

# SCIT.ATR.PI.2007.HU

## Annual Technical Report 2007 on Patent Information Activities submitted by Hungary (SCIT /ATR/PI/2007/HU)

Where URLs are requested below, it is preferred that either URLs which are likely to remain stable over time (three years or more) are provided, or home (main) page URLs are provided with a short explanation of how to access the corresponding information.

The term "patent" covers utility models and Supplementary Protection Certificates (SPCs). Offices which issue design patents should report their design patent information activities in their Annual Technical Reports on Industrial Design Information Activities.

### I. Evolution of patent activities

#### PREPARATION OF LEGISLATION

The HPO performed its functions and responsibilities concerning the preparation of intellectual property-related legislation and analysis of legal practice with initiative and in a comprehensive and efficient manner. The majority of the tasks concerning the preparation of legislation focussed on codification and supplementary duties related to Hungary's membership of the European Union, the European Patent Organisation and the World Intellectual Property Organization as well as on the preparation of amendments to legislation affecting the HPO and connected with the restructuring of governmental organisations. Also an important objective was to streamline and refine procedural rules, based on legal practice, in order to satisfy the needs of clients more efficiently.

The HPO prepared the bill on the amendment of certain industrial property laws, which resulted in the adoption of Act XXIV of 2007 amending certain acts on industrial property. The amendment entered into force on 1 May 2007. It re-regulated the legal status of the HPO and laid down rules necessary for the implementation of certain European Community regulations.

A Government decree was adopted containing rules on the electronic filing of patent, utility model and design applications and requests for the renewal of trademarks: Government decree 147/2007. (VI. 26.) Korm. on the detailed rules of the electronic filing of certain industrial property applications entered into force on 1 July 2007.

Government decree 26/2004. (II. 26.) Korm. on the rules necessary for the implementation of European Community regulations concerning the supplementary protection of certain products had to be amended. The amendment Government decree 264/2007. (X. 10.) Korm. entered into force on 25 October 2007.

Taking into account the entry into force of the European Patent Convention as revised in 2000 on 13 December 2007, it has become necessary to prepare the bill on the promulgation of the revised text already ratified and to modify the Patent Act in accordance with the revised text. It has become timely to accede to the Patent Law Treaty that entered into force in 2005 and to make the ensuing legislative amendments affecting first of all the Patent Act. Promulgation of the implementing rules relating to these two international treaties was also put on the agenda. These tasks were fulfilled with the adoption of the following pieces of legislation: Act CXXX of 2007 on the promulgation of the text of the European Patent Convention as revised in 2000; Government decree 319/2007. (XII. 5.) Korm. on the promulgation of the Implementing Regulation to the European Patent Convention as revised in 2000; Act CXXXI of 2007 on the promulgation of the Patent Law Treaty adopted in Geneva on 1 June 2000; Government decree 320/2007. (XII. 5.) Korm. on the promulgation of the Regulations under the Patent Law Treaty; Act CXLII of 2007 amending certain acts on industrial property.

#### Hungarian Council for the Protection of Intellectual Property

During the six years since its establishment, the Hungarian Council for the Protection of Intellectual Property (hereinafter referred to as the "Council") has grown into a body playing an orientating role in the intellectual property profession. Its activity has helped the work of central public administration and commanded keen international interest. The activity of the Council is re-regulated by Article 115/F of Act XXXIII of 1995 on the protection of inventions by patents that entered into force on 1 May 2007.

In compliance with its agenda, the Council held four meetings. It discussed and adopted:

- the report on its activity in 2006;
- the report on the medium-term science, technology and innovation strategy of the Government and the innovation-related priorities of the Operational Programme for Economic Development;
- the report on the copyright aspects of the Hungarian strategy of conversion to digital broadcasting;
- the report on the introduction of the HPO's enterprise-friendly industrial property and copyright services;
- the proposal on the intellectual property aspects of the new Civil Code;
- the report on EU initiatives relating to the development of the European patent system;
- the report on the HPO's strategy on institution strengthening for 2007-2010;
- the report on the entry into force of the European Patent Convention as revised in 2000 and on the ensuing tasks and measures.

For the September meeting of the Council, a discussion paper was prepared on the current intellectual property-related issues of the publishing and selling of books. In this context, the HPO and the Council drew up a joint questionnaire entitled "Questionnaire on the status of book publishing and selling in the light of current issues of copyright and intellectual property protection". This serves as a basis for a survey aiming at the intellectual property aspects of the book industry and covers the most important publishers and sellers. The purpose of the survey is to give an overview of the relations between copyright and other titles of intellectual property protection and publishing and selling of books, to draw up a status report and to initiate the necessary measures.

Preparations were completed for the publication of the third volume of the "White Paper on the Protection of Intellectual Property", a series launched in 2005 by the HPO and the Council. The volume devoted to the timely issues of intellectual property protection contains the HPO's medium-term strategy on institution strengthening, publishes a selection of international strategies, deals with the establishment of the National Board Against Counterfeiting and addresses issues of collective rights management.

The quarterly "Newsletter on intellectual property protection", a joint publication of the HPO and the Council, entered its fourth volume. It sums up news and current information affecting the fields of industrial property and copyright. The aim of the publication is to acquaint in a concise form responsible political and professional decision-makers and players of the economy and culture with current national and international issues of intellectual property protection.

## Body of Experts on Industrial Property

The Body of Experts on Industrial Property acted in the matter of 17 requests and commissions. An expert opinion was prepared in 11 cases and a guiding position was issued in a single case. One request was withdrawn, thus 4 cases are pending in which the procedure could not be carried out for lack of the commissioning entity's procedural act. Mainly economic entities, courts and individuals commissioned the Body. The majority of requests related to the remuneration due to the inventor of service inventions and to other disputes over remuneration.

## Body of Experts on Copyright

The Body of Experts on Copyright received 44 requests. The number of requests received in 2006 and continued in 2007 was 3 and the number of expert opinions issued for supplementary requests in previously commenced cases amounted to 5. Analysing the range of entities requesting an expert opinion it turns out that the majority of requests were received again from the courts (21) and from the police (7). It is worth mentioning that the number of private requests increased (14). Two requests were received, one each from a central administrative authority and a budgetary organ. The requests and commissions concerned a wide spectrum of copyright and related rights (e.g. cartographical work, photograph, digital broadcasting, software, architectural design, etc.).

## OFFICIAL EXAMINATION AND PROCEDURES IN INDUSTRIAL PROPERTY MATTERS

### OFFICIAL ACTIVITY

The estimated number of applications within the framework of the international patent cooperation treaty (PCT) designating Hungary, but not including those which request national procedure, was 156 100. This represents an increase of 4.7% compared with the previous year. In the years following accession to the European Patent Convention on 1 January 2003 Hungary received a continuously increasing number of matters relating to granted European patents. The HPO received 1648 requests for validation of European patents. Since our country's accession to the European Union on 1 May 2004, the effect of Community protection systems has extended to Hungary as well.

As a result of Hungary's accession to Community and European protection systems, the total number of industrial property applications filed following the national route, domestically and directly with the HPO from abroad, decreased proportionally as expected. The decrease was due first of all to a decline in the number of international (PCT) applications entering the national phase and to the low number of foreign patent applications filed following the national route, as foreign applications shifted over to the centrally managed European or Community routes which also give valid rights in Hungary.

The number of patent applications filed by domestic applicants has been around 700 for years. The low patent activity is closely related to the insufficient intensity of Hungarian innovation and research and development, with the Hungarian economy's lack of awareness of the industrial property system and with property relations.

Although the number of applications filed by Hungarian enterprises abroad was extremely low, there was a promising increase in the case of certain titles of protection.

The figures of the industrial property activity of foreign applicants in Hungary indicate the international interest in the Hungarian economy and market and its international competitiveness. There was a significant growth in the number of requests for the validation of European patents in Hungary: 1648 requests for the validation of European patents were received, almost 70% more than in the previous year.

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Although as a result of Hungary's accession to the European and Community protection systems, a decreasing tendency could be noticed in the number of foreign applications filed directly with the Hungarian Patent Office, the amount of protection obtained by foreign applicants and extending to the territory of Hungary increased in total. Hungarian enterprises producing for the domestic market have to respect Community and European protection effective in Hungary as well. Accession to Community and European protection systems has generated new official tasks. The number of requests for the validation of European patents surpassed 1600.

### PATENTS

The number of applications within the framework of the international patent cooperation (PCT) designating Hungary further increased, exceeding 156 000. The HPO received 1648 matters claiming validation of European patents in Hungary, of which 13 were translations of patent claims. The number of requests for validation increased by 69% compared with the previous year. The number of requests for validation will probably grow further as Hungary was designated in an increasing amount of applications (19 642) for which the EPO granted a European patent.

The HPO received 791 new patent applications filed following the national route. The number of domestic applications, remaining at the level of the previous year, was 686. Of the domestic applications 68% came from individuals and 32% from enterprises. It is a promising fact that the number of applications filed by enterprises increased by almost 10% compared with the previous year. The number of direct applications made by foreign applicants and the number of international (PCT) applications entering the national phase further decreased in accordance with the forecasts, as these applications shifted over to the European route.

The patent granting procedure was completed in 2547 cases, 11 263 cases are still pending. The number of pending cases is down by 1756 compared with the previous year. Granted patents represented 25% of the total number of processed applications. More than 1800 applications lapsed, mainly as a result of non-payment of the annual fee.

The breakdown of patent applications by technical field shows a decreasing concentration. Of the 791 patent applications 16% filed following the national route were received from the field of pharmacy and 16% from the engineering industry. Of the applications 61% were from five technical fields: pharmacy, machinery, instruments, metal products and other industrial products.

The HPO validated 1579 European patents, in 4 cases the procedure was terminated and 248 validation cases are pending.

Regarding countries of origin of requests for the validation of European patents in Hungary, German applicants ranked first, followed by US and French applicants. The concentration of requests for validation by technical field is very high: 72% of the requests came from 3 technical fields (human necessities, industrial operations, chemistry) and 28% of the total requests originated from one field, chemistry. The highest numbers of requests for validation of European patents in Hungary were filed by BASF AG (44), followed by F. Hoffmann-La Roche AG (23) and AstraZeneca

(13).

After a low-point in 2005, the number of valid patents further increased as a result of a growth in the number of validated European patents. It totalled 10 306, 968 more than in the previous year. Valid patents granted following the national route amounted to 7753, and the number of validated patents was 2553. Pharmacy takes the first place with respect to valid patents, 35% of the total were concentrated in this technical field. Next was machinery with a share of 11%.

Of the right-holders 88% were foreigners, among them German (25%) and US (16%) ranked first. Only 1191 valid patents (12% of the total) were owned by Hungarians.

The highest number of valid patents granted following the national route are owned by large foreign companies: Ciba-Geigy AG., Hoechst AG., American Cyanamid Co., AVENTIS PHARMA S.A., Bayer AG., BASF AG., Eli Lilly and Co., Pfizer Inc., Syngenta Participations AG., Novartis AG.

A significant number of valid patents, 41%, are „middle-aged“, 10-15-year old. 26% are younger than 5 years; mainly European patents validated after Hungary's accession to the EPC on 1 January 2003 belong to this age group.

Thirteen board cases (12 revocation and 1 non-infringement procedures) were completed, 6 new revocation procedures and 4 new non-infringement procedures commenced. The number of cases pending before a board was 14 (8 revocation and 6 non-infringement procedures).

The examiners at the HPO performed 1107 novelty searches. They contributed to industrial property training, provided services and information to clients, carried out methodological and promotion activity.

In order to maintain the expertise of patent examiners and international references, the HPO undertook within the framework of bilateral agreements (e.g. with the Slovenian and Macedonian offices) to perform search and examination in the English language in the region. Within this framework the HPO carried out 374 searches, 755 examinations and 100 so-called second examinations.

As a condition of operating as an office providing quality services and of participating in the international division of patent work, the HPO, since 1 January 2007, has carried out patent searches and substantive examinations within the framework of a quality management system. The established system is run and continuously fine-tuned on the basis of experience. In order to receive feedback about customer needs Customer satisfaction surveys were conducted regularly regarding all types of protection.

Since 2004 a new title of protection, the supplementary protection certificate (SPC) for medicinal and plant protection products has been available to applicants. 9 new applications were received, 10 certificates were granted and there were 10 rejections. The number of pending cases was 58.

#### PLANT VARIETY PROTECTION

The HPO received 24 new applications for plant variety protection. Protection was granted in 26 cases, 21 cases ended with a lapse, thus 123 cases were pending at the end of the year. After Hungary's accession to the European Union, the effect of Community plant variety rights extends to Hungary as well. In 2007, the Community Plant Variety Office received altogether 2618 applications for Community plant variety rights; Hungarian applicants filed only 3 such applications.

#### UTILITY MODELS

In 2007, only 221 utility model applications were filed with the HPO following the national route, 22% down on the previous year. The decrease may be attributed solely to a decline in the activity of domestic applicants, as the main users of this title of protection (86%). 71% of utility model applications filed following the national route came from individuals.

In 2007, altogether 260 utility model procedures were completed: protection was granted in 147 cases, there were 12 rejections and 101 withdrawals. The HPO received 8 new requests for revocation and 2 for a declaration on non-infringement. The procedure was completed in 9 revocation and 3 non-infringement cases. At the end of the year, 9 cases were pending before a board.

#### COURT REVIEW OF THE DECISIONS OF THE HUNGARIAN PATENT OFFICE

With respect to patents, the number of requests for review decreased compared with the previous year's figure. Considerably less requests were settled within the HPO's own competence, while the number of requests submitted to the Metropolitan Court increased. As to utility models, the amount of requests did not change. As regards patents and utility models, the number of orders slightly rose. As regards patent matters, the proportion of orders rejecting the request for review increased.

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## II. Matters concerning the generation, reproduction, distribution and use of primary and secondary sources of patent information

In the 112th volume of the Gazette of Patents and Trademarks, 12 issues containing altogether 3244 pages were published. Within this, the official columns amounted to 3015 pages, and the so-called literary section to 229 pages. From January 2008 on, the Gazette has been published twice a month, providing more favourable conditions for shortening the registration period of the special accelerated trademark procedure.

In compliance with Article 13(1) of Act XC of 2005 on the freedom of electronic information, from 1 January 2006 the Gazette has been published electronically, with electronic signature ensuring authenticity, accessible free of charge and in a full text searchable PDF format on the website of the HPO. The whole Gazette, as well as the columns themselves, is downloadable. There was a great interest in the Gazette: the monthly published files were downloaded from the website in 330 936 cases, surpassing by 80% the previous year's figure. 46% of the downloads were started from the English version of the website. The HPO provides printed copies of the Gazette subject to the individual orders of the clients, at production cost.

It was the second year that the Industrial Property and Copyright Review was published as an independent publication with a renewed appearance. This bimonthly periodical comprised altogether 1003 pages. Of the columns, "Studies" made up the biggest volume, followed by "International survey" and "Legal cases". The periodical is also accessible electronically on the HPO's website, with a half-year delay.

### **III. Matters concerning abstracting, classifying, reclassifying and indexing of technical information contained in patent documents**

#### **IV. Search file establishment and upkeep**

By enriching and fine-tuning the NAGIOS automatic monitoring system, the HPO made further steps towards the improvement of functional security. Striving for controlled operation was also given a priority in the IT strategy; this purpose was served by the introduction of HP Service Desk system supporting an operation in compliance with the IT Infrastructure Library (ITIL). It was a strategic task to switch over from the Novell NetWare network operating system to Linux. There was an important step forward in the continuation of server consolidation and virtualisation programmes prescribed by the annual plan, when servers (PIPACS, esp@cenet) were moved from outer locations to the machine room of the HPO.

The uniform record system set up for the support of the industrial property office management activity, the so-called ENYV system, efficiently performed the tasks relating to the national official activity and to Hungary's membership of the EPC and the European Union. The amendment to industrial property laws generated development and maintenance tasks affecting the office management procedures and the correspondence system. In connection with the revisions of office management procedures, significant improvements were made in the field of international trademarks.

The informatically transformed version of the electronic register (e-register) was also developed. The e-register encompasses the data of all titles of protection in the patent field (patents, validated European patents, plant variety protection, supplementary protection certificates) as well as those of trademarks, utility models and designs.

#### **V. Activities in the field of computerized and other mechanized search systems**

##### **IT SUPPORT FOR OFFICIAL ACTIVITY**

In accordance with the schedule laid down by industrial property laws amended on the basis of Act XCL on the general rules of the procedures and services of administrative authorities, the HPO introduced in January 2007 the system of the electronic receipt of trademark applications. Following this, electronic filing of patent, utility model and design applications and requests for the renewal of trademarks became available on 1 July 2007. Applicants used the electronic filing system only in 70 cases.

Following the proposals of a control by the Government Audit Office in 2006 relating to IT security, the HPO's regulation on including computerised applications in security classes and the data processing regulation on the HPO's services available on the Internet were prepared with the help of KFKI ICON, an outsider partner. Government decree 84/2007. (IV. 25.) Korm. on the security requirements of the Central Electronic Service System and the related systems lays down requirements relating to the HPO's IT security, in harmony with the above-mentioned regulations.

The medium-term IT strategy, prepared in January 2006 in accordance with the provisions of Government decree 44/2005. (III. 11.) Korm. on the coordination of Government informatics and the order of related procedures and using the relevant recommendations of the Interministerial Coordination Committee for Government Informatics was revised. The purpose of this work was to summarise and evaluate the measures taken for the implementation of the strategy and the outcome thereof and to check and where appropriate modify, the tools of the implementation.

##### **DEVELOPMENT OF THE OFFICE'S HOMEPAGE**

Throughout the development of the homepage containing in-depth professional knowledge, there was an endeavour to provide comprehensive and up-to-date information to customers about the official activity of the HPO and to raise awareness of the intellectual property system and promote innovation processes. The English version of the website was fully renewed, and the consolidation of the Hungarian-language website continued. Legal sources previously made up of html files are gradually changed into searchable pdf files. The scientific calendar paying tribute to the intellectual heritage of Hungarian scientists and inventors is now complete. The interactive intellectual property role-playing game "Fel-talált szer-elem" designed for young people was placed third at the eFestival. The homepage fully complied with the obligations prescribed by law that determine the electronic services and homepage managing activity of government organisations.

The homepage was visited by 310 823 individually identifiable visitors on 453 051 occasions. The number of visitors and that of visits were up by 20% each compared with the previous year. The downloaded data volume increased by more than 80%.

As to the country of origin of the interested persons, Hungarian visits ranked first. Among foreign visitors, the US was followed by China, from where about 60 000 pages and files of 15.2 GB were downloaded.

Visits to the PIPACS database, also accessible from the website, amounted to 78 394 in 2007. The electronic register was visited on 21 462 occasions.

#### **VI. Administration of the industrial property office library, and information products and services available to the public (relating to facilities, e.g., for lodging applications, for assisting clients on searching procedures, for obtaining official publications and registry extracts)**

The HPO's services are focussed on the support of the official patent activity and of public information by documentation and information technology.

There was a keen interest in the services of the Patent Library: 7802 requests were received. Of this, general information was given by phone in 2072 cases and personally in 2418 cases; in 2017 cases the subject of the service was search in documents. The Patent Library has also performed tasks directly supporting the official examining work.

The stock of the Industrial Property Professional Library, comprising 18 thousand volumes, was augmented by 844 new technical books; 293 Hungarian and foreign periodicals were available to the readers. There were 380 registered readers. Lending is exclusively available electronically, in the "Huntéka" integrated system for libraries of the Computer and Automation Research Institute of the Hungarian Academy of Sciences. Since August 2007, the Patent Library and the Industrial Property Professional Library have received customers in a common reading room.

Trademark register books were repaired with monetary assistance from the National Cultural Fund, using a tender designed to aid the restoration of unique library documents.

#### INNOVATION SUPPORT, COMPETITION PROMOTION

The HPO contributes to innovation support with its special tools. Its purpose is to exert an influence of measurable efficiency on the intellectual property awareness and activity of leading target groups of domestic innovation potential.

Intellectual property protection is an integral part of the Government's medium-term strategy on science, technology and innovation (Government decision 1023/2007. (IV. 5.) Korm.). The HPO is also responsible for the implementation of various tasks deriving from this strategy. The strategy sets as an objective, among others, the promotion of intellectual property protection primarily by supporting the obtaining of protection abroad and also among SMEs by means of the VIVACE programme. It extends furthermore to the survey, evaluation and effective utilisation of the intellectual assets of budgetary research institutes. With these objectives, the strategy aims to encourage the research institutes to elaborate their own strategies on intellectual property management.

The Action Plan Promoting Industrial Property Competitiveness of Entrepreneurs, the so-called VIVACE programme, has won international recognition. The programme was launched in 2003 through the initiative of the HPO with the cooperation of the Hungarian Chamber of Commerce and Industry and with the support of the Ministry of Economy and Transport. It took a place among the 15 best European programmes for the promotion of intellectual property protection – as the only one from the similar initiatives of the new European Union Member States.

The industrial property information centres located at university knowledge hubs are the Hungarian members of the European patent information and documentation network, the so-called PATLIB network. This network is operated with the professional support of the European Patent Office and has more than 300 members. It provides patent information first of all to individual inventors, researchers and teachers as well as to SMEs. After the centres of Miskolc, Szeged and Debrecen, two new PATLIB centres were opened at Sopron and Gyr involving the university knowledge centres there.

The Research and Technology Innovation Council, of which the president of the HPO is a permanent invited member, adopted in June the concept of the competition system supporting the acquisition of industrial property protection for Hungarian inventions abroad. By means of the competition prepared with the professional contribution of the HPO, individual inventors, research institutes and universities can get support for obtaining and maintaining protection abroad. The competition with a framework amount of 200 million HUF will be announced in 2008.

A key element for involving Hungarian and foreign capital, managing innovation risk and supporting development goals is the determination of the capital value of Hungarian-owned intellectual assets. For this it is necessary to accurately evaluate individual intellectual assets. The HPO commenced, as a catalyst, the methodological research activity relating to the valuation of intellectual assets, the aim of which is to adapt and disseminate internationally used methodology under Hungarian circumstances. Building on methodological research work, a case study concerning the evaluation of a biotechnological patent was prepared by using the adapted methodology. In the same field of work, the HPO launched a series of workshops with the involvement of domestic and foreign interested parties.

## VII. Matters concerning mutual exchange of patent documentation and information

#### BROADENED RANGE OF INDUSTRIAL PROPERTY SERVICES

Taking into account benchmark international experience for offices providing quality services, mainly based on British, Danish and Austrian examples, the HPO is gradually developing its fee-based higher-level industrial property services extending beyond the free-of-charge information activity of the client services.

Since July 2006, fee-based higher-level services in the field of patent and trademark search (express patent search, simplified trademark filtering) have provided indispensable industrial property tools for the actors of the Hungarian economy to make well-founded business decisions. There has been great interest in the simplified trademark filtering: since its introduction approximately 750 orders have been received from customers. There are more and more regular customers, which shows satisfaction with the service.

Replacing the express patent search, the HPO offers five patent search services in a uniform package both to domestic and foreign customers. These are: novelty search, novelty search with preliminary patentability report, patentability report, validity search and freedom to operate (FTO) search. By means of these services, customers can receive detailed and analytic information on which they can base their patenting decisions. The development of such a search package, which can be requested also in English, French and German, was stimulated by the fact that the European Patent Office transferred the so-called special searches, performed by it until now, to 14 national offices participating in the European Patent Network, among them the HPO.

Since April 2005, the entry into the voluntary register of works and performances governed by Act LXXVI of 1999 on Copyright can be requested at the Client Services of the HPO. This service was used in more than 360 cases.

#### INTERNATIONAL PROJECTS

The HPO endeavours to consciously exploit the possibilities of international and European projects to a maximum extent.

The IP4INNO project, "Intellectual property for innovation" was launched on 1 January 2007 within the sixth framework programme of the European Commission. It involves a consortium of 20 organisations from 11 countries, among them the HPO. The aim of the project is to create a uniform European training programme for SME supporting organisations. Its purpose is to increase the innovation propensity of enterprises and economic utilisation through collecting teaching materials, storing them in an electronic database, developing six innovation-stimulating industrial property training modules and training the trainers. The knowledge obtained can serve as an excellent basis for intellectual property information and advisory services. The HPO participates in the elaboration of modules dealing with the commercialisation of innovation and contributed to the organisation of the training of trainers.

The three-year-long IP-BASE project launched in November 2007 is an intellectual property awareness and enforcement modular-based programme to support SMEs. It brings together two important initiatives under one umbrella action: InnovAccess, a web portal created by the national patent offices to provide information on their services for the end user and IPR-Helpdesk, a helpline and training mechanism for contractors in EC-funded RTD Framework Programme projects. The HPO, as a member of the consortium set up with the cooperation of 20 national offices and 6 other institutions, undertook to implement an independent work-package entitled "Developing of actions and local services promoting IP awareness and improving enforcement of IP rights". Taking into consideration the needs of SMEs, the task aims to collect and analyse national intellectual property strategies and innovation policies, collect services and service providers present in this field. Building on this data it aims to elaborate new services in accordance with these needs and implement them in a trial phase.

## **VIII. Other relevant matters concerning education and training in, and promotion of, the use of patent information, including technical assistance to developing countries (please indicate URLs of web pages of the Office's website wherever appropriate)**

### **COMMUNICATION AND PRESS ACTIVITY**

The fundamental principle of the HPO concerning its public appearance is effective and open communication. In this spirit, regular relations were maintained with the representatives of the media, mutually informing each other of the possibilities for cooperation. In several cases working relations were established with the persons responsible for communication in partner institutions cooperating in certain events, in particular with those of the Hungarian Academy of Sciences, Ministry of Economy and Transport, National Office for Research and Technology, Budapest University of Technology and Economics, and the Hungarian Innovation Association.

The HPO penned articles on innovation promotion and increasing awareness in the economic daily "Napi Gazdaság". The second communication conference was organised on 10 May 2007 with the professional support of the National Office for Research and Technology, the National Club of Scientific Journalists, HEURÉKA-Solart Film, the Hungarian Innovation Association and the HPO. The HPO hosted the conference aiming at the renewal of the "Heureka" TV programme.

In the Hungarian media more than 400 articles, pieces of news, radio or TV programmes dealt with, or mentioned, intellectual property protection, inventions, inventors, patents and copyright. In addition to these, 52 articles were published in connection with the HPO and its activities. Officials of the HPO appeared in electronic media about 18 times.

Since September 2007, the HPO has been sending a monthly electronic newsletter to its registered clients. The E-news contains selected and edited news available on the office's homepage.

### **INDUSTRIAL PROPERTY EDUCATION**

The long-standing focussed educational activity of the HPO is a key contributor to the development of Hungarian industrial property culture and to the enrichment of intellectual property knowledge. There was significant interest in the intermediate and advanced level industrial property courses. Industrial property training programmes were present in higher education institutes and several specialised courses were held. In 2007, with the cooperation of 20 institutions, almost 1500 students received industrial property and copyright education in a total of 852 hours. The two-year advanced level industrial property course is an important pillar of the development of domestic industrial property culture and of the bringing-up of the new generation of professionals. Launched in September, the course started with 44 students. The students came in equal proportions from entrepreneurial, legal or attorney candidate and HPO staff member backgrounds. From the students of the previous course, 23 persons defended their theses successfully.

The intermediate industrial property education is sought for, in addition to higher education institutes, by enterprises and administrative organisations. 30 students received intermediate education at the Károly Róbert College of Gyöngyös and 32 students at the Faculty of Technology and Agriculture at Meztr at the College of Szolnok. The HPO organised an intermediate level course combined with distance learning for 32 innovation liaison officers of the Hungarian Police Headquarters. Out of the staff members of the newly opened PATLIB centres and the information points operated by chambers, 7 persons and a further 15 interested outsiders obtained intermediate qualifications within the framework of the HPO's training.

On the basis of cooperation agreements concluded with the most important universities of Hungary, the students of higher education institutes could acquire up-to-date intellectual property knowledge within the framework of graduate and post-graduate training and distance learning. In 2007, 1174 students of higher education institutes took part in such forms of training.

The competition launched by the HPO for the preparation of diploma works has been successful for years. In 2007, 58 works were received, of which 35 met the requirements. The HPO helped prepare the diploma works of 9 students from the University of Szeged, 7 from the Budapest University of Technology and Economics, 7 from the Moholy-Nagy University of Art and Design, 6 from the University of West Hungary and 5 from the University of Miskolc.

The HPO organised specialised courses for the leading researchers of the Institutes for Life Science, Natural Science and Sociology of the Hungarian Academy of Sciences. 58 researches took part in the courses.

The modern distance learning programme also contributed to acquiring intellectual property knowledge at the Budapest University of Technology and Economics and at the University of Debrecen, with the total participation of 208 students. Introduction of the distance-learning programme continued at the Szent István University, at the University of Szeged and at the University of Miskolc.

The third module of the Innovation Support Training (IST) organised by the European Patent Office and implemented with the participation of national offices was held in Budapest in February 2007. During the one-week training well-known foreign lawyers, attorneys and experienced representatives of the national offices shared their knowledge about strategies ensuring enforcement of intellectual property rights, court practices and alternative methods of dispute settlement with about 30 participants coming from the national offices of 21 countries.

### **PARTNERS in PROFESSIONAL AND EDUCATIONAL COOPERATION**

The HPO established professional, educational and other cooperation with several institutions. The most important were:

Professional cooperation: Hungarian Academy of Sciences, Hungarian Association for the Protection of Industrial Property and Copyright, Association of Hungarian Inventors, Hungarian Innovation Association, Hungarian Academy of Engineering, C3 Foundation, Hungarian Research Student Foundation, NOVOFER Foundation, Hungarian Chamber of Commerce and Industry, Hungarian Police Headquarters.

Educational cooperation: Budapest University of Technology and Economics, Corvinus University, University of Debrecen, Eötvös Lóránd University, Károly Róbert College, Academy of Fine Arts, University of Miskolc, Moholy-Nagy University of Art and Design, University of West Hungary, Pázmány Péter Catholic University, University of Pécs, Semmelweis University, University of Szeged, Szent István University, College of Szolnok

Cooperation in professional communication: Hungarian Television – Delta, Duna Television – Magyar Csillagok, HEURÉKA–Solart Film, Élet és Tudomány, Jogtudományi Közlöny, Mérnökújság, Napi Gazdaság, Világgazdaság, Gazdasági Rádió, Figyel, Agrárium, MAG, Természettudományi Társulat, Természet Világa, Zsiráf student magazine.

## **IX. Other general information related to the Office that is available on the Internet -- URLs of web pages of the Office's website that:**

<http://mszh.hu>  
<http://hpo.hu>

## **X. Other relevant matters**

### **INTERNATIONAL AND EUROPEAN COOPERATION IN THE FIELD OF INTELLECTUAL PROPERTY PROTECTION**

International cooperation focussed on exercising rights and meeting obligations deriving from Hungary's membership of the European Patent Convention and the European Union, as well as on international professional cooperation within the framework of the World Intellectual Property Organization. The majority of the HPO's international activity concerned participation in the work of the European Patent Organisation and the European Union. Of the missions abroad 62% represented trips connected with meetings of the professional bodies of these two organisations. The management efficiency of the missions is shown by the fact that the costs of 53% of the trips were reimbursed by the receiving organisations.

#### **Exercising of rights as a Contracting State of the European Patent Organisation**

With the contribution of delegations headed by the president, the HPO successfully performed the tasks deriving from rights and obligations involved by membership of the European Patent Convention. In 2007, the Administrative Council of the European Patent Organisation held four meetings. The Board, set up in the interest of a better preparation of the Administrative Council's decisions, met nine times, the Budget and Finance Committee twice. The legal vice-president of the HPO is the chairman of the Committee on Patent Law and also takes part in the meetings of the Board in this capacity.

It is partly due to the action of the HPO that further centralisation of the European patent system, clearly placing smaller and Central-Eastern European countries at a disadvantage, was prevented and the European Patent Network (EPN) involving the substantial participation of national patent offices could be established. The new cooperation policy to be implemented within the framework of EPN provided for the preparation of individual national action plans.

#### **Tasks deriving from membership of the European Union**

The HPO established close cooperation with the Office for Harmonization in the Internal Market of the European Union (OHIM) and fulfilled its obligations as an EU Member State. Hungary's representative in the Administrative Board of OHIM is the legal vice-president of the HPO and the alternate representative is the head of the Trademark, Model and Design Department. In 2007, the Administrative Board and the Budget Committee held two meetings each. Liaison meetings were held twice. In October 2007 a workshop was held between OHIM and experts from national offices to discuss certain legal practice issues in the trademark field.

From 1 May 2004, Hungary has been represented in the Administrative Council of the Community Plant Variety Office by two government officials, one of them is the technical vice-president of the HPO.

The HPO was represented at the Working Party on Intellectual Property of the Council of the European Union, at the expert committees of the European Commission and at other meetings on 14 occasions. Meetings were held in the following subject matters: Council Working Party meetings on copyright and related rights; financial perspectives of OHIM; enhancing the patent system in Europe; protection of broadcasting organisations; plant variety rights; expert committee meeting on Community designs.

The HPO took an active part in the work of the Inter-ministerial Committee for European Affairs (ICEA). In addition to operating the ICEA's expert group responsible for intellectual property, the HPO participated in the activity of the following expert groups: 6. Agriculture (protection of geographical indications and plant varieties), 8. Free movement of goods, market surveillance (drug-related issues), 28. Audiovisual policy, 29. Culture, 30. Science and research, 38. Customs union, customs law, customs cooperation, 46. Proceedings before the Court of Justice and Court of First Instance of the European Communities and procedures preventing such proceedings, 47. Enlargement, 48. Competitiveness and growth.

Within the framework of operation as an EU Member State, the HPO elaborated negotiating positions in the following subjects: Council conclusions about the financial perspectives of OHIM and enhancing the Community trademark system; communication from the Commission on enhancing the patent system in Europe; amendment of Directive 98/71/EC of the European Parliament and of the Council on the legal protection of designs with respect to the protection of spare parts; Communication from the Commission: "Improving knowledge transfer between research institutions and industry across Europe: embracing open innovation", and the initiative of the Presidency for a charter for the management of intellectual property from public research institutions and universities. The HPO also contributed to the elaboration of the draft reply to be given to an official invitation in proceedings instituted for breach of obligations with regard to Article 86(2) of Act LXXXVI of 1999 on Copyright. In cooperation with the Ministry of Justice and Law Enforcement, it started data collection serving as a basis for an impact assessment relating to the transposition of Directive 2004/48/EC of the European Parliament and of the Council on the enforcement of intellectual property rights.

Within the framework of the EU TAIEX programme, Turkish experts were received by the HPO to study design issues.

#### **Cooperation within the framework of the World Intellectual Property Organization and the World Trade Organization**

The HPO represented Hungary in the international cooperation under the aegis of the World Intellectual Property Organization (WIPO). The representatives of the HPO regularly took part in the meetings of the standing committees of WIPO. In 2007, the HPO provided Hungarian participation in the following meetings: 43rd series of meetings of the Assemblies of the Member States of WIPO, extraordinary meetings of the Standing Committee on Copyright and Related Rights, meetings of the Ad Hoc Working Group on the Legal Development of the Madrid System, meeting of the Working Group on the establishment of the digital access service for priority documents, meeting of the Standards and Documentation Working Group of the Standing Committee on Information Technology, meetings of the Administrative and Legal Committee, Consultative Committee and Council of UPOV, meeting of the Working Group on Reform of the PCT, meetings of the Standing Committee on Trademarks, Industrial Designs and Geographical Indications, meeting of the Committee of Experts of the Locarno Union, meeting of the Preparatory Working Group of the Nice Union, as well as meetings dealing with the future of harmonisation of substantive patent law.

## Regional and bilateral cooperation

Regional and bilateral intellectual property relations continued in 2007. The heads of the industrial property offices of the "Visegrad countries" held their annual meeting in Tale in July. With the coordination of the Austrian and Hungarian offices and with the participation of 9 Central and Eastern European countries a regional trademark search service named CETMOS was launched in September.

As regards bilateral inter-office meetings, the HPO was visited by delegations from the State Office of Industrial Property of the Republic of Macedonia, the State Intellectual Property Office of Croatia, the Turkish Patent Institute and the State Office for Inventions and Trademarks of Romania as well as by the chief executive of the UK Intellectual Property Office. Delegations of the HPO paid visits to the Danish Patent and Trademark Office, the Austrian Patent Office and the State Office of Industrial Property of the Republic of Macedonia.

1.	Classification is allotting one or more classification symbols (e.g., IPC symbols) to a patent application, either before or during search and examination, which symbols are then published with the patent application.
2.	Preclassification is allotting an initial broad classification symbol (e.g., IPC class or subclass, or administrative unit) to a patent application, using human or automated means for internal administrative purposes (e.g., routing an application to the appropriate examiner). Usually preclassification is applied by the administration of an office.
3.	Reclassification is the reconsideration and usually the replacement of one or more previously allotted classification symbols to a patent document, following a revision and the entry into force of a new version of the Classification system (e.g., the IPC). The new symbols are available on patent databases.