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November 2022



Catherine Chammartin, Director General

My first intercontinental business trip after two years of mobility and contact restrictions took me to Washington, D.C. to attend the annual meeting of the International Trademark Association. Six thousand trade mark experts, right holders and government representatives gathered in the Walter E. Washington Convention Center for seminars and podium discussions about the future of one specific intellectual property right – the trade mark.

Everyone was clearly pleased that we could meet up in person again. There was a great deal to discuss, as the effect of trade mark law depends to a large extent on worldwide cooperation via agreements and, as far as possible, via uniform implementation, even though trade mark law itself is governed by individual jurisdictions. This is the same situation as for patent, design and copyright law.

Events in Europe have always been of particular importance to Switzerland – partly because of Europe's pronounced economic significance for our country and partly because Switzerland is a member of the European Patent Organisation (EPOrg), the parent organisation of the European Patent Office (EPO).

I'd therefore like to say a few words about the European Union's introduction of the European unitary patent, which is currently under way. From the start of 2023, patent applicants from Switzerland will have access to two European intellectual property (IP) rights: the new patent with uniform validity throughout the European Union (EU), except for Spain and Croatia; and the tried-and-tested patent under the European Patent Convention.

As well as the question of how this new option will affect patent applicants' behaviour, the financial aspects of the unitary patent will likely give cause for debate. The EPO will take over the management of the unitary patents granted – a task that Member States carry out for national patents. This raises the

question of how Switzerland and the other non-EU members of the EPOrg will pay for the EPO's services. As a newly appointed delegate on the Administrative Council of the EPOrg, one of my duties will be to represent the best interests of our country.

As you know, patent law is being amended in Switzerland too. The Federal Council announced the main points of the new bill on 18 August 2021. The key term is the 'optional full patent'. This means that under the new bill it will be possible, but not mandatory, to check for novelty and the presence of an inventive step. The introduction of a compulsory search will nonetheless increase legal certainty for every patent, even those that are not fully examined.

The Federal Council also sees a need for change in the area of copyright law. It is planning new protection for journalistic publications. In future, social media platforms and search engines that disseminate the content of Swiss media companies will be required to pay to do so. In late 2021, our institute was tasked with drawing up a bill.

Since then, we've been trying to establish a new balance between the interests of journalists, publishers, consumers and online platforms. This has highlighted once again the extent to which the further development of the IP rights system depends on international exchange.

In mid-2021, a new copyright directive came into force in the European Union. It also governs related rights for publishers. Our copyright experts therefore talked to their European counterparts and took their experience to date into account in the bill for consultation. It will go to the Federal Council in due course.

An Overview of the Year at the IPI

August

18 and 31 August 2021

Better international protection for Swiss geographical indications



Swiss producers will in future be able to register geographical indications in several states simultaneously via a simple procedure. At its meeting on 18 August 2021, the Federal Council approved the entry into force of the Geneva Act of the Lisbon Agreement on Appellations of Origin and Geographical Indications and the implementing ordinances on 1 December 2021. The Lisbon System enables Swiss beneficiaries of appellations of origin, such as Gruyère, and geographical indications, such as Bündnerfleisch or Swiss for watches, to obtain a high level of protection on the territory of the contracting parties for an unlimited period of time. On 31 August 2021, Ambassador Félix Baumann (r.) deposited the instrument of Switzerland's accession to the Geneva Act with the World Intellectual Property Organization (WIPO). The accession ceremony provided an opportunity for Daren Tang, the Director General of WIPO, to demonstrate his knowledge of regional products by making rosettes for Tête de Moine cheese.

18 August 2021

Modernising the patent examination procedure

The Federal Council acknowledged the results of the consultation on the partial revision of the Patents Act at its meeting on 18 August 2021 and decided on the further course of action. The Federal Council's proposal for a partial revision was aimed primarily at fulfilling the parliamentary mandate to introduce a fully examined Swiss patent and, in parallel, an unexamined utility model as an alternative. The consultation, however, revealed that an either-or solution – either a fully examined patent or a utility model – would be too rigid, while there is a demand for a flexible patent examination. Since a modernisation of the patent examination procedure was welcomed in principle, the Federal Council decided to take into account the criticism voiced in individual areas by making adjustments to the contents of the draft bill. It mandated the Federal Department of Justice and Police (FDJP) to submit a dispatch by the end of 2022.



October

6 October 2021

The Swissness Enforcement association fights against misuse of country names

Currently, country names, such as Switzerland, Suisse and Schweiz, can be registered as elements of a trade mark without any restriction. As a result, there are a large number of trade marks with country names that have nothing to do with the respective country. The dispute between the Icelandic state and the British supermarket chain ICELAND, which has been smouldering for



20 years, is considered a test case. Iceland filed an invalidity action against the EU trade mark ICELAND. The first instance decision in favour of the Icelandic state was then referred to the next instance, the EUIPO's Grand Board. The Swissness Enforcement association, which is co-sponsored by the IPI, supported the State of Iceland by submitting an 'amicus curiae brief' to the Grand Board. The aim was to ensure that in future a country name may no longer be registered as a trade mark in the European area without any restriction or the consent of the respective country.

Events in the Year under Review that Effectuated Change

November

21–22 October 2021

The IPI and the IP Office of the United Kingdom agree on closer cooperation

On 21 and 22 October 2021, an IPI delegation led by Catherine Chammartin visited the United Kingdom IP Office (UKIPO) at its premises in Newport, Wales. The aim of this inter-agency meeting was to start a regular exchange on national and international IP matters. In addition to the bilateral discussions between IPI Director General Catherine Chammartin and Tim Moss, the CEO and Comptroller General of the UKIPO at that time, the two delegations worked in three parallel working groups on the following topics: (1) EPO matters; (2) national and international IP policy affairs; and (3) IP/IT innovation. The meeting highlighted the potential that heightened cooperation would offer. The two IPOs thus signed a Declaration of Intention in February 2022. A visit by UKIPO representatives to Bern is planned for December 2022.

18 November 2021

Strong IPI presence at the Swiss Innovation Forum



The Swiss Innovation Forum (SIF) is one of the most important annual events in the Swiss innovation ecosystem. The IPI was present as a main partner with a stand at the Future Expo, where our experts answered questions about trade marks, patents and designs. The IPI's breakout session ('Know-how – the key to business success') focused on preserving knowledge within a company. The German business consultant Professor Horst-Richard Jekel presented the strategic challenges companies are faced with today. Using practical examples, he illustrated how SMEs have established themselves on the market with their inventions.

25 November 2021

SEF.Growth visits Swiss start-up Planted

The IPI is one of the main partners of the national growth and innovation initiative SEF.Growth. It supports the programme by providing substantial funding and by offering specialist knowledge, visits by experts, assisted patent searches and further patent clarifications. On 25 November, the Swiss start-up Planted in Kempththal offered a look behind the scenes as part of SEF.Growth. Innovation protection was one of the topics discussed. Planted executive board member Judith Wemmer talked about the company's early years, its recipe for success and its production facilities. The company protected its innovations early on and also used the IPI's Assisted Patent Search service several times.



An Overview of the Year at the IPI

December

9 December 2021

Great honour for STOP PIRACY

In spring 2021, STOP PIRACY launched its first fully online campaign under the slogan 'Don't be fake. Be original'. Well-known Swiss influencers drew the attention of their followers to the counterfeiting problem impacting the watch, perfume and food supplement businesses. The related posts and stories recorded over 1.3 million clicks and also caused a stir internationally. In December 2021, Managing IP – a global information platform on the topic of intellectual property – listed Eveline Capol, Head of the STOP PIRACY Secretariat, as one of the 50 most influential people in IP in 2021.



31 December 2021

Projects with Serbia: outcome of ten years of international cooperation

The IPI plans and implements collaborative projects in the field of intellectual property on behalf of the State Secretariat for Economic Affairs (SECO). In December 2021, the Swiss-Serbian Intellectual Property Project (SSIP II) was successfully completed after running for more than ten years in



total. The overall objective of the SSIP II was to increase the competitiveness of the local economy. It set out to improve local businesses' access to information about IP and thus enable them to diversify their sales markets. Protection for geographical indications (GIs) is of particular interest to the Serbian government, as it is a useful tool for promoting development in rural areas. Cooperation between Serbia and Switzerland is continuing following the conclusion of the SSIP II. The IPI is currently supporting the development of a technopark in Belgrade.

March

2 March 2022

Switzerland continued to be innovative during the pandemic

Swiss companies demonstrated their innovative spirit once again during the second year of the pandemic. In 2021, 19,279 trade mark applications were filed (18,678 in 2020). As of the end of 2021, a total of 534,960 trade marks were in force in Switzerland. Switzerland's innovative spirit is also reflected in the figures for the Assisted Patent Search service. Once again, nearly 1,000 representatives of universities and companies carried out a search with the IPI to examine their inventions in detail. In 2021, 1,555 inventions were filed for patent protection in Switzerland (2020: 1,590); a total of 6,623 Swiss patents were active. The latter figure jumps to 146,716 if patents with effect in Switzerland filed with the European Patent Office (EPO) are also included. In the area of designs, applications are on the rise. In 2021, 811 designs were registered with the IPI (2020: 613). As of the end of 2021, 9,545 design rights were active in Switzerland, providing protection for 33,686 objects (2020: 9,212 rights protecting 31,686 objects). The IPI receives the most applications for clocks, watches, measuring instruments, packaging and furniture.



An Overview of the Year at the IPI

April

4 March 2022

New online service for international trade mark registration

Trade marks, patents and designs are to be easy to register, manage and pay for digitally. This is one of the IPI's medium-to long-term goals. In order to identify the needs of its customers at an early stage, the IPI regularly asks trade mark attorneys,



patent attorneys and also non-professional users for feedback. Since March 2022, another option has been available to Swiss trade mark applicants and owners of a Swiss trade mark: they can now apply for trade mark protection in over 120 countries via one simple procedure. Thanks to the extension of protection available under the Madrid System, applications are registered by the World Intellectual Property Organization and transmitted to the applicant's chosen countries, where they are then examined. Such international applications accounted for around 3,500 of the 19,000 trade mark applications submitted in Switzerland in 2021.

4 April 2022

Consultation on the harmonisation of substantive patent law

Substantive patent law is to be harmonised internationally. The European Patent Organisation and the intellectual property offices in 45 industrial countries, including Switzerland, have been pursuing this objective since 2014. The aim of harmonisation is to simplify and accelerate procedures, lower the costs for obtaining and enforcing patent rights and increase the predictability of procedures, above all in terms of duration and costs. The IPI invited Swiss users of the international patent system to play a part by providing us with their views on the harmonisation proposals. The consultation period ran from 4 April to 20 May 2022. The IPI was particularly interested in hearing users' opinions on the harmonisation of the grace period and its link to prior user rights.

5 April 2022

Switzerland defies the pandemic with a record number of patent applications

The number of patent applications from Switzerland filed with the European Patent Office (EPO) continued to rise in 2021,



reaching 8,442, a new high. Switzerland thus remains the country with the highest invention density. The growth rate of 3.9% – the second highest in the last ten years – was again above the European average of 2.8%. These figures can be found in the EPO's Patent Index 2021, which was published on 5 April. The number of patent applications in medical technology rose particularly sharply (+18.5%), after the sector recorded a large decline (–13.1%) in the previous year. Thus, for the first time in a decade, medical technology advanced to become the technology field with the most patent applications (number two in the previous year). Patent applications in the consumer goods sector rose by 3.1%, ranking second (following first place in the previous year). Despite growth of 6.7% (–14.4% in the previous year), measurement technology remained in third place.

May

26 April 2022

World Intellectual Property Day: celebrating young innovators

The inventiveness of young people was the focus of World IP Day. In Switzerland, too, young people are on the ball, researching and inventing new technologies for our planet in high schools, higher education institutions and companies. The IPI has been fostering this inventive spirit for many years by supporting programmes such as Swiss Youth in Science and Young Enterprise Switzerland (YES). While taking part in these competitions, young people learn what to keep in mind in terms of intellectual property and what role IP protection plays in their specific cases.



3 May 2022

Catherine Chammartin attends the Annual Meeting of the International Trademark Association



For about two years, cross-border discussions between IP rights experts took place mainly in virtual forums. However, computer screens are never a perfect substitute for face-to-face meetings. Hence, when contact and travel restrictions were eased, IPI Director General Catherine Chammartin took the opportunity to attend the annual meeting of the International Trademark Association (INTA) in Washington, D.C. at the beginning of May. In addition to specialist discussions on the future

of trade mark protection, she had the chance to exchange ideas with colleagues from all over the world. Catherine Chammartin spoke to Rena Lee, Chief Executive of the Intellectual Property Office of Singapore (I.), about IP developments in their respective countries, a jointly conducted blockchain study and the internationally topical subject of greentech.



May

3 May 2022

STOP PIRACY launches a pop-up store

From 3 to 30 May 2022, the STOP PIRACY association presented its activities in its first ever pop-up store. It was located in the Mall of Switzerland in Ebikon, a suburb of Lucerne. Employees from the IPI and STOP PIRACY informed the public about the issues underlying counterfeiting and piracy.



Founded in 2005 as a public-private partnership, the STOP PIRACY association consists of members of the public and private sectors. As a member from the very beginning, the IPI makes an important contribution to raising public awareness.

14 May 2022

Swiss Youth in Science – international success for Swiss participant

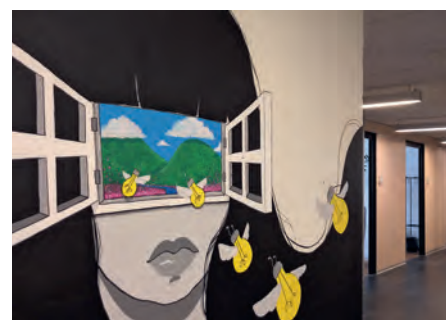
Swiss Youth in Science competitor Noa Sendlhofer notched up a fantastic achievement. The 20-year-old ranked second in the Robotics and Intelligent Machines category at the Regeneron International Science and Engineering Fair 2022 in Atlanta (USA) on 14 May. His project was on the 'Development and Construction of a Low-Cost Six-Axis Robot Arm'. Sendlhofer's journey to the world's largest science project competition began in April 2021, when he was awarded a distinction in the Swiss Youth in Science national competition. The IPI has been a partner of Swiss Youth in Science for years and conducts workshops in which it informs young people about intellectual property.



18 May 2022

Federal Council decides the IPI's strategic goals

To boost innovation and competitiveness, the IPI has been tasked with promoting appropriate, economically viable protection of intellectual property in Switzerland in future too. The Federal Council set this out in its strategic objectives for the IPI, which apply for the period from 2022 to 2026.



At the international level, the IPI is required to actively shape developments in intellectual property in the interests of Switzerland. Additionally, the IPI has been tasked with offering simple, transparent, rapid and inexpensive procedures to users of industrial property rights. The Federal Council attaches importance to efficient administration based on business principles. The IPI will continue to generate the necessary funds and resources itself from fees and payments for commercial services, without resorting to federal funding. Finally, in the area of sustainable development, the Federal Council expects the IPI to contribute to the realisation of the United Nations 2030 Agenda and to follow a strategy rooted in sustainable and ethical principles.

An Overview of the Year at the IPI

June

19 May 2022

The IPI at the Startup Days with prominent support

The Kursaal Bern became the centre of the Swiss start-up scene for a day, with 1,200 people attending the Startup Days (SUD). The IPI set up a spacious lounge at the event, and members of the public dropped by. They put their questions to the IPI representatives at the event and engaged them in numerous discussions around the topic of intellectual property. For the session 'No elite sports without trade marks', the IPI was able to win Swiss ski star Ramon Zenhäusern as a guest speaker.



The Olympic and world champion shared his experience with IP rights, talking about his personal trade marks. In addition, IPI experts and a lawyer explained how and why sports clubs and sportspeople protect their trade marks.

4 June 2022

The IPI's IP Management Award goes to Schaffhausen



The final of the national Young Enterprise Switzerland (YES) competition took place in the concourse of Zurich main station. Twenty-five mini-enterprises competed for the top spot with their innovative products. The winners in the special categories were also honoured. The IPI's IP Management Award went to Pettastic, a young company from the Kantonsschule Schaffhausen. The company makes phone cases from recycled PET. "The four founding members analysed their starting point well and then took concrete IP measures for their product and for their enterprise as a whole, too. That's what convinced me," said IPI expert and jury member Matthias Käch (third from left).

8 June 2022

The IPI no longer offers trade mark searches, with effect from July 2022

For more than 60 years, the IPI supported trade mark applicants and owners by providing professional trade mark searches. It thus gave clients a reliable basis for taking decisions about trade mark protection. But user behaviour has changed in recent years, and the demand for trade mark searches has steadily declined. Nowadays, people who want to search for trade marks or monitor the market are increasingly doing so themselves using free online databases. Due mainly to this trend, the IPI decided to withdraw from the trade mark search market from 1 July 2022. All our search experts will continue to work at the IPI. On 8 June, they were duly honoured for their many years of service.



27 June 2022

High-level meeting with the European Intellectual Property Office (EUIPO)

The annual meeting between the heads of the European Intellectual Property Office (EUIPO) and the IPI once again took place virtually. Christian Archambeau, Executive Director of the EUIPO, and Catherine Chammartin, Director General of the IPI, signed an extension of the Memorandum of Understanding on Bilateral Cooperation for another four years. A memorandum of understanding of this kind was first adopted 22 years ago between the then EU Office for Harmonisation in the Internal Market and the IPI. It governs the cooperation between the two offices, mainly in the areas of harmonisation of practice, exchange of information on activities, key figures and staff development. Since 2003, a total of eight IPI staff members have worked as national experts for a period of two to five years at the EUIPO headquarters in Alicante, Spain. Harmonising national practices as far as possible is part of the IPI's strategic goals. It is working together with the EUIPO and the European offices to achieve this.

"Small but significant"

Designs spice up our goods and products. Just think of Nespresso machines, Swatch watches, Corbusier loungers and Toblerone packaging. We talked to Beat Schiesser, who has managed Design Protection at the IPI for more than 35 years, about the most recent intellectual property right.

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Mr Schiesser, are there any Swiss designers that you have come to particularly appreciate during your time as Head of Design Protection?

Beat Schiesser: Antoine Cahen from the Lausanne-based Les Ateliers du Nord springs to mind. He's been in the business for decades, his work is great and he's responsible for the typical design of Nespresso machines.

If Antoine Cahen were to build houses, sing, paint or write, he'd be a star...

Probably. Maybe he would even like to be more well-known. But designers are very much in the background. They work on behalf of companies, and their names are very rarely visible at the point of sale. In fact, they are also practically invisible to the IPI. Because it's generally the contracting companies that register designs with us. Consequently, we don't know at the IPI how many freelance professional industrial designers are active in Switzerland, for example.

Which industries register designs?

Above all, the consumer goods industry, as well as the packaging sector. Appearance and form always play a role in the marketing of cosmetics, cleaning products, household devices, watches and foodstuffs.

Do you have other client groups outside of industry?

We also have dealings with tradespeople, such as joiners and metalworkers. And finally, there are private individuals who produce designs in their free time.

In the reporting year, around 700 applications for protection were submitted for a total of 3,000 individual designs. That's not a lot, compared with applications for trade mark registration, for example, which number practically 18,000.

You're forgetting the designs that are registered with the World Intellectual Property Organization (WIPO) in Geneva. Every Friday between 10am and 2pm, we receive a dataset from WIPO. Each dataset contains between 100 and 150 registrations with over 1,000 designs, whose owners seek protection in Switzerland. We examine these designs materially and ensure, for example, that they don't contain any offensive elements. Multinational companies, such as Swatch, register all their designs with WIPO.

In a survey carried out for the IPI, the design applicants complained that design protection is difficult to enforce in Switzerland. Why is that?

I need to give you some background information on this first. Worldwide, car and consumer electronics manufacturers register a great deal of designs. In these two industries, disputes about protection can quickly result in claims for large sums of money. But as designs generally have a brief lifespan, producers tend to concentrate their legal protective measures on major markets. As a result, court cases rarely occur in little Switzerland. There is no long-standing legal practice in Swiss design law, in contrast to the situation in patent and trade mark law. That is what is meant when you hear people talking about the difficulties of enforcing design rights.

How does that affect the daily work of designers?

We see that most disputes about protection are resolved out of court, for example disputes about licensing agreements.

The Designs Act came into force on 1 July 2002, which makes it the most recent industrial property right. It is also to a certain extent the smallest. Are there any studies on the economic relevance of design rights?

The European Union Intellectual Property Office (EUIPO) in Alicante, which is also responsible for design protection, published a study on the subject several years ago. Even I found the results astounding: a fifth of all consumer goods sold in the European Union (EU) enjoy design protection. We're talking about products that generate revenues in the billions for their manufacturers year after year. I should point out, though, that designs are automatically protected against imitators in the EU for three years from the date of their market launch. This is not the case in Switzerland.

You and your colleagues in the Trade Mark & Design Division are not just responsible for professional design applicants – the IPI's main clientele. You also provide information to lay people and first applicants. What is the most frequently asked question?

(He laughs) Can we patent 'this'?



Beat Schiesser, Head of Design Protection

Mr Design

At the end of June 2022, Beat Schiesser hung up his hat, 42 years after he first joined the then Federal Office of Intellectual Property (FOIP). Back then, one of his team-mates in BSV Bern's handball A-team told him that the government office was looking for people. A tall Bernese citizen, he was a top handball player – and later twice Swiss champion and 20 times in the national team. Nonetheless, he took up a full-time position with the FOIP after completing commercial school. In 1987, he was promoted to the position of Head of Design Protection. The most important milestone in his career was preparing the Federal Act on the Protection of Designs. The former fullback led a team of up to seven experts in intellectual property, IT and design in the years running up to 1 July 2002, when the act came into force. Schiesser has no concrete plans for his retirement. He intends to read, travel and enjoy life with his family.

And what's your answer?

We generally start by explaining the basic principles. Firstly, you can't protect ideas either in Switzerland or anywhere else in the world. Secondly, only inventions that solve a problem with technical means can be patented. A draft design does not meet this condition. That's why design protection exists. In the past, we talked about two-dimensional samples and three-dimensional models. However, since the Federal Act on the Protection of Designs came into force in mid-2002, we have only referred to 'design', a small but significant niche product.

This may be rather sobering information for callers. How do they react?

Our discussions often turn out to be very interesting. I remember one of my first conversations with Daniel and Markus Freitag. They explained their idea of making bags from used truck tarpaulin. Their initial disappointment at discovering that ideas can't be protected didn't last long. Because it emerged that the bags, which are now distributed worldwide with the label 'Freitag', had plenty of elements that could be protected: seams, edges and straps. Later, the brothers told me that they had considerable cause to be grateful for the IPI's information.

There's a rumour that you were once phoned by HR Giger, the late creator of the monster in the film Alien. Is there any truth in that?

Yes, I did indeed have Mr Giger on the line once. I didn't realise at first that it was *the* Mr Giger. He was annoyed about imitations of a table he designed. I just listened. His view was that he was an artist and his creations were therefore protected by copyright. That is not generally the case, however. In practice, it depends on the judge's discretion. When he understood that, an amazing conversation developed.

Is the distinction between a design and an artistic creation really as clear-cut as the law suggests?

There are in fact some cases of overlap: a famous example is the lounge created by Charles-Édouard Jeanneret-Gris, known as Le Corbusier. The Federal Supreme Court confirmed that it's subject to copyright and that it can't be produced or distributed without authorisation from the heirs of Le Corbusier.

According to the law, design protection can be renewed after five years for another five years up to four times. There are nonetheless designs that are still protected decades after their market launch, such as Toblerone.

Proprietors of a design have the option of protecting their design as an indefinitely renewable shape trade mark. The hurdles are high, however. The proprietor must provide prima facie evidence, for example via a representative survey, that their design has become established in the market, i.e. that their design is seen by the public as an indication of its commercial origin. This is the case for the Panton Chair. If the application is successful, the item in question finds itself in a kind of paradise for iconic designs.



The IPI's design archive

After a maximum of 25 years, design protection can no longer be renewed, and it thus expires. Until recently, the object in question remained in storage at the IPI after expiry. Over the years, objects and documents accumulated for more than 20,000 expired IP rights. At the end of 2021, the Executive Board decided to alter its archiving policy. Documents on expired IP rights are now only stored for five years after expiry, and the existing design archive is being dismantled for reasons of space. Around 100 folders with pictures and drawings of historical significance went to the Swiss Federal Archives, and the IPI kept another 100 or so objects and representations. Interested parties and visitors can view them in a temporary exhibition in the IPI building.

Trade Marks, Patents, Designs and Copyright

According to the Global Innovation Index, Switzerland is still the most innovative country in the world in 2022. Effective protection of intellectual property is an important prerequisite for innovation. The administration of patents, trade marks and designs and the supervision of the Swiss collective rights management organisations are two of the IPI's core activities.

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Patents

The effects of the coronavirus pandemic on patent activity are easing off. Nonetheless, the longstanding downtrend in applications originating in Switzerland continued in the 2019/20 and 2020/21 business years. In the reporting year, the IPI recorded 1,282 patent applications from Switzerland, corresponding to a year-on-year drop of 12.8%.

By contrast, there was a further increase in patent filings with the European Patent Office (EPO) from Switzerland. Following 8,025 applications in the calendar year 2020, the EPO received 8,442 applications from Switzerland in 2021, corresponding to a rise of around 5%. Intellectual property experts agree that this is due to the ever closer interconnections between the Swiss economy and the rest of the world.

The widening gap between domestic and foreign applications is also impacting Swiss patent owners' renewal behaviour. Renewals of European patents picked up, while renewals of Swiss patents declined.

The patent register underlines the significance of the EPO for Switzerland as a centre of innovation: at the end of the reporting year, patents granted by the EPO with effect in Switzerland and Liechtenstein accounted for 95% of all intellectual property rights effective in Switzerland.

From an administrative point of view, the Patent Division's year was shaped by the preliminary work needed for potentially introducing full patent examination in the Swiss patent system. To be able to cope with the extra work expected, the division reduced its backlog of pending cases. Prior to 2020, the application process – from the initial application to the collection of the examination fee and then the grant of the patent – took around three years. Since the start of 2020, this period has been reduced by more than ten months on average. The work involved in patent examinations has increased accordingly, which means that the division was sometimes unable to give the same priority to other tasks.

The IPI's decisions are occasionally contested in court. In the reporting year, three patent cases resulted in negotiations before the Federal Patent Court. The IPI's practice was confirmed in all three cases.

Finally, the Patent Division has been responsible for the cross-divisional unit Training & Sponsoring since the start of the reporting year. During this period, the IPI supported a number of events and programmes, such as Startup Days, SEF.Growth and the Swiss Innovation Forum (SIF), as well as the non-profit organisation Young Enterprise Switzerland (YES), which teaches schoolchildren about entrepreneurship and innovation.

Trade marks

The number of applications for trade mark registration with the IPI fell by around 12% in the reporting year to 17,746. This drop is roughly the same as the increase in the previous year. The correlation with the spread of the coronavirus and the measures to contain it is clear.

The IPI assumes that the pandemic boosted applications for three reasons: firstly, businesses needed trade marks for new coronavirus-related products and services; secondly, the need for specific trade marks for e-commerce rose due to the boom in online trade; and thirdly, many companies used the lockdown months to update their trade mark portfolios. None of these factors were present in the reporting year.

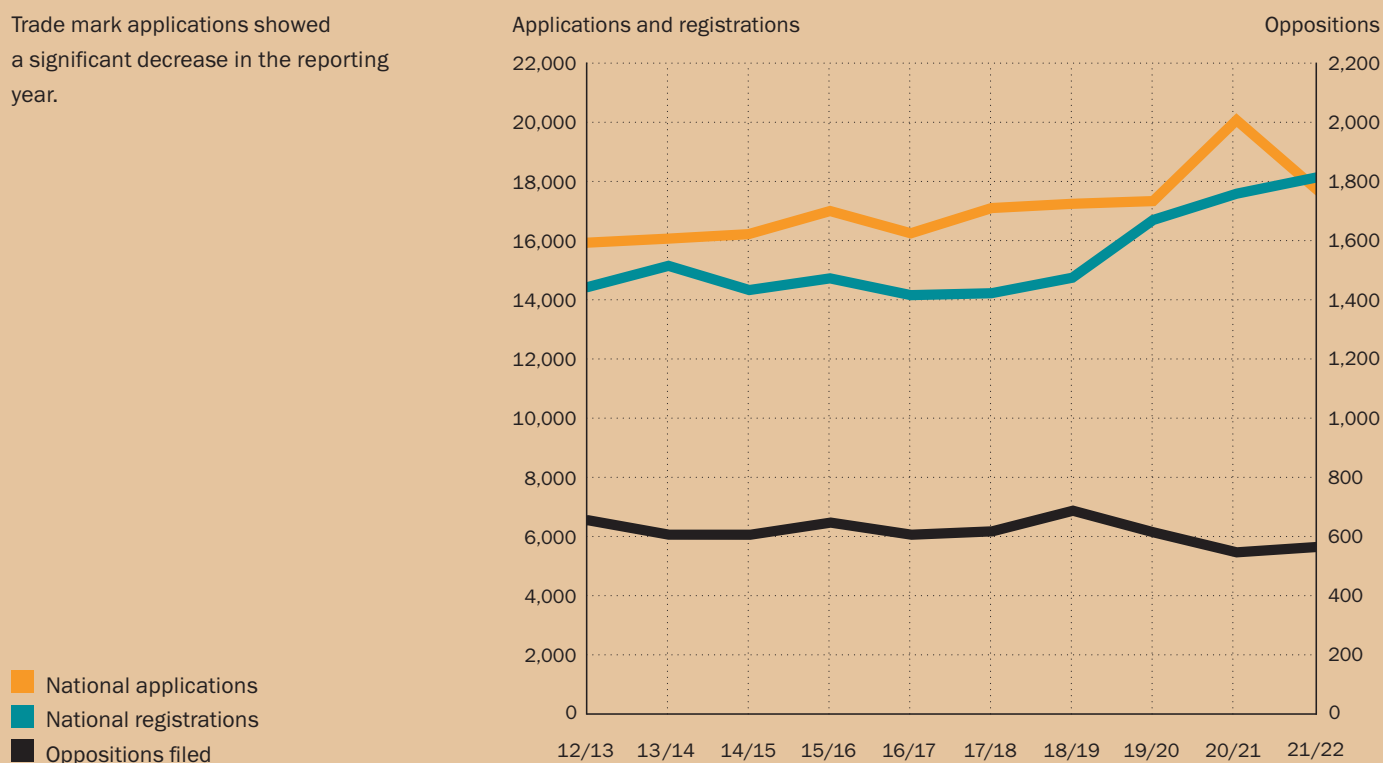
The drop in the reporting year was not restricted to applications for Swiss trade marks for national use: international extensions of trade marks based in Switzerland also sank.

By contrast, there was a massive rise in international trade mark registrations that were newly extended to include Switzerland. The IPI can only speculate about the reason for these opposing trends. One possible explanation is that they are due to reporting delays. As the procedures for international registrations take up to half a year longer than the national procedure,

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Trade Mark Trends

Trade mark applications showed a significant decrease in the reporting year.





some of the international applications could still be from the pandemic years.

Opposition and cancellation procedures remained stable in the reporting year. There were also no changes to the number of early trade mark examinations, which accounted for 21% of total applications.

Around 70% of applications are processed in the regular manner. The average processing period was reduced from 18 to 15 weeks in accordance with internal IPI requirements.

The remaining applications are examined more rapidly (within one month) in return for payment of an additional fee.

Applications for trade mark registration are examined in line with the IPI's guidelines. The guidelines for trade marks that contain geographical indications have been revised in the past two years. A fictional example 'ABC Bernese Bikes' can be used to illustrate the changes.

The trade mark 'ABC Bernese Bikes' raises expectations about the geographical origin of goods. In the past, it would only have been registered if the owner had indicated in the trade mark register that their trade mark applies solely to bicycles from Switzerland. This kind of restriction in the trade mark register was previously necessary because the IPI's focus was on an abstract risk of deception (irrespective of usage). This approach was controversial and differed in particular from EU practice.

After fully considering all the circumstances, the IPI decided to loosen its practice. Now only trade marks with obviously deceptive indications of source are rejected. A limitation on the list of goods or services need only be entered if this is required in accordance with the provisions of the law or an international treaty.

The new regulation came into force on 1 March 2022 and is the largest change of practice for more than 20 years.

It is important for applicants to know that the change only applies to the register entry. As before, indications of source are subject to the obligation to be truthful, and deceptive use of indications of source is forbidden. National and international regulations on indications of sources, such as 'Swissness' legislation, are not affected by the revision to the guidelines and are therefore still valid.

This change in practice makes it significantly easier to file trade marks with geographical names. Not just for applicants, who no longer have to restrict their goods and services to the corresponding geographical origin and can benefit from improved access to the Madrid System for international trade mark registration. But also for the IPI's trade mark experts, because they now only need to examine the relevant details with respect to deceptiveness to a limited extent.

Geographical indications

By 30 June 2022, the IPI had received three applications for the international registration of a Swiss geographical indication. Two of those have already been passed on to WIPO: the designations TÊTE DE MOINE PAO (cheese) and VALAIS/WALLIS AOC (wine).

On 1 December 2021, WIPO sent the IPI a communication with 461 geographical indications that could be protected in Switzerland. In accordance with the Geneva Act, the IPI has a year to check these details and to refuse protection based on an ex officio examination or an application by a third person for refusal of protection (opposition). The IPI published these 461 geographical indications in spring 2022 in the Federal Gazette because this would keep the opposition period of three months within this year and because WIPO does not have a regular organ of publication for the Lisbon System. As of 30 June 2022, the IPI issued the first seven statements of grant of protection for geographical indications (from Cambodia and the Democratic People's Republic of Korea).

Designs

During the reporting year, the number of design rights registered fell by 17.3% from 795 to 657. This sharp decline can primarily be explained by the fact that one single applicant submitted 72 applications in the 2020/21 business year. Compared with the long-term average of 653, the number of registrations in the reporting year remained practically the same. The number of renewals increased by 17.2% to 1,293.

Financial Year

Trade Marks

	2021/22	2020/21	% change from previous year	2019/20	2018/19	2017/18
National						
Trade mark applications	17,746	20,018	-11.3	17,310	17,231	17,109
– expedited service	1,707	1,799	-5.1	1,496	1,461	1,114
– e-filings	17,291	19,451	-11.1	16,789	16,663	16,554
Registrations	17,527	16,981	3.2	16,017	14,763	14,238
Pending applications	7,397 ¹	9,421	-21.5	8,621	9,106	8,307
Renewals	11,849	11,961	-0.9	11,699	10,914	11,519
Oppositions						
New cases	569	549	3.6	607	684	616
Closed cases	602	628	-4.1	699	664	606
Pending cases	551 ¹	584	-5.7	667	757	705
International						
International registrations designating Switzerland	19,358 ²	16,150	19.9	16,604	16,840	15,631
Renewals	14,273 ²	14,329	-0.4	13,513	13,652	13,863

Patents

National patent applications and patents						
Patent applications submitted	1,569	1,628	-3.6	1,666	1,658	1,591
– Swiss origin	1,282	1,336	-4.0	1,382	1,285	1,305
– foreign origin	287	292	-1.7	284	373	287
Patents granted	781	745	4.8	651	615	718
Processed patent applications	1,779 ⁴	2,244	-20.7	1,983	2,048	2,238
Pending patent applications	4,963 ¹	5,229	-5.1	5,761	5,969	6,271
Patents in force	6,631 ¹	6,727	-1.4	6,904	7,127	7,304
European patent applications and patents						
Submitted to the IPI and forwarded to the EPO	33	8	312.5	32	30	39
European patents granted designating Switzerland and Liechtenstein ³	94,486	122,418	-22.8	135,473	136,472	107,728
European patents paid designating Switzerland and Liechtenstein	141,278 ¹	136,115	3.8	127,443	121,695	111,172
International patent applications (PCT)						
Applications submitted to the IPI and forwarded to WIPO	29	35	-17.1	50	59	93

Designs

Number of filings	657	795	-17.4	631	671	780
– number of objects	2,378	3,200	-25.7	2,398	2,687	2,888
Number of second term renewals	552	491	12.4	518	408	556
Number of third term renewals	338	327	3.4	303	333	374
Number of fourth term renewals	310	227	36.6	240	218	169
Number of fifth term renewals	93	58	60.3	74	84	86
Annulments	812	855	-5.0	787	822	839
Designs in force	9,446 ¹	9,284	1.7	9,346	9,500	9,649

Changes in the methodology of data collection possible.

¹ Figures as of 30.06.2022 ² Sources: EPO, WIPO; figures as of 04.08.2022 ³ Sources: EPO, WIPO ⁴ The 20.7% decrease in the number of patent applications processed compared with the previous year is largely due to a change in practice with regard to cancellations following refusals.

The past business year was marked by the introduction of the electronic IP rights administration system (ESV). Many processes were automated with the ESV, and an electronic dossier was introduced. Thanks to feedback from applicants and representatives, the IPI continuously implemented improvements and received valuable suggestions for future adjustments.

In January 2022, the 15th meeting of the Committee of Experts of the Locarno Agreement took place in hybrid form. The 15th edition of the Locarno Classification will come into force on 1 January 2023.

Digitalisation

Digitalisation projects always have more than one goal. For example, they might offer increased availability, greater efficiency thanks to the automation of routine processes and/or the foundation for data-based quality management. However, the basic aim – and the first hurdle – is always to streamline a proliferation of processes that have arisen organically.

At the IPI, the digital transformation process is being implemented under the project name ESV. The work has been under way since 2014. In essence, it involves the virtual mapping of all processes related to IP rights.

In the year under review, one of the central sub-projects was completed. It entailed creating cross-divisional global processes for the filing, processing, renewal and cancellation of the three industrial property rights.

Until 30 June 2021, the three vertical specialist areas of patents, trade marks and designs each had their own application and registration procedures. During the night from 30 June to 1 July, these administrative duplications were eliminated.

Since then, all processing steps common to patents, trade marks and designs have been handled by the newly created Applications & Registers Unit. It is part of the Trade Mark & Design Division, which has also been set up recently.

The 16 Applications & Registers staff members receive the IP rights applications that have been sent to the IPI, examine them formally and invoice the fee due. When payment is received,

the dossiers go to the specialist areas for substantive examination. The actual registration is the task of the examiners – with the proverbial click of the mouse.

If the holder of an already registered industrial property right requests an amendment, the Applications & Registers Unit comes into play again. Changes of address, transfers or notes on licences granted to third parties are made centrally.

Now that the new unit has been set up, the organisational adjustments following the introduction of the ESV are complete. Meanwhile, the platform is being further developed. It forms the technological basis for further simplifying and accelerating public traffic under the project name 'E-Gov'.

As of March 2022, two further sub-processes were fully digitalised: firstly, international extensions of trade marks based in Switzerland and, secondly, the renewal of protection for designs.

Monitoring Office for Technological Measures

Rights holders may use technological measures such as access control and copy barriers to control the use of their works and other protected subject matter. The Monitoring Office for Technological Measures (OTM) is the specialist authority of the federal government that determines the effects of such measures on legal uses of copyright-protected content. It is affiliated to the IPI.

In the reporting year, the OTM did not receive any reports regarding technological measures.

In 2021, the OTM concluded its examination into the cross-border portability of audio-visual online content. The Federal Council took note of the report and instructed the OTM to continue to keep an eye on the situation and to update it at the end of 2023 on any developments. The OTM will take up this task in autumn 2022. In the reporting year, the OTM dealt with issues concerning e-books (including the lending of e-books by libraries). In Germany, the question arose as to whether libraries should be allowed to lend certain publications, such as potential bestsellers, as e-books from the first day of issue and what the consequences of this would be. The OTM is monitoring further developments in this area in Switzerland and abroad.

Overview of the Swiss Collective Rights Management Organisations

	Year founded	Repertoire	Members	No. of members including principals
SUISA	1923	Non-theatrical musical works	Composers, writers and music publishers	41,286
SUISSIMAGE	1981	Audio-visual works	Script writers, directors, producers and other rights holders of the film branch	4,172
PROLITTERIS	1974	Literary and dramatic works, as well as visual works of art	Writers, journalists, visual artists, photographers, graphic artists, book, newspaper and periodical publishers as well as art publishers	>15,000
SSA	1986	Spoken, dramatico-musical, choreographic, audio-visual as well as multimedia works	Dramatists, composers, script writers and directors	3,608
SWISSPERFORM	1993	Related rights	Practising artists, producers of sound carriers and audio-visual carriers as well as broadcasting companies	21,676

Gross income from the management of rights (in Switzerland and abroad) in millions of CHF

	2021	2020	2019
SUISA	139.0	138.5	155.2
SUISSIMAGE	82.6	77.7	108.7
PROLITTERIS	36.0	35.2	35.2
SSA	20.8	23.9	25.3
SWISSPERFORM	62.3	59.2	58.3

Supervision of the collective rights management organisations

Together with the Federal Arbitration Commission for the Exploitation of Copyrights and Related Rights, the IPI supervises the five Swiss collective rights management organisations (ProLitteris, SSA, Swissperform, Suisa and Suissimage). These organisations collectively administrate the rights of composers, singers, authors, film-makers and producers, in particular where it is not possible for the individual rights owners to manage their own copyright or if it would be impractical for them to do so (e.g. for photocopying). The collective rights management organisations (CMOs) are required to conduct their business in accordance with the principles of sound, commercially viable administration. The IPI's supervisory duties involve, in particular, dealing with claims, checking and approving changes to the distribution regulations, and examining the organisations' annual reports.

The collective rights management organisations posted a fall in revenue again in the second year of the coronavirus pandemic. As expected, they only earned a fraction of their usual fees, especially in the area of performance rights. However, their revenue from online activities rose compared with previous years. This increase did not by any means compensate for the negative impact of the pandemic, but it did mitigate losses to a certain extent. Although the pandemic measures have ended, at least for now, it will be some time until the cultural sector fully recovers.

The scope of the IPI's supervision is currently the subject of a complaint before the Federal Administrative Court. As part of this case, the court will need to clarify whether the IPI's supervision of CMOs' business management also includes the authority to object to other breaches of the law by CMOs, such as breaches of data protection law or of legal provisions on fair trading.

The 'Confederation's Attorney's Office'

The IPI is the national centre of competence for all issues concerning patent and trade mark protection, indications of source, design protection and copyright. It is the federal government's first point of contact for intellectual property matters. As such, it has numerous tasks in the fields of legislation and international cooperation.

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The next revision of copyright law: legal protection for the news media

In a report of 17 December 2021 entitled 'Revision of the Copyright Act. Effectiveness review', the Federal Council stated that online platforms were profiting to a large extent from the services of the news media. It thus concluded that compensating the news media for their services would be justifiable. The Federal Council asked the Federal Department of Justice and Police (FDJP) to draft a bill for consultation to give legal protection to the news media. The IPI has overall responsibility for this task. It will submit a corresponding draft and the associated explanatory report by the end of 2022 for consultation.

At the same time, however, it will not be pursuing the call by National Councillor Philippe Nantermod for a waiver of copyright remuneration for the use of works in private areas of hotels, holiday homes, hospitals and prisons. In March 2022, the Council of States decided not to follow up on this parliamentary initiative.

The modernisation of the Swiss patent system is making headway

The consultation on the motion submitted by Thomas Hefti 'For a modern Swiss patent' took place from 14 October 2020 to 1 February 2021. Based on the subsequent analysis by the IPI, the Federal Council took note of the results of the consultation at its meeting of 18 August 2021 and passed various amendments to the draft revision compared with the original draft. For example, all patent applications are to include a search. A formal examination for novelty and inventive step, however, will only be carried out at the request of the applicant. Additionally, appeals against the IPI's decisions are to be examined by the Federal Patent Court – and not by the Federal Administrative Court, as stipulated in the first draft. The IPI will submit a corresponding dispatch with the necessary amendments to the law to the Federal Council by the end of 2022.

Wish for more transparency in plant breeding

The Council of States amended the motion 'Adapting intellectual property rights in the field of plant breeding' submitted on 17 June 2020 by the Councillor of States Maya Graf from Basel-Landschaft so that transparency can be improved in a targeted manner. Plant breeders are to be able to know with certainty whether the breeding material they use is affected by patents before they start on a long-term breeding programme. According to the Council of States, legal regulation is not absolutely necessary. The motion will now go to the National Council's preliminary consultation committee (SECC).

The fight against counterfeiting and piracy remains crucial

The coronavirus pandemic in the last two years has further fuelled the online trading boom. The statistics of the Federal Office for Customs and Border Security (FOCBS) now show that the number of counterfeits has increased accordingly. In the calendar year 2021, the number of withheld goods consignments rose for the third consecutive year – from 4,433 to 5,959. The damage that trade in counterfeits causes the Swiss economy is substantial. The OECD study published in the previous business year (available to download on www.ipi.ch) demonstrated this convincingly. STOP PIRACY's awareness-raising work is thus very important (see the section on using IP knowledge on page 32). The introduction of a simplified procedure for destroying counterfeits in small consignments and the transfer of executive tasks of the FOCBS to the IPI should further help to make the fight against counterfeits more effective. The draft and the dispatch have been prepared by the IPI and are to be submitted to Parliament in the coming business year.

The IPI enforces the 'Switzerland' indication of source nationally and internationally

The legislative package on the protection of the indication of source 'Switzerland' also assigns the IPI executive tasks regarding the enforcement of the regulations in Switzerland. Based on the relevant regulations, the IPI dealt with 40 cases in the calendar year 2021 (previous year: 86). The parties concerned reached mutual agreements so no court proceedings were initiated. Outside Switzerland, the IPI handled 126 cases (previous year: 193). The Swissness Enforcement association also started its operations in the reporting year. It combines the strengths of trade associations, companies and governmental agencies, makes information available and coordinates law enforcement measures abroad. For example, it worked together with the IPI to convince the Mexican trade mark office to change its practice and reject registrations of Swiss indications of source as trade marks more systematically in future. In addition, the IPI successfully carried out a clearance operation in conjunction with the Chinese authorities in Hong Kong, seizing 64 products that unlawfully bore the 'Swiss Made' label.

Multilateral activities

The Director General of the World Intellectual Property Organization (WIPO), Daren Tang, made an inaugural visit to Bern and the IPI in summer 2022. In addition to technical and institutional WIPO topics, a meeting with the relevant offices of the Federal Department of Foreign Affairs (FDFA) was also part of the programme for his visit. The focus there was on Switzerland's role as the host state of WIPO. During the subsequent tour of the platform of Bern Cathedral, the guest from Singapore outlined his agenda for his second year in office as WIPO Director General, while enjoying an excellent view of the Swiss Alps.

28 On 1 December 2021, Switzerland acceded to the Geneva Act of the Lisbon Agreement on appellations of origin and geographical indications. Together, the Geneva Act and the Lisbon Agreement form the Lisbon System, which allows Swiss manufacturers to obtain protection abroad for an appellation of origin or a geographical indication in a simple, rapid registration procedure. The agreement was adopted into Swiss law by means of an amendment to the Trade Mark Protection Act. The new provisions set out, in particular, the conditions for the international registration of Swiss denominations and for the acceptance or refusal of the effectiveness of foreign international registrations in Switzerland.

During the reporting year, intensive negotiations were held in the World Trade Organization (WTO) about the request from India and South Africa for large parts of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) to be suspended during the COVID-19 pandemic. Switzerland opposed suspending

international IP protection because it firmly believed that protecting intellectual property during the COVID-19 pandemic would help meet the need for worldwide access to new, effective vaccines and medicines. At the 12th WTO Ministerial Conference in June in Geneva, a compromise was found, which grants developing countries greater flexibility during the pandemic without loosening IP protection across the board.

Bilateral activities

The Swiss economy depends to a large extent on exports that are protected by trade mark or patent rights. Intellectual property protection is thus central in the free trade agreements that Switzerland enters into. It concludes agreements together with the other EFTA states – Iceland, Liechtenstein and Norway. In the reporting year, negotiations with Moldova made rapid progress, negotiation rounds took place with Malaysia and Vietnam, the negotiation process with Thailand was initiated in June, and contact was made with Chile regarding an update to an existing agreement. Finally, lists which protect specific geographical indications were negotiated with the Mercosur states of Argentina, Brazil, Paraguay and Uruguay.

Additionally, the IPI drove forward joint projects with its priority partners Brazil, Singapore and the United Kingdom. It also signed a declaration of intent with the UK, which strengthens the cooperation between the two countries and gives it a firm institutional basis. Moreover, the IPI advised and supported Swiss companies faced with specific challenges relating to the protection of intellectual property in China and other partner countries.



International cooperation

International cooperation in the field of intellectual property is part of the IPI's legal mandate. Around 45 individual measures have been realised as part of the IPI-financed project with Iran since its launch on 1 January 2020. The measures dealt with copyright, patents, trade marks, geographical indications, and knowledge and technology transfer.

On behalf of the State Secretariat for Economic Affairs (SECO), the IPI plans and implements collaborative projects in the field of intellectual property. In the reporting year, the planning of the new project with Morocco was continued. The planning for new projects with Benin, Georgia, Palestine (all in phase 1) and Peru (phase 2) was completed, and implementation started in summer 2022. The projects with Peru (phase 1) and Ghana, Indonesia and Serbia (all in phase 2) were concluded. Projects with Albania, Columbia, Myanmar, South Africa, Tunisia and Serbia were implemented during the reporting year.

The projects cover a wide range of topics, such as drawing up strategies and laws, advising customs authorities and courts, and providing training to small and medium-sized enterprises, patent attorneys, patent examiners and agricultural producers. The aim of the projects is to further the sustainable economic development of the countries by improving their IP protection.

The coronavirus pandemic continued to heavily impact the IPI's cooperation activities during the reporting year. Nevertheless, thanks to the measures taken – for example hosting virtual instead of physical meetings – numerous project activities could still be carried out. Physical missions and specialist assignments in the project countries were resumed from May 2022.

Sustainable development

In 2015, the United Nations adopted the 2030 Agenda for Sustainable Development Goals. These goals are intended to ensure that the three dimensions of sustainable development – the economy, society and the environment – are taken into account in a balanced manner. On 23 June 2021, the Federal Council adopted its own national 2030 Sustainable Development Strategy (2030 SDS) for Switzerland together with an associated action plan. In this context, the IPI examined possible measures to promote green innovations, among other things. In addition, it continued its work within the framework of various committees of the World Intellectual Property Organization (WIPO) and its partnership with WIPO GREEN. This WIPO initiative aims to facilitate the development and diffusion of environmentally friendly technologies. The IPI is a member of the Core Committee, which advises the WIPO GREEN Secretariat.

Economics

Where possible, decisions in politics, business and society on intellectual property issues should not have to be made in a vacuum, but on a solid empirical basis. For this reason, the IPI also initiated various studies and projects in the past business year. One example is the project 'Artificial intelligence and intellectual property' initiated together with the University of Zurich. After three public online workshops, experts from various disciplines developed a series of recommendations on the topic in summer 2021.

In cooperation with the World Intellectual Property Organization (WIPO) in Geneva, the IPI commissioned a new study on the financing of start-ups. The study deals with the importance of industrial property rights for the raising of venture capital by very young companies. It investigated the extent to which trade marks, patents and designs act as a signal to potential financiers of a company's economic substance, as well as providing protection.

The results of all studies and activities are available to download after publication at www.ipi.ch.

Searches, Combatting Counterfeiting and Piracy, and Training

As the federal government's centre of competence for patents, trade marks, designs and copyright, the IPI also carries out tasks in the areas of public awareness raising, training and information services. These services include commercial patent and trade mark searches for national and international business.

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Commercial searches

There are currently around 14 million patent families in force worldwide, plus more than a million new annual applications. Each patent specification contains drawings, lists, representations, descriptions and links to other documents. A lot of time and effort is required to obtain information on the state of the art from this volume of data, even for experts. This is one of the reasons why the IPI offers commercial patent searches tailored to its customers' needs under the label 'ip-search'.

The search service is mostly used by industry. The companies either contact the IPI directly or are represented by patent attorneys. ip-search's main market is the DACH region (Germany, Austria and Switzerland). However, the number of customers from the rest of Europe, Asia and North America has been growing consistently for several years.

The search report for commercial patent searches was designed for non-digital use up until 1 October 2021. Since then, the IPI

has adapted the search report to be suitable for digital purposes and further processing.

"We did it to respond to the needs of our customers, who are also digitalising their internal IP processes," explains Theodor Nyfeler, Head of ip-search. He says that it is no longer necessary to send physical copies of all of the documents cited: links to the relevant sources – such as Espacenet, the official patent database of the European Patent Office – are sufficient.

Now that there is no need to attach countless documents and now that some information is always available and kept up to date online – including details on the classification of a patent, or on an inventor or applicant – the search reports are at least half as long as before.

The new digital format is not only more practical, however. Following their relaunch last autumn, the search reports are now even more clearly focused on what Nyfeler calls the 'intellectual contributions' of his patent experts, namely the contextualisation and weighting of the information. The documents from the patent literature prepared for the customer now feature comments;

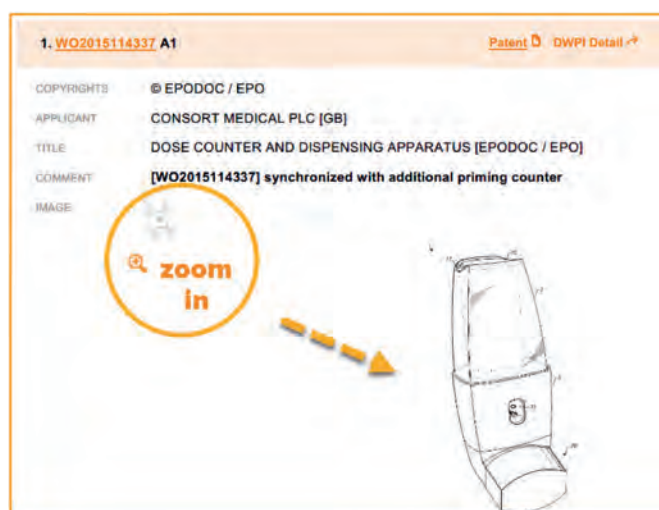
important passages are highlighted and relevant terms are labelled graphically, etc.

At the same time, methodological transparency and clarity are a major priority for the IPI with regard to its ip-search services. The criteria according to which the documents have been selected and grouped are explained in detail.

In this way, ip-search takes into account the fact that a patent search is never a final result and that the client will evaluate it in greater depth in the context of their company's internal information. "The customer should be able to seamlessly integrate our reports into their analyses and conclusions," says Theodor Nyfeler on the aim of the revised search report.

Market feedback has been largely positive. Customers' comments and requests have already been taken on board, and changes have been implemented as necessary.

As of the end of the reporting year, the new digital format and the increased benefit for customers had not had an impact on the number of ip-search orders. At around 4.9 million Swiss francs, revenue in the year under review remained constant in comparison with 2020/21. While the order volume remained stable in the first half of the reporting year, it was slightly lower in the second half, likely due to the deteriorating international situation.



Customers can click to zoom in on details – one of the many new features of the digital search report.

Assisted searches

The IPI's sovereign activities include the promotion of innovation at national level. As part of this task, the IPI has been offering assisted searches since 2005. It provides inventors, researchers and SME representatives with the opportunity to comb through global patent literature in their fields of interest with an expert from the IPI.

In the reporting year, the IPI carried out a total of 838 assisted searches. This represents a decrease compared with previous years (1,127 requests in the 2020/21 business year and 967 requests in the 2019/20 business year).

These strong fluctuations can be explained by changes in the fees during the two pandemic years. In spring 2020, the IPI offered assisted searches free of charge for two months, after which the Executive Board decided to reduce the usual fee of 300 Swiss francs to 100 Swiss francs for the entire 2020/21 business year. Since 1 July 2021, the fee for an assisted search has been 300 Swiss francs again.

It should be noted that not all customer segments were equally price sensitive. Demand was particularly elastic from individual inventors and commercially and industrially oriented small companies.

Interest from start-ups and university employees with entrepreneurial ambitions was considerably more stable. There are two reasons for this. Firstly, these customer groups continue to benefit from free assisted searches if they are participating in cantonal and national innovation promotion programmes, such as Innosuisse. Secondly, the IPI's intensive information and awareness-raising activities, conducted in close collaboration with its partners to promote innovation and entrepreneurship in Switzerland, are paying off. The value of the assisted search as a source of inspiration and as a tool to manage development risks is recognised and highly regarded within the innovation ecosystem.

The fight against counterfeiting and piracy

More and more consumers are shopping on their electronic devices. This convenience has its drawbacks, however. The replacement of face-to-face contact with retailers with search engines, social media, comparison platforms and e-shops has a strong potential for misuse. The internationally connected counterfeiting industry, meanwhile, has developed sophisticated methods of targeting, baiting and deceiving potential victims. Statistics from the customs and prosecution authorities show that illegal trade in counterfeit products is booming.

The public-private partnership STOP PIRACY, co-founded by the IPI, is keeping up to date with the epochal change in shopping habits and is concentrating more on digital channels for its awareness-raising campaigns. In the reporting year, www.onlyoriginal.ch was created as a new educational offering for the younger generation of consumers. The website provides users with information on counterfeiting and piracy in a fun way.

In December 2021, Managing IP – a global information platform on the topic of intellectual property – listed Eveline Capol, Head of the STOP PIRACY Secretariat, as one of the 50 most influential people in IP in 2021. Capol was honoured for the online campaign 'Don't be fake. Be original', launched in spring 2021.

The campaign focused on the social media platform Instagram's shopping function. To attract attention to the problem of fake profiles, the campaign leaders at STOP PIRACY did something that usually only cyber criminals would do: they used the identity of well-known influencers (who were in on it of course) and advertised watches, perfumes and food supplements in their names. The users who took the bait were not led to dubious online shops, but instead to a STOP PIRACY message from their idol.

From 3 to 30 May 2022, the STOP PIRACY association had its first ever pop-up store. It was located in the Mall of Switzerland in Ebikon, a suburb of Lucerne. Employees from the IPI and STOP PIRACY informed the public, including an entire school class on one occasion, about the underlying issues of counterfeiting and piracy.

On 14 October 2021, as part of the IPI's cooperative Swiss-South African Intellectual Property Project (SSAIP), a virtual meeting took place between STOP PIRACY and the South African IP authority, the Companies and Intellectual Property Commission (CIPC). The CIPC was very interested in the 'Don't be fake. Be original' influencer campaign. Given that influencers have a big impact on consumer behaviour in South Africa, the CIPC can envisage conducting a similar digital campaign.

Training & Sponsoring

Whether the focus is on young inventors, students setting up an enterprise, or start-ups generating value for Switzerland with their products: the IPI supports organisations and programmes that foster ambition for new ideas and encourage innovation.

As a main partner of the SEF.Growth programme for young entrepreneurs, on 25 November 2021, the IPI went behind the scenes at Swiss start-up 'Planted' in Kempthal, Zurich. Protecting innovation is part of Planted's recipe for success – the ETH spin-off protected its innovations early on and also used the IPI's Assisted Patent Search service several times. Judith Wemmer, a member of the executive board, spoke with a patent expert at the IPI about the foundation of the company and how it is faring.

On 19 May 2022, the Startup Days event took place in Bern. The IPI was able to enlist Swiss ski star Ramon Zenhäusern for its session on trade mark protection. Zenhäusern, from the Canton of Wallis, spoke with subject experts to a forty-strong audience about how important it is to think about your IP at an early stage and also about how he protected his own three trade marks.

During the year under review, the Training & Sponsoring team was present at fifteen events organised by external partners. The team also continued to deliver the IPI's regular training programme, which is not event-based. It offers those interested the opportunity to discover their potential in the area of trade marks, designs, patents and copyright and to develop an IP strategy tailored to their individual needs.

Around 80 training activities were conducted during the reporting year. They ranged from general introductions to IP, for example in primary and secondary schools, to in-depth subject-specific training at universities. In addition, basic and advanced courses on each of the IP rights took place at the IPI in Bern. The number of participants in the activities totalled around 1,500. The IP trainers also gave workshops on various subjects as part of the IPI's international cooperation projects.

The Course for IP Specialists and the Swiss Patent Attorney Examination also took place this business year, both in person and online. It serves as a great preparation for the Swiss patent attorney examination, which takes place every autumn.



From left: Sara Stalder, Peter Walser, Barbara Hübscher Schmuki, Corina Eichenberger-Walther (President), Luc-E. Amgwerd, Beatrice Renggli (Vice President), Evelyn Zwick, Yves Bugmann; missing from the photo: Oliver Gassmann

The Institute Council – which is elected by Switzerland’s Federal Council – is the IPI’s supreme supervisory body with regard to the operational management of the IPI.

Corina Eichenberger-Walther

Attorney-at-Law and Mediator,
President

Beatrice Renggli

lic. iur., Vice President

Luc-E. Amgwerd

lic. iur., CEO Gjosa SA

Yves Bugmann

lic. iur.

Oliver Gassmann

Prof. Dr., Full Professor of Technology
and Innovation Management,
University of St. Gallen

Barbara Hübscher Schmuki

lic. rer. pol.

Sara Stalder

Swiss Consumer Protection
Foundation Manager

Peter Walser

Dr. sc. nat. ETH, Patent Attorney

Evelyn Zwick

Dipl. Phys. ETH, Patent Attorney

Auditing: The Federal Finance Administration in Bern has been appointed by the Federal Council to audit the IPI’s accounts and report to the Institute Council.



From left: Jürgen Horwath, Alban Fischer, Catherine Chammartin (Director General), Felix Addor, Eric Meier

The Executive Board is appointed by the Institute Council, with the exception of the Director General, who is elected by Switzerland's Federal Council.

Catherine Chammartin

Director General

Felix Addor

Deputy Director General, General Counsel of the IPI and Head of the Legal & International Affairs Division

Alban Fischer

Vice Director General and Head of the Patent Division

Jürgen Horwath

Vice Director General and Head of the Technology & Infrastructure Services Division

Eric Meier

Vice Director General and Head of the Trade Mark & Design Division

Robust Growth in Fee Revenue

In the 2021/22 financial year, the IPI recorded an operating profit of CHF 5.4 million with net revenue of CHF 64.2 million. The total actuarial gain from revaluing pension obligations and pension fund assets in accordance with IAS 19 amounted to CHF 27.7 million. Equity increased from CHF 82.8 million to CHF 115.9 million.

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The IPI's fee revenue increased by CHF 1.1 million to CHF 56.5 million in the year under review, which was the IPI's largest revenue item, accounting for 88% of total revenue, followed by revenue from services at 8% or CHF 5.4 million. The latter showed an increase of CHF 0.1 million compared with the previous year.

Revenue from fees for patents grew by CHF 0.1 million compared with the previous year, while revenue relating to designs fell by CHF 16,000.

There was another increase in fee revenue from trade marks, which recorded a plus of CHF 0.9 million. This was largely due to fees for international trade marks designating Switzerland (CHF 0.6 million) and trade mark registrations (CHF 0.3 million).

Third-party expenses decreased by CHF 0.4 million to CHF 2.1 million, while operating expenses were down by CHF 1.1 million year-on-year at CHF 56.6 million.

Overall, the IPI posted an operating profit of CHF 5.4 million in its 26th year of business. The revaluation of long-term pension obligations and pension fund assets under IAS 19 led to a total actuarial gain of CHF 27.7 million. The gain in pension obligations is mainly due to changes in financial assumptions. By contrast, a negative asset performance leads to a loss of pension fund assets.

With the actuarial gains, this results in positive comprehensive income of CHF 33.2 million for the 2021/22 business year. As of the end of the financial year, the IPI's equity amounted to CHF 115.9 million.

The statutory auditors have unreservedly confirmed that the financial statements provide a true and fair view.

The full annual financial statements are available in German at www.ipi.ch/afs.



Statement of Financial Position

(in thousands of CHF)	2021/2022 30.06.2022	2020/2021* 30.06.2021
Cash and cash equivalents	142,548	134,133
Receivables from services	751	875
Contract assets	729	568
Other receivables	1,666	1,724
Accrued income and prepaid expenses	2,344	2,650
Current assets	148,037	139,950
Tangible assets	19,351	20,073
Intangible assets	1,155	1,340
Leased assets	19,166	19,607
Fixed assets	39,672	41,021
Total assets	187,709	180,972
Trade accounts payable	461	765
Contract liabilities	15,292	14,400
Customer prepayments (current accounts)	6,992	6,459
Financial liabilities to third parties	611	558
Other liabilities	9,133	9,276
Accrued expenses and deferred income	3,367	3,813
Current provisions	2,949	3,257
Current liabilities	38,805	38,527
Other provisions	3,250	3,164
Leasing liabilities	18,809	19,206
Provisions for pension fund liabilities	10,935	37,315
Non-current liabilities	32,994	59,685
Profit (+) / loss (–)	5,416	3,016
Retained earnings	91,753	88,737
Accumulated actuarial gains (+) / losses (–)	18,741	–8,994
Equity	115,910	82,759
Total liabilities	187,709	180,972

* See chapter two of the annex to the complete financial statements (available in German only), which explains the accounting principles applied and the adjustment of the accounting method.

Statement of Profit and Loss / Comprehensive Income

(in thousands of CHF)	2021/2022 01.07.2021 to 30.06.2022	2020/2021* 01.07.2020 to 30.06.2021
PROFIT AND LOSS STATEMENT		
Fees	56,501	55,408
Services	5,391	5,497
Miscellaneous revenues	2,660	2,806
Gross revenue	64,552	63,711
Other revenue decreases	-329	-291
Net revenue	64,223	63,420
Third-party fees	-167	-174
Third-party services	-1,143	-1,255
Other third-party expenses	-812	-1,109
Third-party expenses	-2,122	-2,538
Personnel expenses	-45,801	-46,580
IT expenses	-2,234	-2,262
Other operating expenses	-4,576	-4,733
Depreciation, amortisation and impairment loss	-2,466	-2,659
Contributions to the Federal Patent Court	-636	-694
Contributions to the sic! Foundation	-330	-330
Contributions to the STOP PIRACY association	-282	-282
Contributions to the Swissness Enforcement association	-261	-131
Operating expenses	-56,587	-57,672
Operating profit	5,514	3,209
Financial income	188	6
Financial expenses	-286	-200
Financial result	-98	-193
Profit (+) / loss (-)	5,416	3,016
STATEMENT OF COMPREHENSIVE INCOME		
Profit (+) / loss (-)	5,416	3,016
Actuarial gains (+) / losses (-)	27,735	26,590
Other comprehensive income	27,735	26,590
Comprehensive income	33,151	29,606

Actuarial gains and losses (other comprehensive income) are not transferred to the profit and loss statement.

* See chapter two of the annex to the complete financial statements (available in German only), which explains the accounting principles applied and the adjustment of the accounting method.

Cash Flow Statement

(in thousands of CHF)	2021/2022 01.07.2021 to 30.06.2022	2020/2021* 01.07.2020 to 30.06.2021
Income/(expenditure) from operating activities		
Profit	5,416	3,016
Depreciation of tangible assets	1,708	1,906
Amortisation of intangible assets	317	312
Depreciation of leased assets	441	441
Non-cash income/expenses	15	20
Interest accrued on lease obligations	98	100
Increase/decrease in non-current provisions for long-service awards	86	-769
Increase/decrease in non-current pension fund provisions	1,355	1,999
	9,436	7,025
Increase/decrease in receivables for services	110	-376
Increase/decrease in contract assets	-161	-142
Increase/decrease in other receivables	59	-582
Increase/decrease in accrued income and prepaid expenses	306	133
Increase/decrease in trade accounts payable	-304	-337
Increase/decrease in contract liabilities	892	552
Increase/decrease in other liabilities	-143	788
Increase/decrease in accrued expenses and deferred income	-446	-60
Increase/decrease in current provisions	-308	502
Cash flow from operating activities	9,442	7,502
Investments in tangible assets	-985	-362
Divestments in tangible assets	-	-
Investments in intangible assets	-132	-
Divestments in intangible assets	-	-
Cash flow from investment activities	-1,117	-362
Increase/decrease in financial liabilities to third parties	53	-
Repayment of lease obligation	-496	-496
Increase/decrease in customer prepayments (current accounts)	533	-1,024
Cash flow from financing activities	90	-1,520
Net increase/(decrease) in cash and cash equivalents	8,415	5,621
Cash and cash equivalents at start of year	134,133	128,513
Cash and cash equivalents at year end	142,548	134,133

* See chapter two of the annex to the complete financial statements (available in German only), which explains the accounting principles applied and the adjustment of the accounting method.

Statement of Changes in Equity

(in thousands of CHF)	Accumulated actuarial gains/losses	Retained earnings*	Total Equity*
Opening balance on 01.07.2020 without adjustment	-35,584	90,779	55,195
Adjustment of the accounting method	–	-2,042	-2,042
Opening balance on 01.07.2020	-35,584	88,737	53,153
Profit	–	3,016	3,016
Other comprehensive income	26,590	–	26,590
Comprehensive income	26,590	3,016	29,606
Closing balance on 30.06.2021	-8,994	91,753	82,759
Opening balance on 01.07.2021	-8,994	91,753	82,759
Profit	–	5,416	5,416
Other comprehensive income	27,735	–	27,735
Comprehensive income	27,735	5,416	33,151
Closing balance on 30.06.2022	18,741	97,169	115,910

* See chapter two of the annex to the complete financial statements (available in German only), which explains the accounting principles applied and the adjustment of the accounting method.



Take your own pictures!

Copyright in Switzerland protects all photographs. It covers photos by both professional photographers and the general public, including everyday family and holiday snaps, as well as press and product photos. So it's always best if you take your own photos. That way, you can shine the right light on your chosen subject. And always check the rights of use of third-party images before using them for your own purposes.

The following photographs are literal representations of film titles. You'll find the answers on page 47. We hope you enjoy guessing the films.



Gelateria di Berna (front cover).



Giulia Margiaria is a specialist translator (inside front cover).



Marc Burki is a Senior Trade Mark Expert (page 7).



Nadja Buri is an administrative officer in Finance & Human Resources at the IPI (page 10).

About the Photographs

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Christoph Nyffeler works as a lawyer in General Law, Designs & Enforcement (page 20).



Selina Day is a lawyer in the Copyright Legal Services (page 29).



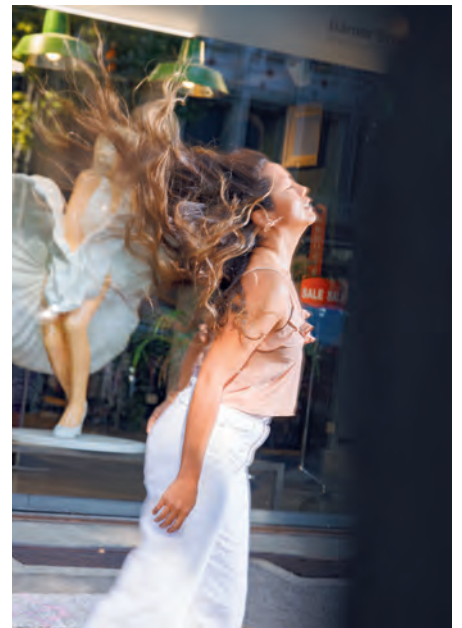
Matthias Käch is a Senior IP Trainer (page 39).



Tara Schär is a human resources specialist at the IPI. Her daughters Zikora (6) and Olanna (3) had lots of fun during the photo session in the playground (page 44).



Cristian Teiga Fernandes works in the IPI's Contact Centre as the first point of contact for clients (page 48).



Thuy Hong Nguyen is an administrative officer in Finance & Accounting (back cover).

The IPI would like to thank the following institutions:

Gartenhaus Wyss
Gelateria di Berna
GEWA Bärner Brocki
Natural History Museum of Bern
Polit-Forum Bern
Bern Sports and Leisure Department (Sportamt)

Answers to the film clues

La Dolce Vita (front cover)
Back to the Future (inside front cover)
Once Upon a Time in the West (page 7)
The Name of the Rose (page 10)
Batman (page 20)
A Clockwork Orange (page 29)
The Great Dictator (page 39)
Dirty Dancing (page 44)
The Lord of the Rings (page 48)
Gone with the Wind (back cover)



