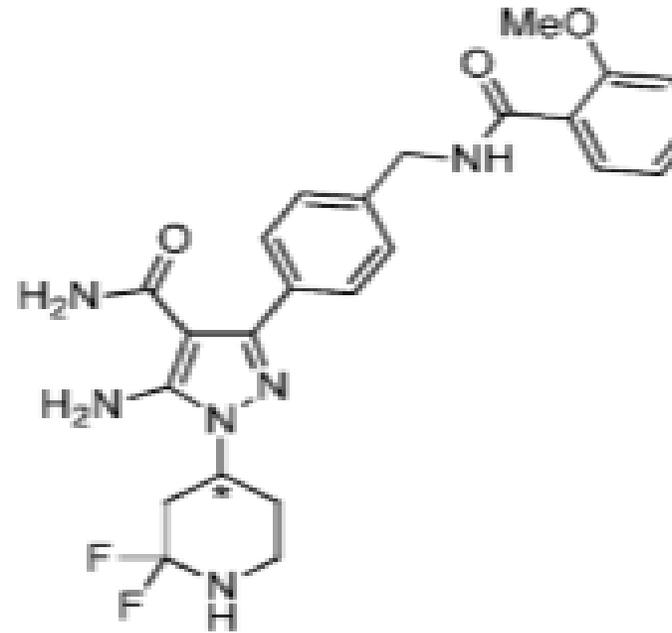
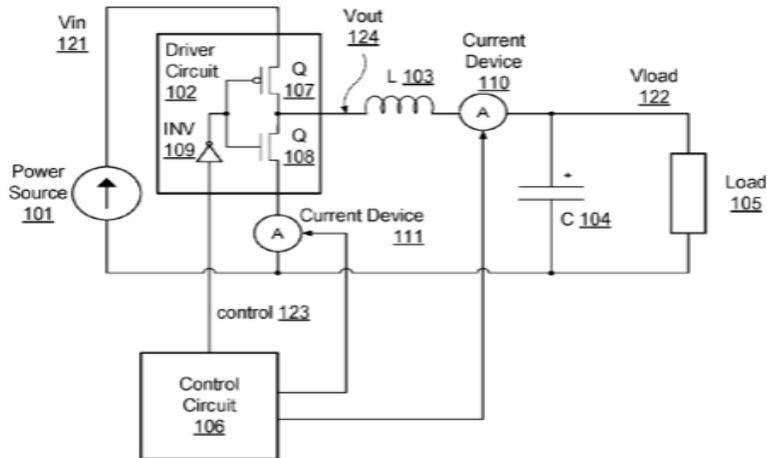


Statutory patents work in developing countries



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December 2018

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- Why bother to have a national office to handle the work; what are the consequences of not doing it?
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Some aims of the patents system

- To reward inventors and disseminate technical information, thereby encouraging invention and innovation
- To provide a protective umbrella for inward investors
- To drive economic growth
- Regarding technical information:
 - Patent documents are published in paper and on the internet. They are one of the world's primary sources of scientific and technical information
 - The patent system allows inventors and applicants a degree of control over the release of their technical information into the public domain

Statutory patents work

- Under modern, TRIPS-compliant law, a patent can only be granted if (amongst other things) the invention is:
 - *new (i.e. not known anywhere in the world)*
 - *not obvious,*
 - *capable of industrial application; and*
 - *not specifically excluded under the law*
- It is the job of *patent examiners* to determine whether these statutory requirements have been met, by searching and examining patent applications

The challenge

- Patents cover inventions in all fields of science and technology
- Major Patent Offices employ large numbers of science, maths and engineering graduates, trained in patent law, to work as patent examiners
- That is not always an option for developing countries

Some options for developing countries

- Grant all applications on request
- Re-register foreign patents as national patents on request
- Contract out all the work to another Patent Office
- Join a regional patent system to pool resources and share the load
- Handle the work by making optimum use of resources at home and abroad
- Do nothing, just let the applications pile up

Some notes on these options

- Granting all Since applications are not examined, the validity of most patents will be unknown, creating a climate of uncertainty and burdens for the courts and public health administrations
- Re-registering Without informed checks, it is clearly not possible to ensure that the requirements of national law have been met; there is no control.
- Contracting out – a workable option. May be more expensive for applicants, and may slow development of local expertise.
- Regional patent systems - demonstrably an excellent option for both developed and developing countries. There are successful regional organizations in *Africa, Eurasia, Europe and the Gulf Arab States*
- Handling the work – the choice of Trinidad and Tobago, discussed below
- Do nothing – the worst option. Nobody knows what's protected, or even what's in the pipeline; and applicants do not receive the services they've paid for



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PATENTS

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How Trinidad and Tobago 'handles the work'

- By making judicious use of all available resources and options, including:
 - as a starting point, referring to any equivalent applications granted in other jurisdictions, checking them against the requirements of national law etc
 - for applications coming through the PCT, checking search and examination reports
 - carrying out prior art searches and examinations on other foreign applications which lie within the competence of the IPO
 - contracting out the search and examination of other foreign applications which lie outside the competence of the national office
 - making full use of the WIPO International Collaboration of Examination (ICE) service for fully drafted applications from local applicants

- *These topics are dealt with individually below*

Check any equivalent foreign applications

- Patents granted on equivalent applications by other Offices (after a full search and examination) can provide a guide as to what inventions are likely to be new and not obvious.
- Equivalent patents are found by matching PCT numbers and/or priority numbers
- Equivalent patents will cite the documents found in the search, which could be useful for getting into the background art
- However it is vital to take into account the particular requirements of national law. For instance, under the law of Trinidad and Tobago, certain inventions cannot be patented (as shown in the following slide). Foreign patent laws may include a different set of exclusions.

Exclusions

Exclusions from patentability

12.—(1) It is hereby declared that the following are excluded from patentability that is to say, anything which consists of—

- (a) a discovery, scientific theory or mathematical method;
- (b) a literary, dramatic, musical or artistic work or any other aesthetic creation whatsoever;
- (c) a scheme, rule or method for performing a mental act, playing a game or doing business;
- (d) diagnostic, therapeutic and surgical methods for the treatment of humans or animals;
- (e) the presentation of information.

(2) A patent shall not be granted for an invention the commercial exploitation of which would be contrary to public order or morality, or which is prejudicial to human, animal or plant life or health, or to the environment, provided that such refusal is not based solely on the ground that the commercial exploitation is prohibited by a law in force in Trinidad and Tobago.

Check search and examination reports of PCT applications

- Favourable Written Opinions and International Preliminary Reports on Patentability are good guides to validity but again the particular requirements of national law need to be taken into account
- Pay attention to exclusion by inference
- In Trinidad and Tobago, software patents are not explicitly excluded but software does fall under the Copyright Act and literary and artistic works are excluded from patentability
- Inventions that incorporate software or require software to produce a technical effect may be entertained

Check search and examination reports of PCT applications

- Even if there is a Favourable Written Opinion and International Preliminary Report on Patentability (IPRP), check which version of the claims they were made on
- In response to an unfavourable Written Opinion of the ISA, applicants may have amended the application, upon which a subsequent favourable IPRP is based. These amended claims may or may not have been filed with the application at the national phase so it must be checked

Search and examine other foreign applications which lie within the competence of the national office

- The TTIPO has some experience with oil and gas patents and access to some local prior art
- There are several sources of free non-patent literature available online for free
- Even if an office does not have access to commercial (expensive) sources of prior art, substantive examination can still be done as it only takes one relevant piece of prior art to anticipate an invention

Contract out the search and examination of other foreign applications outside the competence of the national office

- National offices may enter into agreements with other national patent offices to contract out examination work. This cost is usually borne by the applicant
- There are instances of examination work being contracted out to tertiary institutions and external scientists but this requires very tedious contracts and restricts those scientists from using the patent system themselves
- TTIPO has a contractual arrangement in place with INAPI (National Institute of Industrial Property in Chile) for the search and examination of subject matter outside the competence of the national office and for the conduct of prior art searches for proposed inventions

Make use of the WIPO International Cooperation for Patent Examination (ICE) service for local applications

- The International Cooperation for Examination (ICE) service of WIPO provides search and examination reports for (fully drafted) patent applications filed with industrial property offices in developing countries which have limited substantive examination capacities for the preparation of such reports.
- The reports are prepared by various donor Offices on a pro-bono basis.

Staff required to do this work

- Administrative staff with a training in patent procedures
- Examining staff with a science, maths or engineering degree; and training in patent search and examination

Why bother to have a national office to handle the work?

- Local applicants like having a local face to confer with
- A local examiner is in a much better position to guide applicants regarding inventions based on local knowledge, traditional knowledge and local genetic resources
- There is no better way to grow capacity and competence than case work
- To avoid consequences on not examining files and letting them pile up

What are the consequences of not examining files?

- Undetermined rights present obstacles for users and third parties due to uncertainty as to what may be granted (if anything at all)
- This can impede public health procurement when sourcing generic drugs
- It poses a severe disincentive to investors and entrepreneurs
- It discourages local inventors
- It places the country at risk of cross retaliation measures if complaints lodged at WTO TRIPs Council

Some additional spin-offs

- Expertise gained in handling statutory work has enabled IPO staff:
 - to advise other government departments and pharmaceutical suppliers importing generic medicines, which require knowledge of what is patented and what is expiring when
 - to carry out non-statutory searches for individual inventors, companies, the state, tertiary institutions, inventor competitions etc.
 - to help inventors to fine-tune their inventions to avoid cited prior art
 - to provide guidance for entrepreneurs showing them where IP in general fits into their overall business model and how it can enhance competitiveness
 - to conduct IP clinics for entrepreneurs
 - additional fees can be charged for this kind of work

The revenue incentive

- Patent office revenue is a function of processing fees, rising annual renewal fees (annuities) and volume of work processed
- Patent search and examination is high end technical work and should be costed appropriately
- Modern offices usually turn a profit especially as the retained patents mature and become liable for high annuities
- Annual renewal fees can run from the 2nd year to the 20th year
- Annual renewal fees should be payable even on applications that have not yet been granted. This ensures applications are not sitting blocking trade for free

The TT revenue story

- The new patent law and the office came into being on December 1st 1997
- Gross revenue rose 640% from 1998 to 2018
- 75% of that is attributable to patent revenue, which comes from 7 patent staff including 6 examiners out of 56 total staff. Therefore the patent unit is certainly turning a handsome profit
- Even if an office is not allowed to retain its revenue, growth and progress in developing new revenue streams ought to be reported to those setting budgets to demonstrate the capacity of the office to pay its way and to encourage the release of more resources to the office to enable it to grow its examination capacity

Related issues you may ask about...

- Best practice for prior art searches
- Sources of prior art
- How to begin searching for pharmaceuticals
- Sources for pharmaceutical information
- Post-grant issues, what can happen after grant

Some references

- **WIPO Academy**
 - the centre of excellence for IP education and training for WIPO member states, in particular developing countries.
 - <http://www.wipo.int/academy/en/>
- **TISC program**
 - the WIPO Technology and Innovation Support Centre program provides innovators in developing countries with access to locally based, high quality technology information and related services
 - [http:// www.wipo.int/tisc/en](http://www.wipo.int/tisc/en)
- **e-Tutorial on Using and Exploiting Patent Information**
 - Covers:- Patent Basics; Patent Search and Retrieval; and Patent Analysis
 - <http://www.wipo.int/tisc/en/etutorial.html>
- **Guidelines for Examination in the European Patent Office**
 - a guide for examiners on practice and procedure in handling European patent applications
 - <https://www.epo.org/law-practice/legal-texts/guidelines.html>

End of presentation