

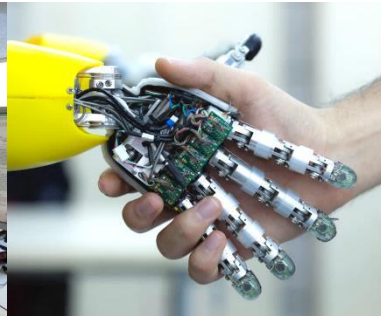


Europäisches
Patentamt
European
Patent Office
Office européen
des brevets

2. Annual Report and Strategic Plan 2023

US Bar-EPO Liaison Council

Washington, DC, 24 September 2019



The EPO at a glance



Our mission

We provide patent protection for inventions in up to 40 European countries on the basis of one single application

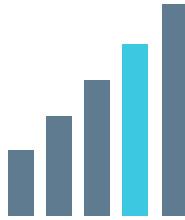


Our locations:

Munich (headquarters),
The Hague, Berlin,
Vienna and
Brussels





2nd largest
intergovernmental
institution in Europe



Self-financing:
Budget of **EUR 2.4bn**
without any public funding



7 000  employees, of which around **4 300**  highly
qualified patent examiners working in all fields of technology

European Patent Office: granting protection

for 44 countries, covering an area of 700 million people

European Patent Organisation: 38 European member states

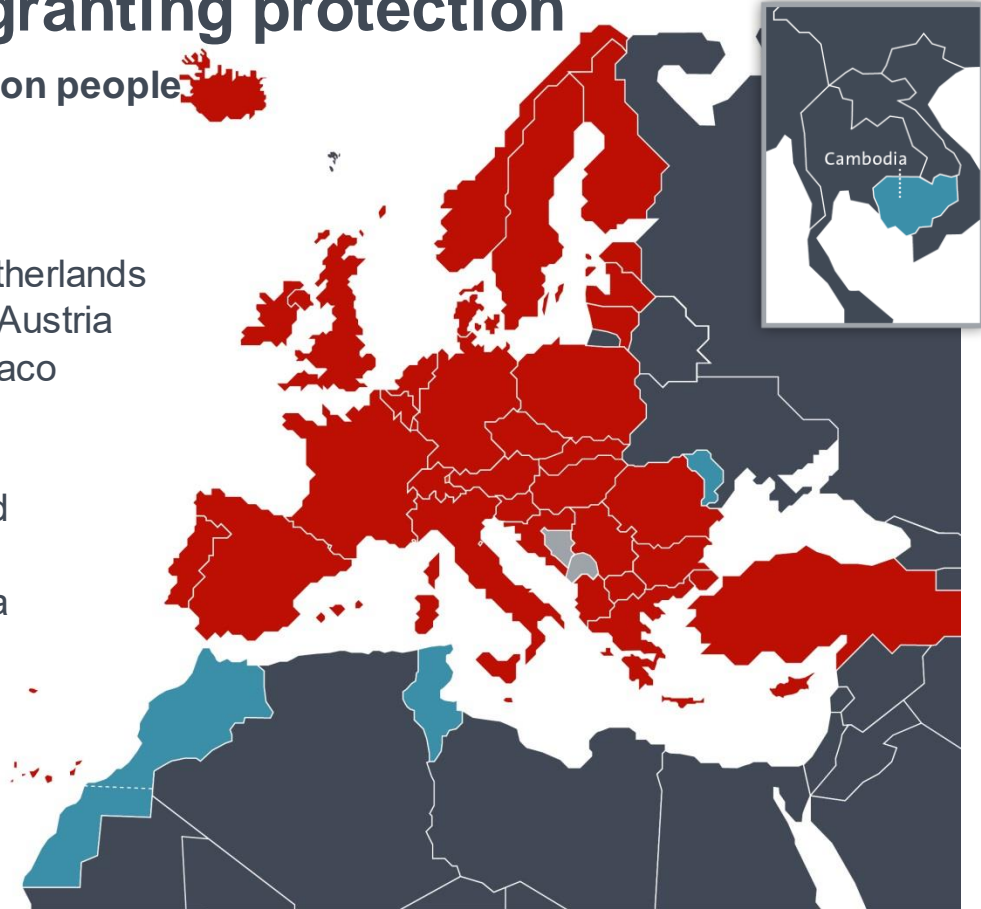
Belgium • Germany • France • Luxembourg • Netherlands
Switzerland • United Kingdom • Sweden • Italy • Austria
Liechtenstein • Greece • Spain • Denmark • Monaco
Portugal • Ireland • Finland • Cyprus • Turkey
Bulgaria • Czech Rep. • Estonia • Slovakia
Slovenia • Hungary • Romania • Poland • Iceland
Lithuania • Latvia • Malta • Croatia • Norway
North Macedonia • San Marino • Albania • Serbia

Two European extension states

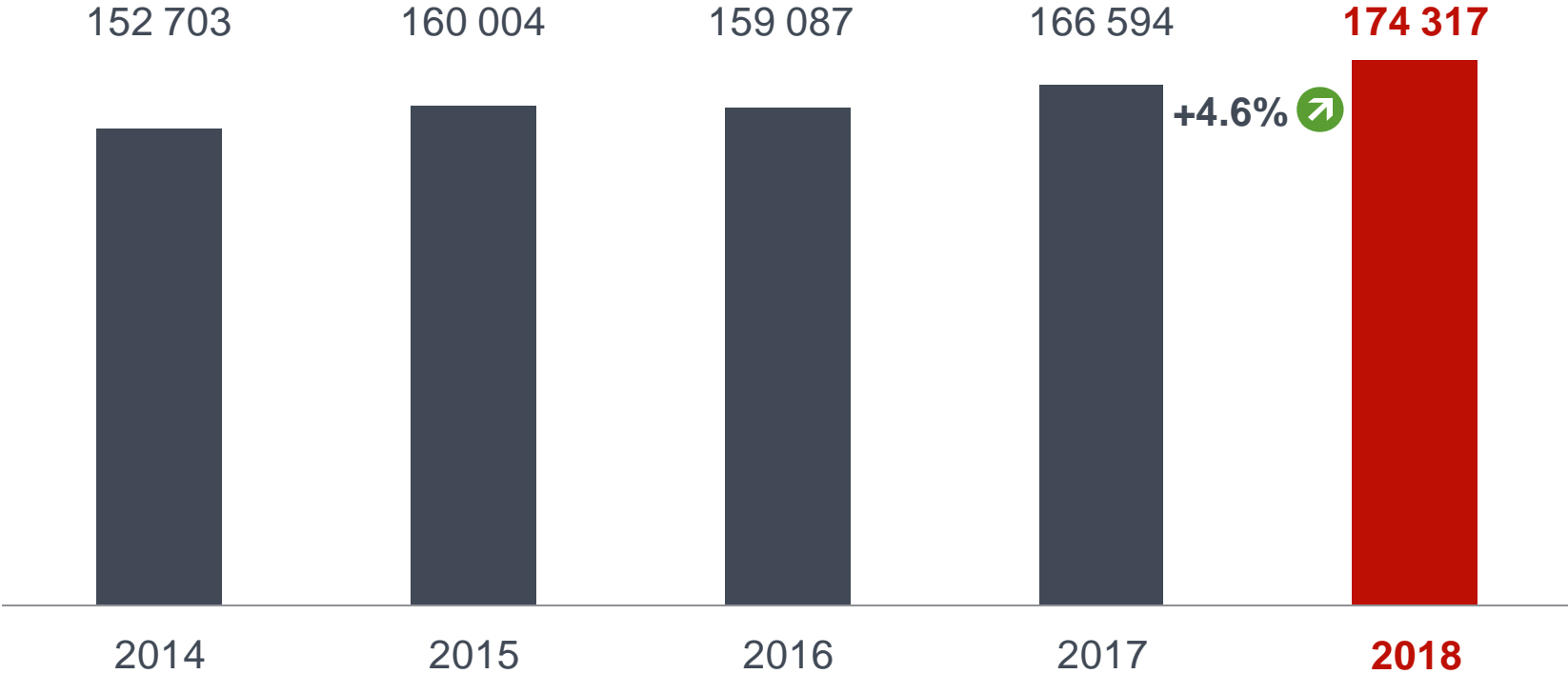
Bosnia and Herzegovina • Montenegro

Four validation states

Republic of Moldova • Morocco • Tunisia
Cambodia



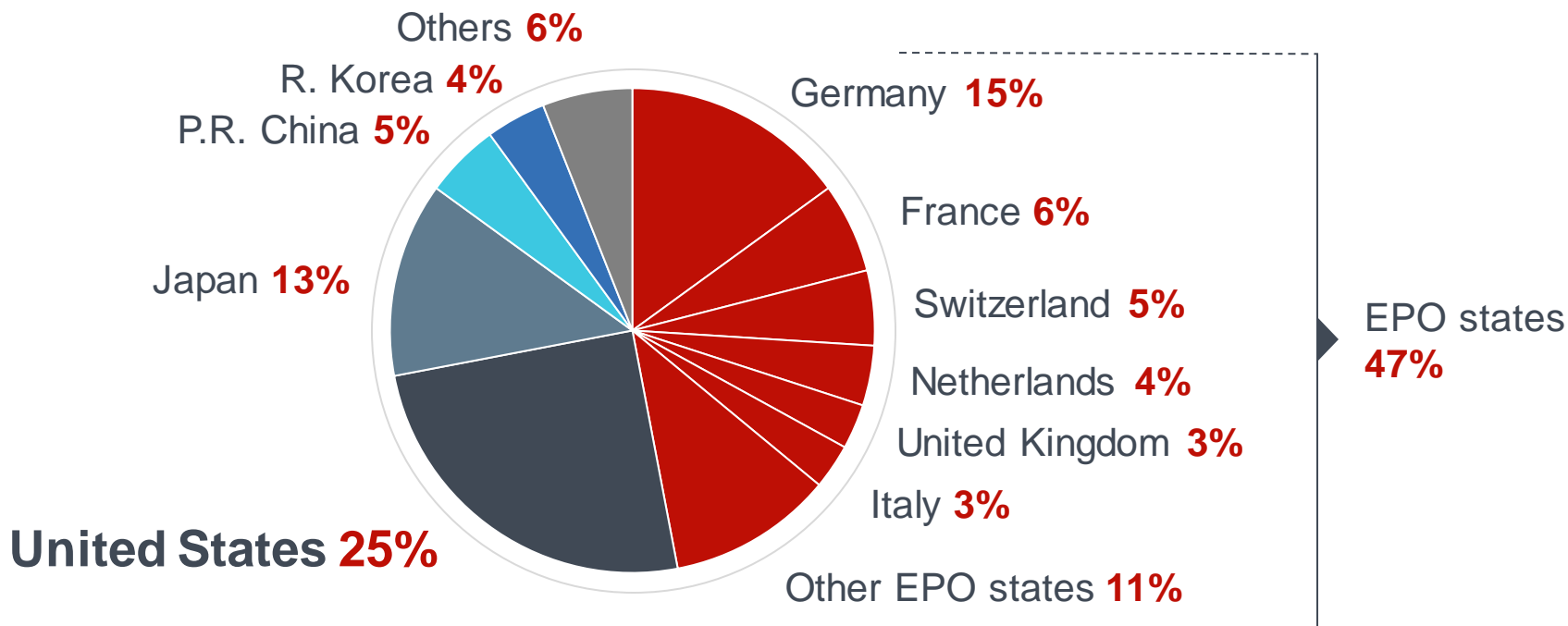
Total European patent applications in 2018



Source: EPO. Status: 21.1.2019.

European patent applications include direct European applications and international (PCT) applications that entered the European phase during the reporting period.

Origin of European patent applications¹ in 2018

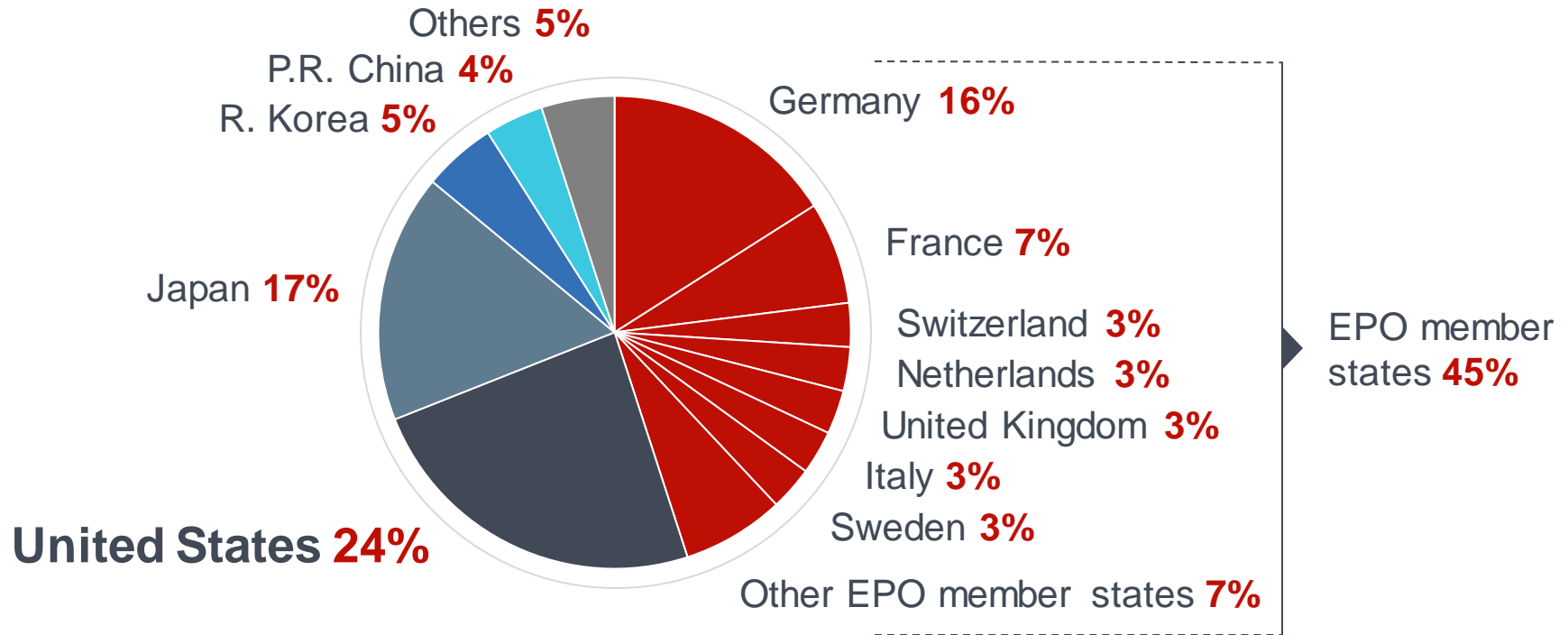


Source: EPO. Status: 21.1.2019.

¹ European patent applications include direct European applications and international (PCT) applications that entered the European phase during the reporting period. The geographic origin is based on the first-named applicant principle.

Note: Sums may vary slightly due to rounding.

Granted patents in 2018



Source: EPO. Status: 21.1.2019.

The analysis is based on published patents granted by the EPO. The country of residence of the first patentee listed applies.

Top countries for European patent applications¹

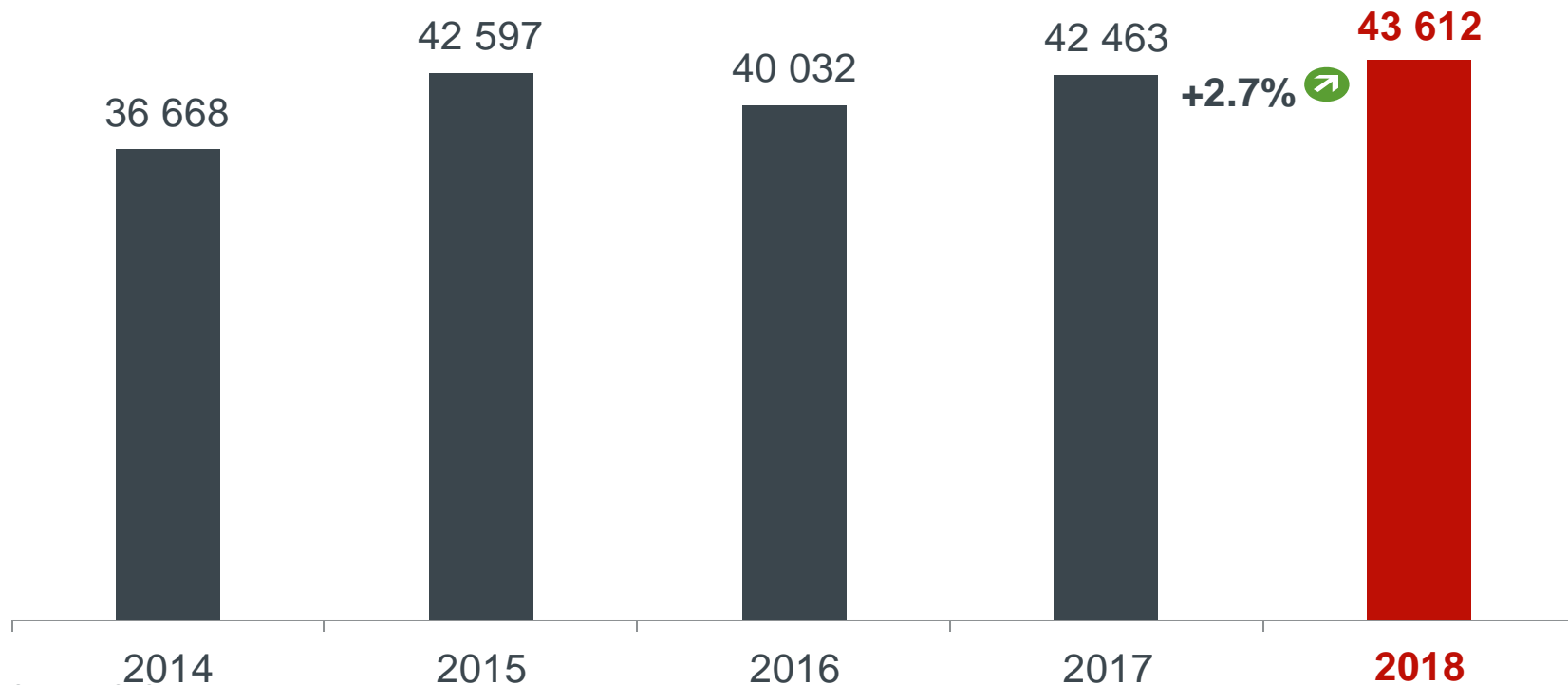
TOP40

	2018	Change		2018	Change		2018	Change			
1	United States	43 612	2.7%	15	Spain	1 776	6.3%	29	Cayman Islands	367	52.9%
2	Germany	26 734	4.7%	16	Chinese Taipei	1 767	8.9%	30	Puerto Rico	365	31.3%
3	Japan	22 615	3.9%	17	Finland	1 728	-3.8%	31	Barbados	332	95.3%
4	France	10 317	-2.8%	18	Canada	1 596	5.5%	32	Saudi Arabia	264	88.6%
5	P.R. China	9 401	8.8%	19	Israel	1 456	4.9%	33	Czech Republic	242	17.5%
6	Switzerland	7 927	7.8%	20	Australia	978	16.3%	34	Russian Federation	229	13.4%
7	R. Korea	7 296	13.0%	21	Ireland	801	21.4%	35	Portugal	220	46.7%
8	Netherlands	7 140	1.4%	22	India	710	4.7%	36	New Zealand	194	-3.5%
9	United Kingdom	5 736	7.8%	23	Norway	610	14.9%	37	Brazil	161	-2.4%
10	Italy	4 399	0.9%	24	Turkey	572	-37.2%	38	Greece	120	17.6%
11	Sweden	4 050	7.1%	25	Poland	534	19.7%	38	Hungary	120	26.3%
12	Denmark	2 390	14.4%	26	Singapore	523	20.2%	40	Hong Kong	112	2.8%
13	Belgium	2 360	9.7%	27	Luxembourg	455	-14.6%				
14	Austria	2 292	3.8%	28	Liechtenstein	429	12.9%				

Source: EPO. Status: 21.1.2019.

¹ European patent applications include direct European applications and international (PCT) applications that entered the European phase during the reporting period. The geographic origin is based on the first-named applicant principle.

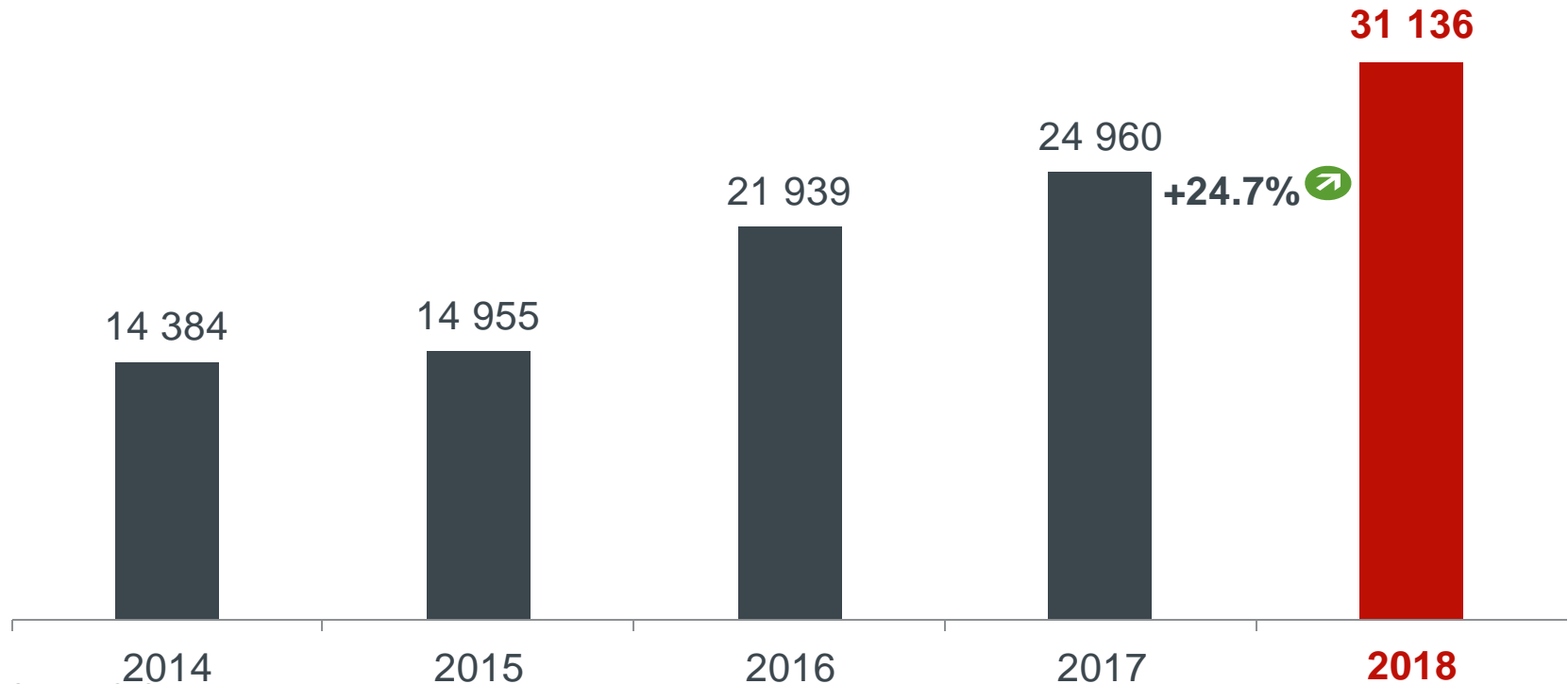
European patent applications¹ – United States



Source: EPO. Status: 21.1.2019.

¹ European patent applications include direct European applications and international (PCT) applications that entered the European phase during the reporting period.
The geographic origin is based on the first-named applicant principle.

European patent grants¹ – United States



Source: EPO. Status: 21.1.2019.

¹ The analysis is based on published patents granted by the EPO. In cases where several patentees are mentioned on the published patent, the country of residence of the first patentee listed applies.

Leading fields of technology

TOP 10

			2018	Change	
1 (=)	Medical technology		13 795	5.0%	
2 (=)	Digital communication		11 940	0.7%	
3 (=)	Computer technology		11 718	3.3%	
4 (=)	Electrical machinery, apparatus, energy		10 722	4.7%	
5 (=)	Transport		9 039	5.9%	
6 (=)	Measurement		8 744	9.3%	
7 (=)	Pharmaceuticals		7 441	13.9%	
8 (+1)	Biotechnology		6 742	12.1%	
9 (+1)	Other special machines ranging from agriculture to 3D printing		6 379	10.9%	
10 (-2)	Organic fine chemistry		6 233	- 3.6%	

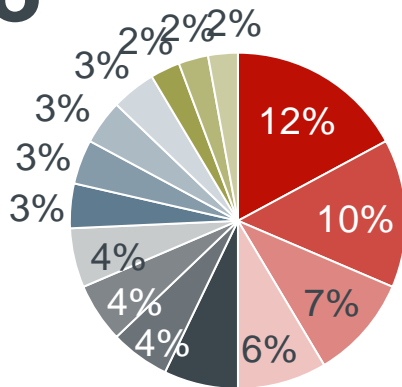
Source: EPO. Status: 21.1.2019.

European patent applications include direct European applications and international (PCT) applications that entered the European phase during the reporting period.

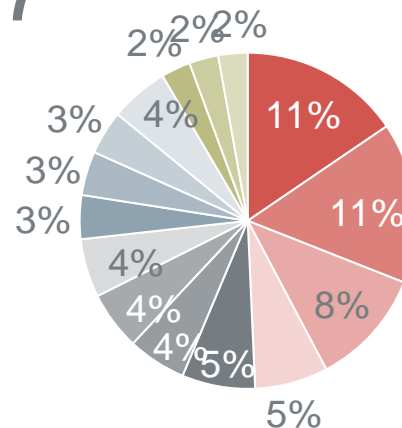
The definition of the fields is based on the WIPO IPC technology concordance.

Leading 15 fields of technology¹ – United States² (72% of all applications)

2018



2017



- Medical technology
- Computer technology
- Digital communication
- Pharmaceuticals
- Biotechnology

- Measurement
- Electrical machinery, apparatus, energy
- Organic fine chemistry
- Other special machines
- Transport

- Basic materials chemistry
- Engines, pumps, turbines
- Chemical engineering
- Handling
- Audio-visual technology

Source: EPO. Status: 21.1.2019.

¹ The definition of the fields is based on the WIPO IPC technology concordance. The table is available at: http://www.wipo.int/export/sites/www/ipstats/en/statistics/patents/xls/ipc_technology.xls

² The geographic origin is based on the first-named applicant principle.

Top EPO applicants 2018 – global

TOP50

	2018
1 Siemens	2 493
2 Huawei	2 485
3 Samsung	2 449
4 LG	2 376
5 United Technologies	1 983
6 Royal Philips	1 617
7 Qualcomm	1 593
8 Ericsson	1 472
9 General Electric	1 307
10 Robert Bosch	1 286
11 Sony	1 278
12 BASF	1 256
13 Intel	1 057
14 Johnson & Johnson	982
15 Microsoft	975
16 Canon	816
17 Panasonic	815

	2018
18 Valeo	784
19 Alphabet	779
20 Nokia	738
21 Continental	691
22 Hitachi	658
23 Mitsubishi Electric	655
24 Hoffmann-La Roche	651
25 3M	635
25 Honeywell	635
27 HP	626
28 Dow Chemical	623
29 Toyota Motor	608
30 CEA ¹	597
31 Boeing	596
32 Medtronic	593
33 Procter & Gamble	580
34 Philips Lighting	573

	2018
35 ABB	571
36 Bayer	559
37 SABIC	557
38 Toshiba	545
39 Guangdong Oppo Mobile Telecom.	523
40 Mitsubishi Heavy Industries	512
41 Airbus	509
42 Unilever	502
43 DSM	500
44 Fraunhofer-Gesellschaft ²	468
45 Philip Morris	457
46 Merck	432
47 Safran	423
48 BOE Technology	419
49 Nestlé	382
50 Apple	375

Source: EPO. Status: 21.1.2019.

¹ Commissariat à l'énergie atomique et aux énergies alternatives.

² Fraunhofer-Gesellschaft zur Förderung der angewandten Forschung e.V.

Strategic Plan 2023

- Adopted **unanimously** by the Administrative Council in **June 2019**
- Based on **extensive consultation** which resulted in input from:
 - Users of the system
 - National and supra-national organisations
 - National patent offices of both member and non-member states
 - Meetings with staff, staff survey
 - Financial study; Audit on automation
- **Shared vision for the EPO**: set worldwide standards in IP; be effective, transparent, responsive to needs of users and agile in managing changing demands and conditions of a dynamic global patent system
- **Committed to excellence**

Strategic Plan 2023

The Five Goals of the Strategic Plan

Goal 1 – Build an engaged, knowledgeable and collaborative organisation

Goal 2 – Simplify and modernise EPO IT systems

Goal 3 – Deliver high-quality products and services efficiently

Goal 4 – Build a European patent system and network with a global impact

Goal 5 – Secure long-term sustainability

Points of particular practical interest for users

- Strategic Plan 2023 provides a clear Roadmap towards achieving the vision articulated in the 5 goals.
 - Many changes are **internal** and **operational**, and **too numerous** to be usefully touched upon here
 - Note: the measures outlined do not yet have timelines, and not every single one of them may be accomplished in the next 4 years
- There is an emphasis on improving our **quality, efficiency and sustainability in a dynamic environment**
- However, there are also a number of initiatives which will lead to **practical changes of interest to users**, some of which will briefly be reviewed here

Modernised IT systems: creation of a new user area

- Simplify and modernise EPO IT systems / develop new online user engagement (Goal 2, Key Initiative (KI) 3)
- A new user area enabling around the clock interactions will be created
 - Possibility for users to view:
 - Overall portfolio of files
 - Most probable next action
 - Expected timeline until grant or refusal

More flexible patent grant processing

- Offer more flexible patent grant processing (Goal 3, KI 3)
 - Early Certainty and PACE will be replaced by a new programme offering different procedural deadlines in examination to meet users' needs
 - Measured using a mean average calculated from the filing of the request for examination:
 - "Accelerated" processing (6-12 months)
 - "Standard" processing (12-24 months)
 - "Maximum" time of no longer than 36 months

Simplification of procedures and processes

- Identification of short, medium and long term measures to **harmonise** and **simplify** patent procedures and processes as part of the **move to an electronic granting process** (Goal 3, KI 5)
- Simplification of the fee system, possible further **alignment of the fees** for European and PCT applications
 - Changes will be progressive

Cooperation activities

- Cooperation activities aimed at **work-sharing** amongst national patent offices within the European Patent Network (Goal 4, KI 4)
- Cooperation projects with member states to promote the **convergence of practices** by patent offices
- Initiatives to broaden the impact of the European Patent System and European Patent Network with non-member states
 - **Validation** agreements
 - **Reinforced partnership** agreements
 - **Technical cooperation**
- Continued involvement in IP5 and Trilateral activities
- Support for substantive patent law harmonisation

Creation of an Observatory

- Creation of an **observatory**, tasked with measuring, evaluating and assessing developments in the IP system, contributing to the sustainability of the EPO and the European patent system (Goal 5, KI 6)
- With a role as a **stakeholder platform**, for consultation and discussion
- Will operate as a European Patent Network platform for economic and technological analyses, supporting activities of NPOs and of European and international organisations and agencies, to avoid duplication of effort and harness synergies



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Thank you for your attention!