

3.Demand for patent rights

Statistics in this chapter are derived primarily from the 1996 Industrial Property Statistics from the WIPO. In addition to the statistics from the Trilateral Offices, statistics from many other Offices are necessary in order to present a picture of worldwide patent activity. Although not all Offices in the world have furnished the necessary information, those for which complete information is available represent almost all of the patent applications.

Applicants may use three types of granting procedures:

- a national procedure,
- a regional procedure (like the European procedure), and
- a international procedure (PCT)

In this chapter applications are counted in the year of filing. However, since one European application replaces a "bundle" of national ones, it is rather the EPC States designated that are reported.

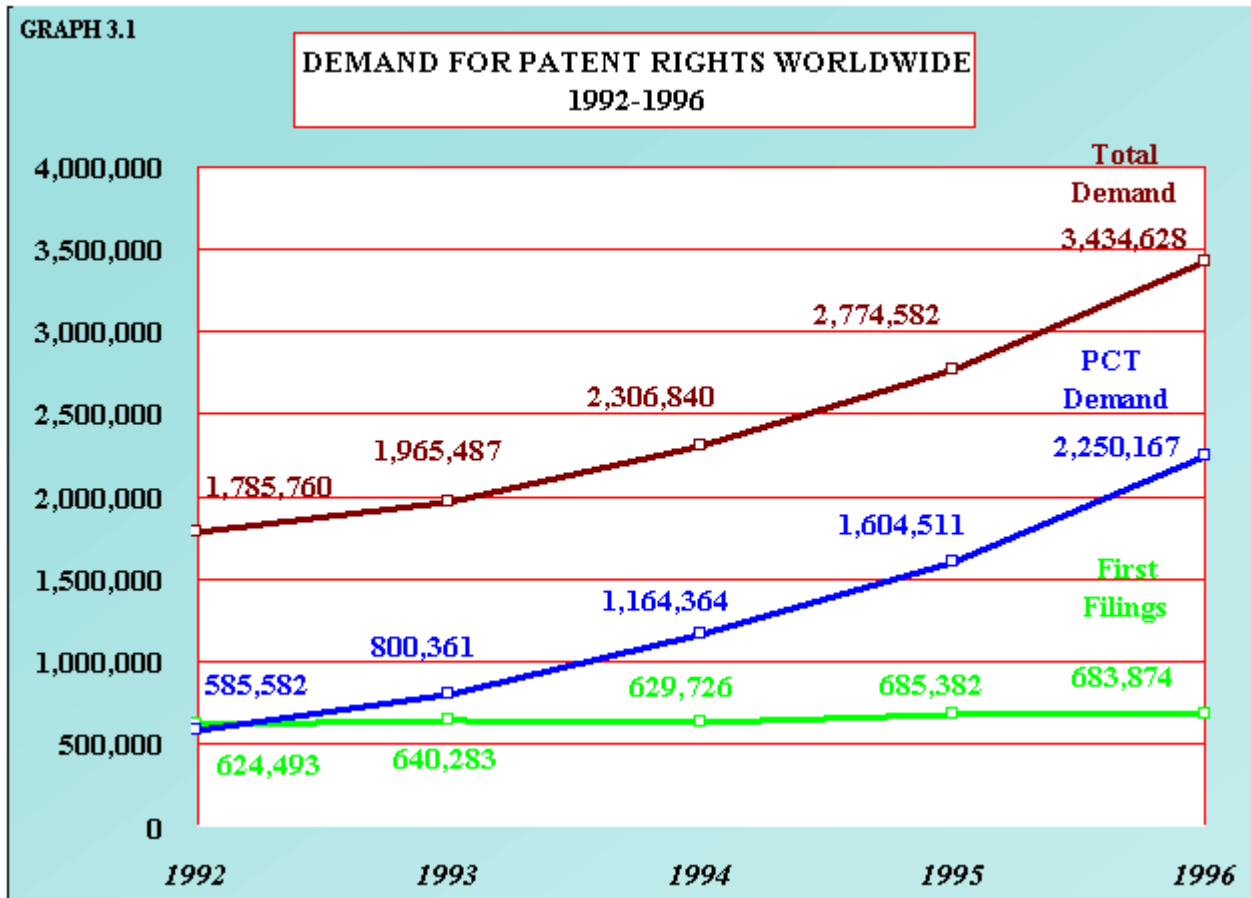
Patent rights do not necessarily have the same effect in each country all over the world. One reason is that patent law is not exactly the same all over the world despite the very existence of regional and international procedures.

With different patent laws and procedures, applications can have a different scope, e.g. with respect to the average number of claims included in one application. This does partially explain the relatively high number of patents and patent applications in Japan compared to Europe and the United States.

Significant differences in interpretation among countries regarding the scope afforded to patent rights affect the ability to compare patents from different countries, even when the country's patent laws are similar. For instance, courts of law in the United States tend to interpret patent claims according to a peripheral claiming system. Other countries, however, such as Germany, have legal systems that tend to interpret patent claims using a central claiming system.

3.1 Demand for patent rights worldwide

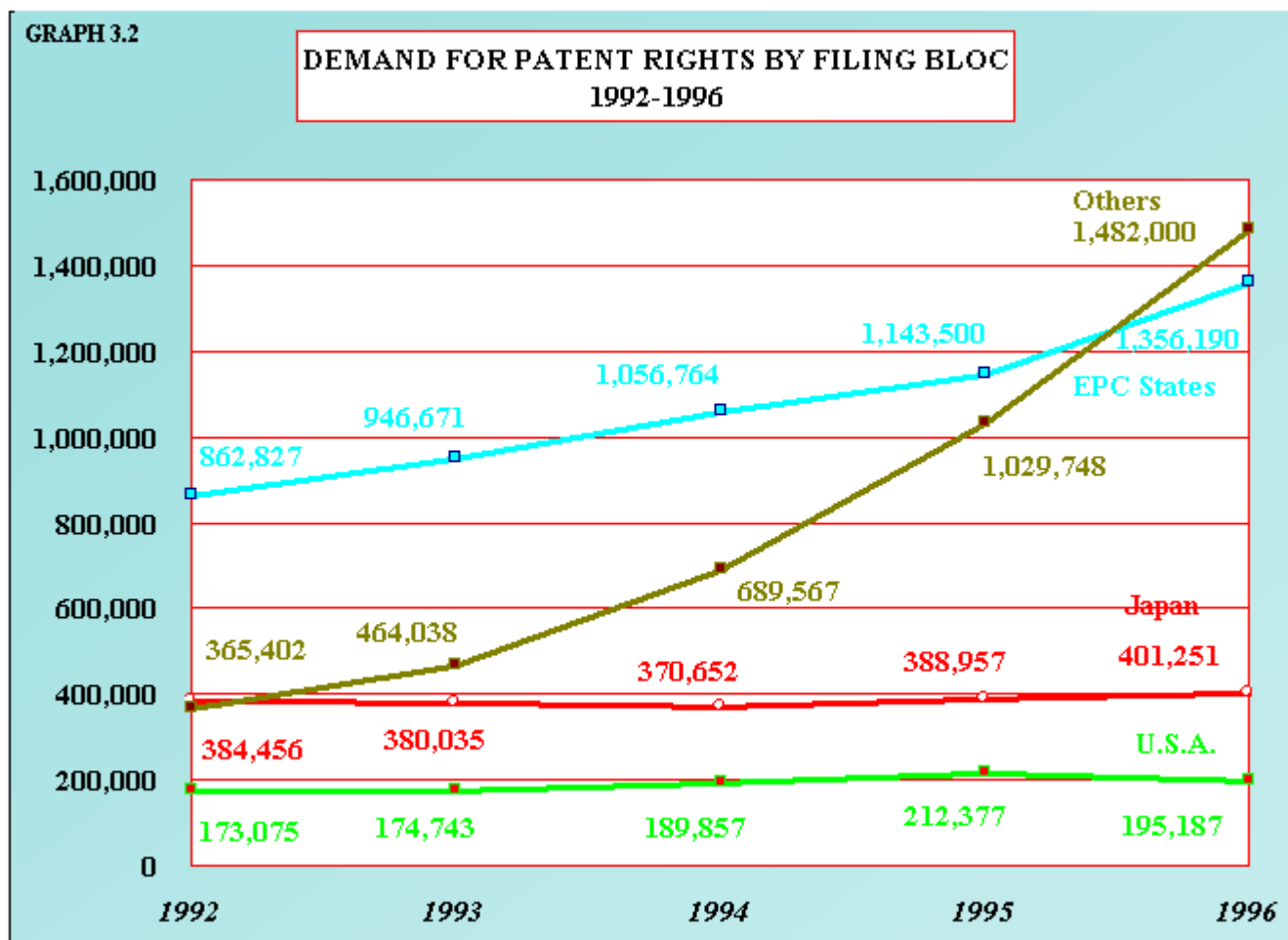
Notwithstanding differences in interpretation among countries, statistics on patent applications filed give the number of patent rights sought by applicants all over the world. The development is shown in the graph below:



The demand for patent rights rose from 1,785,760 to 3,434,628 from 1992 to 1996, which is an increase of 92.3% corresponding to an average increase of about 23.1% each year. The number of first filings in 1995 was 685,382. For these first filings, one year later (1996) 2,750,754 subsequent filings were registered (i.e. 3,434,628 total minus 683,874 first filings). Thus, on average, one invention for which a first patent right was sought leads to 4 subsequent filings of an application for patent rights in other areas. Three years earlier, the rate was at the level of 2.1. This increase in the proportion of subsequent filings shows the ongoing internationalization of patent rights.

3.2 DEMAND IN THE MAJOR FILING BLOCS

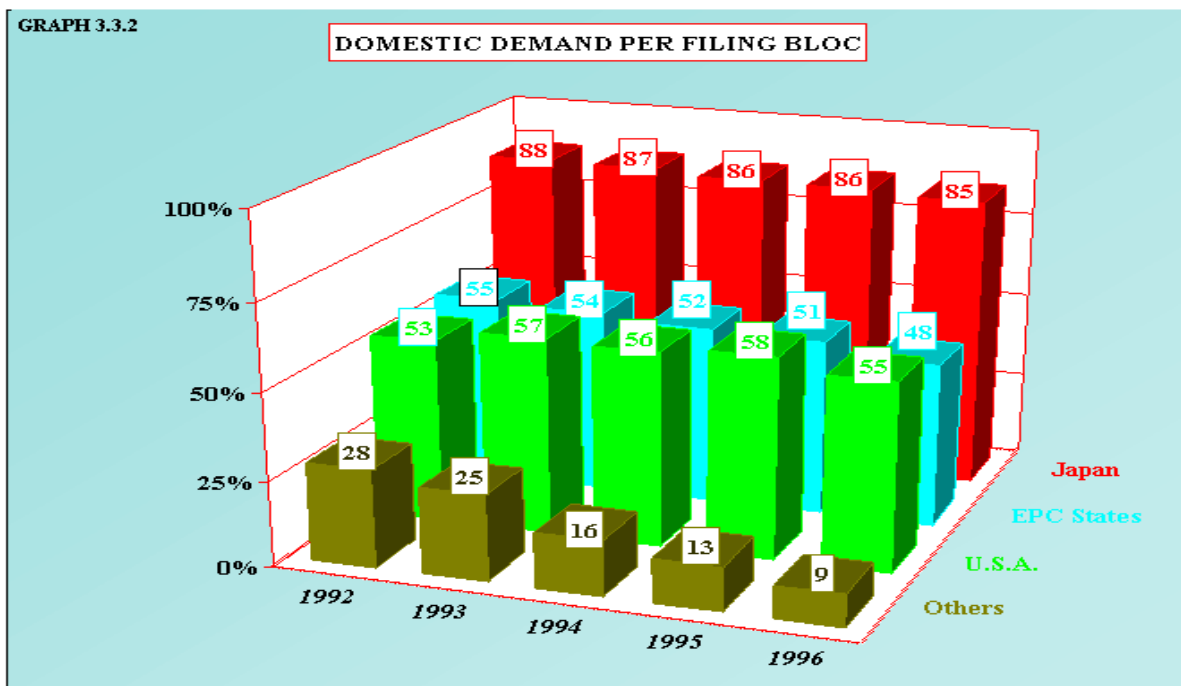
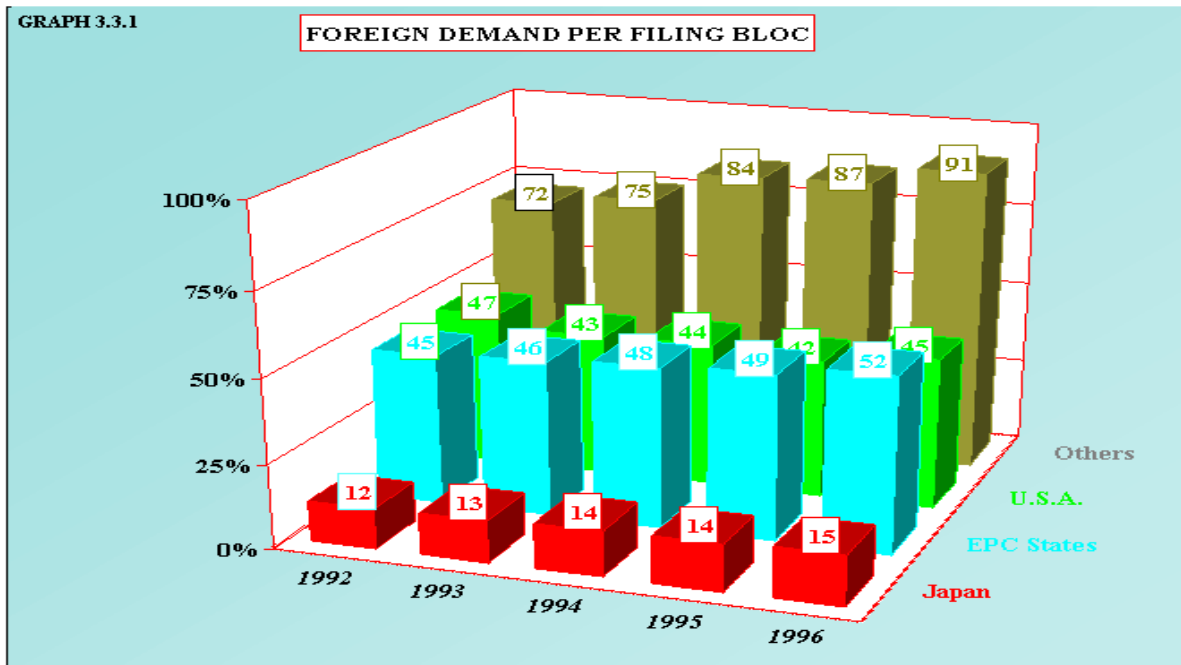
The development of demand in the major filing blocs is shown below:



Demand in "Others" is the highest followed by the EPC States (being the sum of the demand for national patent rights in all Contracting States), followed by Japan and the United States. The demand increased in all blocs over the period 1992-1996. The relative change was the highest in the EPC States (57% increase 1992-1996), followed by the United States (13%). In Japan, the decrease in 1993 and 1994 held back the growth rate over the period to 4%. The development in the block "Others" (306% increase) is due to several factors. Countries setting up new protection right systems, new memberships to the PCT, and statistics being available for more countries are the main reasons to explain the large increase for some former USSR Republics and some African and Asian countries. In some other countries, the demand increased based on unchanged systems.

3.3 FOREIGN AND DOMESTIC DEMAND

The relative importance of demand from foreign countries is shown in the graph below, followed by its counterpart the demand for domestic filings.

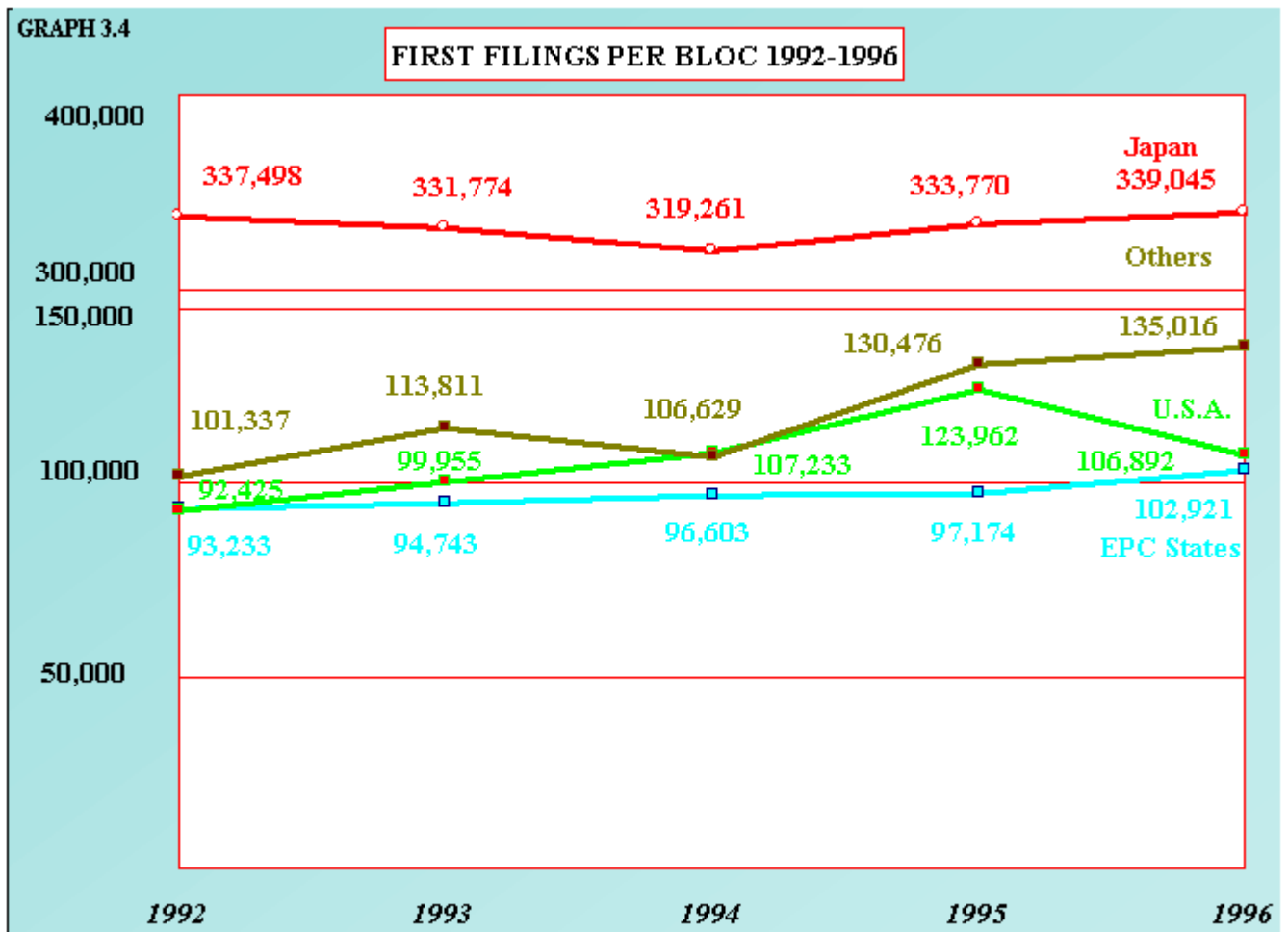


The proportion of demand in the EPC-States having its origin from outside the EPC countries increased in 1996 to 52% in foreign demand for patent rights. Foreign demand in the United States in 1996 is 45%. In Japan the domestic demand is about 85% in 1996.

In the bloc "Others", the proportion of foreign demand increased substantively in 1995 (87%), and in 1996 (91%) compared to the previous years (below 85%) because of the substantial increase in foreign demand.

3.4 FIRST FILINGS

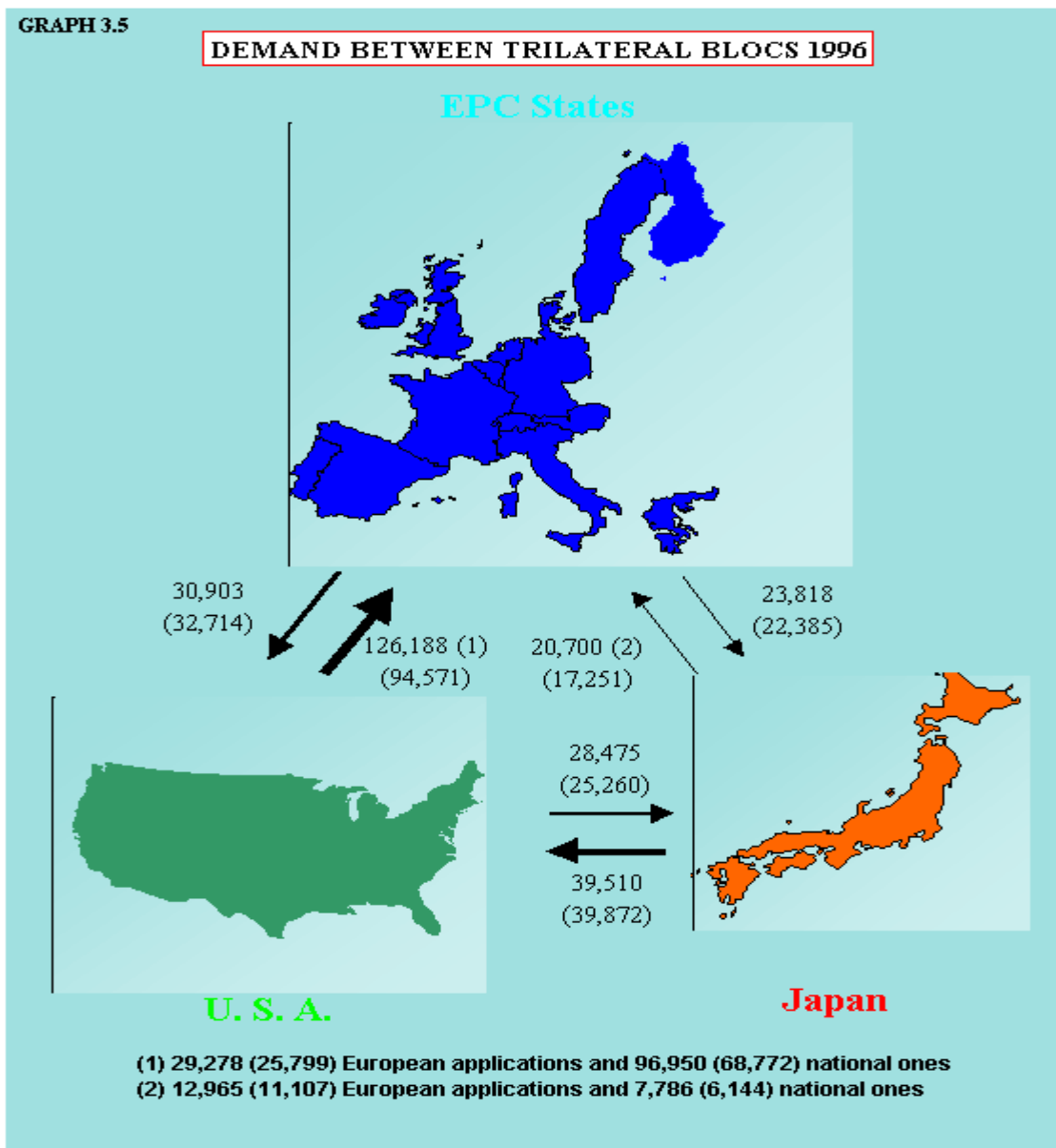
The development in first filings in the major filing blocs is shown below:



The highest number of first filings is observed in Japan. In 1996 compared to 1992, first filings in Japan increased by 0.5%. In 1996, the number of first filings increased by 2% compared to 1995. In the bloc "Others", after a decrease in 1994 (6% less than in 1993), first filings increased again in 1995 and 1996 (27% more than 1994). In the United States, first filings decreased (14% less in 1996 than in 1995). This change can be attributed to United States patents moving in 1995 to 20 years to term versus 17 years. In the EPC-States first filings in 1996 increased by 6% compared to 1995.

3.5 DEMAND BETWEEN TRILATERAL BLOCS

The following picture shows the demand within the Trilateral filing blocs. The demand in the EPC States has been calculated as the sum of European and national applications, which is not completely the same as the demand in Japan and the United States. The demand at national Offices of EPC States includes some plural applications caused by the fact that applicants can file an application for one and the same invention with more than one national Office. The 1995 figures are in brackets in the graph.



Contrary to the demand figures presented in Graphs 3.1 through 3.3, European applications are not counted per designation but as single applications.

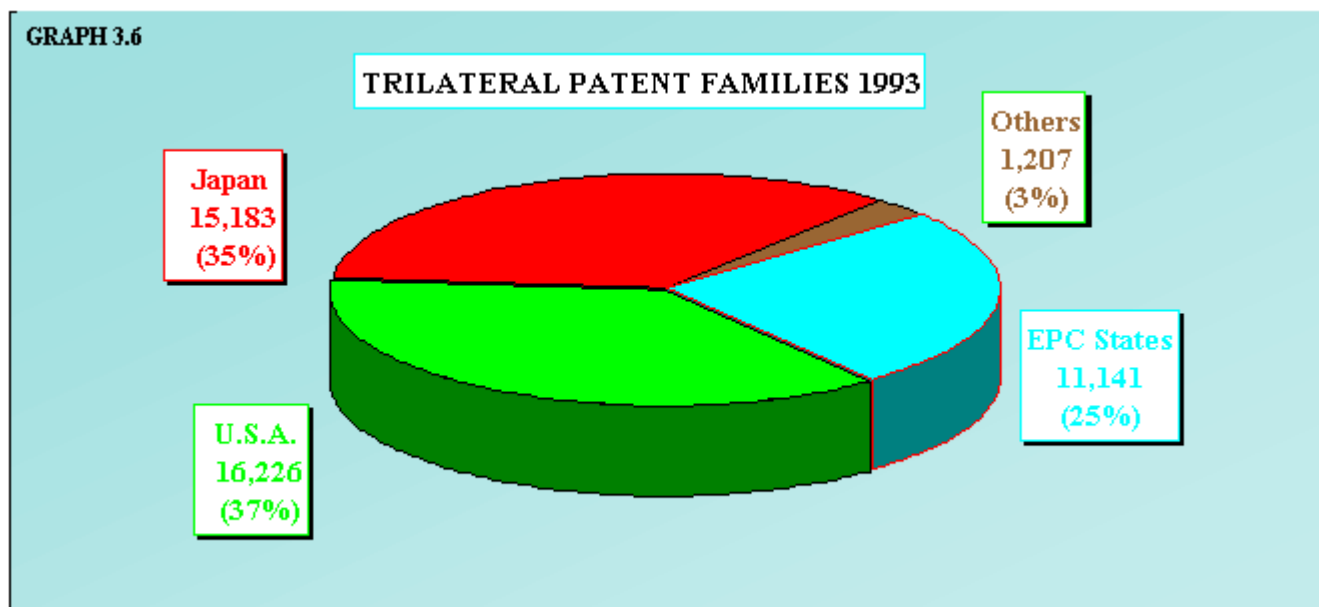
Compared to 1995, the gaps in the balance of filings decreased between Japan and the EPC, and between Japan and the United States. EPC applicants file more in Japan than Japanese applicants file in the EPC countries. Japanese applicants file more applications in the United States than United States applicants do in Japan.

While United States filings in Japan increased by 12.7%, Japanese filings in the United States remained stable (+0.9%). The gap in the balance between EPC and the United States is the largest. The number of United States applications in the EPC bloc, in particular via the national procedures, increased (33%) while the number of EPC applications in the United States decreased (-5.5%).

3.6 TRILATERAL PATENT FAMILIES

The next graph shows trilateral patent families, which are priority first patent filings in the year 1993 that led to filing activity in all Trilateral blocs. However, it is not necessary for a subsequent filing to be made in the bloc of origin since a first filing is considered to claim priority for itself. The statistics are based on references to priorities given in published patent documents. Due to the delay in publication (from the moment of filing), in particular in the patent system of the United States where applications are published only after examination, the 1993 figures are presented here. The total number of trilateral patent families is 43,757, of which 25% originated from offices of the EPC states, 35% originated from Japan, 37% originated from the United States and 3% originated in other states. (The corresponding figures for 1992 were a total of 46,058 trilateral families, of which 26% were from EPC states, 36% from Japan, 35% from United States, and 3% from other states).

A new method has been used to construct these figures from the EPO documentation database (DOCDB). In comparison with previous reports, the new method corrects an over count of the numbers of families mainly caused by misidentified references to PCT documents.



As is shown in the table below, out of all first filings in the trilateral area (526,472), 8.1% from trilateral families. From all first filings throughout the world (640,283), 6.8% from trilateral families, which is slightly lower than the previous years figure (7.4%). The proportions differ considerably according to the bloc of origin of the first filings. For the United States, 16.2% of first filings form trilateral families (was 17.4% in 1992); for EPC states this is 11.8% (was 13.0%); for Japan 4.6% (was 4.9%), and for first filings from other countries it is 1.1% (was 1.2%).

TABLE 3.6: TRILATERAL PATENT FAMILIES AS PROPORTION OF FIRST FILINGS

	Trilateral Patent Family Claiming Priority of	First Filings	Proportion Trilateral Patent Families of First Filings
EPC States	11,141	94,743	11.8%
Japan	15,183	331,774	4.6%
U.S.A	16,226	99,955	16.2%
Subtotal	42,550	526,472	8.1%
Other Countries	1,207	113,811	1.1%
Global Total	43,757	640,283	6.8%