

DATE: MARCH 3, 2011

Committee on Development and Intellectual Property (CDIP)

Seventh Session
Geneva, May 2 to 6, 2011

REVISED PROJECT ON PATENTS AND THE PUBLIC DOMAIN

Document prepared by the Secretariat

- 1 At the fifth session of the Committee on Development and Intellectual Property (CDIP), held from April 26 to 30, 2010, in relation to the Project on Intellectual Property and the Public Domain (document CDIP/4/3 Rev.), it was decided that the Secretariat would prepare a project proposal which would, *inter alia*, address the following three elements concerning patents and the public domain: (1) the important role of a rich and accessible public domain; (2) the impact of certain enterprise practices in the field of patents on the public domain; and (3) possible norm-setting activities at WIPO on the public domain. The Secretariat therefore submitted a project proposal at the sixth session of the CDIP held from November 22 to 26, 2010 (document CDIP/6/5). The Committee discussed that document and requested the Secretariat to submit a revised project document for its seventh session.
- 2 The Annex to this document contains the said revised project proposal, as requested.
- 3 The CDIP is invited to consider and approve the Annex to this document.

[Annex follows]

DEVELOPMENT AGENDA RECOMMENDATIONS 16 AND 20

PROJECT DOCUMENT

1. SUMMARY	
Project Code:	DA_16_20_02
Title:	Patents and the Public Domain
Development Agenda Recommendation(s):	<p>Recommendation 16: Consider the preservation of the public domain within WIPO's normative processes and deepen the analysis of the implications and benefits of a rich and accessible public domain.</p> <p>Recommendation 20: To promote norm-setting activities related to IP that support a robust public domain in WIPO's Member States, including the possibility of preparing guidelines which could assist interested Member States in identifying subject matters that have fallen into the public domain within their respective jurisdictions.</p>
Brief Description of Project:	<p>This project examines and explores the following elements relating to patents and the public domain: (1) the important role of a rich and accessible public domain; (2) and the impact of certain enterprise practices in the field of patents on the public domain. It will supplement the findings of the Study on Patents and the Public Domain which has been undertaken under Project DA_16_20_01, and will take a next step towards further implementation of Recommendations 16 and 20.</p>
Implementing Program(s):	Program 1
Links to other related Program(s)/ DA Project(s):	<p>Programs 8, 9,10 and 16</p> <p>Project on Intellectual Property and the Public Domain (DA_16_20_01)</p>
Links to Expected Results in the Program and Budget:	Greater awareness of the legal principles and practices, of the patent system, including the flexibilities existing in the system, and enhanced understanding and further clarification of current and emerging issues that arise in relation to patent-related matters (Program 1).
Project Duration:	24 months (will need to be revised if the committee agrees to remove Phase II: perhaps 12 months would be an adequate timeframe)
Project Budget:	Non-personnel costs: 148,000 Swiss francs (will need to be revised if the committee agrees to remove Phase II)

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2. PROJECT DESCRIPTION

2.1. Introduction to the Issue/Concern

With a view to addressing the challenges raised under Recommendations 16 and 20, as decided at the fourth session of the CDIP, a Study on Patents and the Public Domain that focuses on patents and the role of patent information in the identification, access and use of public domain materials has been undertaken under Project DA_16_20_01 (document CDIP/4/3 Rev.). That study examines the patent system and its relationship to a rich and accessible public domain at the macro level: for example, how does the patent system, in general and as a whole, interplay with the preservation of the public domain?

The present companion project proposes to study the effect of the patent system in the context of the public domain at the micro level, i.e., how do individual actors of the patent system actually behave in making choices over using, or not using, exclusive patent rights, and how those behaviors affect the public domain.

In the recent past, sophisticated patent portfolios and patent strategies have been developed by enterprises to support their business strategies and goals. For instance, so-called non-practicing entities obtain patents on technology they develop (e.g., academic research institutions) but commercialize their inventions through others, or purchase patents from others who have developed the inventions. Their business model is to solicit royalty payments through licenses from companies that make or use products or services incorporating technologies covered by the patents in question. In other cases, some enterprises donate patents for royalty-free use by anyone, and place them in a searchable on-line database. Further examples of enterprise practices that might affect the public domain include the practice of patenting incremental improvements over an earlier more basic invention. With a view to addressing the issues raised under Recommendations 16 and 20, understanding how certain uses of patents by enterprises affect the preservation of the public domain should be useful for deepening the analysis on the complex relationship between the patent system and the public domain.

2.2. Objectives

The overall project objective is established by Recommendations 16 and 20 of the WIPO Development Agenda. Building upon the findings of the Study on Patents and the Public Domain being undertaken under Project DA_16_20_01, this project will further the analysis of the relationship between the patent system and the public domain. In particular, the project will enhance understanding of the impact of certain enterprise practices in the field of patents on the public domain and the important role of a rich and accessible public domain.

2.3. Delivery Strategy

In order to achieve the objectives indicated above, the project would consist of a micro level study on patents and the public domain, which will analyze, in particular, the impact of certain enterprise practices in the field of patents on the public domain and the important role of a rich and accessible public domain. Topics proposed to be studied include the following:

- Non-practicing entities
- Patenting incremental improvements
- Patent donations

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Deleted: patent trolls who enforce patents against alleged users of the patented technology in aggressive ... [3]

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Deleted: patent thickets, attempts to extend the term of protection by reclaiming substantially the same su ... [4]

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- Defensive protection through the publication of patent applications
- Placing patents into the public domain
- And combinations thereof

The study will include case studies and empirical analysis which may be based on, for example, literature surveys. Such analysis should take into account the specific legal, social and business environment in which business activities are conducted by enterprises, including legal mechanisms that exist under current law (e.g., antitrust law, rules of civil procedure) to curb questionable practices. In analyzing such practices, the study should also address relevant national policy frameworks in which the business in question is conducted. The study will be conducted in a balanced, neutral manner that reflects a broad spectrum of views.

It is proposed that the micro level study be undertaken once the Study on Patent and the Public Domain under Project DA_16_20_01 is finalized (first quarter of 2011), in order to avoid duplication or gaps with respect to the contents of two studies.

The findings and conclusions of the study will be reported to a future session of CDIP.

Comments from the Member States, civil society and NGOs on the completed study will be solicited and appended to the study in original languages.

3. REVIEW AND EVALUATION

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It is expected that the above two studies provide Member States with comprehensive information on the subject. Therefore, during the second phase of the project, taking into account the findings of the Study on Patents and the Public Domain and of the micro level study prepared under Phase I, Member States will explore the possibility of considering the issues relating to patents and the public domain in norm-setting activities with a view to supporting a robust public domain. ¶
As a first step, an expert's panel or a conference on patents and the public domain will be organized during the first quarter of 2013. That event would further develop the findings of the studies, and would explore any ideas and suggestions that could promote norm-setting activities related to patents that support a robust public domain in WIPO's Member States. The findings and the conclusions of the studies and the event will be reported to a future session of the CDIP. Taking that report into consideration, Member States may decide on additional activities that might be undertaken to implement the Recommendations.

Project Outputs	Indicators of Successful Completion (Output Indicators)

Project Objective(s)	Indicator(s) of Success in Achieving Project Objective (Outcome Indicators)

Year	2015	2016	2017	2018
Indicator 1:
Indicator 2:
Indicator 3:
Indicator 4:
Indicator 5:
Indicator 6:
Indicator 7:
Indicator 8:
Indicator 9:
Indicator 10:

4. IMPLEMENTATION TIMELINE

ACTIVITY	QUARTERS									
	2011				2012				2013	
	1 st	2 nd	3 rd	4 th	1 st	2 nd	3 rd	4 th	1 st	2 nd
REVIEW SCHEDULE										X

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5. BUDGET (non-personnel resources)

Table 1 – Project Budget by Cost Category and Year: The budget will need to be revised if amendments to the project are approved

Cost Category	Budget (Swiss Francs)			
	2011	2012	2013	Total
<i>Travel and Fellowships</i>				
Staff Missions				
Third-party Travel			90,000	90,000
Fellowships				
<i>Contractual Services</i>				
Conferences			8,000	8,000
Experts' Honoraria	20,000	20,000	10,000	50,000
Publishing				
Others				
<i>Equipment and Supplies</i>				
Equipment				
Supplies and Materials				
TOTAL	20,000	20,000	108,000	148,000

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At the same session of the CDIP, in the context of the discussions regarding the Study on Patents and the Public Domain under Project DA_16_20_01, the Delegation of Bolivia, in particular, stated that, while intellectual property could be a tool to enrich the public domain, some practices in the field of patents could sometimes also be a tool that negatively affected the public domain. On the other hand, the Delegation of the United States of America stated that a patent practice study would best be handled in the Standing Committee on the Law of Patents (SCP). Following some discussions, at the fifth session of the CDIP, it was decided that the Secretariat would prepare a project proposal which, *inter alia*, would address the following three elements concerning patents and the public domain: (1) the important role of a rich and accessible public domain; (2) the impact of certain enterprise practices in the field of patents on the public domain; and (3) possible norm-setting activities at WIPO on the public domain.

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In a nutshell, the above concerns raised by the Delegation of Bolivia and some other delegations during the previous sessions of the CDIP relates to

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patent trolls who enforce patents against alleged users of the patented technology in aggressive or opportunistic ways have emerged

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patent thickets, attempts to extend the term of protection by reclaiming substantially the same subject matter,

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In addition, the project explores the possibility of considering the issues relating to patents and the public domain within norm-setting activities that support a robust public domain.

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is divided into two phases.

Phase I: Micro level study on patents and the public domain

The first phase of the project consists in undertaking

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practices that could enhance benefits of a rich and accessible public domain or, where that is not the case, that may encourage a robust public domain

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