 2018 ↑26%
World IP Day events over time

Countries (left) and Events (right) Celebrating World IP Day Featured on Events Map

- 2012: 77 Events, 143 Countries
- 2013: 93 Events, 236 Countries
- 2014: 110 Events, 352 Countries
- 2015: 105 Events, 349 Countries
- 2016: 121 Events, 451 Countries
- 2017: 124 Events, 503 Countries
- 2018: 135 Events, 634 Countries
Initiatives and Challenges in 2019

1. The normative agenda
   i. Entry into force of Beijing Treaty and Geneva Act of Lisbon Agreement
   ii. Proposed Design Law Treaty
   iii. Broadcasting
   iv. IGC (traditional knowledge, traditional cultural expressions and IP and genetic resources)

2. Data
   i. Data strategy
   ii. Data Charter

3. Artificial intelligence conversation

4. Introduction of time-stamping service

5. External Offices
   i. WIPO Algeria Office operational
   ii. Decision on up to four new offices
Progress in geographical diversity and in the representation of women

- Continued improvements in geographical diversity among staff in the Professional and Director categories
- Member states represented among staff: 121

- The representation of women improved:
  - Overall in WIPO: 54%
  - P-level: 49%
  - D-1 level: 35% (up from 31% in June 2018)