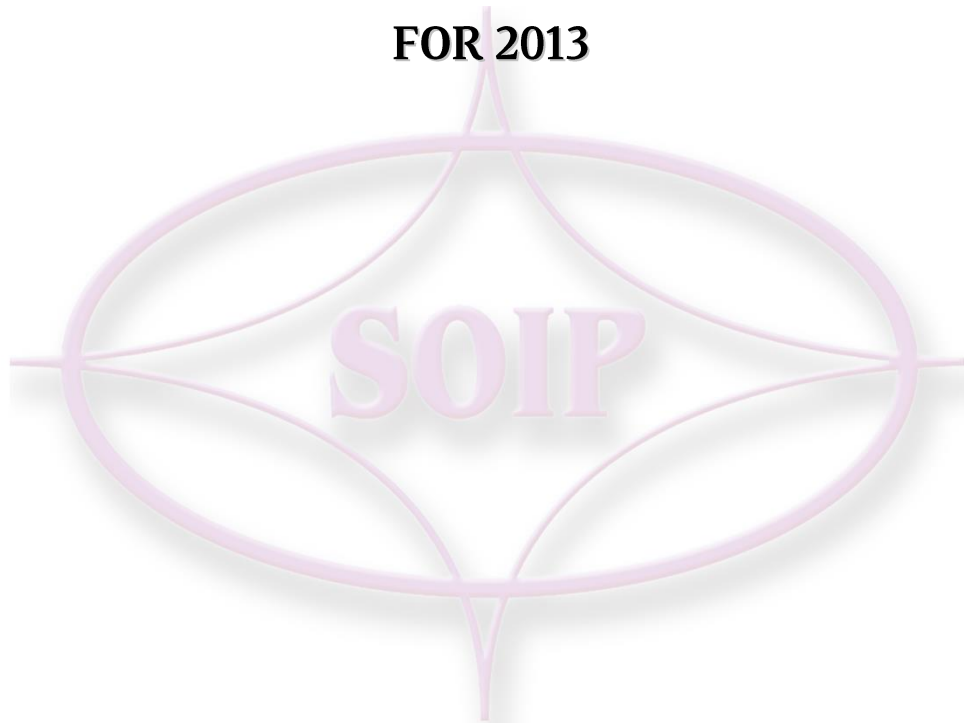


# **R E P O R T**

## **ON THE OPERATION OF THE STATE OFFICE OF INDUSTRIAL PROPERTY FOR 2013**



**April, 2014**

## I STATISTICS

### PATENTS

#### Patent applications by years

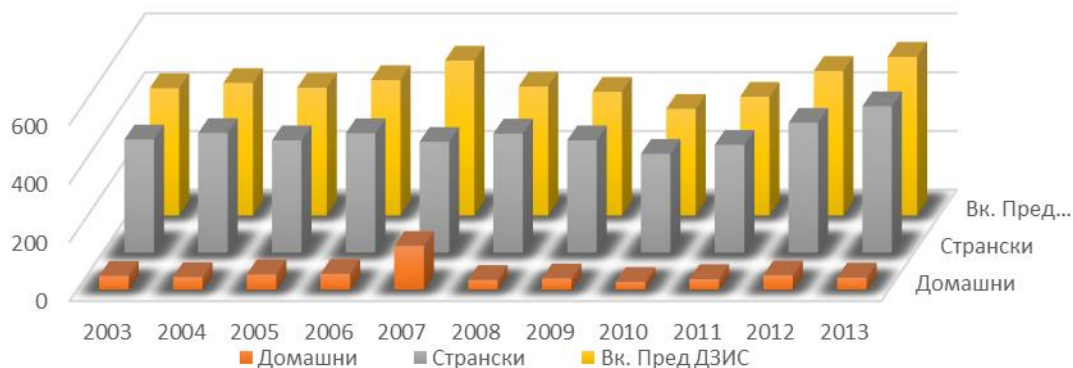
Year	Domestic	Foreign , national phase			Total SOIP	Decisions granted
		CCP <sup>1)</sup>	EPO <sup>2)</sup> ext.	SOIP		
	1	2	3	4		1
2003	48	23	363	386	434	105
2004	44	9	399	408	452	102
2005	53	15	368	383	436	373
2006	55	4	403	407	462	463
2007	150	13	365	378	528	524
2008	34	5	401	406	440	328
2009	39	11	372	383	422	334
2010	27	1	336	337	364	406
2011	37	3	365	368	405	392
2012	50	3	440	443	493	520
2013	42	4	495	499	541	378
Total	<b>579</b>	91	4307	4398	4977	3925

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<sup>1)</sup> CCP – Contract on cooperation in the area of patents

<sup>2)</sup> EPO - European Patent Office

Patent applications by years

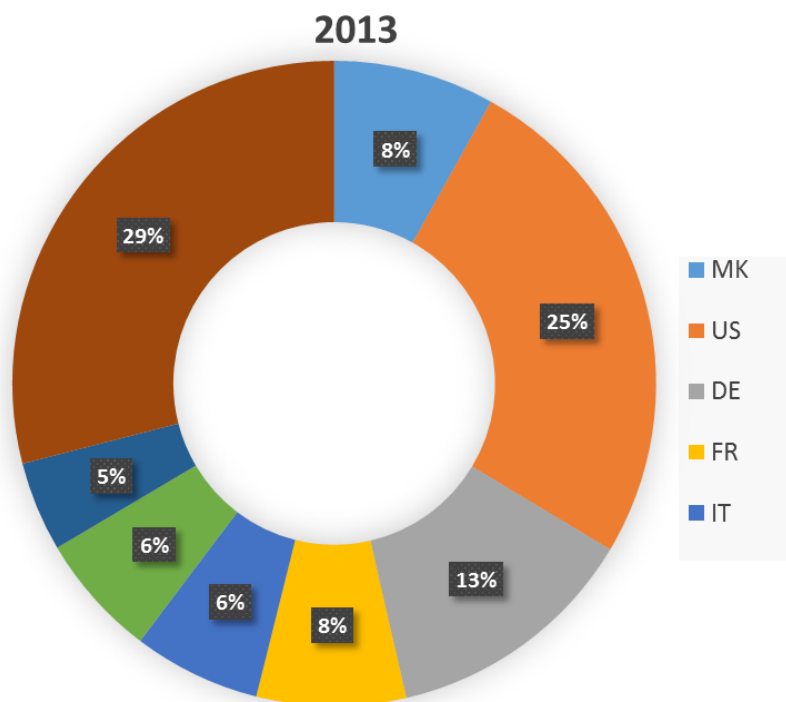


The State Office of Industrial Property of the Republic of Macedonia in 2013 received 541 patent applications of which 42 domestic and 499 foreign. The number of patent applications filed in 2013 compared to 2012 increased by 9.7%. The increase in the number of patent applications filed in 2013 is due to the increase thereof by foreign applicants.

This change is also reflected on the structure of submitted patent applications by origin in 2013, so that, compared with 2012, there was an increase in the share of foreign patent applications by 12.6%, and accordingly this changes the structure by countries of origin of the applications. Compared to the previous years, the number of applications originating from Switzerland and Japan has increased.

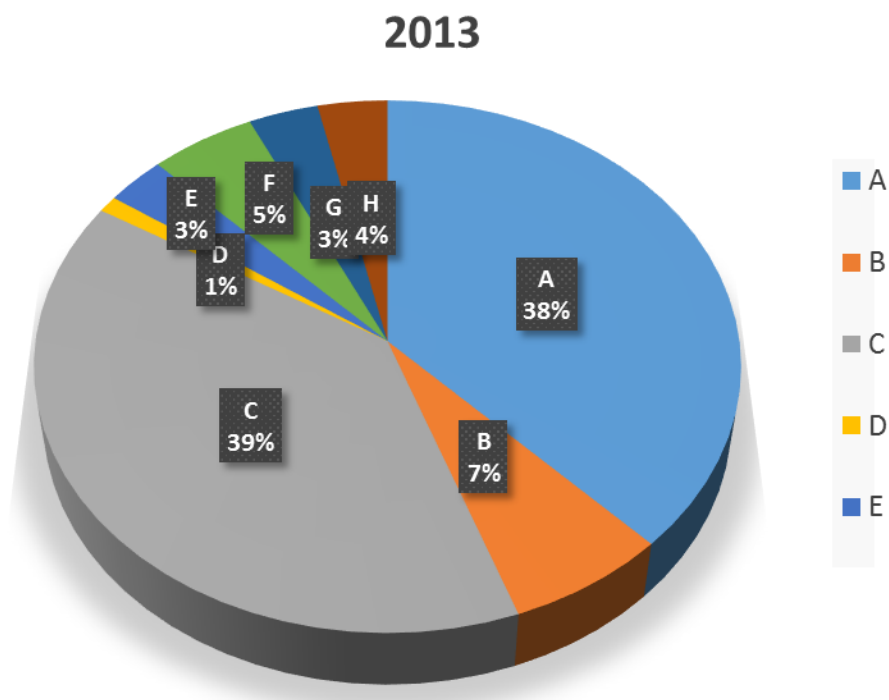
During 2013, in the Republic of Macedonia, in terms of the number of domestic patent applications, there was decrease: the number of domestic patent applications decreased from 50 in 2012 to 42 in 2013, or by 19.0%.

Patent applications by origin in 2012 and 2013



## Submitted applications for patents based on the International Patent Classification (IPC) in 2013

The structure of patent applications filed under the IPC is with the highest participation of section C (chemistry, metallurgy) with **39,2%** and section A (current life needs) with **37,7%**, suggesting that the interest for protection is associated with the structure of production capacities in the Republic of Macedonia.



### Other statistical information on patents

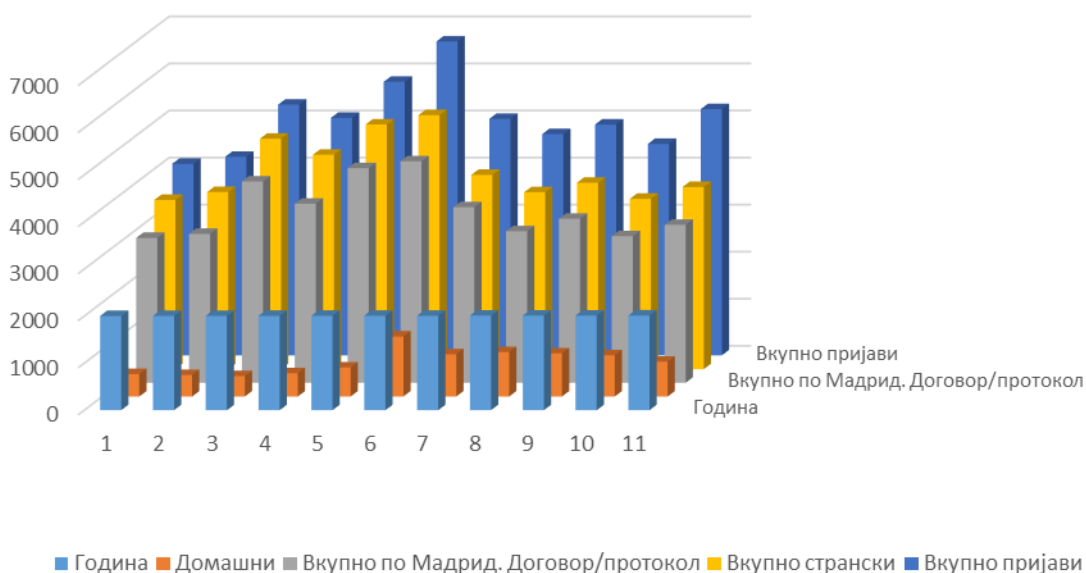
In addition, during 2013, the State Office of Industrial Property also performed other activities in the field of patents: the procedure for **404** requests for grant of a patent for which it issued **378** decisions for recognition of a patent, it rejected **20** requests for recognition of a patent and excluded **6** applications for patent recognition, was completed. Of the total number of issued decisions **360** decisions on EP applications were issued, **16** decisions on national applications and **2** decisions on PCT applications

## TRADE MARKS

Total trade mark applications by years

Year	Domestic	Foreign applications				Total by Madrid Agreement /Protocol	Total foreign	Total applications	Decisions granted
		To SOIP	By Madrid Arrangement						
			New	Subseq. Design.	Cont. of eff.				
	1	2	3	4	5	6=3+4+5	7=6+2	8=7+1	9
2003	478	515	2490	590	-	3080	3595	4073	535
2004	458	598	2678	487		3165	3763	4221	294
2005	433	617	3659	620		4279	4896	5329	626
2006	494	749	3311	495		3806	4555	5049	1290
2007	618	637	3854	707		4561	5198	5816	979
2008	1276	690	4057	651		4708	5398	6674	1822
2009	898	398	3130	601		3731	4129	5027	1433
2010	944	537	2623	599		3222	3759	4703	783
2011	917	474	2788	600		3488	3962	4906	1616
2012	876	503	2615	501		3116	3619	4495	388
2013	739	514	2797	560		3357	3871	5234	840
<b>Total</b>	<b>7392</b>	<b>5718</b>	<b>31205</b>	<b>5851</b>	<b>0</b>	<b>40513</b>	<b>46745</b>	<b>55527</b>	<b>10606</b>

Total trade mark applications by years



In 2013 the State Office of Industrial Property of the Republic of Macedonia received a total of 4050 applications for trademarks, of which 69 % under the Madrid Agreement and the other submitted to the State Office of Industrial Property. Regarding the structure of the total number of applications, 81.6% are from abroad. In 2013 a total of 4050 applications for trademarks were received, which compared to the previous year, represents an increase of 7%. This increase is due to the increased number of foreign applications under the Madrid Protocol.

The State Office in 2013, received a total of 1253 applications, so that compared to the previous year, their number decreased by 9%. Of the total number 739 were filed by domestic applicants, which decreased compared to the previous year by 8.4%, and 514 by foreign applicants, which grew by 0.50% compared to the previous year.

Under the Madrid Agreement and the Protocol Relating to the Madrid Agreement, during 2013 a total of 3357 applications for trademarks, of which 2797 are new applications and 560 territorial expansions, were submitted. Compared to 2012, the number of applications under this arrangement increased by 7.7% in terms of new applications.

In the period from 2003 to 2013, the State Office of Industrial Property received a total of 55527 applications for trademarks, 89% of which under the Madrid Agreement and 11% were filed before the Office.

Regarding the overall structure of applications 84.2% are from abroad, and only 15.8% are from domestic applicants.

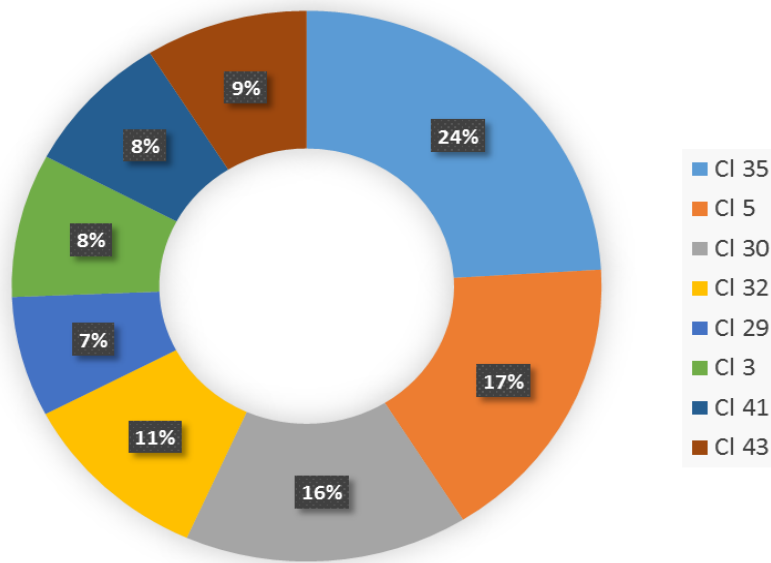
**Trade mark applications submitted to SOIP**

<b>Year</b>	<b>Domestic</b>	<b>Foreign</b>	<b>Total</b>
2003	478	515	993
2004	458	598	1056
2005	433	617	1050
2006	494	749	1243
2007	618	637	1255
2008	1276	690	1966
2009	898	398	1296
2010	944	537	1481
2011	917	474	1391
2012	876	503	1379
2013	739	514	1254
<b>Total</b>	<b>10727</b>	<b>6232</b>	<b>16959</b>

In the period 2003-2013 the State Office of Industrial Property of the Republic of Macedonia received a total of 16959 applications for trademarks, of which 36.8% were applications for trademarks from abroad, and a 63.2% were from domestic applicants and they show slight decrease regarding the previous year, and the foreign applications have slightly increased compared to the previous year.

The number of applications submitted for trademarks in 2013 is 1254 and compared to the previous year, it decreased by 9%. Reduction in the number of trademark applications in 2013 is registered with the national applicants 8.4%, while that of foreign applicants has increased by 1%.

### Trademark applications under the Nice Classification in 2013



According to the International Classification of Goods and Services (Nice Agreement) the situation with the applications for trademarks by classes is almost equal compared to last year. Thus, in 2012, the most common were the trademark applications for the classes 35, 05, 30, 41, 29 and 43, and in 2013 most applications were submitted for the classes 35, 05, 30, 32, 29, 41 and 43. Most applications were received for the products of class 35 (334), the second class is 05 (237) and the third - class 30 (216). They are followed by applications for the products and services of the classes 32, 43, 03 and 41 (148, 124, 117 and 115).

These data indicate a growing interest in protection of trademarks in the area of wholesale and retail and advertising, conduct of activities, management and office work of the class 35. There is also a great interest in the protection of pharmaceutical products and other products for medical use of class 05, due to the existence of pharmaceutical industry in the Republic of Macedonia. It is also important to mention the applications for trademarks in the field of food products of plant origin for consumption or preservation, and additions designed to enhance the taste of food from the class of 30. It is also significant to mention the applications for trademarks in the area of class 29. There is also a significant share of applications from the area of class 03, 41 and 43. Of all received applications for classes in 2013, it can be observed that there is a trend of growing dispersion of applications within various classes, that is, despite the above-stated six most common classes, there are additional six classes with a hundred or more applications. It can be concluded that the largest share of the applications is related to the production and trade of pharmaceutical products and medical use products, as well as the production and preparation of food products, given that the Republic of Macedonia has established pharmaceutical and food industry.

### Recognized trademark by years

Year	Domestic	Foreign	Total
2003	137	398	535
2004	127	167	294
2005	129	497	626
2006	322	968	1290
2007	278	701	979
2008	620	1202	1822

2009	791	642	1433
2010	944	537	1481
2011	1012	604	1616
2012	279	181	460
2013	540	300	840
<b>Total</b>	<b>4439</b>	<b>5779</b>	<b>10218</b>

From the attached table of registered trademarks by years it can be established that their number significantly decreased in 2004 compared to 2003, and in the next two years (2005 and 2006) it achieved a striking growth by over 100%, and in 2007, there was again a decline in comparison to 2006. However, in 2008 it reached a growth of 86.1% compared to 2007 and towards the end of 2009 there was again a decline of 21.4% compared to 2008. In 2010 compared to 2009, the number of recognized trademarks has seen a small increase, in 2012 compared to 2010 this growth was 8.3%, and compared to 2011, there was again a decrease of issued decisions for granting the right. In 2013, 840 decisions for granting the right were issued and there is growth compared to 2012 of almost 100%.

#### Internationally registered trademarks from Macedonia

The Macedonian internationally registered trademarks under the Madrid Agreement and Protocol in 2013 compared to 2012 decreased compared to the previous year. In 2013 through SOIP the World Organization (OMPI) registered internationally 23 trademarks, and in 2012, 32 trademarks were registered internationally. Despite the negative developments achieved in 2013, there is a possibility for the situation regarding internationally registered Macedonian trademarks to improve again. Therefore, the fact that Macedonian companies have not yet understood the importance of the international protection of trademarks and the fact that using the Madrid system provides benefits (lower cost, one application for several countries, etc.), in terms of application by countries, needs to be emphasized.

#### Other statistical information on trademarks

In the course of 2013, the State Office of Industrial Property also performed other activities in the field of trademarks, that is, it issued: 1154 decisions for renewal of trademarks, 410 decisions on termination of the validity of trademarks, 790 liabilities for payment of fees for decisions on trademarks, 836 documents on trademarks, 210 confirmations and statements on registered trademarks, 467 researches, 410 decisions for disapprovals, termination of validity and rejection of trademarks, 1100 established liabilities for payment of costs for publishing of a trademark, 1130 establishments of a date of filing an application, 30 decisions for reinstatement and for 10 applications for trademarks the procedure has been stopped.

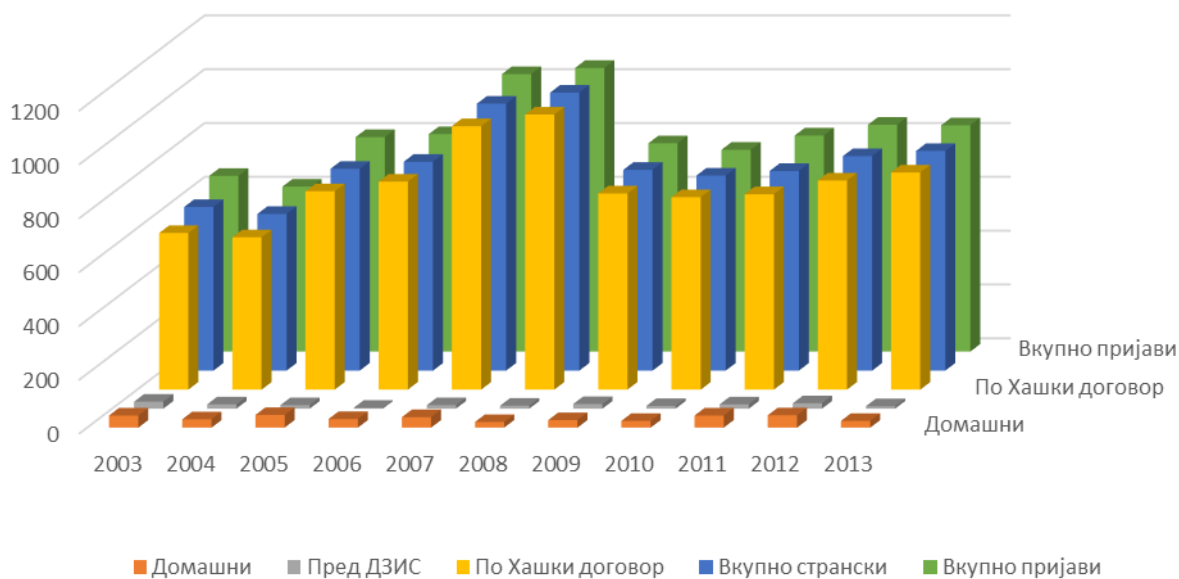


## INDUSTRIAL DESIGN

Total industrial design applications by years

Year	Domestic	Foreign applications		Total foreign	Total applications	Decisions granted
		To SOIP	Under the Hague Agreement			
	1	2	3	4=2+3	5=4+1	6
2003	45	26	582	608	653	621
2004	31	16	566	582	613	577
2005	47	13	737	750	797	798
2006	32	3	773	776	808	815
2007	39	13	979	992	1031	1016
2008	21	11	1022	1033	1054	1064
2009	28	17	729	746	774	759
2010	25	10	715	725	750	746
2011	45	16	726	742	803	758
2012	46	20	777	797	843	824
2013	25	9	807	816	841	845
<b>Total</b>	<b>384</b>	<b>154</b>	<b>8413</b>	<b>8567</b>	<b>8951</b>	<b>8823</b>

Total industrial design applications by years



In 2013 the State Office of Industrial Property received 841 applications for industrial design. The total number of applications submitted for industrial design in 2013 compared to the previous year decreased by 0.5%. Within the total number of filed applications for industrial design to the Office, the domestic applications in 2013 compared to the previous year decreased by 51.0% and the foreign applications decreased by 45%. Of the total number of applications filed, 34 were filed in the Office and 807 through the Hague Agreement Concerning the International Registration of Industrial Designs, of which 497 were new and 310 relating to industrial designs the validity of which was extended to the territory of the Republic of Macedonia.

It is typical of the designs, that with a single application for granting of an industrial design right, protection for multiple product designs may be sought (multiple application), whereby all the designs of the application must be designed to apply to products classified in the same class according to the International classification (Locarno classification). Thus, of the 34 applications submitted to the Office, more are multiple, with a total of 174 industrial designs.

***Industrial design applications submitted to SOIP***

<b>Year</b>	<b>Domestic</b>	<b>Foreign</b>	<b>Total</b>
2003	45	26	71
2004	31	16	47
2005	47	13	60
2006	32	3	35
2007	39	13	52
2008	21	11	32
2009	28	17	45
2010	35	10	45
2011	45	16	61
2012	46	20	66
2013	25	9	34
<b>Total</b>	<b>384</b>	<b>154</b>	<b>548</b>

In the period 2003-2013 the State Office of Industrial Property of the Republic of Macedonia received 548 applications for industrial design, of which 28.1% are applications for industrial design by foreign legal and natural persons.

The number of applications submitted for industrial design in 2013 was 34 and compared to the previous year it decreased by 51%. Decreasing of the number of applications for industrial design in 2013 was observed with the domestic applications by 52%, while that of foreign applications decreased by 45%. In terms of the ratio of submitted applications for industrial design, it is evident that there is a reduced participation of domestic and foreign applications.

***Total accepted industrial designs by years***

<b>Year</b>	<b>Domestic</b>	<b>Foreign</b>	<b>International</b>	<b>Total</b>
2003	28	11	582	621
2004	8	3	566	577
2005	23	38	737	798

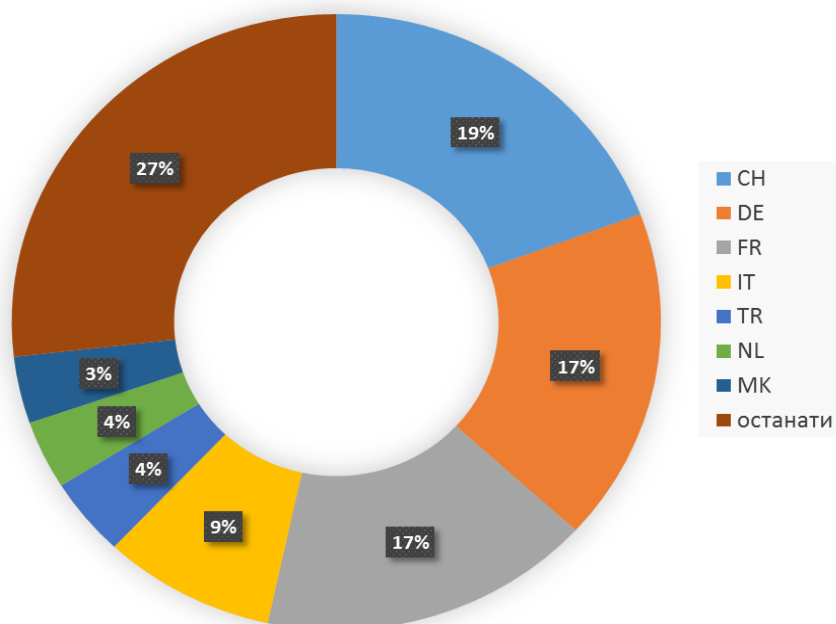
2006	32	10	773	815
2007	34	3	979	1016
2008	26	16	1022	1064
2009	23	7	729	759
2010	24	7	715	746
2011	27	9	726	762
2012	24	23	777	824
2013	20	9	807	836
<b>Total</b>	<b>269</b>	<b>136</b>	<b>8413</b>	<b>8814</b>

In 2013, the Office adopted 29 decisions on the recognition of the right to an industrial design, of which 20 domestic, 9 foreign, recognized by the Office and 807 foreign internationally recognized for territory of the Republic of Macedonia.

The total number of recognized industrial designs in that year increased by 2.6%, as a result of the increased number of internationally recognized industrial designs.

However, here it should be noted that in the total number of international applications filed and registered under the Hague Agreement, 1834 with one or multiple applications for industrial designs were recorded.

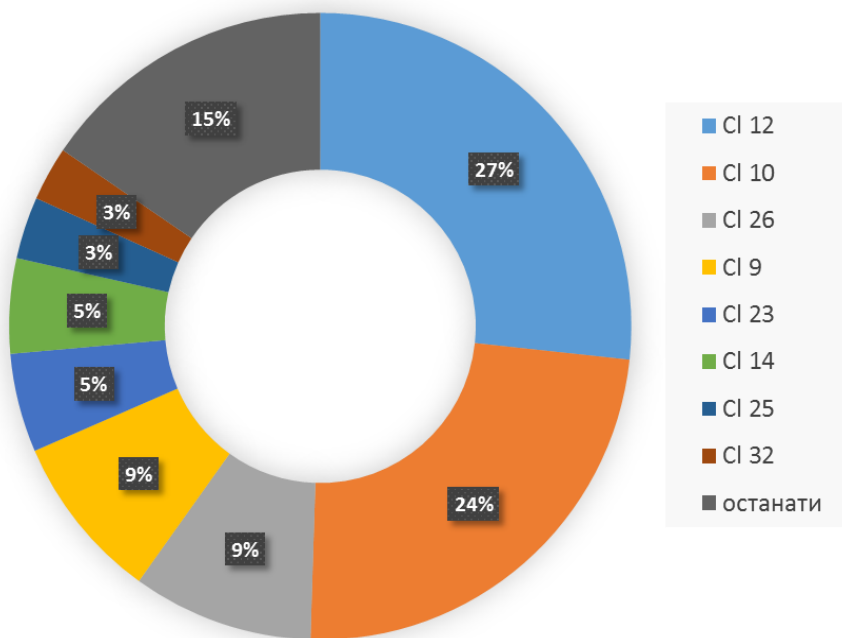
#### Total accepted industrial designs by origin in 2013



Regarding the origin of the total number of industrial designs applicable to the territory of the Republic of Macedonia, the largest share in 2013 belonged to Switzerland with 163 registered industrial designs or 19.3%. Followed by:

Germany with 148 or 17.50%, France with 140 registered industrial designs or 16.6%, Italy with 72 or 8.6%, Turkey with 34 or 4.1%, Netherlands with 30 registered designs or 3.6%, Macedonia with 29 or a percentage of 3.5% etc.

**Applications for Industrial design under the Hague Agreement in accordance with the International Classification for Industrial Designs (Locarno Classification)**



From the graph above, it may be established that in the State Office of Industrial Property of the Republic of Macedonia in 2013, with a share of 26.7% structurally dominant are the recognized industrial designs of class 12, followed by class 10 with a share of 23.8%, then class 26 with a share of 9.4% and industrial designs of class 9, with a share of 8.6%. Industrial designs of class 12 relate to means of transport or cargo lifting; Class 10 relates to watch/clock products and other instruments for measurement, control and signalisation; Class 26 relates to lighting devices, and industrial designs of class 9 relate to packaging and containers for transport or transfer of goods. These are followed by the industrial designs of class 23 with the participation of 5.1%, and are related to equipment for fluid distribution, installation for ventilation and air-conditioning systems. Then there are industrial designs belonging to class 14, that represent 4.9%, and relate to equipment for electronic entries, communications or information processing; Class 25 with a share of 3.2% refers to buildings and building elements and class 32 with a share of 2.8%, which relates to graphic symbols and logos. The graph also shows the industrial designs of all other classes with a share of 15.5%.

**Other statistical information on industrial designs**

In 2013, the State Office of Industrial Property also performed other activities in the field of industrial design, that is, it rejected six applications for industrial designs, did not approve three applications for industrial designs, made 15 decisions for changes, issued 45 documents, executed 12 researches or searches, the procedure on 4 applications was stopped, it issued 2 decision on the proposal for declaring void decisions, issued 8 decisions based on objection, 34 notices of specified submission date, it established 47 liabilities for payment of costs for publication of application, 62 liabilities for payment of fees and costs for protection, 5 notifications on absolute grounds and it issued 22 decisions for extension of validity of industrial designs.

## **II. BILATERAL COOPERATION**

### **Cooperation with foreign offices in the field of industrial property**

Within the *bilateral cooperation* with offices of other states, on 3-4 September 2013, SOIP delegation visited the Croatian Intellectual Property Office, due to the revision of the forthcoming activities regarding the mutual cooperation regarding the new perspectives relating to the accession of Croatia to the European Union.

## **III. INTERNATIONAL COOPERATION**

### **Cooperation with the World Intellectual Property Organization (WIPO)**

During 2013, SOIP took an active part in the work of WIPO bodies such as: the General Assembly, the Committee on Patents, the Trademark Committee, the development agenda and other working bodies. In addition, actively and in coordination with the Mission of the Republic Macedonia in Geneva, it maintained permanent contacts and played an active role in the implementation of the WIPO agenda. On the occasion of the 20<sup>th</sup> anniversary of the founding of SOIP, the WIPO Director General submitted a video message, being unable to personally attend the event to praise the role of the Republic of Macedonia in the contribution of WIPO. The Director General sent Mr. Steve Tom, head of office, to the celebration of the 20<sup>th</sup> anniversary of SOIP and the holding of the seminar "Transfer of technologies in the Republic of Macedonia."

With the help of WIPO scanning of the whole documentation for trademarks and industrial design was implemented and in the further stage with their help an overall system for the electronic submission of applications will be introduced.

### **Cooperation with the European Patent Organisation**

During 2013, SOIP took an active part in the operation of EPO. It took an active role in the Administrative Council (a body that creates and monitors the EPO policy). Within the four regular meetings per year, it actively participated in the Committee on Budget and Finance, TOSC etc. In terms of the bilateral cooperation, EPO supported, in cooperation with SOIP, the organizing of the 20<sup>th</sup> anniversary of SOIP and the Conference for technology transfer at universities in the Republic of Macedonia.

During 2013, several delegations of EPO visited us, such as: the Vice-President of EPO Mr. Wim van der Eijk, Mr. George Altesmaer, Mrs. Mina Kres responsible for EPO cooperation with us.

EPO also supported the scanning of the overall documentation of patents and worked on the project "Machine translation in languages with fewer resources." The project was completed and the website

ep.espacenet.com includes translation of the patent literature in Macedonian language, as well. Thereby, the experts in the field will be allowed to have access to the database of patents also in Macedonian language. Employees of the Office participated in many seminars and workshops organized by EPO such as: search and examination of European patent applications in the field of pharmacy, chemistry, mechanical engineering and green technologies, nano technologies, etc. Together with representatives from the universities on 8 and 9 May 2013, we participated in the seminar organized by EPO under the title: "The role of universities in creating new jobs". We also took an active part in the celebration of the 40<sup>th</sup> anniversary of the signing of the European Patent Convention.

#### **IV. PARTICIPATION IN COMMITTEES AND MEETINGS**

Representatives of SOIP participated in the work of the bodies of WIPO and the EPO and other working meetings, as follows:

1. 19<sup>th</sup> Session of the Committee on the Right of Patents within the World Intellectual Property Organization, which was held from 25 to 28 February 2013, in Geneva, Switzerland;
2. 45<sup>th</sup> Session of the Committee of Experts on International Patent Classification of the World Intellectual Property Organization, which was held from 27 February to 1 March 2013;
3. Committee on Budget and Finance of the European Patent Organisation, which took place on 28 February 2013 in Munich, Germany;
4. 135<sup>th</sup> session of the Administrative Council of the European Patent Organisation, held on 20-21 March 2013 in Munich, Germany;
5. Meeting of the Technical and Operational Support Committee of the European Patent Organisation, which took place on 23 April 2013 in Munich, Germany;
6. Meeting "European patent network in the field of classification", organized by the European Patent Organisation, which took place on 25 and 26 April 2013, in Prague, Czech Republic;
7. Conference on "Creating markets of the survey results", held on 6 and 7 May 2013 in Munich, Germany, organized by the European Patent Office;
8. Meeting of the Committee on Development and Intellectual Property within the World Intellectual Property Organisation, which took place from 13 to 17 May 2013, in Geneva, Switzerland;
9. Meeting of the Committee on the Rights of Trademarks, Industrial Designs and Geographical Indications of the World Intellectual Property Organisation, which took place from 27 to 31 May 2013, in Geneva, Switzerland;
10. Meeting of the Committee on Budget and Finance of the European Patent Organisation, which took place from 29 to 30 May 2013, in The Hague, Netherlands;
11. "7<sup>th</sup> annual meeting on cooperation with member states of the European Patent Organisation (EPO)", held from 11 to 13 June 2013, in Reykjavik, Iceland;
12. 136<sup>th</sup> session of the Administrative Council of the European Patent Office - EPO, held on 26 June 2013, in Munich, Germany;
13. 51<sup>st</sup> series of meetings of the General Assembly of the Member States of WIPO, held from 23 September to 2 October 2013, in Geneva, Switzerland;
14. 137<sup>th</sup> session of the Administrative Council of the European Patent Office - EPO, held on 16 October 2013 in Munich, Germany;
15. Standing Committee on Trademarks, Industrial Designs and Geographical Indications which took place from 4 to 8 November 2013 in WIPO, Geneva, Switzerland;
16. Committee on Budget and Finance of the European Patent Organisation, which took place on 29 and 30 October 2013 in Munich, Germany;
17. Technical Operational Support Committee –TOSC of the European Patent Organisation, which took place on 20 and 21 November 2013 in Munich, Germany;

18. Administrative Council of the European Patent Organisation, which took place in December 2013 in Munich, Germany.

## **V. PARTICIPATION IN CONFERENCES, SEMINARS, TRAINING SESSIONS**

Representatives of SOIP participated in conferences, seminars and training sessions in the country and abroad, as follows:

### ***Training abroad***

1. 3rd Workshop on International Patent Classification within the World Intellectual Property Organization, which was held from 25 to 26 February 2013, in Geneva, Switzerland;
2. Regional Seminar on the Patent Cooperation Treaty, organized by the Intellectual Property Office of the Republic of Croatia in cooperation with the World Intellectual Property Organisation, which took place on 12 March 2013, in Zagreb, Croatia.
3. Participation in the Meeting of the Federal European Patent Registry Office, which took place on 17 May in Belgrade, Serbia, organized by the European Patent Office.
4. Workshop on "Data Acquisition", held on 19 June 2013, in Riga, Latvia.
5. Regional Workshop on the subject: "Teaching Intellectual Property", held from 19 to 20 June 2013, in Sibiu, Romania.
6. Lectures at the Industrial Property Summer School in the Office for Harmonisation in the Internal Market (OHIM), which were held from 1 to 5 July 2013, in Alicante, Spain.
7. "Sub-Regional workshop on technology transfer offices" from 5 to 6 September 2013, organized by the World Intellectual Property Organization.
8. Training on patents held from 9 to 13 September 2013, in Oslo, Norway, organized by the World Intellectual Property Organization and the Norwegian Industrial Property Office.
9. Regional Conference on industrial design, from 2 to 3 October 2013, in Budapest, Hungary, organized by the World Intellectual Property Organization.
10. Regional consulting meeting dedicated to WIPO development agenda in the area of intellectual property and technology transfer, entitled "Common Challenges - Building Solutions" from 24 to 25 October 2013, in Istanbul, Turkey.
11. Participation in the seminar on "Patent search and examination in the field of biotechnology" from 28 to 31 October 2013 in Munich, Germany, organized by the World Intellectual Property Organization and the German Patent and Trademark Office.
12. Participation in the Seminar: Foundations of intellectual property from 13 to 14 November 2013 in Brussels, Belgium, organized by the European Patent Office (EPO) and the Office for Harmonization in the Internal Market (OHIM) in cooperation with the Belgian Institute for Intellectual property (OPRI).

Representative of the SOIP conducted an expert mission in the field of trademarks and geographical indications in the Intellectual Property Office of Bosnia and Herzegovina, from 4-8 November and 2 - 6 December 2013 in Sarajevo, Bosnia and Herzegovina.

Representative of the SIPO realized one-day expert mission on "Protection of Geographical Indications" at the Agency of Industrial Property of R. Kosovo, Pristina, R. Kosovo.

### ***Training in Macedonia***

On 30 and 31 May 2013, in Skopje, a Regional TAIEX workshop on “Crime in the area of intellectual property” was held. The purpose of this workshop was to discuss the problem of organized crime in the area of intellectual property in a broader context and encourage cooperation between the competent institutions in the region. Special emphasis was placed on monitoring of the counterfeiting and piracy channels, dealing with the “pyramid of forging”, trade in counterfeit drugs online, international cooperation and raising the awareness of consumers about their health risks and threats to their safety.

In February 2013 the training for SOIP employees for the study of the official languages of the European Patent Organisation began.

Representatives from SOIP attended one-day training on “Project financing”, held in Skopje in organization of the Municipality of Cair.

Representative of SOIP attended a two-day training on “Project Cycle Management” in Skopje in organization of the SEA.

## **VI. EUROPEAN INTEGRATIONS**

### **National Programme for the Adoption of the Acquis**

SOIP, as an institution committed to managing the working group for Chapter 3.07. - Intellectual Property Right in the course of 2013, as well, took an active role in monitoring the implementation of the planned activities under the National Programme for Adoption of the Acquis Communautaire (NPAA), as a comprehensive long-term document that defines the timescales of the adoption of the EU legislation, the strategic guidelines, policies, reforms, structures, resources and deadlines that need to be implemented so that the Republic of Macedonia will meet the conditions for membership in the European Union.

Therefore, SOIP held monthly meetings, prepared monthly and quarterly reports, participated in the meetings of the Working Committee and the Subcommittee of the Working Committee for European Integration, participated in the process of revision of 2014 NPAA and implementation and updating of 2013 NPAA, in coordination with the institutions of Chapter 3.7 and the Secretariat for European Affairs.

### ***Subcommittee on Internal Market and Competition***

The **ninth** meeting of the Subcommittee on Internal Market and Competition between the Republic of Macedonia and the European Union was held on 16 and 17 May 2014 in Brussels. At the meeting, the representatives of the Republic of Macedonia presented the progress in this area.

The European Commission has welcomed the adoption of the Methodology for statistical monitoring and statistical processing of data on the implementation of intellectual property rights and the preparation of the Strategy on Industrial Property.

### ***Stabilization and Association Committee***

In the context of the continuing dialogue between the Republic of Macedonia and the European Commission, the 10<sup>th</sup> meeting of the Stabilisation and Association Committee (SAC), as one of the most important instruments whereby the assessment of the progress and fulfillment of the membership criteria and obligations undertaken by the Stabilisation and Association Agreement is being created, was held in June. In this regard SOIP, in cooperation with all institutions of Chapter 3.7, in the preparation of the material provided a systematic and detailed review of the progress made in the field of intellectual property.



### **First review of the trade policy of the Republic of Macedonia**

In accordance with Article IV, paragraph 4 and Annex 3 of the Agreement of the World Trade Organization regarding the first review of the trade policy and practices in the Republic of Macedonia, on 26 and 27 November, a meeting in Geneva, Switzerland, was held. The State Office of Industrial Property was actively involved in the preparation of the responses to the questions, among several WTO member states, related to the industrial property rights and enforcement.

## **VII. ACTIVITIES ON RAISING THE PUBLIC AWARENESS**

Bearing in mind the importance of **raising the public awareness** for the protection of industrial property rights, SOIP undertook regular activities related to raising the public awareness: training to students from the Faculty of Law "Justinianus Primus" in SOIP; translation of the materials for the support of SMEs within the IP4inno Project; celebration of World Intellectual Property Day and organizing the traditional manifestation "Patent of the Year".

On 13 and 27 March 2013, the State Office of Industrial Property, on the recommendation of the Government of the Republic of Macedonia, held two seminars on "Effective completion of international patent applications" and "Practical examples of effective completion of international patent applications," designed to train industrial property representatives for quality writing and filing international patent applications.

On the occasion of the 20<sup>th</sup> anniversary of the State Office of Industrial Property and the adoption of the Law on Industrial Property, a conference on "Creating markets from survey results" was held. The conference was held on 29 November 2013 in Skopje.

The scanning of patent documentation project that would allow further upgrading of the systems for electronic filing of patent applications (OLF online filing), espacenet level 1 is completed.

### ***World Intellectual Property Day 2013***

On the occasion of 26 April – the World Intellectual Property Day, on 24 April 2013, the State Office of Industrial Property organized a seminar on the subject "Economic value of patents - "Show me the money!". The seminar was aimed at raising the awareness among SMEs, students and teaching staff of technical, technological and social faculties of the importance and benefits of patent protection.

### ***Exhibitions***

The 33<sup>rd</sup> International Exhibition of Inventions, Technical Advancements, New Products and Creation of Youth MAKINOVA - EKONOVA 2013, where SOIP through its representatives, members of the international assessment committee awarded prizes for a registered or protected patent, woman inventor and for a young inventor;

International Exhibition of Ideas, Inventions, New Products - IENA 2013- at the exhibition five findings of Macedonian inventors were presented who were awarded gold, silver and bronze medal by the international professional jury and a number of special awards from associations in the field of innovation;

International Exhibition "Innovation of women inventors", held from 3 to 6 May in Seoul, South Korea. 168 women inventors from 26 countries participated in the exhibition. Republic of Macedonia presented itself with two inventions in the field of mechanical engineering and chemistry, which were awarded by the KIWIE 2013 Expert Commission

with a gold and bronze medal, as well as with special awards from the other participants;

33<sup>rd</sup> International Exhibition of Inventions, New Technologies and Industrial Design “Invention Belgrade 2013” and “Step by step to creative innovation”, held from 22 to 29 May 2013 in Belgrade. Republic of Macedonia participated with 9 inventions, 2 of which in the category of young inventors, and a SOIP representative participated as a member of the international jury.

## VIII. REPRESENTATIVES

In 2013 a professional examination for industrial property rights agents was organized. The exam was passed by 24 people. Thus, the total number of persons who have passed the professional exam for agents, in accordance with SOIP's records is 446.

In the registry of registered agents 8 new agents were added, and 4 representatives were deleted from the registry.

## IX. INTERNAL AUDIT

This year as well, the Internal Audit Unit successfully implemented its duties and tasks as planned in the 2013 Annual Plan and the 2013-2015 Strategic Plan.

The audits that were conducted and the audit reports prepared concerned the processes and areas important in the daily operations of the State Office of Industrial Property. The Annual Plan provided a total of 9 audits - 3 audits in every quarter, including:

I quarter - due to the similarity of the content of the processes -areas PATENT, TRADEMARK, INDUSTRIAL DESIGN that were audited, we performed their unification under a common name “ audit of the system of internal controls of processes of recognition of industrial property rights”.

II quarter - audits were conducted on the following areas of operation:

- 1) procurement and payments - with a focus on payment of supplier invoices;
- 2) operation of the unit in charge of reception and processing of documentation (archives) with special emphasis on ordering and storing cases in the library;
- 3) normative operation of the Office in general (acquisition, fulfillment and protection of industrial property rights) with special emphasis on its operations in accordance with international and domestic legislation.

III quarter - audit reports were prepared on the conducted audits of the following workflows:

- 1) public procurement procedures-with a focus on procurement of low value;
- 2) budget cycle- with a focus on the control of the expenditures thereof in accordance with the Financial Plan;
- 3) annual inventory- with reference to the implementation thereof in accordance with the legislation.

During this year, the six-month seminar for internal auditors in the public sector within the TIAPS project, which was financially supported and covered by the Centre for Finance Development of the Republic of Slovenia, USAID, the Ministry of Finance of the Republic of Macedonia, was successfully completed.

The Unit was dedicated to the implementation of all the preparatory activities for the creation of the 2014 Annual Plan and the 2014 - 2016 Strategic Plan.

Directly and indirectly, the Unit participated in various other daily operational activities of the Office as a whole.

It followed and collected all novelties in the primary and secondary legislation necessary in the daily operations of the Internal Audit Unit.

## **X. GENERAL ISSUES**

### ***IT Support***

The State Office of Industrial Property has its own databases of registered and protected industrial property rights (patents, trademarks, industrial designs and geographical indications). For their processing the programme IPAS - Industrial Property Administration System is used, which is a platform developed by the World Intellectual Property Organization (WIPO) used to manage user documents. The IPAS is a client - server platform developed on the basis of the so-called technology Centura, which allows administrator and client IPAS to communicate with a database, that is on an Oracle platform, where all data is stored.

For the administrative operation of SOIP in the units for reception and processing of documents for the acquisition of industrial property rights and in the general archive unit, a programme based on Lotus Notes is used, which is an application software, platform developed by IBM and is a client server platform used for the following services:

- Electronic mail (e-mail);
- Web server, where the website of the Office is hosted, and application for management of the website, and
- Software for filing operations with the Registration Books and the Rules of Procedure.

### ***Receipt of documents***

Reception and processing of documents for the acquisition of industrial property rights was performed in the IPAS programme and the following volume of documents for 2013 was processed:

- ***Trademarks:***

1.287 new applications for trademarks were submitted, including 1253 national trademark applications, 34 applications for international trademark registration, 863 decisions on trademark recognition were issued;

- ***Patents:***

541 new patent applications were filed, of which 42 domestic patent applications and 499 new applications for foreign patents, 19 decisions on national and 359 decisions on recognized European patents were issued;

- ***Industrial design :***

34 applications for industrial design were submitted, of which 25 domestic applications and 9 foreign applications and 29 decisions on recognition were issued;

- ***Other activities:***

approximately 10,000 actions concerning the issuance of documents to determine the date of the documents submitted for recognition of industrial property rights, receipt of documents for fees paid for recognized industrial property rights, receipt of documents for submitted applications for release of industrial property rights, verification of documents and other actions were performed.

### ***Publishing***

The State Office of Industrial Property in accordance with the legal obligation six times in a year publishes an official journal, "The Messenger." The editing, processing and publication of materials from the scope of protection of industrial property in "The Messenger" is performed by SOIP.

At the same time, a SOIP Operation Report is prepared and published for each passed year.

### ***Financial operation***

The obligations in the field of financial operation are performed by the staff of the Service for General Affairs of the Government of the Republic of Macedonia. In the course of 2013, all obligations relating to the accounting operations

of the Office were performed (budget preparation, annual and quarterly plans, reviews of outstanding liabilities at the end of each passing month, various types of information requested by the responsible officials of the Office, and the Ministry of Finance, the Secretary General of the Government of the Republic of Macedonia, preparing payrolls, annual accounts, inventories of fixed assets, statistical reports and GDP).

1. A quarterly plan for I, II, III and IV quarter of 2013 for the use of budget funds was submitted.

2. For the purpose of regular settlement of the obligations of SOIP, the Ministry of Finance - Budget Department, on several occasions requested re-allocation of budget funds that were properly implemented in the quarterly plans in 2013 for settlement of costs relating to utilities: heating, electricity, water-supply and regular maintenance.

3. In accordance with the obligation for monitoring the budget for 2013, to every 10<sup>th</sup> of the month, to the Ministry of Finance - Treasury Operations Department a report on outstanding debt for the previous month was submitted.

4. In accordance with the conclusions of the Government of the Republic of Macedonia, regarding the implementation of the package of anti-crisis measures, during 2013 the following notifications were regularly submitted:

- Information on business trips;
- Information on the settlement of obligations.

### **Financial aspects of the operation for 2013**

Regarding the financial indicators related to the implementation of the budget of the SOIP, we may state the following indicators.

#### **Budget for 2013 (in MKD)**

SOIP budget	2013 Budget	2013 Rebalance	Rebalance of the 2013 budget with reallocation of funds	Implementation of the 2013 budget	Implementation of the 2013 budget in %
Programme 20 - Protection of industrial property in:	34.164.000	34.164.000	<b>34.164.000</b>	30.587.100	89,53%/91,29%
Expenditures					
40 – salaries and contributions	16.164.000	16.164.000	<b>16.164.000</b>	15.504.158	95,91%
42 – goods and services	16.080.000	16.080.000	16.309.000	14.835.720	92,26% 90,96%
420 – travel allowances	1.500.000	1.500.000	1.660.000	1.659.595	99,97%
421 - utilities, heating, communication and transport	3.000.000	3.000.000	3.000.000	2.395.214	79,84%
423 –materials and small inventory	1.000.000	1.000.000	1.000.000	636.227	63,62%
424 – repairs and continuous maintaining	1.280.000	1.280.000	1.430.000	1.260.736	98,49%

425 – contractual services	7.500.000	7.500.000	7.500.000	7.300.047	97,33%
426 – other current expenditures	1.800.000	1.800.000	1.719.000	1.583.901	92,14%
427 – temporary employments					
46 – subsidies and transfers	1.120.000	1.120.000	1.050.556	247.222	23,53%
480 – procurement of equipment and machines	/	/	/	/	/
485–investments and non-financial assets	800.000	800.000	640.000	/	/

1. With the Budget of the Republic of Macedonia for 2013 (“Official Gazette of RM” No.180 / 2011) budget for the State Office of Industrial Property in the amount of 34.164 million denars was determined, and with the reallocations of the SOIP budget, it amounted to 34.164 million denars. In the process of implementation of the budget of the SOIP in 2013, several reallocations of budget items were made for the purpose of a more functional implementation of the allocated budgetary funds.

Thus, the use of available funds from the budget of the SOIP for 2013 was 89.53 % or 30,587,100 denars, which in terms of the budget with the executed re-allocation is 91.29%.

2. In the segment of Expenditures - funds intended for basic salaries and social security contributions were realised by 100%, so that from the planned funds with the re-allocation of the SOIP budget for 2013, that is 16,164,000 denars for 32 employees, 16,164,000 denars were spent for 32 employees. 32 civil servants, Director and Deputy Director were employed in the State Office of Industrial Property on 1 January 2013.

On 31 December 2013 the Office had 32 employees , a Director and Deputy Director.

3. In the segment of Expenditures - funds intended for goods and services, from the planned reallocated funds for the 2013 budget totalling 16,309,000 denars, 90.26% or 14,835,720 denars were realized, while:

3.1. Expenditures for travel allowances were realized with 99.97%, due to the realization of the essential business trips related to the accession of the SOIP in the working bodies of the World Intellectual Property Organization - WIPO in Geneva and the European Patent Office - EPO in Munich;

3.2. Expenditures for utilities, heating, transport and communication were realized with 79.24% despite the rise in these costs during the year;

3.3. Expenditures for supplies and small inventory were realized with 98.49%.

3.4. Expenditures for repairs and regular maintenance were realised with 88.16%.

3.5. Expenditures for contractual services were implemented with 97.33% for: rent, salary allowances, rewards for inventors granted at the events: “Patent of the Year” and “Makinova” and other costs.

3.6. Other current expenditures have been realised with 92.14% - costs for events (26 April - World Intellectual Property Day, “20<sup>th</sup> Anniversary of the Office” and “Makinova”) counseling and advertisements in the public media in accordance with LGAP.

3.7. Expenditures for temporary employment were not realized.

3.8. /

3.9. /