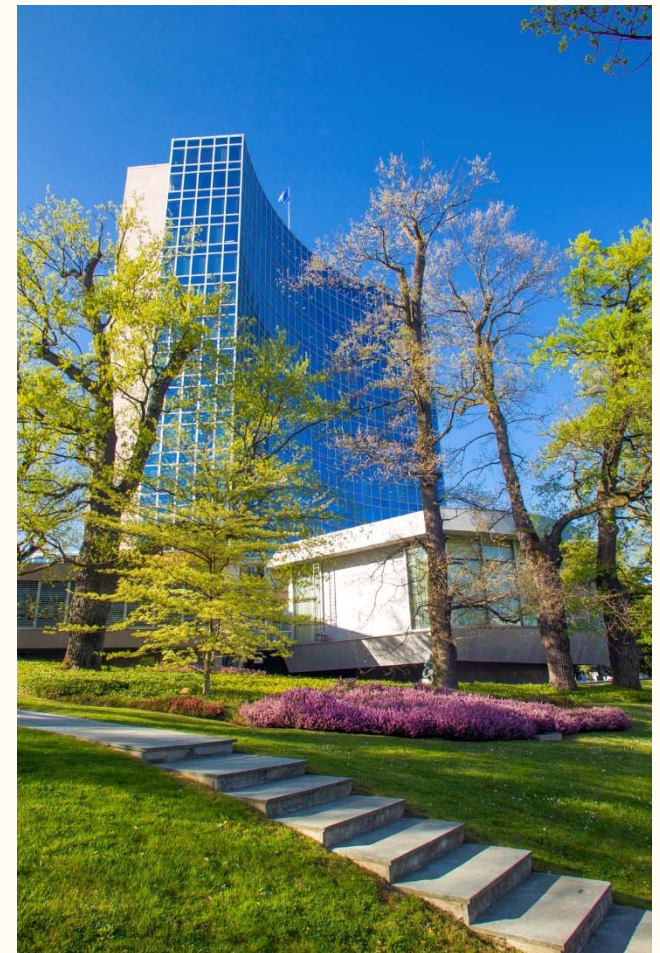# Briefing for Member States and Other Stakeholders

Francis Gurry

Director General

World Intellectual Property Organization (WIPO)
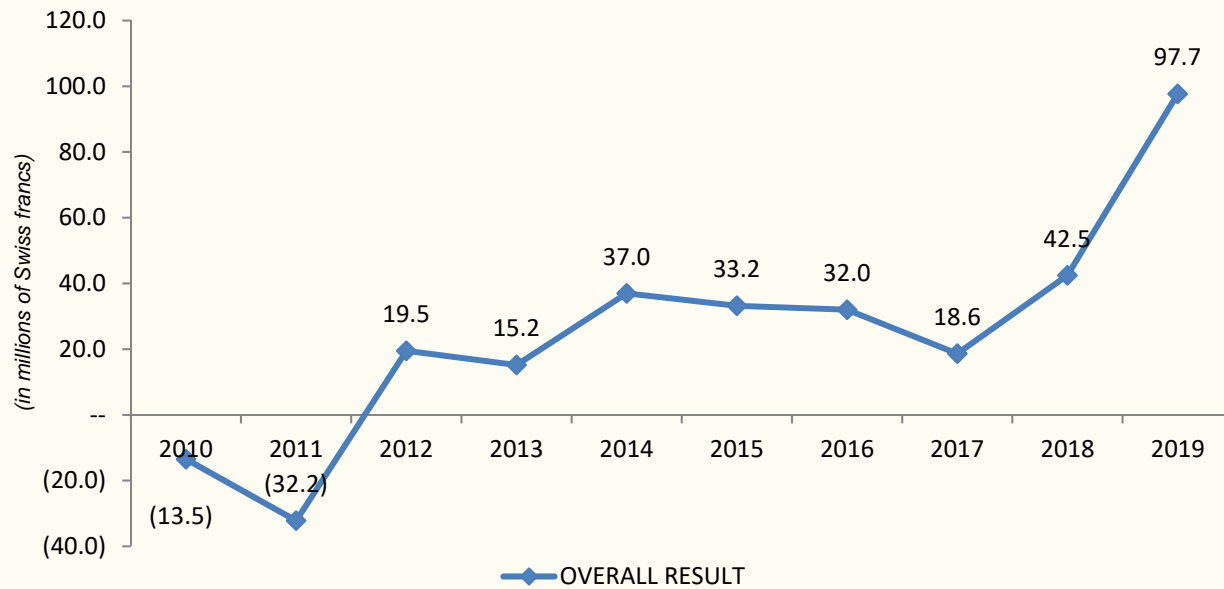
April 7, 2020

Agenda

- Results 2019

- Some Program Challenges and Highlights in 2020

- Crisis Management

Financial Results 2019

- Overall surplus of CHF 97.7 million

- Revenue CHF 457 million
  - +CHF 23.4 million over 2018

- Expenditure CHF 401.4 million
  - +CHF 25.6 million over 2018

- Investment gains of CHF 42.1 million Swiss francs
  - Investment losses in 2018 amounted to CHF 15.3 million

Evolution of Overall Result for Organization

OVERALL RESULT


(in millions of Swiss francs)

Year	Value
2010	(13.5)
2011	(32.2)
2012	19.5
2013	15.2
2014	37.0
2015	33.2
2016	32.0
2017	18.6
2018	42.5
2019	97.7

OVERALL RESULT

Net Assets

Reserves and Working Capital Funds (RWCF)
(in millions of Swiss francs)

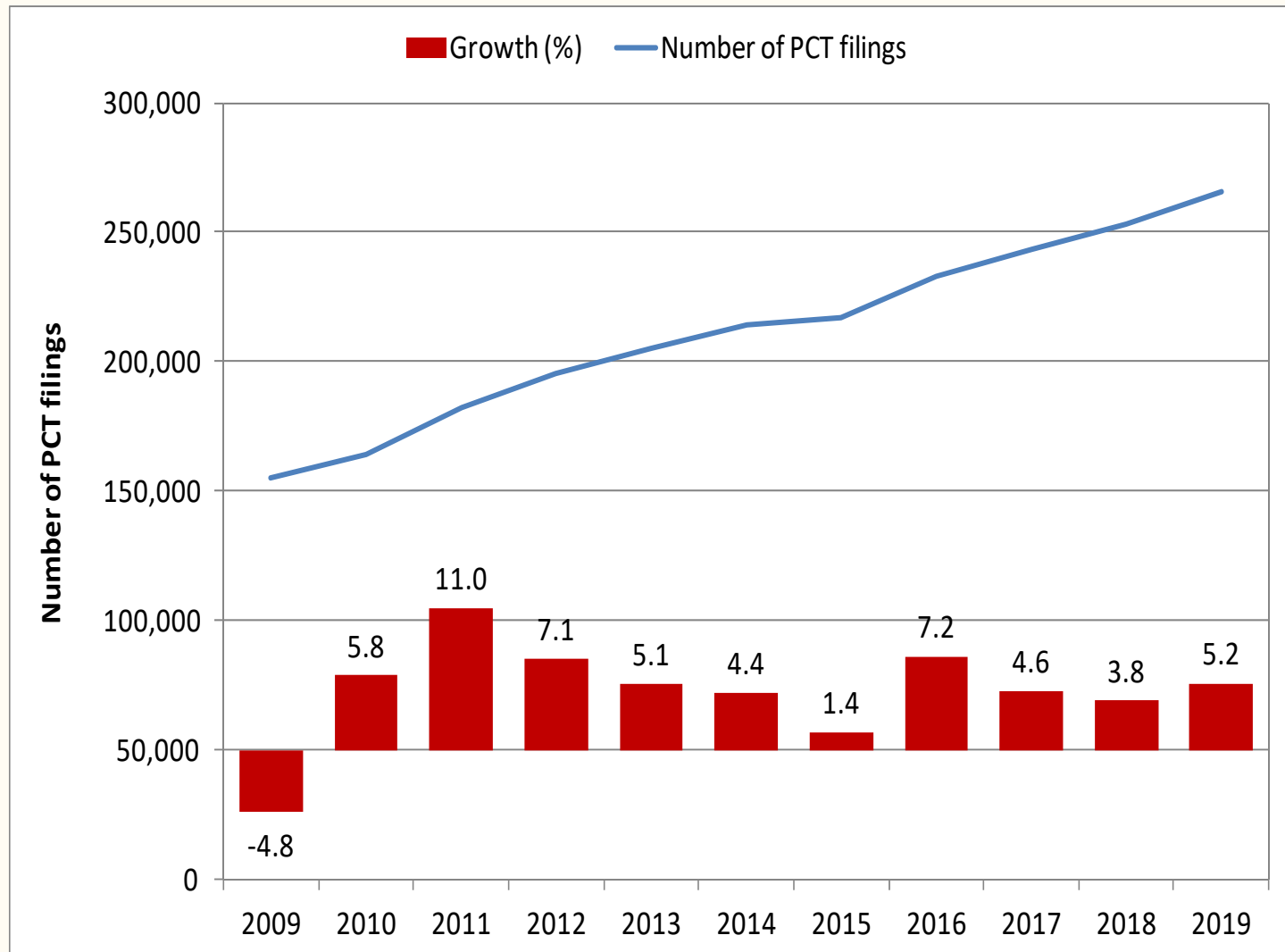|	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net Assets *(Actuarial Gains/(Losses) excluded)**	194.6	174.2	193.7	208.8	245.8	279.1	322.7	341.4	383.8	482.8
RWCF Target (Regular Budget)	116.8	116.8	120.6	120.6	124.7	124.7	157.0	157.0	160.4	160.4
Difference	*77.8*	*57.4*	*73.1*	*88.2*	*121.0*	*154.3*	*165.7*	*184.4*	*223.5*	*322.4*
Actuarial Gains/(Losses)							*(173.3)*	*(138.7)*	*(122.4)*	*(118.5)*
Total Net Assets**							*149.4*	*202.7*	*261.4*	*364.2*
Net Current Assets *(Net Liquid Assets - non current investments included)*	75.9	47.2	81.4	76.8	68.1	88.4	136.1	104.2	178.6	292.4
Note: Appropriations already approved, not yet spent						*23.7*	*16.8*	*11.8*	*31.5*	*39.5*
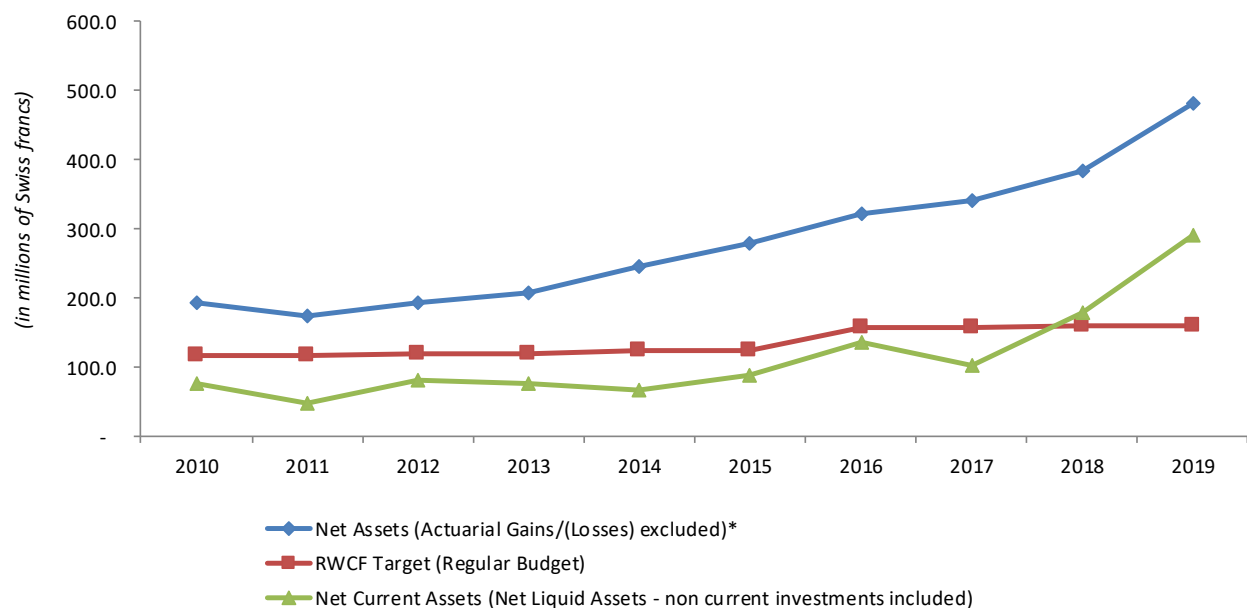
* Net Assets (Actuarial Gains/(Losses) excluded) were restated for 2011, 2012 and 2016.
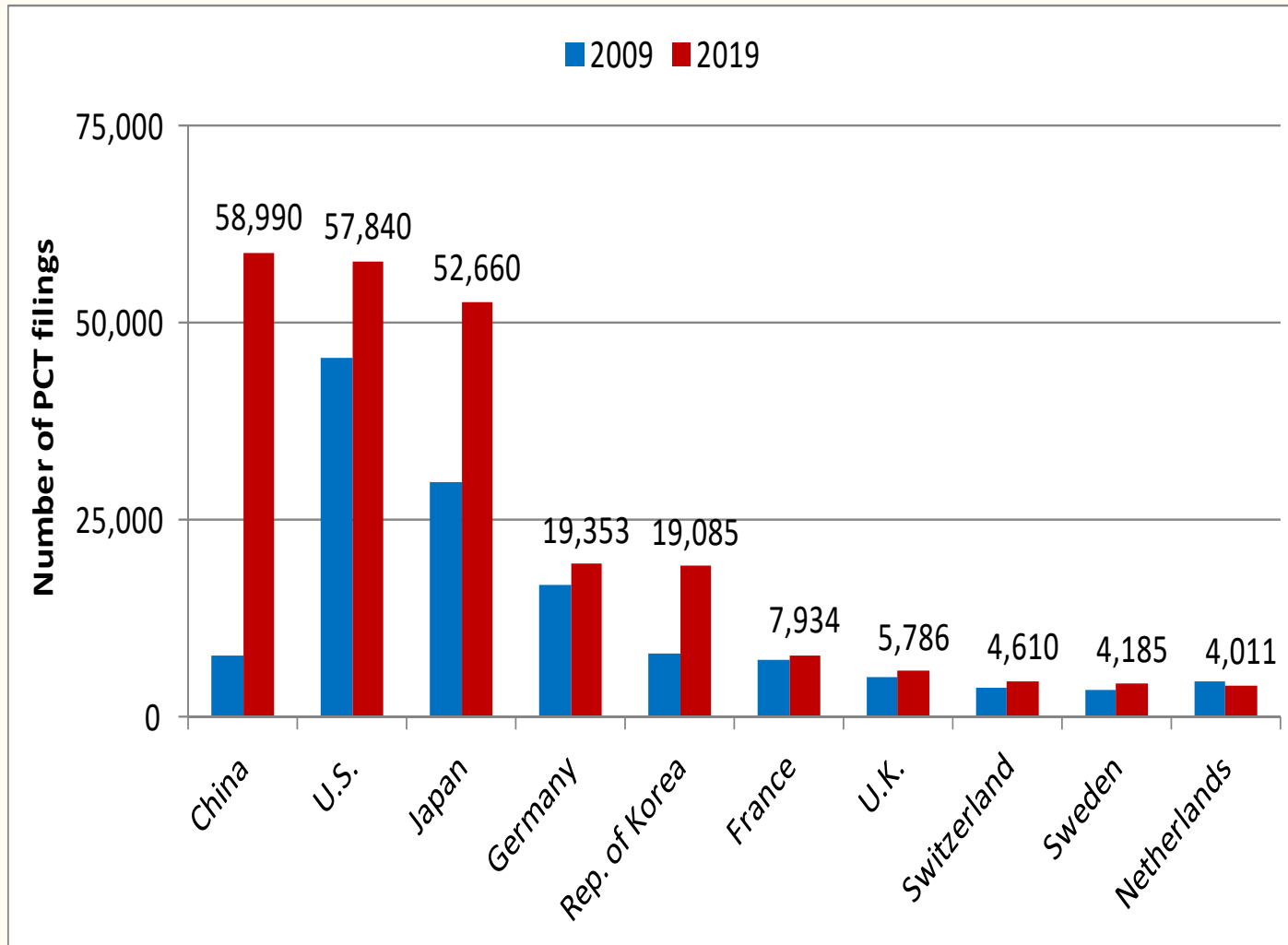
** As per Financial Statements

Global IP Systems - 2019

- Significant growth in the PCT and Madrid systems

- PCT
  - 265,800 international applications
  - +5.2% over 2018

- Madrid System
  - 64,400 applications
  - +5.7% over 2018

- Hague System
  - 21,807 designs
  - +10.4% over 2018

- Priorities
  - Extending geographical reach and participation
  - Quality, efficiency and cost-effectiveness of service
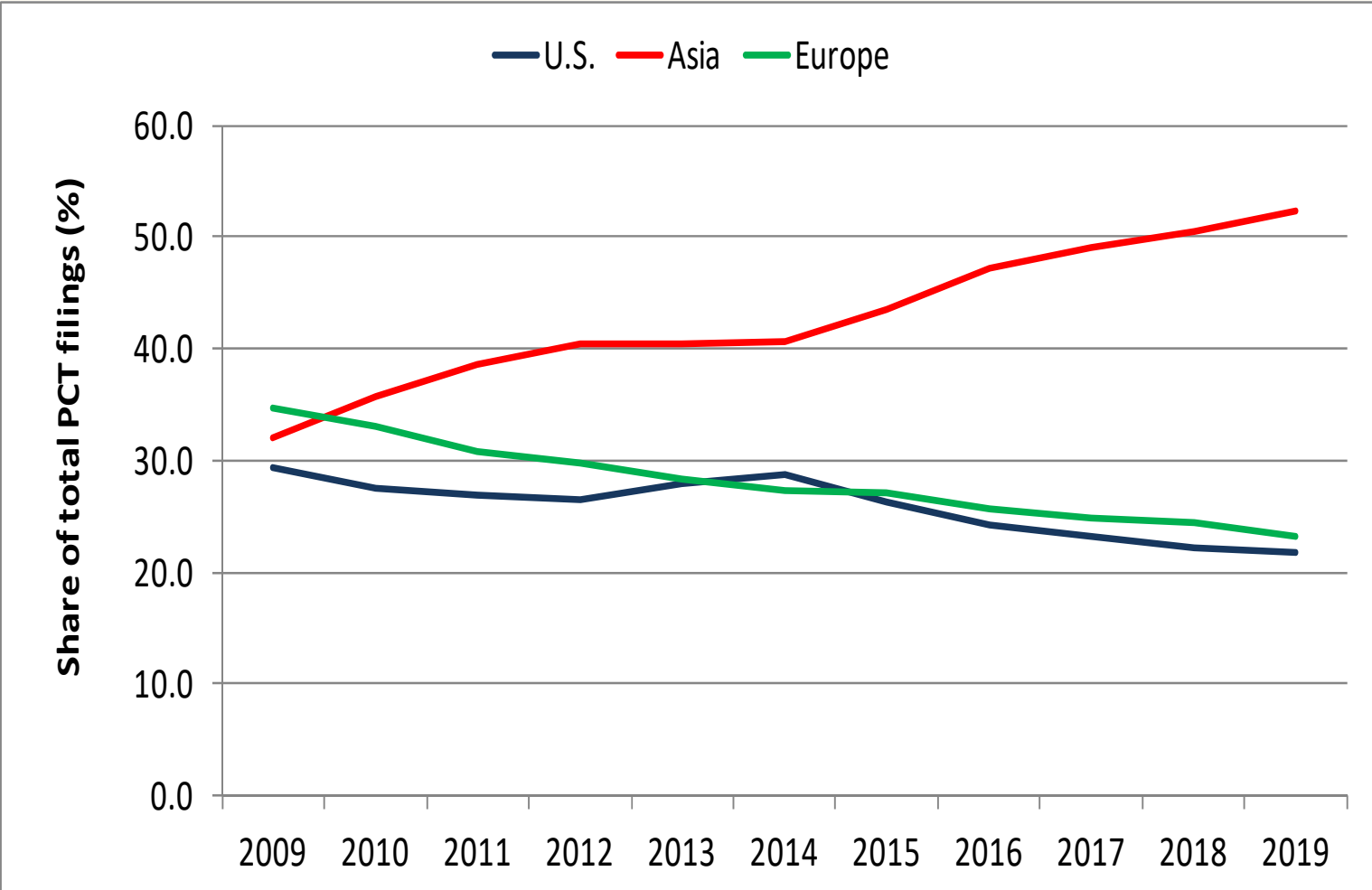 - Comprehensive IT environments

International patent applications filed via the PCT System grew by 5.2% in 2019

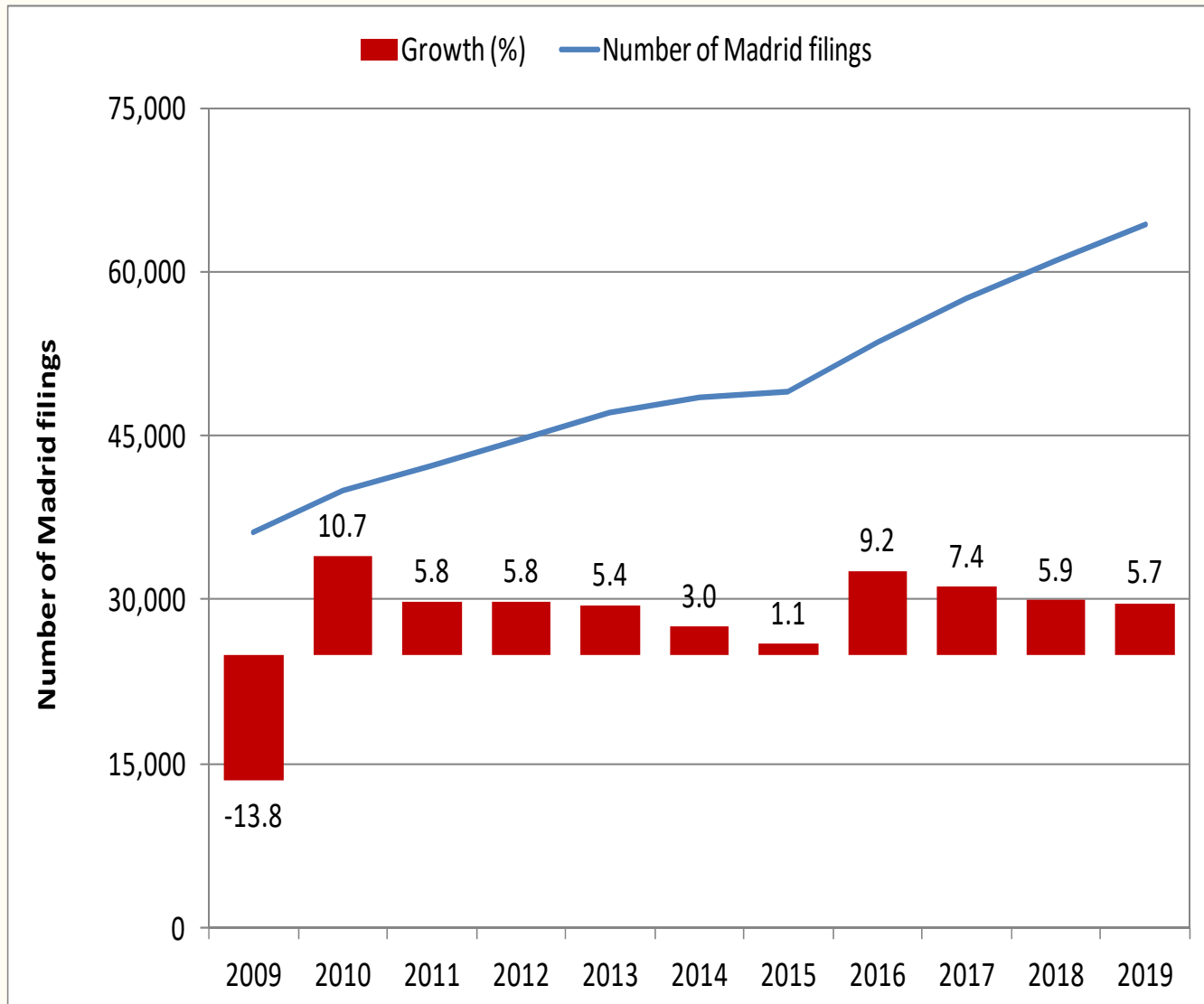Legend: Growth (%) — Number of PCT filings

Y-axis: Number of PCT filings (0 to 300,000)

Growth (%) values by year:
- 2009: -4.8
- 2010: 5.8
- 2011: 11.0
- 2012: 7.1
- 2013: 5.1
- 2014: 4.4
- 2015: 1.4
- 2016: 7.2
- 2017: 4.6
- 2018: 3.8
- 2019: 5.2

China surpassed the U.S. as the top source of international patent applications in 2019

■ 2009 ■ 2019

Number of PCT filings

75,000

58,990 57,840

52,660

50,000

25,000

19,353 19,085

7,934

5,786 4,610 4,185 4,011

0

China   U.S.   Japan   Germany   Rep. of Korea   France   U.K.   Switzerland   Sweden   Netherlands
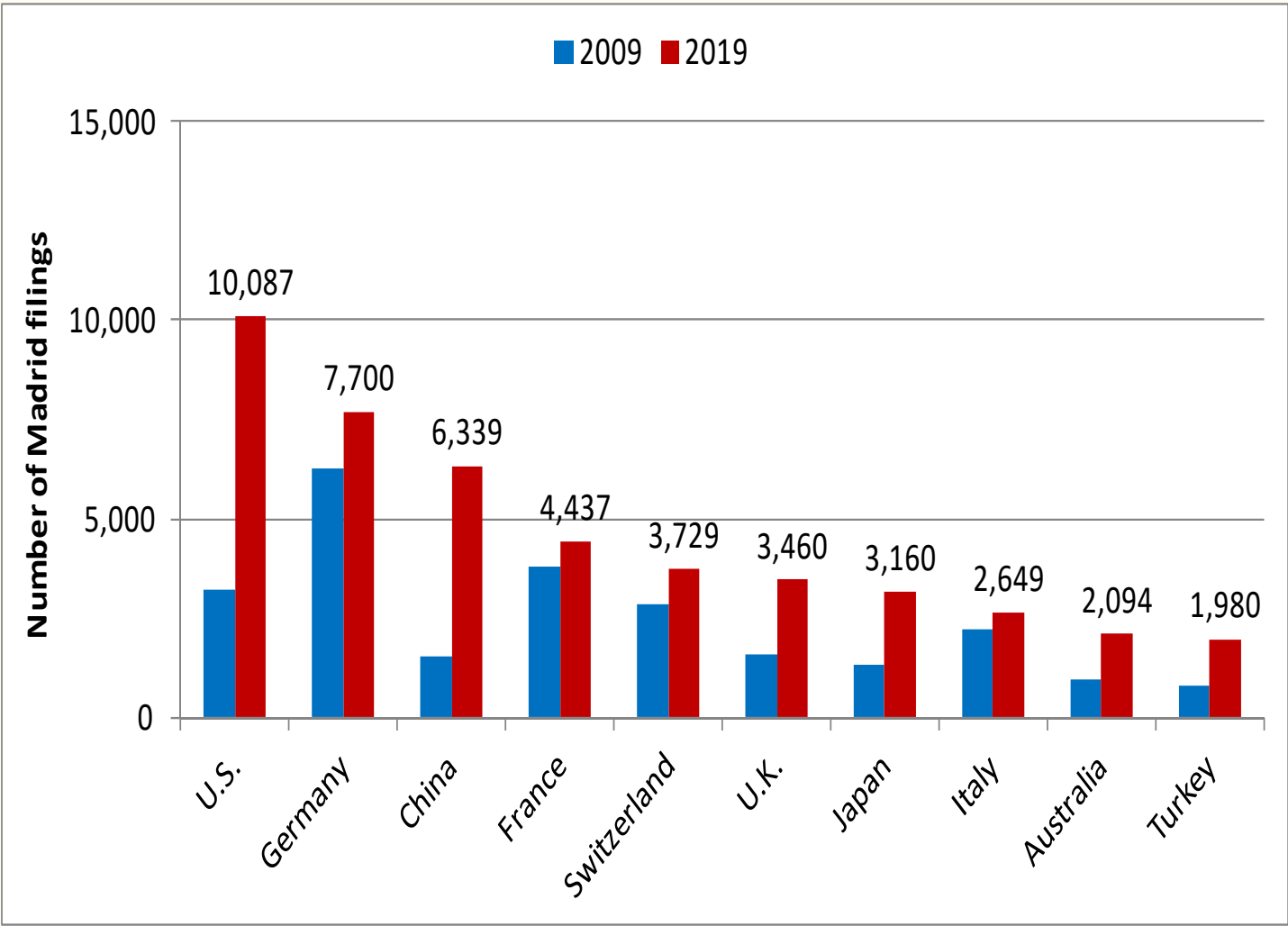
Applicants based in Asia accounted for 52.4% of all PCT applications filed in 2019

International trademark applications via the Madrid System increased by 5.7% in 2019

Legend: Growth (%) — Number of Madrid filings

Y-axis (Number of Madrid filings): 0, 15,000, 30,000, 45,000, 60,000, 75,000

Growth (%) values by year:
- 2009: -13.8
- 2010: 10.7
- 2011: 5.8
- 2012: 5.8
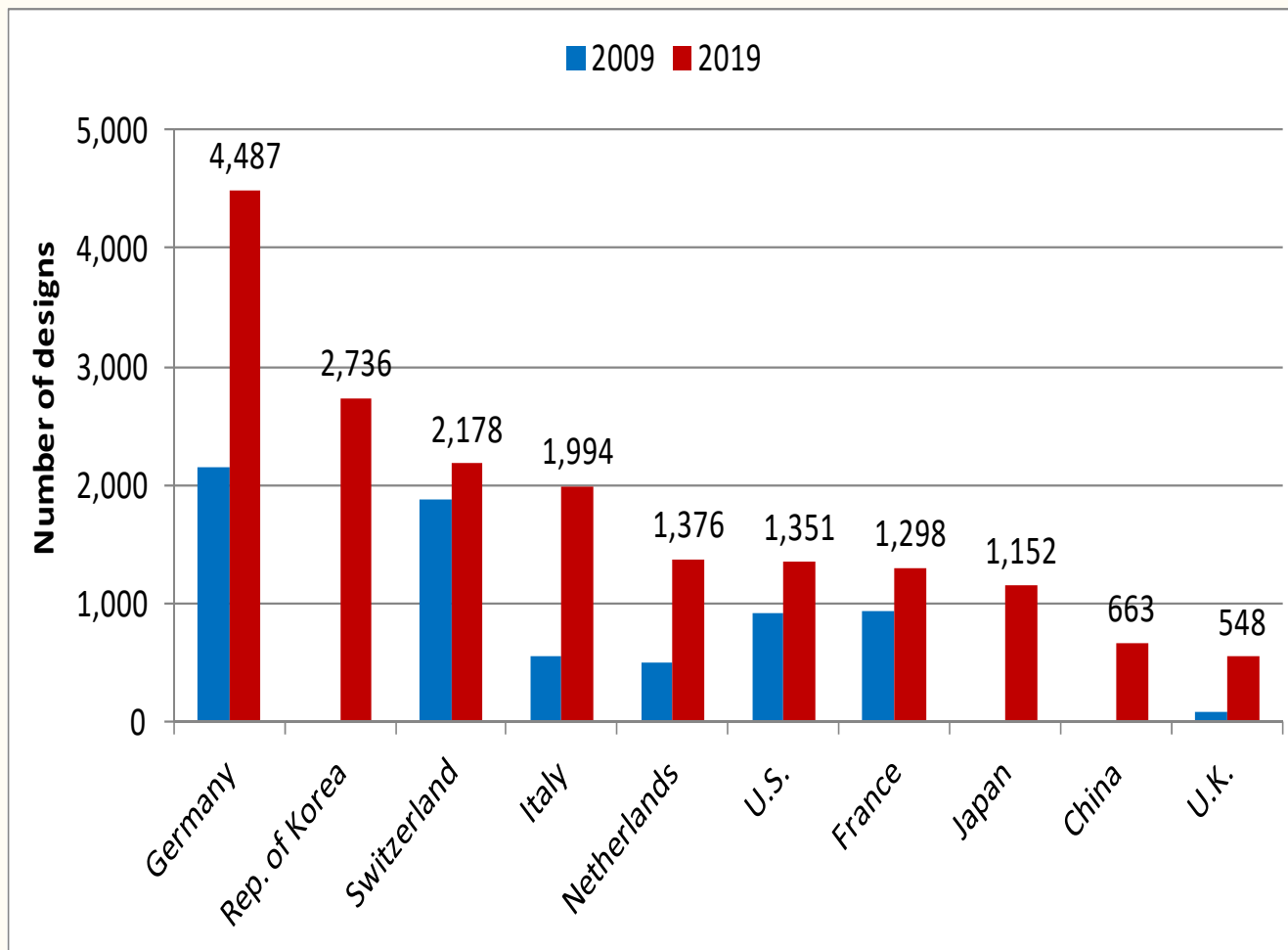- 2013: 5.4
- 2014: 3.0
- 2015: 1.1
- 2016: 9.2
- 2017: 7.4
- 2018: 5.9
- 2019: 5.7

U.S.-based applicants filed the largest number of international trademark applications using the Madrid System in 2019

■2009 ■2019

Number of Madrid filings

15,000

10,000

5,000

0

U.S. — 10,087
Germany — 7,700
China — 6,339
France — 4,437
Switzerland — 3,729
U.K. — 3,460
Japan — 3,160
Italy — 2,649
Australia — 2,094
Turkey — 1,980

Designs contained in applications filed under the Hague System grew by 10.4% in 2019
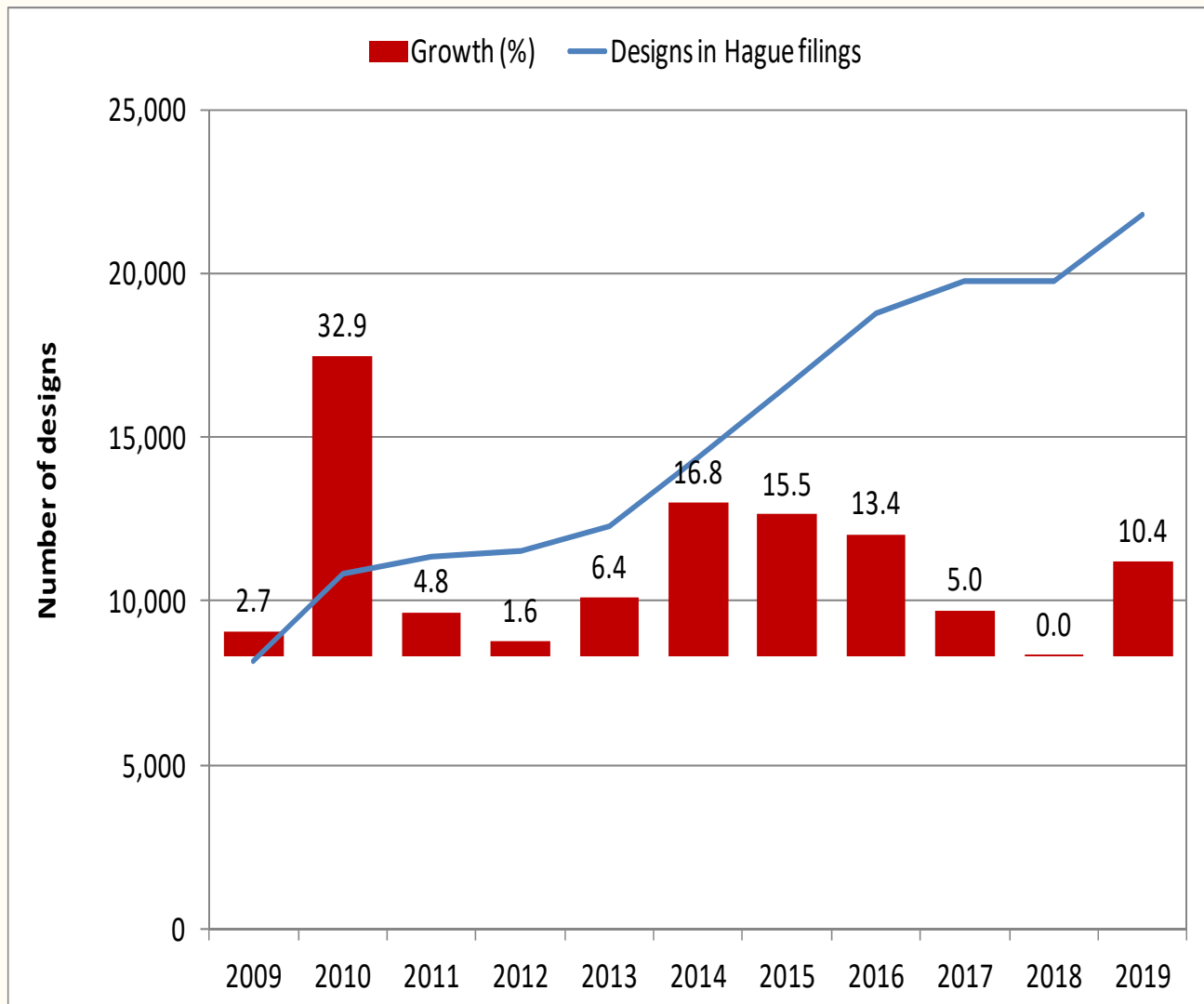
Germany continued to be the largest users of the Hague System

■ 2009 ■ 2019

Number of designs

	Germany	Rep. of Korea	Switzerland	Italy	Netherlands	U.S.	France	Japan	China	U.K.
2019	4,487	2,736	2,178	1,994	1,376	1,351	1,298	1,152	663	548

WIPO Arbitration, Mediation and Expert Determination

WIPO Mediation, Arbitration, Expert Determination Cases
*and* **Good Offices Requests Filing (2013-2019)**

Good Offices Requests ▪ Mediation, Arbitration and Expert Determination Cases
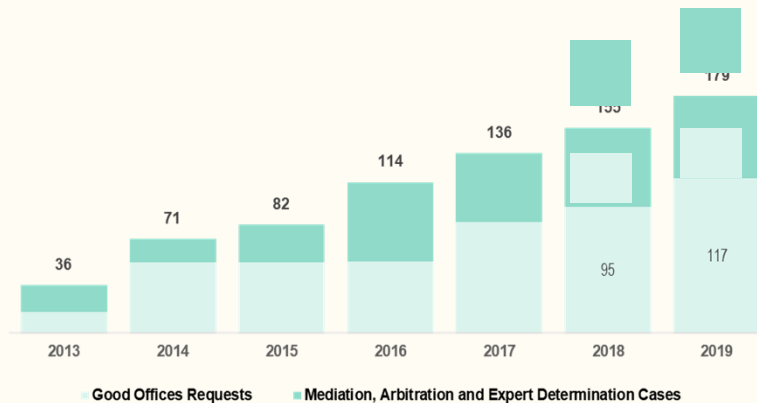
Subject Matter
WIPO Center ADR Disputes
(cumulative through 2019)

Copyright 13%
Patents 25%
Other 20%
Trademarks 20%
ICT 22%
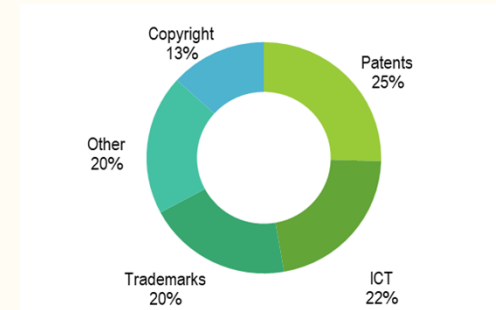
- **2019 results**
  - 62 arbitration, mediation and expert determination cases (+16%)
  - Parties from 23 countries
  - Additional 117 requests for WIPO 'Good Offices' for existing disputes (+23%)

- **Cumulative all-years total** arbitration, mediation and expert determination case filing: 674

- Example <u>areas of WIPO disputes</u>: patent licenses, R&D agreements, trademark co-existence agreements, distribution agreements, software agreements, film co-production agreements, consortium agreements, and digital copyright and content non-contractual disputes

- Update of WIPO ADR Rules (effective January 1, 2020) to accommodate provisions of 2019 Singapore Convention on Mediation

- Launch of Survey on Use of ADR Mechanisms for B2B Digital Copyright- and Content-related Disputes
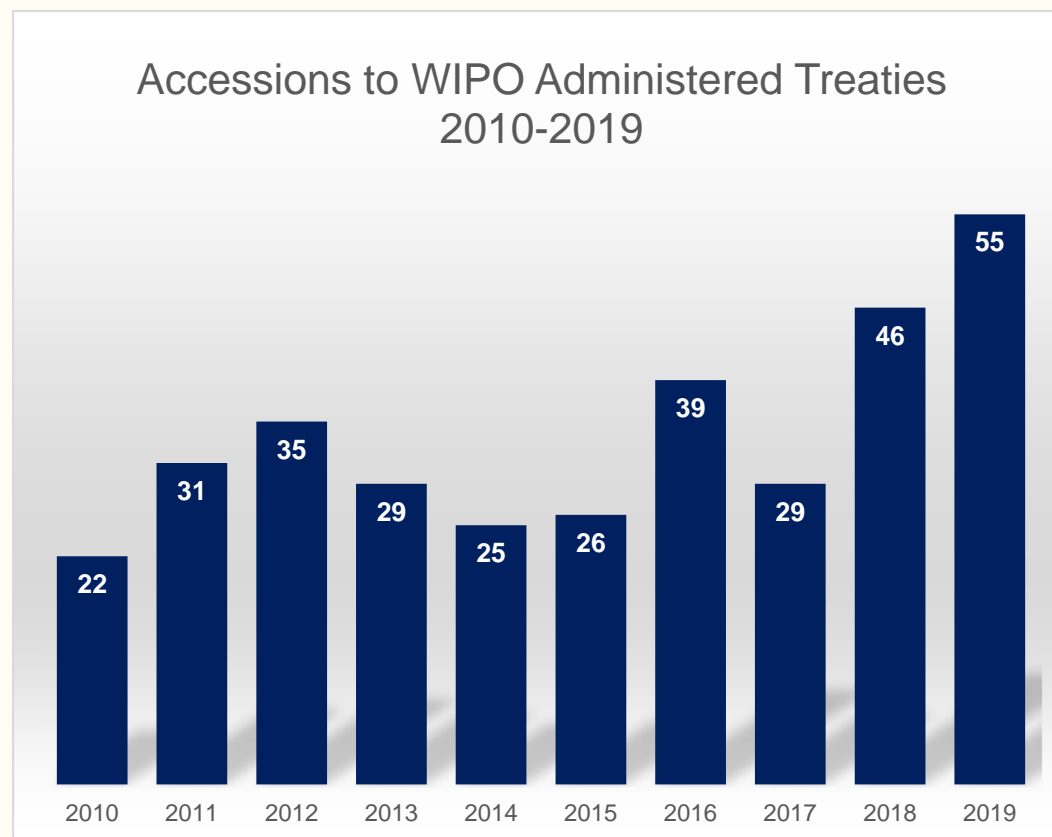
WIPO Domain Name Dispute Resolution

Total Number of WIPO Domain Name Cases by Year
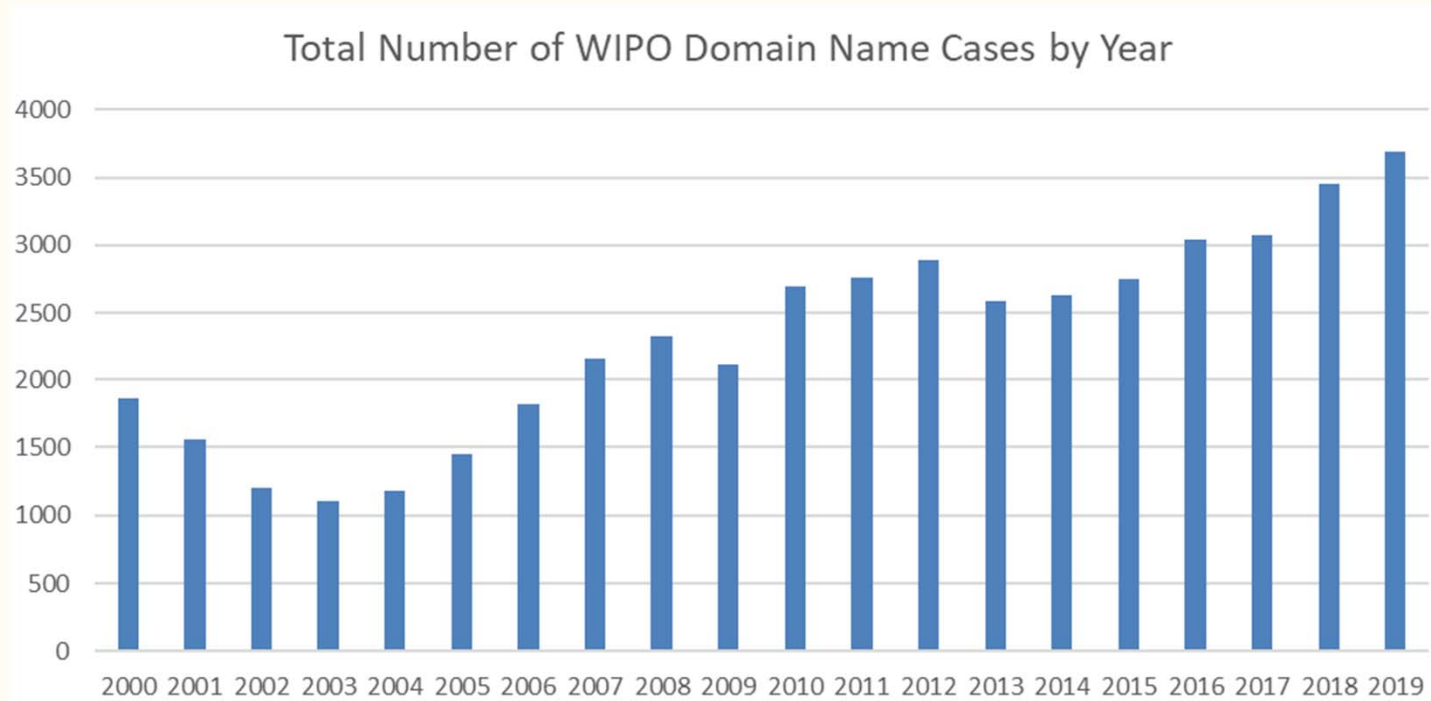
- **2019 results**
  - Record 3,693 WIPO UDRP-based cases (+7%), 6,298 domain names
  - Parties from 122 countries, 282 panelists appointed from 47 countries, 16 languages of proceedings
  - Many cases including allegations of counterfeit sales, fraud and phishing

- <u>Cumulative total</u> since 1999: 47,000+ WIPO UDRP-based cases for 86,000+ domain names

- <u>78 ccTLDs</u> (country code Top-Level Domains) designating WIPO dispute resolution
  - 13% of WIPO 2019 caseload
  - 2019 additions: .CN and .中国 (China), and .UA and .COM.UA (Ukraine)

- WIPO Conference for the 20th anniversary of the UDRP (October 21, 2019)

Treaty Accessions

- 2019 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

Accessions to WIPO Administered Treaties 2010-2019

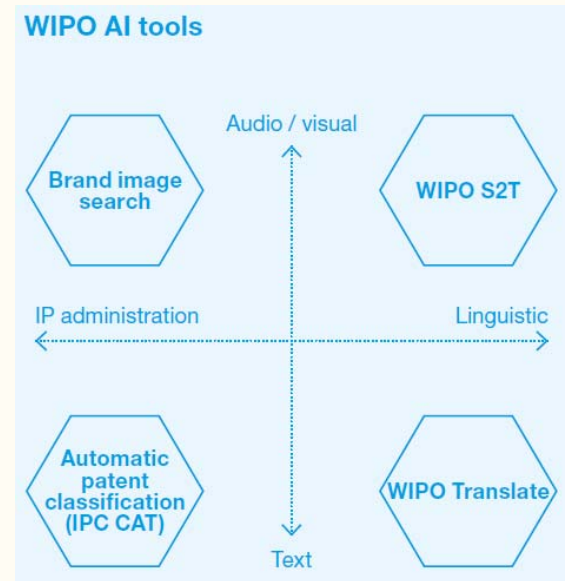| Year	Accessions
2010	22
2011	31
2012	35
2013	29
2014	25
2015	26
2016	39
2017	29
2018	46
2019	55

Digital and IP Data Resources

- WIPO IP Portal
  - A single sign-on portal launched in 2019 to consolidate more than 40 WIPO applications and digital services for one-stop shopping with easy access and greater user-friendliness

- Expansion of Global IP Databases
  - ❑ PATENTSCOPE
    - About 80 million documents (PCT and 62 national/regional patent collections; 20% increase from 2018)
    - multilingual search in 14 languages with AI-assisted WIPO TRANSLATE for full text search
    - 2.7 million PCT patent family data added in 2019
    - the most visited WIPO web site with an average of 40,000 visits/day (30% increase from 2018)

  - ❑ Global Brands Database
    - About 40 million records (Madrid, Lisbon, emblems, 58 national/regional trademark collections; 40% increase from 2018) with an AI-assisted image-search tool (further refined in 2019)

  - ❑ Global Designs Database
    - About 11 million records (Hague, 25 national/regional designs collections; 50% increase from 2018)

  - ❑ WIPO Lex
    - Over 40,000 electronic texts of national IP laws and regulations from 199 countries and 800 IP-related treaties, including 5,700 new entries made in 2019

WIPO AI Tools and Digital Services

➢ Advanced Technologies Applications Center (ATAC) set up in 2018 at WIPO to lead R&D of AI applications for IPO Administration

➢ WIPO AI tools and Digital Services internally developed:
- WIPO Translate for 10 languages (about 2.5 million words translated per day, just in PATENTSCOPE and licensed externally to 12 different organizations)
- WIPO Trademark image search (about 6,000 unique searches per month, as-at November 2019)
- WIPO Speech2Text for meetings (successfully tested at two WIPO main meetings and licensed externally to 5 different organizations)
- IPC CAT (automatic categorization of technologies according to International Patent Classification)

➢ New Digital Services being launched (WIPO PROOF)

WIPO AI tools

Audio / visual

Brand image search

WIPO S2T

IP administration

Linguistic

Automatic patent classification (IPC CAT)

WIPO Translate

Text

ICT in Support of Development

- Industrial Property Administration System (IPAS)

  - WIPO free of charge software enabling online service delivery for IP Offices, supplemented by services and advice on digitization, quality improvement, and workflow optimization
  - In use in 87 IP Offices in all regions (most of them are developing countries/LDCs)

- Centralized Access to Search and Examination (WIPO CASE)

  - WIPO online platform enabling IP Offices to search and access patent search/examination reports of other IP Offices for enhanced international cooperation
  - Expansion in all regions since its creation in 2011, and now with 33 participating IP Offices (a steady increase from 21 in 2016)
  - 20 participating IP Offices are from developing countries/LDCs

- Technology and Innovation Support Centers (TISCs)

  - Nearly 900 TISCs in 80 national networks in developing and least-developed countries

- Public-Private Partnerships on Access to Information and Knowledge

  - ARDI – free/affordable access to subscription-based scientific and technical literature
    - part of UN partnership "Research4Life" with free/affordable access to 42,000 science and technology books/journals
    - 2,312 institutions actively using ARDI
  - ASPI – free/affordable access to nine commercial patent databases, used by 140 registered institutions

WIPO CONNECT

WIPO Connect is an IT solution, developed and offered by WIPO to Collective Management Organizations (CMOs) in developing countries, aimed at facilitating the collective management of copyright and related rights. WIPO Connect succeeds and replaces WIPOCOS.

Solution

Web application used for day to day operations

- Management of documentation: right holders, works, performances, and sound recordings
- Management of licensing agreements with users
- Calculation of royalties to be distributed to right holders based on usage

Common services to share and disseminate data

- Data exchange between CMOs facilitating the dissemination of local repertoires to foreign CMO
- Connection with industry databases

Business and technical support services

- Training, maintenance and support
- Software setup according to local legal and licensing frameworks rules

Status

- Software developed, connection with industry data sources in progress
- Languages available : English, French, Portuguese, others on demand

- Multi-lingual deployment team (English, French, Portuguese)
- Remote support during crisis, finalization onsite once travel bans lifted

- Deployments prioritized in 5 countries, 7 others planned before end of the year
- All WIPOCOS users to be migrated to WIPO Connect and waiting list (additional 27 CMOs)

Innovation at WIPO

- Organizational maturity accelerated in 2018/19 with the establishment of ATAC
- 36 initiatives demonstrating innovation @ WIPO tracked across the Organization delivering mainly Service innovations
- Investment amounted to 52 million Swiss francs in 2018/19, representing a 7.4 per cent share of total WIPO Expenditure
- Impact indicators under refinement, efficiencies to be reported from 2020

Organizational Readiness

Organizational Maturity

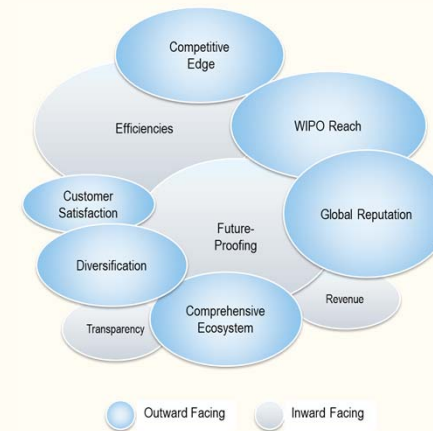|	
Strategy	Recognized Global IP Service Provider as enshrined in the WIPO Convention, committed to continuously drive innovations related to our service delivery.
Sponsorship	Dedicated development business units spread across the Organization e.g. ATAC, IT Divisions.
Governance	In place and driven through the implementation of RBM.
Process	Integral part of both biennial and annual work planning in the context of RBM.
Culture	Innovative behavior recognized through Org. awards. Internal administrative processes perceived as a barrier.
Engagement	Internal collaboration observed - Divisions approaching ATAC with new initiatives / ideas. Continuous improvement is business as usual.
Skills & Capabilities	Targeted recruitment is minimal. Limited dedicated training programs.
Implement & Execute	Mainly IT centric and addressing technology issues. Pockets in other areas of the Organization.
Measurement & Metrics	Metrics defined, measurement under refinement. 1st edition of the dashboard issued as a pilot.

Fully Embedded   In Progress   Not Started

Benefits

Competitive Edge
Efficiencies
WIPO Reach
Customer Satisfaction
Future-Proofing
Global Reputation
Diversification
Revenue
Transparency
Comprehensive Ecosystem

Outward Facing   Inward Facing

Innovative Initiatives: 36

Explore and Pilot — 2
Under Development — 9
Launched — 8
Continuous Improvement — 17

Investment: 52 million Swiss francs

(in thousands of Swiss francs)

+11%

27,316

24,665

2018   2019
Non-AI Assisted   AI Assisted

Share of WIPO Expenditure   7.3%   7.4%

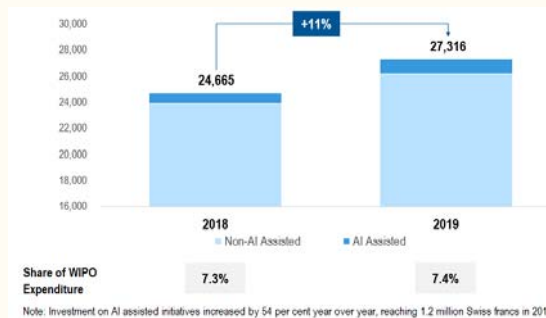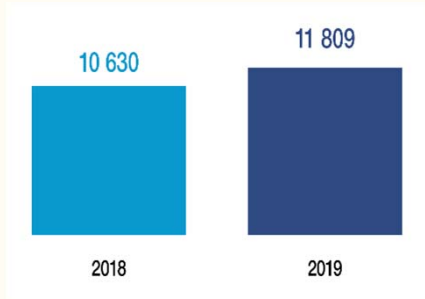Note: Investment on AI assisted initiatives increased by 54 per cent year over year, reaching 1.2 million Swiss francs in 2019

Centers of Innovation

(Heat map by Sector, based on number of initiatives)

- Global Issues 8%
- Patents and Technology 19%
- Administration and Management 11%
- Brands and Designs 6%
- Copyright and Creative Industries 6%
- Director General 6%
- Global Infrastructure 44%
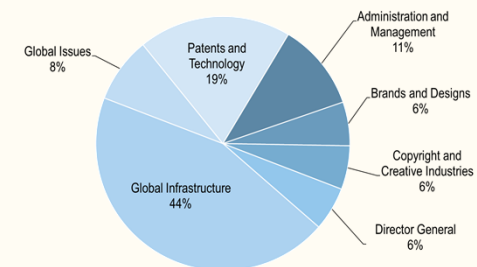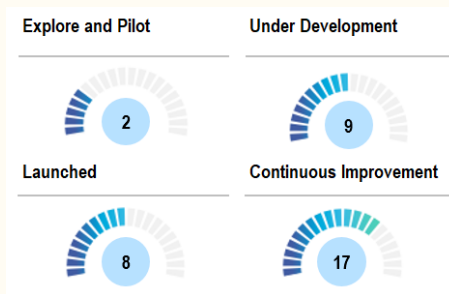
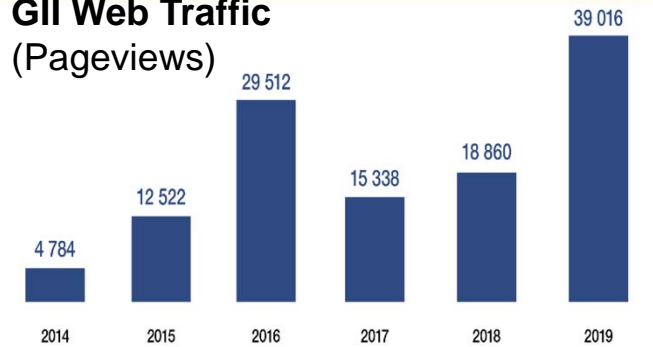# Global Innovation Index 2019
Worldwide Media Pickup

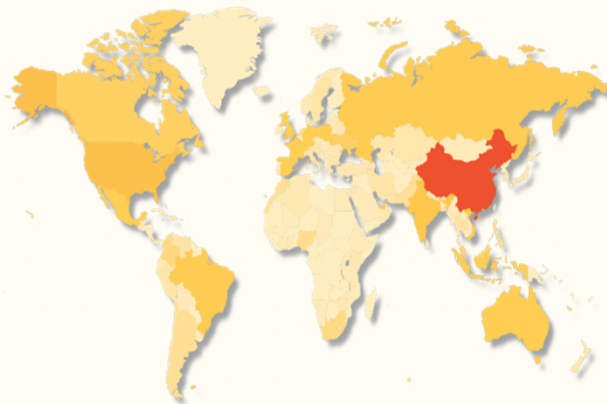**GII 2019: 11,809 articles** (11% increase)

Source: Cision Media Monitoring

GII Web Traffic (Pageviews)

Source: Google Analytics

China: 36% (4108 articles) **/ United States:** 11% (1229 articles) **/**
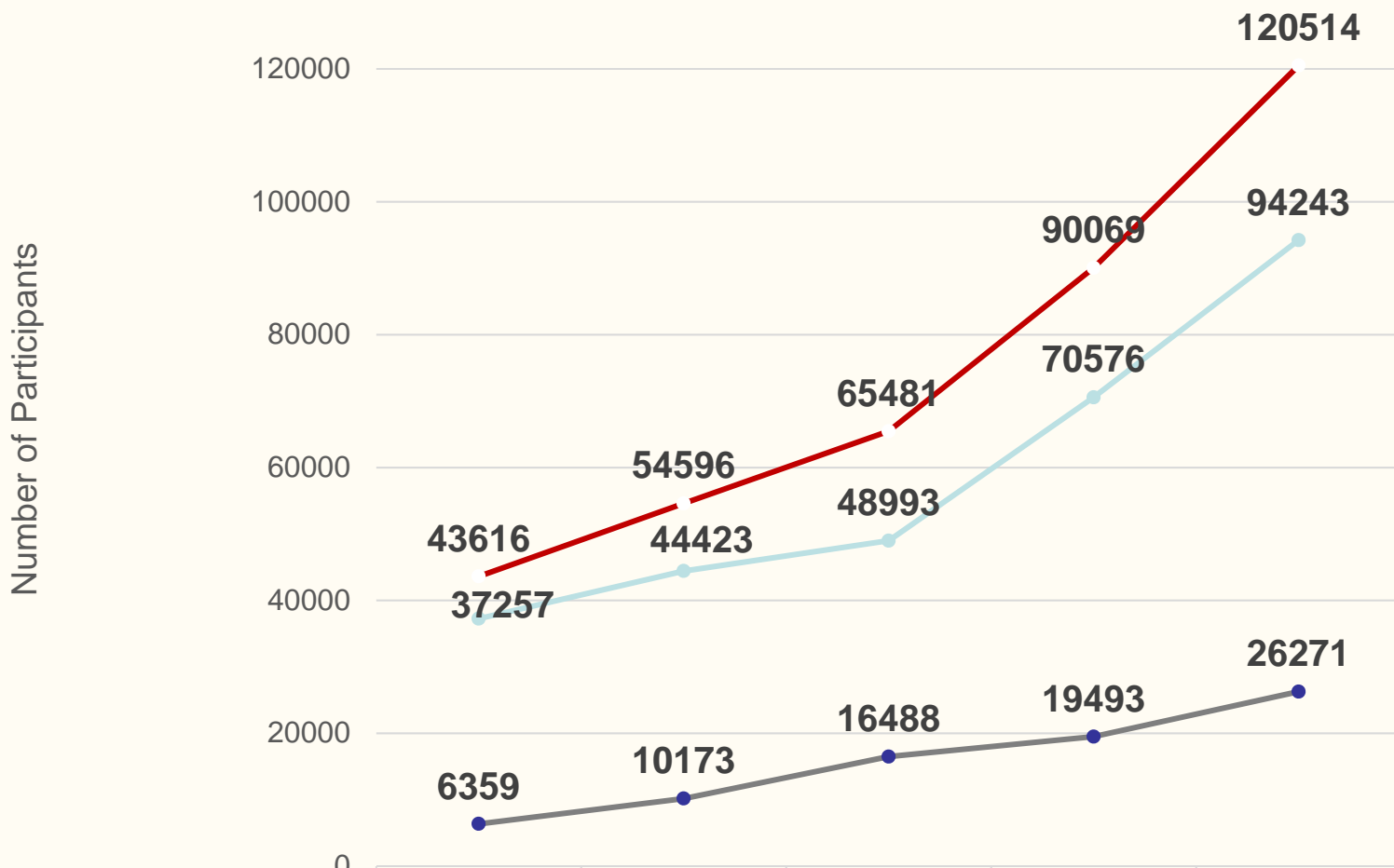**India:** 7% (794 articles)
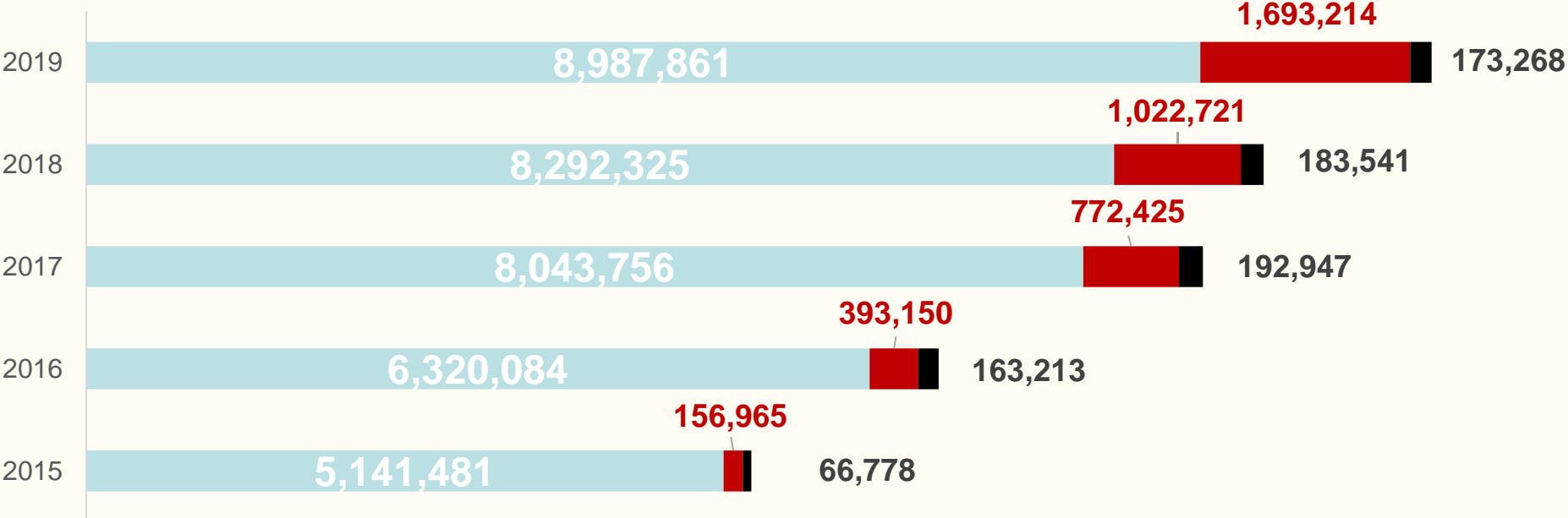

Social Media Activity

320,000+ impressions of GII tweets

WIPO Academy's distance learning courses, 2015-2019

	2015	2016	2017	2018	2019
General DL Courses	37257	44423	48993	70576	94243
Advanced DL Courses	6359	10173	16488	19493	26271
Total Number of Participants	43616	54596	65481	90069	120514

Means of Access to WIPO Academy Platform

	2015	2016	2017	2018	2019
Desktop	5,141,481	6,320,084	8,043,756	8,292,325	8,987,861
Mobile	156,965	393,150	772,425	1,022,721	1,693,214
Tablet	66,778	163,213	192,947	183,541	173,268

■ Desktop ■ Mobile ■ Tablet

Accessible Books Consortium

Consortium between authors, publishers, libraries, blind associations

- ABC Global Book Service
  - 71 libraries for the blind, i.e., Authorized Entities
  - Total catalogue of 620,000 accessible format works in 80 languages
  - 500,000 titles free of clearance formalities under the Marrakesh Treaty

- Inclusive Publishing
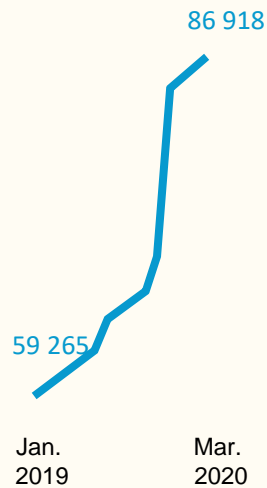 - ABC Charter for Accessible Publishing – over 100 signatories

- Capacity Building
  - projects established in 17 countries from 2015 - 2019
  - 12,700 educational titles produced in accessible formats
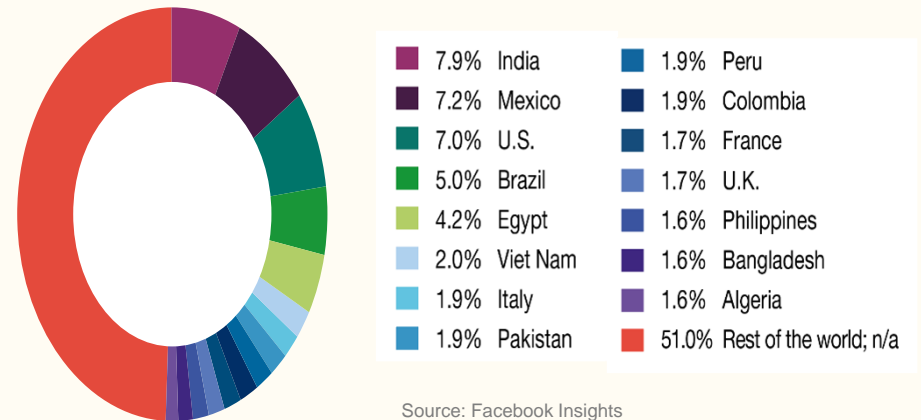
WIPO Re:Search
Membership & Global Reach

147 Organizations

8 Companies

139 Academic, Non-profit and Governmental

42 Countries

6 Continents

Eisai Co., Ltd. ▪ GlaxoSmithKline ▪ Johnson & Johnson ▪ Merck KGaA, Darmstadt, Germany ▪ MSD* ▪ Novartis ▪ Pfizer ▪ Takeda Pharmaceutical Company Limited

*MSD is a trademark of Merck & Co., Inc., Kenilworth, NJ, USA

WIPO's Growing Owned Media Presence

Twitter: Passes **85K** Followers

86 918

59 265

Jan. 2019

Mar. 2020

Facebook: A Global Presence

Page 'likes' by country

|			
7.9%	India	1.9%	Peru
7.2%	Mexico	1.9%	Colombia
7.0%	U.S.	1.7%	France
5.0%	Brazil	1.7%	U.K.
4.2%	Egypt	1.6%	Philippines
2.0%	Viet Nam	1.6%	Bangladesh
1.9%	Italy	1.6%	Algeria
1.9%	Pakistan	51.0%	Rest of the world; n/a

WIPO Wire: Reaching Stakeholders Directly

Organization's **most-popular newsletter**: 19,436 subscribers, six languages.
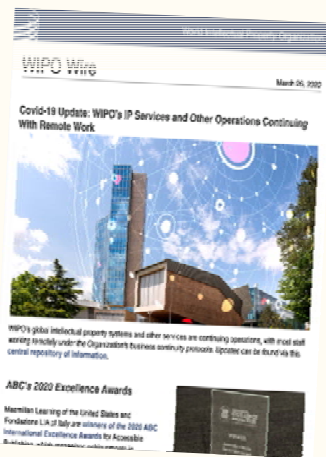
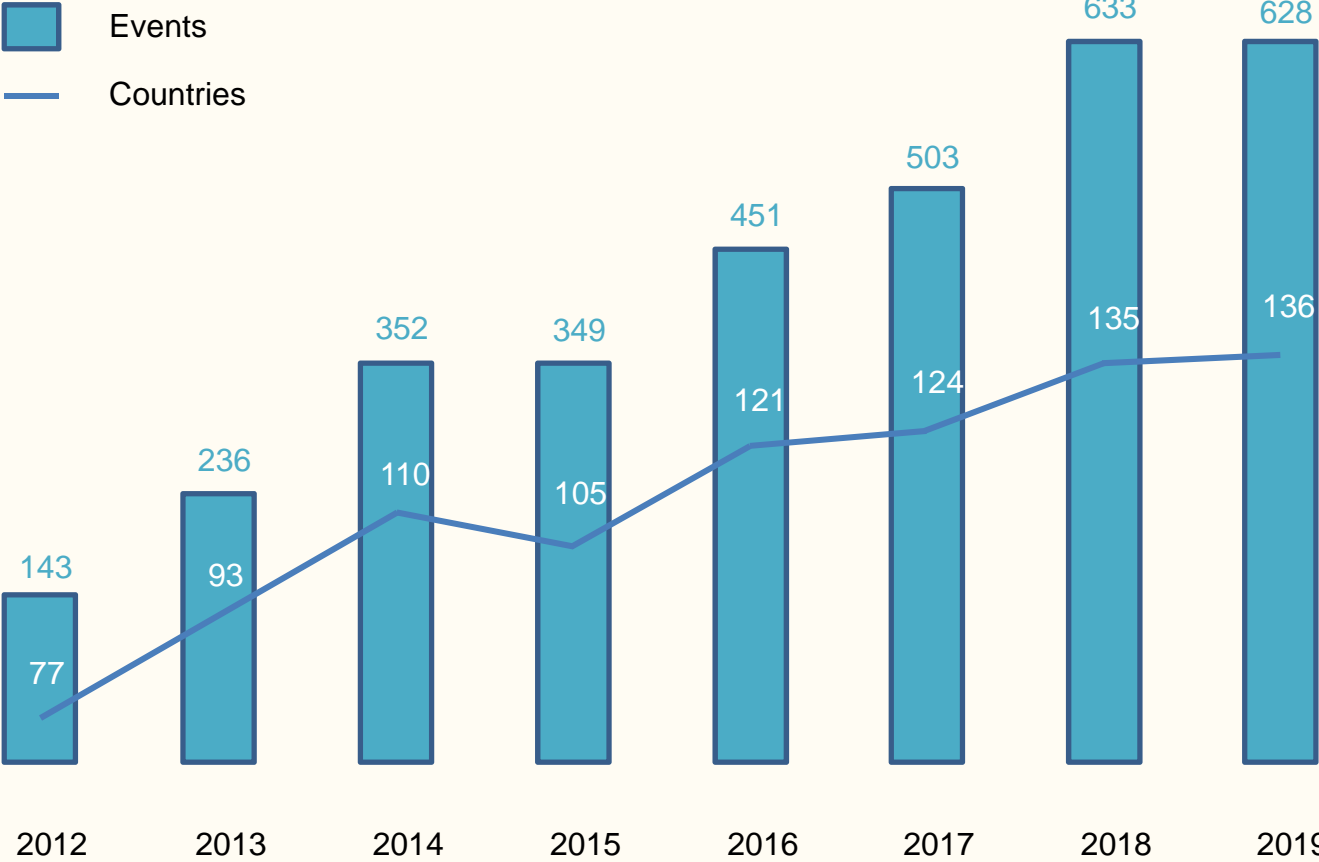**LinkedIn Subscriber Growth**

Subscribers per year

68 560

37 336

Jan 1, 2019

March 27, 2020
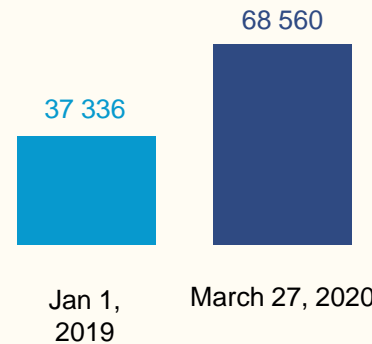
Evolution of Number of World IP Day Events

WIPO FOR OFFICIAL USE ONLY

Some Program Challenges and Highlights in 2020

1. COVID-19 Crisis Management

2. Global IP Systems

3. WIPO Proof

4. Artificial Intelligence Conversation

5. AI Applications and Digital Transformation

6. Entry into Force of Geneva Act of Lisbon Agreement and of Beijing Treaty

7. Global Digital Content Market (September 17 and 18, 2020)

8. Normative Agenda (DLT)

9. Crèche Project

10. Development and Capacity Building – Electronic Delivery

11. Transition

Crisis Management

1. The Current Situation

2. Impact on Operations

3. Financial Impact

4. Some Preliminary Policy Considerations