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Geneva,  
March 2002

# INTERNATIONAL FORUM ADOPTS MUSCAT DECLARATION



*The forum was held under the patronage of His Highness Sayyid Asaad bin Tareq bin Taymur Al Said, Sultanate of Oman (2<sup>nd</sup> from left), to his right is H.R.H. Prince El-Hassan bin Talal of the Hashemite Kingdom of Jordan and to his left are Mr. Maqbool bin Ali bin Sultan, Minister for Commerce and Industry, Oman, WIPO Director General Kamil Idris and Mr. Fidel V. Ramos, Former President of the Republic of the Philippines*

*Mrs. Bahia El Hariri, Chairperson, Committee on Education, Parliament of the Republic of Lebanon, H.R.H. Prince El-Hassan bin Talal, Dr. Idris, Mr. Mufid Shehab, Minister for Higher Education and State Minister for Scientific Research and Technology, Egypt, and Mr. Boutros Boutros-Ghali, Secretary General of the International Organisation of the Francophonie*

The first international forum organized by WIPO at the ministerial level was held in the Sultanate of Oman on January 21 and 22. The forum, under the patronage of His Highness Sayyid Asaad bin Tareq bin Taymur Al-Said, highlighted the theme "Intellectual Property and Traditional Knowledge: Our Identity, Our Future." The Muscat Declaration, adopted at the conclusion of the forum, recognizes the contribution of traditional knowledge in building bridges between civilizations and cultures, in creating wealth, and in promoting human dignity and the cultural identity of traditional communities.

The forum, organized in cooperation with the Government of Oman, attracted many high-level speakers. The Minister of Commerce and Industry of Oman, Mr. Maqbool bin Ali bin Sultan and WIPO Director General Kamil Idris opened the meeting with an overview of the relevance of the intellectual property system to traditional knowledge. Other speakers included HRH Prince El-Hassan bin Talal of Jordan, Mr. Fidel Ramos, former President of the Philippines, Mr. Ernesto Samper Pizano, former President of

Colombia, and Mr. Salim Ahmed Salim, former Prime Minister of the United Republic of Tanzania.

Representatives of some 30 countries and several regional organizations attended the meeting, including the United Nations Economic and Social Commission for Western Asia (ESCWA), the Gulf Cooperation Council (GCC), the League of Arab States (LAS), the Organization of African Unity (OAU), the Secretariat of Ibero-American Cooperation (SECIB) and the United Nations Population Fund (UNFPA).

The objective of the forum was to provide policy makers and senior government officials with the opportunity to exchange views and share experiences on the social, cultural and economic dimensions of the protection of traditional knowledge. Speakers addressed issues relating to national efforts to preserve and promote traditional knowledge; the relevance of the intellectual property system as a tool to protect traditional knowledge; and the use of the intellectual property system to generate valuable traditional knowledge as-

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## MUSCAT DECLARATION ON INTELLECTUAL PROPERTY AND TRADITIONAL KNOWLEDGE

The WIPO International Forum on **“Intellectual Property and Traditional Knowledge: Our Identity, Our Future,”** met in Muscat, Oman, on January 21 and 22, 2002, at the invitation of the Government of the Sultanate of Oman and the World Intellectual Property Organization (WIPO), and under the Patronage of His Highness Sayyid Asaad bin Tareq bin Taymur Al Said, to address the issue of promoting, preserving and protecting traditional knowledge through the use of the intellectual property system. Following its deliberations, the WIPO International Forum adopted the following Declaration:

*Recognizing* that traditional knowledge plays a vital role in building bridges between civilizations and cultures, in creating wealth and in promoting the human dignity and cultural identity of traditional communities;

*Recognizing* that traditional communities keep building on knowledge and traditions received from previous generations to improve and develop knowledge that facilitates their interaction with the environment in which they dwell;

*Recognizing* that intellectual property is a flexible legal mechanism and can, therefore, if necessary and as appropriate, be adapted to the specific characteristics and features of traditional knowledge, particularly their holistic, collective, cultural and permanent nature;

*Noting* that traditional knowledge is the work of proven traditional innovators with great creative capacity and that its protection could significantly contribute to the alleviation of poverty in many areas of the world as well as the better management of the environment;

*Acknowledging* that traditional knowledge holders are a heterogeneous group with many differences according to their traditions, languages, environment and cultures;

*Acknowledging* that traditional knowledge holders, in particular in developing and least-developed countries, often do not sufficiently exploit the potential of the intellectual property system for protecting their creations and increasing their creative capacity, as well as for market access;

*Acknowledging* that the underutilization of the intellectual property system may be largely due to the lack of information on how to acquire and manage intellectual property assets in an effective manner, absence of support institutions with expertise on intellectual property, as well as the false perception that the intellectual property system is complex, time-consuming and expensive, make it, at many instances, difficult for traditional knowledge holders to acquire, maintain, enforce and use their intellectual property rights effectively both domestically and internationally;

*Acknowledging* that the underutilization of the intellectual property system may also be due to a perception of the inadequacy of some aspects of existing mechanisms of intellectual property vis-à-vis the holistic nature of traditional knowledge and to its incapacity of being separated into several and distinct categories of intangible assets;

In order to empower traditional knowledge holders to fully benefit from the intellectual property system, *Recommends*:

1. Strengthening of interaction between traditional knowledge holders, support institutions and associations, national governments and intellectual property offices, as well as with WIPO and other relevant intergovernmental and non-governmental organizations with a view to better identifying the needs of traditional knowledge holders;
2. Increasing awareness and understanding of intellectual property issues within the traditional knowledge holders' community, particularly through outreach campaigns and targeted training programs, so as to enhance the capacity of traditional knowledge holders to maximize their legal and economic benefits from the use of the existing intellectual property system;
3. Supporting the work of the WIPO Intergovernmental Committee on Intellectual Property, Genetic Resources, Traditional Knowledge and Folklore, as the appropriate forum to engage in discussions and exchanges of views concerning the intellectual property protection of traditional knowledge.



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*Former Philippine President Ramos, Mr. Ernesto Samper Pizano, Former President of Colombia, Mr. Jorge Alberto Lozoya, Secretary, Secretariat of Ibero-American Cooperation (SECIB), Mr. Salim Ahmed Salim, Former Prime Minister of the United Republic of Tanzania*

sets. They also examined how indigenous and local communities can best use the intellectual property system for wealth creation.

Oman is a country with a rich and diverse cultural heritage and patrimony. Traditional knowledge in Oman ranges from simple handicrafts and traditional medicine to complex styles in architecture and irrigation systems. Oman is a leading country in adopting legislation and establishing government structures and mechanisms for the protection, preservation, dissemination and use of expressions of traditional knowledge.

### The Muscat Declaration

The forum adopted the Muscat Declaration to empower traditional knowledge holders to benefit fully from the intellectual property system. The Declaration recognizes that the intellectual property system provides a flexible legal mechanism that can be adapted to the specific features of traditional knowledge, particularly its collective, cultural and permanent nature.

## OMAN

Oman, a country of some 2.5 million people, is known for its frankincense and the rich traditional heritage shown in its jewelry, clothes and handicrafts. Its location on the Arabian Sea has honed the skills of its people as ship builders – a skill that has been handed down from one generation to the next – and as traders. Omanis have a strong sense of identity steeped in their history. Muscat, the capital, was founded over 900 years ago.

Traditional music and folk songs are an integral part of Oman's social, political, economic, geographical and religious history. The influence of the long days and months spent on the sea is clear in Omani folk music. Omani sailors could not imagine a sea voyage without traditional songs and dances. The rich tapestry of Omani traditional music is composed of over 130 different songs and dances. The Oman Center for Traditional Music was set up in 1984 to collect and document the country's musical heritage in order to ensure that it be preserved for future generations.

*Omani music and folklore performance on the occasion of the forum*



# WIPO RECEIVES 30<sup>TH</sup> ACCESSION TO THE WPPT

Honduras became the 30<sup>th</sup> country to join the WIPO Phonograms and Performances Treaty (WPPT) on February 20, paving the way for its entry into force on May 20. WIPO Director General Kamil Idris welcomed the accession of Honduras to the WPPT, a treaty that will protect musicians and the recording industry from the increased threat of piracy posed when works are disseminated via the Internet and other digital technologies. The treaty improves international protection for moral rights of creators as well.

The WPPT's sister treaty, the WIPO Copyright Treaty (WCT), entered into force on March 6. Entry into force for each treaty comes three months after its 30<sup>th</sup> ratification or accession has been received by WIPO.

Thanks to the WPPT, performing artists such as singers and musicians, and record companies will for the first time be able to create, distribute, trade and control the use of their works, performances and sound recordings within the digital environment with greater confidence. Other categories of creators such as composers, artists and writers and companies in the culture and information industries will enjoy the same confidence through the WCT. These two ground-breaking treaties, adopted in 1996, bring international copyright law into line with the digital age.

"Entry into force of these two key treaties represents a landmark in the history of the international law of copyright and neighboring rights," said Dr. Idris. "The stage is now set to offer more comprehensive protection for creators and creative enterprises in the digital environment." Dr. Idris emphasized that the treaties will help to boost the future development of the Internet, electronic commerce and the culture and information industries as content producers and creators become more confident of stronger protection of their interests. "The treaties will help to ensure the quality and authenticity of digital content and enable creators, performers and the surrounding industries to reap the financial rewards of their talent, creativity and investment," he added.

Dr. Idris urged other countries to follow suit and to incorporate the provisions of the WCT and WPPT into their national legislation to create the conditions necessary for broad-based and legitimate distribution of creative works and recordings on the Internet. These two treaties, he said, are of key importance in curbing Internet piracy and in enabling electronic commerce to flourish. He also called on governments and all interested circles to work together to promote greater respect for creators and their works, which are now easily accessible in digital form.



## International Recognition of Moral Rights

The WPPT considerably improves the protection of performing artists and producers by providing the legal basis to prevent unauthorized exploitation of their performances, whether live or recorded, on digital networks. It gives them exclusive rights for reproduction, distribution, commercial rental and making their performances and phonograms available to the public on the Internet. For the first time, the moral rights of performers will be recognized at the international level.

The WPPT also includes the moral rights of attribution and integrity for sound performances. Performers are given the right to be identified as such and to object under certain conditions to distortions, mutilations or other prejudicial modifications of their performances, for example through digital manipulation.

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## A Basic Framework of Rights

Both treaties require countries to provide a basic framework of rights, allowing creators, performers and phonogram producers to control and/or be compensated for the various ways in which their work is used and enjoyed by others. The treaties ensure that rightholders will continue to be adequately and effectively protected when their work is disseminated over the Internet. They do so first by clarifying that the traditional right of reproduction continues to apply in the digital environment, including storage of material in digital form in an electronic medium; and then by confirming the rightholders' right to control the making available of their work on demand to individual members of the public. In order to achieve a balance of interests, the treaties also make it clear that countries have flexibility in establishing exceptions or limitations to rights in the digital environment, and may either extend existing exceptions and limitations or adopt new ones, as appropriate in the circumstances.

The treaties also break new ground by ensuring that rightholders can effectively use technology to protect their rights and to license their works online. The "anti-circumvention" provision addresses the problem of "hacking" by requiring countries to provide adequate legal protection and effective remedies

against the circumvention of technological measures, such as encryption. Such technologies are used by rightholders to protect their rights when their creations, performances or phonograms are disseminated on the Internet. The treaties also serve to safeguard the reliability and integrity of the online marketplace, by requiring countries to prohibit the deliberate alteration or deletion of electronic "rights management information": that is, information that identifies a work, performance, or phonogram, or its author, performer or owner, or the terms and conditions for its use.

The WPPT sets up an international framework for possible payments to performing artists and producers of phonograms for broadcasting and other forms of communication to the public of commercial phonograms. Like the WCT, the WPPT contains provisions on technical measures for identifying and managing protected performances and sound recordings. The WPPT provides protection against unauthorized reproduction, distribution and rental of recorded music. ◆

### WIPO Performances and Phonograms Treaty

Status on February 20 – 30 States

Albania	Latvia
Argentina	Lithuania
Belarus	Mali
Bulgaria	Mexico
Burkina Faso	Panama
Chile	Paraguay
Colombia	Republic
Costa Rica	of Moldova
Croatia	Romania
Czech Republic	Saint Lucia
Ecuador	Senegal
El Salvador	Slovakia
Gabon	Slovenia
Georgia	Ukraine
Honduras	United States
Hungary	of America

### WIPO Copyright Treaty

Status on February 20 – 33 States

Argentina	Latvia
Belarus	Lithuania
Bulgaria	Mali
Burkina Faso	Mexico
Chile	Panama
Colombia	Paraguay
Costa Rica	Peru
Croatia	Republic
Czech Republic	of Moldova
Ecuador	Romania
El Salvador	Saint Lucia
Gabon	Senegal
Georgia	Slovakia
Honduras	Slovenia
Hungary	Ukraine
Indonesia	United States
Japan	of America
Kyrgyzstan	

# INTERNATIONAL TRADEMARK REGISTRATIONS GROW



Harley-Davidson and the Bar & Shield logo are registered trademarks of H-D Michigan Inc.



Courtesy of Tholstrup Pastella



Courtesy of Yahoo

WIPO registered a 4.4 percent increase in the number of international trademark registrations in 2001. The number of registrations reached some 24,000 in the year, reflecting growing commercial interest in this area. Since each international registration under the Madrid Agreement and Protocol contains on average 12 country designations in which the registration is to have effect, this is equivalent to approximately 288,000 national trademark applications. The renewal of some 6,305 existing trademark applications was also recorded.

For the fifth consecutive year, Germany with 5,753 applications – 24 percent of total applications – had the largest number of international applications. France, in second position, had 3,689 applications, which represented 15.4 percent of the total, and Switzerland, in third place, had 2,921, some 12.2 percent of the total. Benelux followed with 2,911 applications, representing 12.1 percent.

## Membership of the Madrid System

In 2001, membership of the Madrid system rose to 70 countries. Six additional countries (Australia, Belarus, Bulgaria, Ireland, Mongolia and Zambia) became bound by the Madrid Protocol, the most recent of the two treaties governing the international registration system, bringing the total to 55. The Australia's membership means that together with China, Japan and Singapore, the Madrid system now has a significant presence in the Pacific region.

A number of improvements designed to make the system more flexible and user-friendly were introduced in 2001 by the Madrid Assembly which approved the first major revision of the Common Regulations under the Madrid Agreement and Protocol since they came into force in 1996. These changes will make the system more responsive to the needs of users and the offices of the participating countries and will give trademark owners greater choice.



# WORLD INTELLECTUAL PROPERTY DAY

April 26, 2002



WIPO will observe World Intellectual Property Day on April 26 with a variety of events, activities and new public information materials centered around the theme "Encouraging Creativity." Member States, intergovernmental and non-governmental organizations are encouraged to observe the day with local or regional activities aimed at increasing awareness of the value of intellectual property.

prepared a 30-second public service announcement to air on CNN during April, which will be made available on request to member States for television broadcast.

The full participation of national intellectual property administrations will help make World Intellectual Property Day a success. Member States and interested organizations are invited to inform WIPO of any activities planned at the local, national or regional level, to be listed on a special page of activities on the WIPO website.



On April 26, the Organization plans to announce the winners of last year's Intellectual Property Day essay competition and the creation of a new WIPO Creativity Award as part of its observance of World Intellectual Property Day. Visits from local schools will also be organized at WIPO headquarters in Geneva during the week of April 22-26, featuring presentations on intellectual property aimed at young people and tours of a new exhibition at the WIPO Information Center.

Further information is available on the World Intellectual Property Day page of the WIPO website at [www.wipo.int](http://www.wipo.int).



WIPO is preparing an information kit for member States which will include a message from Director General Dr. Kamil Idris, an interactive CD-ROM on intellectual property, new posters emphasizing this year's theme and a list of suggested activities for Intellectual Property Day. The Organization has



[www.wipo.int](http://www.wipo.int)



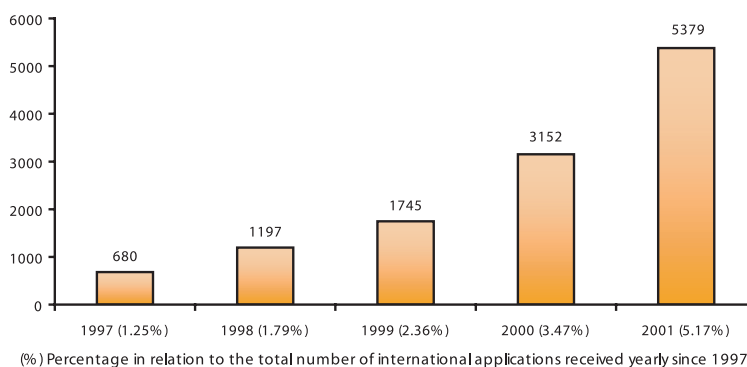
# PCT FILINGS GROW BY 71 PERCENT IN DEVELOPING COUNTRIES

The Republic of Korea and China led the strong growth in the filing of international applications under the Patent Cooperation Treaty (PCT) by inventors and industry in developing countries during 2001. Compared with an increase of 14.3 percent in PCT filings worldwide, the filing of PCT applications in developing countries registered a growth of 71 percent over 2000. WIPO received 5,379 international applications from 25 developing countries, which are members of the PCT, during 2001.

Use of the PCT system for seeking patent protection worldwide was particularly high in the Asian region. Some 85 percent of the PCT applications from developing countries originated in Asia, 8 percent in Africa and 6 percent in Latin America and the Caribbean.

China registered the highest growth rate at 188 percent, followed by India at 103 percent, the Republic of Korea at 53 percent and Mexico at 51 percent. Algeria, Singapore, Brazil and South Africa recorded moderate growth rates. In terms of numbers of international applications filed, applicants from the Republic of Korea filed the largest number of international applications, i.e. 2,318. They were followed by China with 1,670, South Africa with 418, India with 316, Singapore with 258, Brazil with 193 and

**Record Copies of International Applications received from Developing Countries since 1997 by the International Bureau**



Mexico with 107. PCT filings continued to grow in other developing countries, especially those in Latin America.

One of the major advantages of the PCT system is proximity in filing and initial processing, that is to say, the possibility of filing an international application with the 'home' receiving Office, in a local language and to pay the fees, usually, in the local currency. In 2001, 92.2 percent of the applicants in developing countries preferred to file their PCT applications with 'home' receiving offices, 7.6 percent with WIPO and 0.2 percent with regional patent offices.

## PCT Fee Reductions

Use of the PCT-EASY software continued to grow in developing countries. Some 47 percent of the international applications from developing countries last year were prepared using this software. The PCT-EASY

software, available free of charge from the International Bureau, not only makes it simpler to prepare international applications but also entitles applicants to a 200 Swiss franc reduction in PCT fees.

Certain PCT fees are reduced by 75 percent in respect of international applications filed by a person – an individual, not a business – who is a national of and resides in a state whose *per capita* national income is below 3,000 US dollars. Last year, some 700 international applications from developing countries – equivalent to 13 percent of the total applications from developing countries and 0.7 percent of the total applications received from all Contracting States – benefited from a 75 percent reduction in certain fees under the PCT.

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WIPO's Sector of Cooperation for Development continued to enhance and support PCT-related activities and programs in developing countries during the year 2001. In cooperation with the host governments, WIPO organized three regional seminars, two sub-regional seminars, seven roving seminars and ten national seminars on the PCT and PCT-related patent information in different regions. The seminars, training programs, workshops and advisory missions benefitted some 3,200 participants in the developing world.

For more information on the PCT, please visit us at the following websites: [www.wipo.int/pct](http://www.wipo.int/pct) and [www.wipo.int/cfdpct](http://www.wipo.int/cfdpct)

## SUCCESSFUL DELIVERY OF IBIS PROJECT

Successful delivery at the end of 2001 of IBIS, an information technology project aimed at the replacement of the International Patent Classification (IPC) revision system, has brought many benefits for the major stakeholders of the IPC. These stakeholders – the European Patent Office, the Japan Patent Office, the United States Patent and Trademark Office and other patent offices involved in the revision process – launched the IPC reform in 1999 to streamline the revision process, decrease the cost of the revision work and, at the same time, to transform the IPC into a more powerful search tool.

The IPC, currently in its Seventh Edition, contains some 70,000 classification entries in ten volumes. Each edition of the IPC remains valid for a five-year period, at the end of which, WIPO would issue a new revised edition. Small industrial property offices often find the publication too big and complicated, while the bigger offices find it too static and lacking the detail required for search purposes.

The reformed IPC will contain a small, static core level with some 20,000 classification entries, and a dynamic advanced level with some 70,000 entries. The core level will



*IBIS can integrate external content into the IPC database. The Korean Industrial Property Office (KIPO) added 5,000 chemical structures to illustrate parts of the IPC. On this screen, a chemical structure is displayed. This is the model of the future reformed IPC e-layer, which will contain information not previously published in the paper version.*

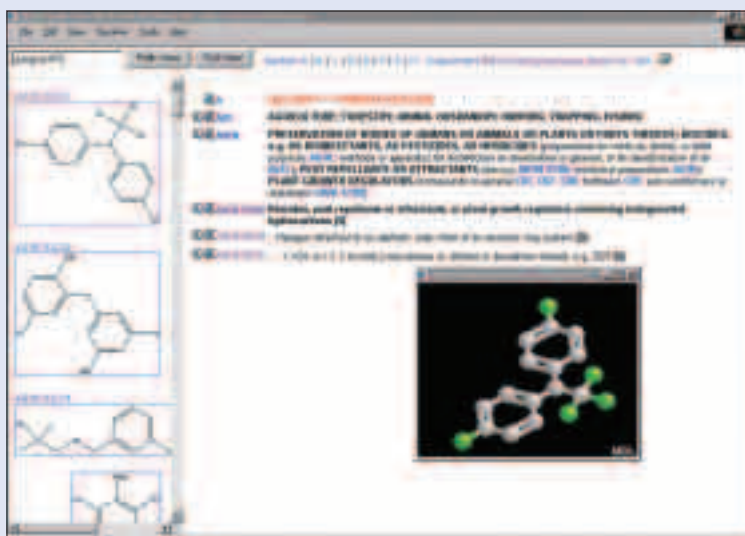
be for use by the small and medium-sized intellectual property offices, while the advanced level, which will be continuously updated, will be used by the bigger offices and the public. The advanced level will meet the demands for searching through an internationally established Master Classification Database.

### Achievements of the IBIS Project

The IBIS project converted all seven English and French editions of the IPC to XML – the *lingua franca* of the Internet – along with the German and the Spanish versions already published on CD-ROM (IPC:CLASS), then used these files in a dynamic publishing system. The publishing framework used, called “Cocoon”, is one of the first initiatives to use open source software in information technology projects at WIPO.

To support the IPC revision and definition projects, IBIS has an electronic forum – an Internet-based document submission system – which also compiles meeting documents. Batch programs were also developed to create the outputs needed for the IPC revision work.

IBIS has laid down the information technology infrastructure for IPC reform. The open XML-based system can adjust to the *ad hoc* needs of the IPC reform work. In addition, IBIS is the foundation of the chal-



lenging CLAIMS project scheduled for the 2002-2003 biennium. CLAIMS covers technical areas, such as automated categorization (pre-classification and re-classification) of patent documents, computer aided translation of the IPC, in particular at the advanced level, enrichment and extension of the IBIS functions and computer-aided training for IPC users.

For more information visit [www.wipo.int/ibis](http://www.wipo.int/ibis).

*When browsing IBIS, you are always just one click away from the various language versions of IPC and from the databases*



# WORKING WITH PARTNERS: INNOVATION SUPPORT SERVICES



*Participants at the innovation workshop organized at the end of 2001*

WIPO's efforts in the promotion of innovation focus in part on the organization of workshops with the private sector and non-governmental agencies to provide practical experience on innovation support and management for officials from developing countries. Activities concerning the promotion of invention and innovation are demand-driven and focus on the users of the intellectual property system. By working with partners, WIPO can better organize workshops that provide practical experience and the expertise of specialists and professionals working in the field.

An ongoing series of workshops organized with external partnerships highlight the special efforts necessary to encourage access to the intellectual property system by users in specific groups such as women, youth and other members of the community who may not be aware of the possible benefit for them of intellectual property protection.

## The Beginnings

Held in Aachen, Stuttgart and Munich, Germany, in 2000, the first of the series was organized by WIPO with the support of the Carl Duisberg Gesellschaft (CDG) at the Aachen Corporation for Innovation and Technology, the Steinbeis Foundation in Stuttgart, and the Fraunhofer Patent Center and the European Patent Office (EPO) in Munich.

The sessions presented the current framework for promotion of innovation in Germany as an important factor for economic, social, cultural and technological development, as well as for encouraging creative activity and promoting the use and increasing awareness and understanding of the industrial property system. It also included topics on the use of industrial property information in the innovation process.

Some 13 English-speaking officials and managers working in innovation support services or technological management units in developing countries in the African, Arab and Asian region were selected for the workshop. Presentations by experts in the field were followed by visits to innovation and research centers for on hands-on experience of the materials learned.

The workshops aim to encourage active use and management of intellectual property rights to improve conditions for development and commercialization of indigenous inventions and other intellectual property creations. Innovation promotion also involves the strengthening of organizations to support

users of the intellectual property system. Inventors, researchers and small and medium-sized enterprises (SMEs) need to be made aware that it is possible to offer the results of their work to national industries, and thus contribute to the economic and social progress of their countries. They must learn how better to protect and commercialize their intellectual property in the international market.

## Feedback

The positive feedback received from the participants, their respective authorities and governments, motivated WIPO and CDG to organize a second conference in 2001. The partners for the second course remained the same, but instead of Stuttgart, the group visited the Chamber of Industry and Commerce of Nuremberg and a consulting company in the area, which provides services to inventors as well as research and development start-ups.

## New Partners

The Swiss Agency for Development and Cooperation, Federal Department of Foreign Affairs, Switzerland, worked with WIPO to organize the third in the series of innovation workshops held at the end of 2001. The objective, content and structure of the workshop were similar to those of the WIPO/CDG workshops.

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# WIPO PARTICIPATES IN MIDEM



The main partners, selected from institutions involved in promotion and innovation, were the Swiss Federal Institute of Intellectual Property (IPI), the *Ecole Polytechnique Fédérale de Lausanne (EPFL)*, the Swiss Federal Institute of Technology Zurich (ETH), the *Réseau Suisse de l'Innovation, InnoBe (Innovation Bernoise)* with its Technopark and Nestlé S.A. in Vevey with its Research Center in Lausanne.

One of the conditions for the Swiss Agency's cooperation was that at least 50 percent of the participants be women. The workshop for French-speaking African and Arab countries had 14 participants, seven women and six men, from 13 countries and one regional institution.

WIPO is planning a second workshop with the Swiss authorities in 2002.



WIPO participated in MIDEM for the first time in January with a stand geared at addressing the various issues facing today's music industry and collective management societies. The issues addressed included the challenges presented by digital international networks, the question of multi-territorial licenses, and questions relating to the collection of rights and distribution of royalties to rightsholders.

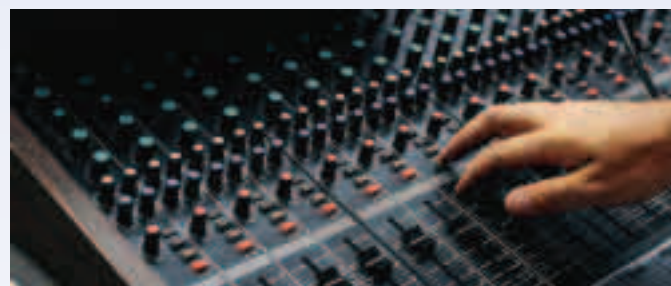
MIDEM is an annual meeting held in Cannes, France, for members of the music industry, including those engaged in the creation, production and distribution of musical works as well as those responsible for the collective management of copyright and related rights. In attendance were authors, composers, artists, producers, publishers, specialized lawyers and sound and computer specialists. These diverse groups worked at negotiating contracts, building business relationships, promoting their activities and explaining the legal intricacies and information technology issues underlying today's music industry.

The event gave WIPO an opportunity to raise its public profile within the music industry and to pursue dialogue with collective management societies and CISAC (International Confederation of Authors and

Composers Societies), a frequent participant in many WIPO events. It also provided an ideal setting to discuss developments in the international arena, such as the entry into force of the WIPO Copyright Treaty (WCT) on March 6. WIPO also highlighted various programs scheduled for the coming months which, among other goals, aim to improve the collective management of copyright and related rights in WIPO member States in developing and least developed countries.

The WIPO stand featured leaflets on the WCT and the WIPO Phonograms and Performances Treaty (WPPT) as well as WIPO brochures on Collective Management of Copyright and Related Rights and the exhibition "Music in the Digital Age."

Over 9,000 participants from 94 countries attended MIDEM this year. There were some 1,985 companies exhibiting.



# INTELLECTUAL PROPERTY AND ELECTRONIC COMMERCE



*Mr. Hossein Moayedoddin (WIPO), Mr. Mohammad Reza Alizadeh, Deputy Head of the Judiciary and Head of the State Organization for Registration of Deeds and Properties, Iran, WIPO Assistant Director General Francis Gurry, Hojatoleslam Esmail Shoushtary, Minister for Justice, Iran*

The Islamic Republic of Iran, the most recent country to accede to WIPO – on December 14, 2001 – hosted a WIPO conference in Tehran on January 15 and 16 highlighting intellectual property and electronic commerce. The objectives of the conference were to provide information on and improve awareness of intellectual property issues relating to electronic commerce, and to develop a framework of cooperation for a successful intellectual property-related electronic commerce initiative in the countries of the Asia and Pacific region.

Participants came from the Arab, Asian and Pacific countries. Some 350 local participants attended the conference, among them were many senior officials from the Iranian parliament, judiciary, Ministries of Commerce, Foreign Affairs, Science and Technology Industry, Post, Telegraph and Telephone. The conference also attracted representatives from organizations involved

in traditional and cultural matters, such as the Iran Carpet Cooperation, Iranian Handicraft and Cultural Heritage.

The developing countries in the region have a growing awareness of many specific issues in the area of electronic commerce, such as the policies and practices, and security and certification as well as the potential for job creation. The conference provided an ideal forum for exchange on the different aspects of intellectual property and electronic commerce between foreign and local participants.

Iranian officials in their inaugural speeches strongly supported the protection of intellectual property and its role in the promotion of

technology, wealth creation, promotion of exports and benefit from new investment. The accession of Iran to WIPO was warmly welcomed.

## Visit to the New Premises of the Industrial Property Office

The Deputy Head of the Judiciary and Head of the State Organization for Registration of Deeds and Properties, Mr. Mohammad Reza Alizadeh, organized a special visit to Iran's new intellectual property office building for WIPO representatives. The building, to be inaugurated in April, will have 4,800 square meters of office space, mostly occupied by the intellectual property office.

## INTELLECTUAL PROPERTY PROMOTION IN THE GCC COUNTRIES

The Gulf Organization for Industrial Consulting (GOIC) organized, in cooperation with WIPO, a training course on intellectual property from February 11 to 13 in Doha, Qatar, to foster and promote better use of patent information in the Gulf Region. WIPO presented its patent information services and assisted with training technical staff on the

use of online and CD-ROM patent information. The Gulf Cooperation Council (GCC) aims to use the dissemination of patent information for innovation purposes, transfer of technologies, economic growth and development and licensing negotiations.

During the training course, WIPO also introduced other intellectual property topics, such as trademarks, geographical indications,

# TRADE AND SERVICE MARKS IN THE CARIBBEAN

WIPO in cooperation with the Attorney General's Chambers of the Government of Saint Lucia organized a third regional training course on trade and service marks for Caribbean countries, in Castries, Saint Lucia, from January 28 to 30. The objective of this training course was to provide participants with practical knowledge on trademark issues, and to have an exchange of experiences among countries of the Caribbean region linked by a similar legal tradition and practice.

The 2002 training course followed the pattern of the previous courses held in Port of Spain, Trinidad, (1998) and in Bridgetown, Barbados, (1999), in keeping a balance between legal training and practi-

cal exercises. The course included discussions on topics such as well-known marks, protection of marks and other industrial property signs on the Internet and the work of WIPO in those areas.

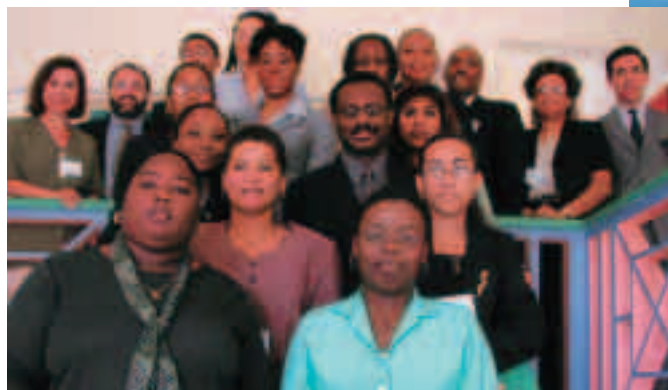
As trademark law – and intellectual property law in general – moves in the direction of the new economy, the course program highlighted some emerging issues in this area. It also exposed the trainees to global issues in the field of trademark law. Valuable experience acquired by other intellectual property offices, namely in the field of information technology, was shared with them.

Special attention was given to the situation of certain participating countries, whose trademark legislation has only recently been approved. The course addressed a number of specific questions on implementation, taking into account the experience acquired by other countries in the region.

The training course contributed to establishing a useful network among the participants themselves and the speakers, for consultations on aspects covered during the training. Representatives from Antigua and Barbuda, Barbados, Dominica, Grenada, Guyana, Jamaica, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Suriname and Trinidad and Tobago attended this third training session.

The course has become a regular training activity organized by WIPO, in response to numerous requests received from the member States in the region, and in application of a recommendation and a resolution adopted respectively at the Meeting of Heads of Intellectual Property Offices and the Meeting of Ministers Responsible for Intellectual Property in Caribbean Countries, both held in Gros Islet, Saint Lucia, from October 10 to 13, 2000.

*Participants at the meeting in the Caribbean*



industrial designs and selected WIPO treaties. During these discussions, the 20 participants, representing the private sector and government authorities of Bahrain, Qatar, the Kingdom of Saudi Arabia and the United Arab Emirates, expressed commitment to eradicating counterfeiting in the GCC.



# THE POWER OF DESIGN FOR MARKETING SUCCESS

IP AND BUSINESS



It is not surprising that consumers attach particular importance to the visual appeal of shoes and clothes they buy, or the look and style of gadgets or cars. The appearance of an article certainly counts in making a first impression on a customer, and often plays a decisive role in the final decision to buy or not. Smart businesses take note of changing consumer tastes and choices in order to develop and deliver better products, both in functional and aesthetic terms. Design, therefore, makes a critical contribution to overall corporate business strategy and success.

Effective use of design adds value to a product by creating variety in a world of commodities. Attractive designs help in differentiating between competing products and also in customizing and segmenting the market for a particular product, ranging from ordinary items such as locks, cups and saucers to potentially expensive items such as watches, jewelry and cars. Creating higher perceived value through aesthetically pleasing industrial designs helps build trust and lasting customer relationships which translate into higher market share, better prices and bigger profits.

Many companies have successfully redefined their brand image through strong focus on product design. Most senior managers recognize that design excellence brings stronger brand recognition and better profitability. Forward-

looking businesses create and choose appropriate trade names and logos to protect their corporate identity, brand image and the resultant competitive advantage, and also devote attention, in equal measure, to the creation and management of distinctive designs as part of their corporate strategy for identity and brand management.

## Design Management Basics

First and foremost, diligent design management requires cost-effective protection of valuable designs to prevent the look of the product from becoming a commodity and freely imitated in less expensive look-alike products. This entails timely registration of new, novel, or original designs at the national or regional design office.

The terms “design”, “industrial design” or “design patent”, when used in intellectual property law and practice, have a specific connotation. In most cases they refer to the **visual appeal** – that is, the features of **shape, configuration, pattern or ornament**, or any combination of these features – of a finished article made by hand, tool or machine, as



opposed to functional features which may be protected by other types of intellectual property rights, such as patents, utility models or trade secrets. In many countries, the requirement of **visual appeal** of an article of manufacture or handicraft has been modified to that of **perceptible features** of appearance, and the rule of novelty has been replaced or supplemented by an individuality requirement.

Designs may be two or three-dimensional. Examples of two-dimensional designs are textile, wallpaper and carpet designs, and of three-dimensional ones are the shape of a toy, package, car, electrical appliance, mobile phone, piece of furniture or the shape and ornamentation of kitchenware. In certain circumstances, the features constituting a design may be the color, texture or material of an article. In some countries, computer icons have recently been protected as industrial designs.

## Legal Options for Protection

Good design strategy must compare the various alternatives for protecting industrial designs, as there are different legal ways to prevent unscrupulous competitors from unauthorized copying. Legal options may include one or more of the following: protection under industrial design law, copyright law, trademark law – as a two or three-dimen-

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sional mark – and under unfair competition law. In some countries, the protection of these different laws may be mutually exclusive, in others it is cumulative to varying degree. It is advisable to seek expert advice.

Industrial design issues affect various types of business decision. For example, the type of protection and its cost or effectiveness may affect:

- ⇒ which details should be disclosed to the designer, especially when the designer is employed by a contractor;
- ⇒ whether to undertake design development entirely in-house, to contract or commission an outside agency or to do it jointly;
- ⇒ timing of the initial use of a new design in advertising, marketing or public display in an exhibition;
- ⇒ if and when to seek or continue to maintain design registration;
- ⇒ if and when to initiate action against unauthorized/infringing acts of competitors, counterfeiters or importers;
- ⇒ if and when to license or partially assign a design; and
- ⇒ if and when to register the design in other markets for export or for exploring the potential of entering into strategic business alliances, joint ventures, setting up wholly owned subsidiaries, etc.



### Nature of Design Right

Most countries require registration of an industrial design as a condition for protection. Registration gives an absolute right that excludes all others from using the design for making, importing for trade or business or selling any article in respect of which the design is registered, and to which the design or a design not differing substantially from it has been applied. This right is for a limited period of time and subject to renewal. The maximum term of protection is 10 to 25 years, depending on national legislation. In many countries, an industrial design cannot be registered as such if it has been used or published before applying for design registration.

Only the owner of a design, namely the creator/author (or depending on the legislation and the context, his employer) or his successor in title, may apply for and obtain registration for an industrial design. If a number of persons have worked

together to create a design, then they must file for registration as joint owners – unless all of them are working under contract or on commission. While the application must be filed with the office competent for the country or region for which protection is sought, the Hague Agreement Concerning the International Deposit of Industrial Designs offers the possibility of obtaining protection for industrial designs in a number of countries through a single deposit made with WIPO. For more information on the Hague Agreement, please visit <http://www.wipo.int/hague>.

Basic information for filing an industrial design application and the possibility, where available on request, of the deferred publication of a design, which may be critically important for marketing fashion articles such as textiles, clothing or jewelry, can be obtained from the respective national or regional office. Hiring the services of a qualified agent is advisable for fully unleashing the power of a design in marketing, sales and other business transactions, including its valuation as an intangible asset.



For more information on various practical aspects of the IP system of interest to business and industry, please visit the website of the SMEs Division at [www.wipo.int/sme](http://www.wipo.int/sme).

The next article in IP and Business will discuss the role of intellectual property in protecting trade secrets.

# CALENDAR of meetings

## **MARCH 25 TO 27**

(CICG, GENEVA)

### **Conference on the International Patent System**

The objective of the Conference is to stimulate discussion on the main issues and challenges confronting the international patent system and to receive further inputs and responses from users of the system. Matters raised in discussions during the conference will be taken into account by the Secretariat in a discussion paper on the WIPO Patent Agenda to be submitted to the WIPO General Assembly and the Assemblies of the Paris and PCT Unions in September 2002.

*Invitations:* The conference is open to participants representing governments, industrial property administrations and intergovernmental and non-governmental organizations as well as any interested member of the public.

## **APRIL 8 TO 12**

(GENEVA)

### **Preparatory Working Group of the Nice Union for the International Classification of Goods and Services for the Purposes of the Registration of Marks (Twenty-second session)**

The Preparatory Working Group will continue to consider and make decisions on proposals for changes to the eighth edition of the Nice Classification, which will subsequently be submitted to the nineteenth session of the Committee of Experts of the Nice Union for adoption.

*Invitations:* As members, the States members of the Preparatory Working Group of the Nice Union; as observers, all States members of the Paris Union, which are not members of the Working Group and certain organizations.

## **MAY 6 TO 10**

(GENEVA)

### **Standing Committee on the Law of Patents (Seventh session)**

The Committee will continue its work on further harmonization and other issues relating to patent law.

*Invitations:* As members, the States members of WIPO and/or of the Paris Union; as observers, other States and certain organizations.

## **MAY 13 TO 17**

(GENEVA)

### **Standing Committee on Copyright and Related Rights (SCCR) (Seventh session)**

The Committee will continue its work on the protection of broadcasting organizations and databases.

*Invitations:* As members, the States members of WIPO and/or of the Berne Union, and the European Community; as observers, other States and certain organizations.

## **MAY 13 TO 17**

(GENEVA)

### **IPC Reform Working Group of the IPC Union (Seventh session)**

The Working Group will continue elaboration of recommendations concerning IPC reform for the Committee of Experts of the IPC Union.

*Invitations:* As members, the States members of the IPC Union and member organizations of the Working Group; as observers, the States members of the Paris Union and certain organizations.

## **MAY 21 TO 24**

(GENEVA)

### **Second Special Session of the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) on the Report of the Second WIPO Internet Domain Name Process**

The second of two special sessions of the SCT, the first of which took place from November 29 to December 4, 2001, will continue discussions of the Final Report of the Second WIPO Internet Domain Name Process.

*Invitations:* As members, the States members of WIPO and/or of the Paris Union; as observers, other States and certain organizations.

## **MAY 27 TO 31**

(GENEVA)

### **Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) (Eighth session)**

The Committee will continue its work based on the results of its seventh session.

*Invitations:* As members, the States members of WIPO and/or of the Paris Union; as observers, other States and certain organizations.

**JUNE 6 AND 7****(GENEVA)****Seminar on the Madrid System of International Registration of Marks**

This Seminar, in French, aims to increase awareness and practical knowledge of the Madrid system amongst trademark agents who use or will use the system, whether in industry or in private practice. These Seminars are held regularly every year both in English and in French.

*Invitations:* Registration to participate in this Seminar is against payment of a fee.

**JUNE 10 TO 14****(GENEVA)****Standing Committee on Information Technologies (SCIT) (Seventh Plenary session)**

The Plenary will receive reports from its Working Groups on Standards and Documentation and Information Technology Projects and will continue its discussions, started in January 2001, on restructuring.

*Invitations:* As members, the States members of WIPO and/or the Paris Union; as observers, certain organizations.

**JUNE 13 TO 21****(GENEVA)****Intergovernmental Committee on Genetic Resources and Traditional Knowledge (Third session)**

The Committee will continue its work based on the results of its second session.

*Invitations:* As members, the Member States of WIPO and/or the Paris Union, and the European Community; as observers, certain organizations.

**JUNE 24 TO 28****(GENEVA)****Working Group on Constitutional Reform (Sixth session)**

The Working Group will continue its work based on the results of its fifth session.

*Invitations:* As members, the States members of WIPO and/or of the Paris and/or Berne Unions.

**JUNE 27 AND 28****(GENEVA)****WIPO Workshop for Mediators in Intellectual Property Disputes**

An annual event for all parties interested in WIPO mediation procedures.

*Invitations:* Open to interested parties, against payment of a fee.

**JULY 1 AND 2****(GENEVA)****WIPO Workshop for Mediators in Intellectual Property Disputes**

An annual event for all parties interested in WIPO mediation procedures.

*Invitations:* Open to interested parties, against payment of a fee.

**JULY 4 AND 5****(GENEVA)****Seminar on the Madrid System of International Registration of Marks**

This Seminar, in English, aims to increase awareness and practical knowledge of the Madrid system amongst trademark agents who use

or will use the system, whether in industry or in private practice. These Seminars are held regularly every year, both in English and in French.

*Invitations:* Registration to participate in this Seminar is against payment of a fee.

**SEPTEMBER 9 TO 11****(GENEVA)****Program and Budget Committee (Fifth session)**

The Program and Budget Committee is being convened to discuss issues concerning the new construction.

*Invitations:* As members, the States members of the Program and Budget Committee; as observers, all Member States of WIPO which are not members of the Committee.

**SEPTEMBER 23 TO OCTOBER 1****(GENEVA)****Assemblies of the Member States of WIPO (Thirty-seventh series of meetings)**

Some of the assemblies will meet in extraordinary session, other bodies in ordinary session.

*Invitations:* As members or observers (depending on the assembly), the States members of WIPO; as observers, other States and certain organizations.

# NEW PUBLICATIONS

## Patent Law Treaty (PLT) and Regulations under the Patent Law Treaty

(English) N° 258(E)

(French) N° 258(F)

(Spanish) N° 258(S)

15 Swiss francs



## The Hague Agreement Concerning the International Deposit of Industrial Designs (Regulations and Administrative Instructions as in force on January 1, 2002)

(Arabic) N° 262(A)

(English) N° 262(E)

(French) N° 262(F)

15 Swiss francs



## Industrial Designs and The Hague Agreement: An Introduction

(Arabic) N° 429(A)

(Russian) N° 429(R)

free of charge



## WIPO Patent Information Services for Developing Countries

(English) N° 493(E)

free of charge



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WORLD INTELLECTUAL PROPERTY DAY  
April 26, 2002



(Details on page 8)

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The WIPO Magazine is published monthly by the Office of Global Communications and Public Diplomacy, World Intellectual Property Organization (WIPO). It is not an official record and the views expressed in individual articles are not necessarily those of WIPO.

The *WIPO Magazine* is distributed free of charge.

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