

Annex 1

DEFINITIONS FOR OFFICES EXPENDITURES

EPO EXPENSES (Fig. 2.2)

A. Salaries and allowances

Salaries and allowances of permanent staff as well as of all categories of temporary staff.

B. Social security benefits

Pensions, long-term care, death, invalidity and sickness coverage as well as pension taxation (taking due account of post-employment liabilities);

C. Tax adjustment transfer (one-time)

Shift of tax adjustment liability from contracting states to EPO.

D. Training and other staff expenses

Training; recruitment, transfer and leaving costs; medical care; staff welfare; European School and crèches.

E. Depreciation

Depreciation for buildings, IT equipment and other tangible and intangible assets, including the depreciation component of financial leases.

F. IT maintenance

Operating costs related to the maintenance of EDP hardware and software; purchases below capitalization threshold (EUR 750); licenses; programming costs of self-developed systems as far as they do not qualify for capitalization.

G. Building maintenance

Operating costs related to the maintenance of buildings, technical installations, equipment, furniture and vehicles, such as rent, cleaning and repairs; electricity, gas, water.

H. Patent information and cooperation

Published patent documentation on all media; public information; public relations and representation; meetings; costs of supervisory bodies; co-operation with contracting states including support to national patent offices; assistance to third countries; Trilateral activities.

I. Miscellaneous

Travel; non-EDP purchases below capitalization threshold; supplies; security and messenger services; consultants; external audit; outsourcing; postage and telecommunications; documentation costs such as books, technical journals and external database interrogation; insurance; taxes and public levies; third-party funded projects; other miscellaneous small-scale expenditure.

JPO EXPENDITURES (Fig. 2.3)

Expense for JPO's business

Expense for business processing

A. General processing work

- Existing personnel (including increase and transfer)
- General administration
- Various councils
- Encouragement of guidance including patent management
- External rented offices
- Internationalization of industrial property administration
- Project for supporting medium and small company's applications

B. Examination and appeals/trials, etc.

- Infrastructure improvement for examination and appeals/trials
- Disposition of examination and appeals/trials
- Execution of PCT
- Patented micro organisms deposition organisation

C. Information management

- Management of information for use in examination and appeals/trials

D. Publication of Patent Gazette, etc.

E. Computerization of patent processing work

F. Facility improvement

G. INPIT operation

H. Others

KIPO EXPENDITURES (Fig. 2.4)

A. Salaries and benefits

Compensation for the services of employees or the inclusive expenditure of the services of employees: salaries, bonuses and remuneration of temporary staff.

B. General operating expenses

Expenditure on the operation of organization.

C. External support

Support for promoting activities of private organizations.

D. Equipment

Expenditure on the purchase of property that normally may be expected to have a period of service of a year or more.

E. Other expenses

All other expenses not covered by the above.

USPTO EXPENDITURES (Fig. 2.5)

A. Salaries and Benefits:

Compensation directly related to duties performed for the Government by Federal civilian employees. Also included are benefits for currently employed Federal civilian personnel.

B. Rent & Utilities:

Payments for the use of land, structures, or equipment owned by others and charges for communication and utility services.

C. Contracts and Services:

Services acquired by contract from non-Federal sources (that is, the private sector, foreign governments, State and local governments, Native American/Native Alaskan tribes), as well as, from other units within the Federal Government. This consists of three types of services:

- Management and professional support services.
- Studies, analyses, and evaluations.
- Engineering and technical services.

D. Other:

All other expenses not covered by the above including but not limited to:

Equipment: Property of a durable nature, which is defined as property that normally may be expected to have a period of service of a year or more, after being put into use, without material impairment of its physical condition or functional capacity. Also included is the initial installation of equipment when performed under contract.

Printing: Printing and reproduction obtained from the private sector, or from other Federal entities.

Supplies & Materials: Commodities that are ordinarily consumed or expended within one year after they are put into use, converted in the process of construction or manufacture, used to form a minor part of equipment or fixed property, or other property of little monetary value that does not meet any of the three criteria listed above, at the option of the agency.

