



**ASEAN MEMBER STATES-EPO
HEADS OF INTELLECTUAL PROPERTY OFFICES
CONFERENCE**

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Keynote speech:

***"ASEAN-EPO COOPERATION - PAST, PRESENT
AND FUTURE"***

I. INTRODUCTION

His Excellency Prof. Hoang Van Phong, Ambassadors, Director Generals, Ladies and Gentlemen.

- It is both a great pleasure and an honour for me to address such a distinguished audience here today. I would like to thank the Government of Vietnam and particularly the Director General of the National Intellectual Property Office, Dr Tran Viet Hung, for hosting the 6th Heads of ASEAN-EPO Intellectual Property Office Conference in Hanoi.
- I would like first to underline the continuously growing trade and investment flows between Europe and South-East Asia, which have increased more than ten fold since the early 1990s.
- Today, the EU is ASEAN's second largest trading partner, and the ASEAN countries as a group represent the EU's 5th largest trading partner.
- The rapid integration of the ASEAN region into the world trading system has been accompanied by an ever growing demand for effective intellectual property rights protection. According to the statistics, the ASEAN countries taken together received approximately 9.000 invention patent applications in the year 1990; by the year 2008 the numbers have been multiplied by 4 and stood at an impressive 32.000.
- The fact that EPO member states account for approximately 30% of those filings demonstrates the growing attractiveness of the region's technology market for European investors.
- Strong growth in technology export between the two regions underlines the need for even closer ties.
- Let me first remind you a few facts on the EPO. Then I will address the relations between the ASEAN countries and the EPO.

II. ABOUT THE EUROPEAN PATENT OFFICE

- The European Patent Office, which began operations in 1977, is the executive arm of the European Patent Organisation, an intergovernmental organisation that comprises all 27 EU member states as well as 11 non-EU member states, for example, Turkey and Switzerland.
- It is worth mentioning that the EPO is not an institution of the European Union, but an independent and self-funding organisation.
- The EPO grants European patents pursuant to the provisions of the European Patent Convention.
- On 1 October 2010 the European Patent Organisation welcomed Serbia as its 38th member state.

- In addition, Extension Agreements are in force with Bosnia Herzegovina and Montenegro, and on 20 December 2010 the EPO concluded a Validation Agreement with Morocco.
- This means that with a single European patent application, protection can now be obtained in up to 41 countries simultaneously, covering an overall market of more than 600 million people, which is by the way larger than the US, Japanese and South Korean markets combined.
- The EPO employs 7 000 staff, 4 000 of which are highly specialised engineers. They work in four countries: Germany, the Netherlands, Austria and Belgium, and in three official languages: English, French and German.
- In 2010, the EPO received 231 000 patent applications (+9%).
- The granting rate is around 44% which means that nearly 60% of the patent applications will not overcome the examination process, and gives an indication of the quality of the work performed by the EPO.

III. THE EPO'S MISSION AND ITS ROLE IN THE WORLD

- High quality patents offering maximum legal security, and protecting the interests of both innovators and the public, are the cornerstone of a patent system which is fit for purpose.
- If the EPO's standing as one of the leading patent granting authorities in the world is to be upheld, we must focus our energies on maintaining the strength of our procedures, and if possible, improve upon the already high quality of the EPO's search and examination procedures.
- However, in a globalised patent system quality can not be improved in isolation or through individual effort alone.
- What is required is a concerted effort at the international level to enhance the quality of patent examination and to guarantee the stability of patent rights.
- An example for our strong commitment for international cooperation is the recent agreement reached with the United States Patent and Trademark Office over the creation of a common classification system for patents and patent literature on the basis of the European classification system - ECLA. This agreement certainly constitutes a milestone achievement as it will allow not only the IP5 offices (USPTO, SIPO, JPO, KIPO and EPO) to move forward in a key area of their co-operation, but it may become a world standard.
- Principal Director Wim van der Eijk will present the details of IP5 collaboration later on.
- What is important to note in this context is that the EPO's commitment to improving quality in the global patent system is not limited to the IP5 countries.
- In fact, the EPO aims to promote quality together with main emerging partners, like Brazil, China or the ASEAN countries.
- As you know, we are all facing similar challenges, in particular backlogs.

- As a result, work-sharing or utilisation networks have been springing up around the world, including in this region, as patent offices are looking to increase their efficiency by cutting waste and duplication.
- Hence, the EPO has a role to play not only in fostering innovation in Europe, but also in creating a global patent system that facilitates the granting of high quality patents as a result of the most thorough examination process, while at the same time effectively disseminating related patent information as widely and as user-friendly as possible.
- There is a tendency, when talking about patents, to focus on the grant side. But in economic terms the dissemination of information is at least as important.
- In addition, there seems to be a growing awareness that patents are not only a useful tool for promoting innovation, but also for steering it. Part of public opinion questions the inherent benefits of the IP system for the economy and society at large.
- IP Offices have to face these debates and act accordingly.
- Under my Presidency, the EPO will reinforce its efforts in this direction.
- I will just mention the joint study we realised with the United Nations Environment Program and the International Centre for Trade and Sustainable Development on the relationship between patents and the development and transfer of clean-energy technologies. The presentation of this study was really appreciated at the Cancun session of the UN Conference on Climate Change last December. It provided evidences about the useful role of patents in the fostering of innovation in this particular area

IV. ASEAN-EPO Co-operation - Past, Present and Future

- I would like to emphasise that the EPO is particularly proud of its good relations with the ASEAN countries, which are the result of almost 20 years of prolific co-operation. Commencing in the early 1990s with the EPO's joint implementation of the first ECAP project, our co-operation has since then yielded a multitude of important results with direct benefit to the users of the IP system and the economy as a whole.
- One can only congratulate the ASEAN member states for the tremendous progress they have made in building IP systems that are fit for purpose and that meet the requirements of the wider user and innovation community.
- As a result of the recent formulation of dedicated IP strategies and policies, which are aimed at promoting IP as an economic tool to stimulate innovation in a knowledge-based economy, many ASEAN countries are becoming more competitive players in the globalised economy as domestic patenting activity is gradually increasing and eventually spread to other countries and regions in search of even bigger markets.
- Whilst there are naturally differences between a group of 10 countries with very different socio-political, linguistic and cultural characteristics, one can nonetheless sense a growing determination across the region to progress

together in creating an IP system that matches the ambitions and requirements of the ASEAN Economic Community Blueprint.

- The result is that the filings are steadily increasing, so that the patent offices must be given the necessary resources by their governments to expand their capacities in line with the growing workload.
- There are, of course, several ways for strengthening the capacities of IP offices. An obvious one is to recruit more examiners.
- A complementary approach would be to increase the efficiency and productivity of existing resources by streamlining and automating the administration process whilst sharing work with other offices more systematically.
- As a highly specialised international organisation serving 38 member states, the EPO has both unique expertise and extensive experience in administering a complex regional patent system, including search and examination, classification, information dissemination and all the other crucial areas.
- In our co-operation with the ASEAN countries, we are happy to share this expertise as it may benefit others. EPOQUE.Net and GPI are good examples in this respect.
- In South-East Asia, we would like to harness the exceptionally mature and trustful relations we have established with our partners by raising the quality and scope of our co-operation to a higher level.
- In essence, my proposal would be to forge an enhanced partnership with a view to becoming strategic partners in the future development of the global patent system.
- This could be done at the regional level, complementary to the bilateral relations that EPO can develop with specific countries. This regional approach could be based on the following principles:
- First of all, the careful formulation of common co-operation objectives. For any partnership to be both successful and mutually beneficial, it requires a clear co-operation framework and a set of common goals. A partnership will begin to truly flourish if the parties are both aware of each other's interests and committed to pursuing the common ones in a united fashion.
- Secondly, shared values and principles. Our enhanced partnership shall be based on a common commitment to improving quality and efficiency in the global patent system, in the interest of the wider innovation community.
- Our co-operation activities shall be characterised by the principles of partnership and reciprocity.
- Thirdly, the conscious invocation, utilisation and promotion of each other's core strengths and best practices with a view to increasing the operational efficiency and capacity of both parties. In other words, if you have developed, for instance, a particularly effective software or administration tool for a certain technical

problem which we have as well, we might simply adopt your solution instead of investing considerable time and resources in developing our own.

- Fourthly, the implementation of needs-oriented and thoroughly designed projects, rather than individual activities with vague objectives and evaluation criteria.
- And finally, joint strategic thinking and planning, and the development of common positions on international issues related to the development of the patent system.
- Perhaps the time has come for a more holistic approach, whereby the network of bilaterals - which will continue to constitute the backbone of EPO co-operation in the region - is complemented by a regional co-operation programme with the ASEAN countries as a group.
- I look forward to discussing these ideas further with you. Thank you for your attention.