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Operating Result on the Up,
Equity Diminishing



Catherine Chammartin,
Director General

Twenty years ago, our Institute became a pioneer. At this time, the Federal Council granted legal and operational independence to the then Federal Office of Intellectual Property. The Swiss Federal Institute of Intellectual Property (IPI) has now been standing on its own two feet since 1996 and is independent of the Swiss federal budget. For most customers, the IPI is the first point of contact for anything to do with trade marks, patents, designs and copyright. It has established itself as a service provider and is also a competent advisor to the federal government on all issues concerning intellectual property. In the area of policy services, the focus this reporting year has been on two legislative projects: the revision of the Copyright Act and the “Swissness” legislation.

With the Federal Council’s intention to modernise copyright law, one of its aims is to combat internet piracy more effectively without criminalising users of infringing content. Such offers can be accessed by anyone on the internet without restriction, yet when they are made available without authorisation – in other words, illegally – it can hinder legitimate content from having any chance on the market. The revision therefore aims at quickly remedying obvious cases of internet piracy. The IPI was in charge of preparing the consultation on the revision, which was opened by the Federal Council on 11 December 2015. It ran until 31 March 2016 and received an unusually

high number of comments in response, many of which with widely diverging stances. However, the consensus was broad that a revision of the Copyright Act is required. The views on how this should be done, on the other hand, were very different. What they do show, however, is that the search for a balance of interests between artists, producers and users in the digital age must continue. The Federal Council will publish the results of the consultation by the end of 2016.

The new “Swissness” legislation reinforces protection of the “Swiss Made” designation and the Swiss cross by helping to prevent and curb any wrongful use by free riders. This is to ensure that the value of the “Made in Switzerland” brand can be sustained in the long term. The Federal Council approved the required implementing ordinances and the legislation will take effect on 1 January 2017. In preparation for its entry into force, the IPI has carried out a significant amount of work during the reporting year. Not only have the Trade Mark Guidelines been revised and put to consultation with affected stakeholders, but the IPI has also implemented organisational and particularly IT-related measures for the new cancellation procedure, as well as the IPI’s new tasks in relation to enforcing rights. The IPI is also responsible for implementing a new geographical indications register for non-agricultural products.

Anyone who forges ahead as a pioneer must show courage and constantly strive to deliver an ever better performance. In the following annual report, you can read about what characterises the pioneering spirit that drives the IPI today, as well as what it is that makes this possible. I hope you enjoy reading it.

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To make it more easily readable, we have used the male pronoun only. We thank our readers for their understanding.

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November 2016

Photographs

The photographs on the topic of protecting trade marks show members of staff from the IPI. How the various types of trade mark are presented comes from the IPI’s special exhibition at the Swiss Brand Museum (see article starting on page 8).

- Loris Cicchini is a specialist in the finance and accounting department. His son Ean was particularly taken with Miggy the Pig depicted on page 31 (inside cover, page 2).
- Fabiola Portenier Schmid is the legal secretary of the sic! journal (page 4).
- Egon Boedtke is deputy team leader of the Contact Centre (page 11).
- Xenia Abdin is deputy head of the trade mark administration section (page 17).
- Hansueli Stamm is the IPI’s senior economist (page 23).
- Diana Garcia Portolés is a patent expert (page 28).
- Dittmar Grosse works in the IPI’s logistics and building administration department (page 31).
- Sabrina Konrad is a legal adviser (page 36).

Beguiling Appearance – Murky Shadows?

Everyone knows about fake handbags being sold on the beach and replica brand-name sunglasses on the internet. But just who is behind these goods? And who gains and who loses by them? Until 20 October 2018 at the Swiss Customs Museum, you can learn a variety of fascinating facts on the depth, scope and background of fake goods. Most importantly, you can find out how to recognise these supposed bargains when making a purchase, which ultimately cost everyone dearly.



With its pirate's hook visible from afar, many a visitor has probably wondered whether the Swiss Customs Museum – once a real border guard post – was ever itself once seized by pirates. When visiting STOP PIRACY's special exhibition, it quickly becomes apparent that modern-day piracy is a special form of criminal activity. Whether it concerns copying brands or breaching copyright on the internet, piracy is the equivalent of destroying a product. And it's this destruction that the pirate's hook so effectively symbolises. The STOP PIRACY Association brings together a wide range of members from the public sector and various industries under one umbrella, which is why the organisers went to great lengths to ensure that the exhibition sheds light on the phenomenon of counterfeiting and piracy in its entirety, and not just on a single product group.

The size and scope of counterfeit goods is impressively demonstrated in the first

exhibition room. Visitors enter a counterfeiter's workshop – a dimly-lit room with darkened windows (because criminals work furtively). The counterfeiters can be heard in the background loading up their products, while in the storeroom, visitors can have a snoop and rummage around. The smorgasbord of fake products takes visitors by surprise. Who would have thought that car brakes, household appliances and even toothbrushes are counterfeited? Visitors follow the criminals' trail and discover all the consequences of buying a fake product.

An abandoned locker tells the story of a fictional watch worker whose employer has been forced to cut jobs in the production department due to product piracy. Counterfeiters pay neither tax nor other social contributions, meaning that companies and the state lose out on money, which could be invested in new projects, jobs and education.

Another part of the exhibition invites visitors to show solidarity with artists. A multimedia game, produced by the association Musicians Switzerland, allows visitors to produce their own record and shows them exactly what a musician has to invest before a record reaches the stores. Musicians, film-makers, photographers and game designers make a living from selling their work, so illegal copies deprive them of payment for their labour. At worst, this means they'll eventually have to give up on their creativity. For many it's clear that culturally, the world will be a poorer place for it. The coffin filled to the brim with counterfeit medication is also intriguing, not to men-

tion disturbing. Consumers often carelessly expose themselves to health and safety risks by buying fake medicines. Around a third of all counterfeits seized by EU customs authorities prove to be potentially dangerous to the health and safety of consumers. Ordering the newest trainers online at a bargain price or buying a copy of a Swiss brand-name watch on holiday – where's the harm in that? When making a conscious decision to buy a fake, people often don't think of the consequences of their actions and usually know little about the background and extent of counterfeiting and piracy. All too often,

people have in their heads a romantic idealised image of counterfeiters being Robin Hoods who want to make it possible for everyone to buy brand-name goods at a snip of the price. However, what they don't realise is that hidden behind it all is organised crime, which only ever has its own profits at heart. By gaining an inside view of a counterfeiter's workshop, visitors have their eyes opened to the truth. In the corridor to the second exhibition room, there's a brief stop at customs. Have you got a fake in your luggage? Or did you order any fake goods from abroad? In the next stop on their counterfeit tour, visitors learn why customs is the last stop

for counterfeit goods. The law prohibits the manufacture and sale of fake products because of their damaging and dangerous consequences. For the same reasons, importing fake goods into Switzerland is also illegal. If customs officials find counterfeit goods in luggage or postal packages, they seize and destroy them. In the second exhibition room, visitors meet the Flückiger family. Sitting in their living room, visitors can listen to how and why the Flückigers fell for fake goods, and through their stories, learn the warning signs to look out for when buying a product so that they too can recognise and avoid counterfeit goods.

Although smuggler-hunting border guards did indeed use to live in the Swiss Customs Museum, it's firmly in the hands of counterfeiters until 20 October 2018 – just look out for the pirate's hook!



Images from the special exhibition "Beguiling Appearance – Murky Shadows?" on counterfeiting and piracy in the Swiss Customs Museum in Cantine di Gandria, Lugano.



Beguiling Appearance – Murky Shadows? A Special Exhibition on Counterfeiting and Piracy

15 April 2016 – 20 October 2018
in the Swiss Customs Museum
in Cantine di Gandria, Lugano

The exhibition, designed with young people and families in mind, explains the importance of industrial property rights (trade marks, designs and patents) and the impact counterfeiting and piracy has on the economy and society. For school classes and teachers, there are specific teaching materials for lesson preparation and more in-depth information. All visitors are invited to test their newly-acquired knowledge in a competition at the end of the exhibition.

Diving into Nivea Blue

This summer, the Swiss Brand Museum in Bern dedicated a special exhibition to the Swiss Federal Institute of Intellectual Property (IPI) called "Envisioned. Created. Protected". Running from 23 July until 14 September, this interactive presentation in the UNESCO-protected Customs House looked at the topic of protecting trade marks and provided fascinating background information on the work and history of the IPI.

The Swiss Brand Museum is situated on the Nydegg Bridge close to the bear pit in the historical old part of Bern, where it provides visitors with a magnificent view of the River Aare. While it was mostly locals who were jumping into the cool green waters of the river this summer, it was tourists from home and abroad who were immersing themselves in the world of trade marks in a somewhat multisensory experience. A multimedia show on the ground floor of the exhibition introduced visitors to various types of trade mark. This had less to do with presenting trade marks as the public is used to seeing them, and more to do with the diversity of the form in which a trade mark can be expressed. Although many people recognise the logos of well-known companies, what is less well-known is that companies can also register words, number combinations, jingles and even specific colours as trade marks with the IPI. It was these elements which the exhibition brought to life.

The lilac cow, Ovomaltine-orange or simply plain blue – sometimes a colour alone can become a trade mark. Colours belong to the public domain so generally can't be protected as a trade mark. But if a specific colour has been used for a product for years, or even decades, and the general public identifies this colour with the corresponding company, the colour can – in special cases – be registered as a colour mark. How strongly a certain blue is associated with the skincare brand Nivea, for example, was demonstrated to exhibition visitors by the fact that they could correctly recognise the brand from the colour alone when an entire room was lit up in Nivea blue, with many spontaneously thinking of the famous tub of moisturiser. The same applies to word marks, which are the most frequently registered type of trade mark. Even when YB (the acronym for the Swiss Young Boys football club) was flickered onto the walls of the exhibition room in black

and white, onlookers still saw the black and yellow colours of the YB logo in their minds – or at least the football fans did. How well-known a brand is – and therefore the recognition value of a trade mark – was revealed in a short film in which well-known Swiss slogans were separated from their associated brands. In the first scene, a young actor appeared on the screen walking around holding a selfie stick asking, "Who invented it?" Most viewers instinctively thought of Ricola, which has this famous slogan entered in the trade mark register for its herbal sweets. Slogans are usually succinct sentences linked to a product or service through clever brand-

ing. By registering them, they are protected from plagiarism. In addition to presenting the world of trade marks through video and sound, visitors were also able to literally get a feel of trade marks at the exhibition. Three-dimensional trade marks are usually in the form of goods and packaging, like the Granini bottle and the Lindt chocolate bunny examples at the exhibition. Hidden from view, visitors could only experience these brands by touch, although it didn't take them long to guess what brands they were. Today, shapes are usually protected as a design. The highlight of the video on trade marks was a video clip of a well-known Swiss

brand being expressed through the medium of dance. Two dancers, who were dressed in red and blue full body suits, replicated the moving shape of the logo with their bodies. To conclude the performance, the dancers gracefully twisted into one other until the audience could clearly see that the moving logo was that of Swisscom, which incidentally is registered with the IPI as a motion trade mark. The exhibition on the upper floor was dedicated to the history of the IPI and its various fields of activity. Simple comic-style illustrations portrayed the development of the IPI and included presenting the first woman in the then Federal Office of Intel-

Swiss Brand Museum in Bern



Trade Mark Protection

lectual Property, as well as the most famous IPI employee ever – Albert Einstein. Also revealed were the inventions Einstein examined for patentability during his time at the IPI. Specific products, such as the Velcro fastener, were also highlighted, along with their corresponding patent specification to illustrate an invention in two completely different ways – graphically and physically. The exhibition also touched upon the topics of design and copyright.

The Swiss Brand Museum exclusively presents leading Swiss brands, innovations and institutions in both permanent and temporary exhibitions. Trade marks, which are an essential distinguishing feature of goods

and services, enable companies to stand out from their competitors. Businesses invest a great amount of time and money in creating and maintaining them, which makes them valuable capital. By registering them, companies mark their product as being their intellectual property and, in the process, protect themselves from free riders. Many Swiss exhibition visitors may have been SME owners who gained valuable knowledge on intellectual property from the exhibition. One thing was clear for local and international visitors alike, however; the success of the Swiss brands presented in the Swiss Brand Museum is the result of a functioning system of trade mark protection.

When leaving the museum, many a visitor may have thought that the eye-catching green of the River Aare – almost a Bernese landmark – also has the quality of a colour mark. However, if it's anti-aging you're after, it might be best to dive into Nivea blue instead.



The Swiss Brand Museum

Since spring 2015, the public has been able to marvel at everyday Swiss inventions and ground-breaking innovations in the historical Customs House directly on the Bern Nydegg bridge. The Swiss Brand Museum – the first museum of its kind – was established with various national and international partners by the young Bern agency Porte Blanche. This globally unique institution aims to bring Switzerland, as the birth place of internationally-known brands and products, closer to both locals and tourists.

◀ Images from the special exhibition “Envisioned. Created. Protected” on the topic of trade mark protection and the IPI in the Swiss Brand Museum in Bern.



The 20th Year of Business in Review

Numerous issues concerning intellectual property were once again dealt with in both the national and international agendas during the reporting year. Preparatory work for the implementation of the new "Swissness" legislation, which will come into force on 1 January 2017, was the main focus, as was the IPI's preparation of the draft for consultation on modernising copyright law. To find out more, visit: www.ipi.ch.

The Granting of Trade Marks, Patents and Designs

Trade mark applications

Applications for Swiss trade marks increased this reporting year by 5% after stabilising in the previous year. Of the 16,995 trade mark applications received, 6% were for "express applications". This expedited examination costs 400 Swiss francs and is processed within a month. If the applicant selects only classification terms contained in the list of goods and services in the IPI database, it is even completed within six working days. 42% of all applications filed were processed through this so-called early trade mark examination. If the trade mark in question has no apparent problems, the trade mark is registered immediately without any additional fees having to be

paid. This was the case for 21% of all applications. During the reporting year, 16,219 applications were processed, which is 2% more than in the previous year (15,877). The percentage of applications registered through eTrademark (<https://e-trademark.ige.ch>) increased slightly to 97% in the reporting year. The number of applications for international registration showed a slight decrease (from 3,133 in the previous year to 2,987 in the reporting year). The number of new oppositions filed increased by 7% (from 602 in the previous year up to 645 for the reporting year). A total of 620 pending cases were closed, which made it possible to continue guaranteeing very short processing times. As a rule, the IPI issues a formal decision within one month, and a substantive one within three months. After the number of renewals for Swiss trade marks rose by 18% in the previous

business year, it dropped again by 7% in the reporting year (from 11,263 to 10,443). In addition, a total of 24,298 register modifications were made (e.g. transfers, changes in representative, address changes, company name changes, head office changes, etc.). The IPI received almost 47,500 submissions by e-mail during the reporting year. Of these, about 31,000 were for trade marks. This corresponds to a further increase of 9% in electronic submissions by e-mail compared to the previous year.

Patent examination

Following an increase of a few per cent in the past two years, the number of national patent applications for the reporting year

was 1,819, which is clearly below that of the previous year (2016 applications). This decrease was particularly noticeable in the first half of 2016.

During the reporting year, 770 examination files were processed (previous year: 867). The deadlines for starting the substantive examination, especially for French language applications, could be shortened by a further three months and the backlog reduced overall. The IPI is aiming to further shorten these deadlines in the coming financial year.

Design registrations

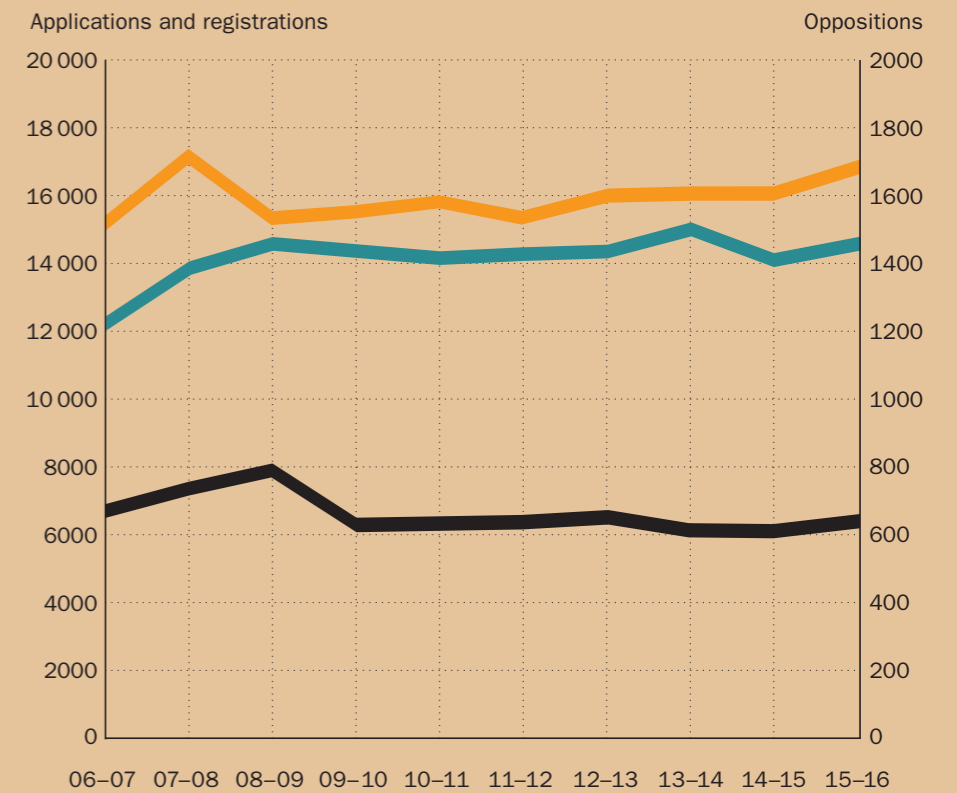
The number of new Swiss design registrations increased minimally compared to the last reporting year. This continues the trend

from the previous year. Although the number of design right renewals decreased in comparison, more than 1,000 of such IP rights were, however, renewed for a further five-year period.

The successful collaboration with the European Union Intellectual Property Office (EUIPO) in Alicante continues. The IPI's active participation in two projects, one on the graphic display of a design and the other on the harmonisation of product information, is greatly appreciated. The first project has meanwhile been successfully completed. The planned completion of the project work for the harmonisation of product information in autumn 2016 still appears to be on track.

Trade Mark Trends

Trade mark applications showed a slight increase in the reporting year.



■ National applications
■ National registrations
■ Oppositions filed

descriptive with regard to the origin of the goods being claimed. "INDIAN" is perceived as a reference to the "INDIAN MOTORCYCLE Company" and the disputed sign must thus be judged as being distinctive.

The Federal Administrative Court (FAC) confirmed the decision of the IPI in the point that the overall impression of "INDIAN" is understood as being a geographical reference to "India" without any corresponding additional reference to Indians. However, the risk of confusion regarding clothing (Class 25) was rejected in the FAC's decision. Contrary to the IPI, the court was of the opinion that the sign "INDIAN MOTORCYCLE" does not generate any expectation regarding origin with respect to goods in Class 25. If use of the sign implies that the motorcycles originate in India, this does not inevitably mean that the clothing has the same origin.

The IPI appealed to the FSC asserting that the FAC's decision was based on insufficient reasoning and an incorrect legal application of Art. 2 let. c in connection with Art. 47 para. 1 TmPA. In the opinion of the IPI, the FAC had misconstrued the case law of the FSC and did not provide grounds for why there should be no expectation concerning origin in the case in question. The FSC rejected the IPI's appeal and decided that, with reference to the overall impression, the sign is eligible for trade mark protection in Switzerland because there is no risk of confusion: by combining the word "INDIAN" (adjective) with "MOTORCYCLE" (noun), "INDIAN" simply further refines the term "MOTORCYCLE". It is not evident how the combined meaning of "Indian motorcycle" could create an expectation that, when affixed to clothing, the said items come from India. The sign is understood as being a reference to the world of motorcycles and motorcyclists and the expectations triggered by the sign are very close to those prompted by sporting or cultural events.

The highest court ruled on "INDIAN MOTORCYCLE" in an individual case, which shows that the exceptions defined by the Supreme Court known as the "Yukon exceptions" should not be considered as being exhaustive. With "INDIAN MOTORCYCLE", the FSC has defined a further exception to the principle that a geographical designation used to identify goods and services is generally understood as being an indication of source. In addition to this empirical principle, the FSC acknowledged several other general principles applied by the IPI with regard to examination practice concerning the risk of misleading geographical indications in its ruling of 4 December 2015:

- 1) Regarding the risk of confusion, the FSC confirmed that, in principle, the possibility of confusion is sufficient to mislead the consumer of the sign. Thus, it is the risk of confusion that is the focus of the examination, i.e. confusion does not need to actually be present.
- 2) In accordance with many years of IPI practice, signs that include an indication of source or consist of such may only be granted trade mark protection if any risk of confusion can be excluded by restricting the class of goods and services. The FSC confirmed that the restriction, which specifies the intention of the legislature regarding the protection of indications of source, has a preventative effect and actually reduces the risk of confusion. It also has a direct effect on the scope of protection: using the sign for goods of a different origin does not provide evidence of use. If there is no corresponding restriction, it is automatically assumed that there is a risk of confusion.
- 3) The FSC further confirmed the principle that for there to be a risk of confusion, neither the reputation of the designated location is relevant nor is it necessary to demonstrate that the claimed goods are actually produced or sold there.

Furthermore, the FSC maintained that in terms of the overall impression, the combination of a geographical indication with a 'neutral' element (either a graphic or word element) is not sufficient for excluding any risk of confusion. As an example, the sign "ATMOSPHERE DE BERLIN" would create expectations regarding origin for all goods.

The IPI used the ruling on "INDIAN MOTORCYCLE" of 4 December 2015 as an occasion to further evolve its practice in the area of indications of source and to review the creation of new categories of exceptions based on the empirical principle.

The Nice Union

The annual session of the Committee of Experts of the Nice Union took place in Geneva from 25 to 29 April 2016. Switzerland is represented by the IPI in this body. Every year, changes in the alphabetical list, the general indications and the explanatory notes in the Nice Classification are discussed and decided upon.

At last year's session, a request by the European Union Intellectual Property Office (EUIPO) to delete certain terms from the general indications of the classification headings, deemed too vague for classification purposes, was approved. This proposal was based on the preparatory work and results of discussions within the context of EUIPO's convergence programme, which aimed to harmonise practice at EU level concerning terms that are too vague in the class headings.

The request to delete these terms was in itself beneficial, but because of the deletion of these general indications from the class headings, it was necessary to include them and other examples in the explanatory notes. This was carried out gradually during the past year by an informal working group. The IPI was a member of this working group and participated very actively in revising



the explanatory notes concerned. The Committee of Experts has decided to officially continue the project. All class headings and explanatory notes will now be successively reviewed and revised. The IPI will continue to be intensely involved in this work.

On 1 January 2017, the 11th edition of the Nice Classification will come into effect and with it, all of the reclassifications finalised over the past five years. The following reclassifications are particularly worth noting: handles on goods (e.g. a knife handle) will be in the same classification as the corresponding goods and no longer according to material. All types of milk (almond milk, peanut milk, etc.) will be listed in Class 29. Hygiene products such as shampoo and soap will be split between medical and non-medical products and classified accordingly under Class 3 or 5.

As every year, the IPI will update its database – the classification tool – so that users will have complete access to current data as of 1 January 2017.

The Madrid Union

The Working Group on the Legal Development of the Madrid System for the International Registration of Marks met twice during the 2015/16 reporting year: once in November 2015 and once in June 2016. One of the main topics at both sessions was the introduction of a mechanism for dividing international trade mark registrations within the Madrid System. The majority of the counter-proposal presented by Switzerland in 2014 was approved by the International Bureau of the World Intellectual Property Organization in a corresponding document which was on the agenda for the 13th session of the Working Group in November 2015. Many of the delegations voted for introducing the division of trade mark registrations in the Madrid System. However, reservations were expressed against certain technical details such as the mandatory nature of the division and its

compatibility with national and regional legislation. The International Bureau was able to take these reservations into consideration in the preparation of the document for the 14th session of the Working Group in June 2016. In particular, transitional provisions were introduced for the contracting states where national legislation is not in harmony with the division of registrations at international level. These provisions contain a mechanism for dividing registrations at national or regional level. It was also recommended that the provisions regarding the division of registrations for these contracting states be postponed for as long as national or regional legislation is incompatible. The Working Group also finally decided to recommend that the introduction of the division of international registrations into the Madrid System be submitted to the Madrid Union Assembly, thanks in particular to the dedication of Switzerland.

At the end of both sessions, the Working Group also recommended to the Madrid Union Assembly that changes to the Common Regulations to the Madrid Convention and the Protocol be approved. All of the recommendations aim to make the Madrid System more user-friendly. At the June 2016 session, the Working Group also discussed the future development of the Madrid System – now 125 years old – and came up with a roadmap of short, medium and long-term topics to be handled in future. Among the short-term issues are the revision of the procedure for replacement and transformation, the competencies concerning examining restrictions and the introduction of new types of trade marks to the Madrid System.

Another important event was the accession of Algeria to the Madrid Protocol on 31 July 2015 with effect as of 31 October 2015. The country was the last member in the Madrid System to be bound only by the Madrid Agreement. Now, every country in

the Madrid System is party to the Protocol and all transactions between the contracting parties and the users are regulated under the Madrid Protocol.

Preparatory work for the “Swissness” legislation

The new “Swissness” legislation, which enters into force on 1 January 2017, has the purpose of strengthening protection for “Swiss” designations, the Swiss cross and indications of source in general. The changes to the Trade Mark Protection Act and the new Coat of Arms Protection Act will have various implications for the IPI’s trade mark division.

Firstly, two new procedures will be introduced: a cancellation procedure for the non-use of a trade mark as well as a registration procedure for geographical indications of source. The first procedure will make it possible for anyone to submit a request to the IPI to have a trade mark that has not been used for five years cancelled from the register. If the applicant can provide *prima facie* evidence that the registered trade mark is not being used, the owner of the trade mark must then provide *prima facie* evidence that either his trade mark is being used or provide important reasons for its non-use. If he is not successful, the trade mark will be cancelled. This simplified cancellation procedure is an inexpensive alternative to a civil court process. As of 1 January 2017, it will also be possible to protect geographical indications of source for non-agricultural products with the IPI. The revised Trade Mark Protection Act provides for the creation of a register for geographical indications of source that is similar to the register for designations of origin and geographical indications for agricultural products and processed agricultural products, which has been in existence since 1997.

Under the revised Trade Mark Protection Act, it will also be possible to register

a geographical indication of source as a trade mark under certain conditions. This should simplify protection for geographical indications of source abroad, specifically because of the possibility of registering the trade mark internationally based on the Madrid System. Any third party who meets the conditions of the corresponding regulations is authorised to use the geographical trade mark without any further requirements.

With the new Coat of Arms Protection Act, signs that contain the Swiss cross or the Swiss flag may also be protected for goods if they are of Swiss origin. However, this does not apply to the Swiss coat of arms: only the Swiss federal government has the right to protect this as a trade mark element for goods or services. The IPI will maintain a digital record of public signs protected in Switzerland and abroad. This list is to ensure that all official signs are recorded, which will simplify the IPI’s enforcement of the Coat of Arms Protection Act. It also provides anyone with the possibility of quickly and easily finding out whether a public sign is protected.

The preparatory work to implement the “Swissness” legislation for trade marks was mostly completed during the reporting year. This work also included revising the trade mark guidelines and distributing them to interested stakeholders for consultation. The new guidelines will come into force on 1 January 2017. Guidelines for the new register for geographical indications of source for non-agricultural products were also prepared and sent for consultation to interested stakeholders. The IPI provided information regarding the new cancellation procedure and the impact of the “Swissness” legislation on trade mark practice at various external events during the first half of 2016. It is also organising several workshops throughout 2016 where these topics are being explained in greater detail.

Updating the online trade mark examination support tool

The online trade mark examination support tool (at <https://ph.ige.ch/ph/>) was added to in June 2016 to include a further 25 landmark decisions. It now contains 393 selected IPI decisions on trade mark applications as well as 80 decisions on opposition proceedings including explanatory commentaries. The database also contains more than 8,000 geographical indications that are protected in Switzerland under an international treaty as well as all substantive decisions regarding opposition proceedings issued by the IPI since 2008. The online examination support tool serves to provide greater transparency in the IPI’s practice and helps users to predict decisions, especially by searching for particular topics.

Copyright Supervision

Supervision of the collective rights management organisations

The completion of the analysis of the administrative costs for the collective rights management organisations was the main focus of this reporting year. The conclusion was that the costs of the organisations overall are appropriate. According to the analysis, selective cost savings could be achieved by optimising the tariffs and collaborating more closely. In general, however, there is no need for action in the medium term.

In the previous year, it was reported that an appeal was filed with the Federal Administrative Court against the IPI’s decision to order a reimbursement of the employee contribution for supplementary payments made to the ProLitteris managing director’s pension fund. This appeal is still pending.

Searches

Patent and technology information

Almost 700 assisted patent searches were performed during the reporting year, of which 422 were half-day ‘standard’ assisted patent searches (previous year: 417, +1%) and 279 full-day assisted patent searches for the promotion of research and innovation for scientists and researchers at universities and higher education institutes (previous year: 216, +29%). This service is very popular overall and customer feedback is very positive. The Assisted Patent Landscape Analysis is a newly introduced search, which takes one day and, like the latter search, is aimed at researchers at universities and higher education institutes but also companies supported by research and innovation funding. The Assisted Patent Landscape Analysis provides the applicant with valuable information about the relevant technology sector and competitors active in that field. In a first step, a core set of relevant patent documents from the technology sector is established. Then, using suitable tools and techniques, the data is analysed to uncover correlations. The IPI now also provides an assisted patent search as a tele-search at our first partner location. The customer is connected to the IPI via desktop sharing in the premises of our partner office and accompanies our patent experts virtually as they perform the search live on screen. This eliminates the need to travel to the IPI in Bern for an assisted patent search. The goal is to expand this service to other partners, such as local agencies that promote innovation, in order to ease access to the service for customers located in the outlying areas of Switzerland.

A total of 209 requests were received for a Swiss patent application search (previous year: 211). This service is often used by companies as a basis for making a decision regarding subsequent applications in the year of priority because of its short delivery time – three months from payment of the search fee – and its comprehensive search report in line with international standards.

ip-search patent and technology searches

Revenues from the ip-search commercial services could be maintained at the high

level of 4.6 million Swiss francs in the reporting year despite the sustained strength of the Swiss franc. The change in structure of the patent information branch has also continued to accelerate meaning that patent information is becoming increasingly available to lay people due to the internet and new search technologies. Inexperienced users are systematically searching such data with greater frequency for the state of the art.

This development is very welcome in terms of a well-functioning patent system that promotes innovation. But it is also challeng-

ing patent information service providers to adjust to the quickly changing framework conditions. The IPI has therefore revised its strategy for commercial patent information services and succeeded in creating a basis for sustainable growth in this area. The cornerstones of the revised strategy consist of having an internationally distributed customer base and strengthening our position as a premium provider with a clear focus on high-quality patent searches and patent landscape analyses. The statistical evaluation of patent data gives customers valuable information on the development of

competitors or technology sectors. In view of the strong increase in demand for patent landscape analyses, we are also expanding our capabilities for analysing and automatically categorising technology sectors and patent portfolios. We have a new analysis tool from PatentSight that allows us to make qualitative evaluations of individual IP rights and entire patent portfolios with regard to technology and market relevance. This significantly augments the usefulness of the analyses and visualisations.

ip-search trade mark searches

For some time, free online databases have been steadily improving and thus creating difficult market conditions for commercial trade mark searches. The number of customers who are prepared to pay for trade mark research is gradually decreasing. But in spite of this challenging environment, the IPI trade mark search section has continued to perform well. During the reporting year, surplus profits could be generated overall despite the ‘trade mark searches abroad’ service experiencing a difficult time and a drop in revenues. This is due to the competent, customer-oriented and extremely flexible trade mark search experts at the IPI who are able to respond to the needs of our customers. Trade mark specialists tend to want to see more trade marks in a search report in order to become familiar with the general trade mark environment. Customers with less trade mark knowledge, on the other hand, only want to see as many trade marks in the report as is necessary. Depending on the customer’s needs, therefore, the search strategy is defined either narrowly or broadly, the search results are evaluated accordingly, and the results are sent in a timely manner. The maxims of “high quality” and “maximum customer orientation” will continue to be crucial for the success of our trade mark searches in the future.

Training

The seminar on recent developments in trade mark law took place for the fourteenth time on 27 April 2016 in Geneva. It was again organised together with the specialist association for Licensing, Technology Transfer and Intellectual Property (LES-CH). The first session featured a review of recent case law from the Federal Administrative Court. The second presentation concerned the “Swissness” legislation and the changes in the field of trade marks that will go into effect on 1 January 2017. Following that, a speaker from EUIPO explained the changes to the EU trade mark regulation and presented the most important rulings from the European Court of Justice (ECJ) and the European Union Intellectual Property Office (EUIPO) from the past year. The final programme point was dedicated to pieces of evidence used in administrative procedures. The IPI conducted 140 various training activities during the reporting year as well as sent IPI speakers to events by external organisers. Altogether, 4,827 persons participated in these training events. Both general introductory and in-depth subject-specific training in all areas of intellectual property were offered. The topic of “Swissness” was given particular priority and information about it was communicated through three special sessions at the IPI, another in Lausanne as well as through numerous participations by speakers from the IPI at external events. As part of international cooperation, the head of training delivered a seminar on a general introduction to intellectual property, twice in Palestine and three times in Ghana. Also during this business year, the preparatory course for the Swiss part of the

Patent Attorney Examination was held in German for the fifth time and in French for the second time.

Law and Policy

“Swissness”

The “Swissness” bill is intended to strengthen protection for the designation of origin “Switzerland” and the Swiss cross, and to maintain their value in the long term. The Federal Council enacted the “Swissness” package on 2 September 2015 to come into effect on 1 January 2017. It consists of the approved amendments to the Trade Mark Protection Act and Coat of Arms Protection Act as well as four implementing regulations: the Trade Mark Ordinance and the Coat of Arms Ordinance, as well as the Ordinance on Foodstuffs and the Ordinance for a Register of Geographical Indications of Source for Non-Agricultural Products. Companies have two years (up until 31 December 2018) to sell any remaining stock of products manufactured up until the end of 2016 under the old law, allowing them sufficient time to adapt to the new “Swissness” regulations.

Modernising copyright

The legal services department for copyright and related rights was again primarily involved in the preparation of a partial revision of the Copyright Act this year. The first half of the reporting year was spent preparing the consultation draft. The consultation procedure regarding this draft bill came to an end on 31 March 2016. An unusually high number of comments (totaling 1,224) were received, many of which had strongly diverging opinions. These submissions are now being evaluated in order

Overview of the Swiss Collective Rights Management Organisations

Collecting Society	SUISA	SUISSIMAGE	PROLITTERIS	SSA	SWISSPERFORM
Year founded	1923	1981	1974	1986	1993
Repertoire	Non-theatrical music works	Audiovisual works	Literary and dramatic works as well as visual arts works	Word-dramatic, music-dramatic and audiovisual works	Remuneration claims in the field of neighbouring protection rights
Members	Composers, writers and music publishers	Script writers, directors, producers and other rights holders of the film branch	Writers, journalists, visual artists, photographers, graphic artists, book, newspaper and periodical publishers as well as art publishers	Dramatists, composers, script writers and directors	Practising artists, producers of sound carriers and audio-visual carriers as well as broadcasting companies
Total membership	35,381	3,266	11,600	2,879	14,161
Income from the use of rights in millions of CHF					
2014	151.6	62.9	32.6	21.3	48.7
2015	151.8	67.9	31.1	22.7	51.5

to present the Federal Council with a recommendation for subsequent action.

Swiss patent law

The partial revision of the Therapeutic Products Act was approved with a final vote on 18 March 2016. It contains two new exceptions to the effect of a patent that guarantee a doctor's freedom to prescribe (Art. 9 para. 1 let. g and h new PatA). The development and availability of medicines for children will also be encouraged by extending the term of protection of a patent by six months under certain conditions (Art. 140a et seq. new PatA: "paediatric extension"). The consultation procedure for implementing the law (including the Patent Ordinance) is expected to be opened in spring 2017. It is expected that the entire package will be put into force sometime during 2019, depending on the results of the consultation procedure.

The European Patent Organisation

In its June 2016 meeting, the Administrative Council of the European Patent Organisation approved a comprehensive set of measures for the structural reform of the Boards of Appeal. The reform was under the stipulation that it be realised within the framework of the existing European Patent Convention. It comprises the following main points: the Boards of Appeal will be converted into a new separate unit under a president. This unit is no longer under the directorate-general of the European Patent Office (EPO) and has budgetary and disciplinary autonomy within the scope possible. The president of the EPO will transfer his duties and authorisations regarding the president of the Boards of Appeal. The Administrative Council will assign a new committee, the Boards of Appeal Committee. The committee will assume the advisory and preparation tasks regarding the affairs of the Boards of Appeal (supporting the Administrative Council in the Boards

of Appeal affairs, in particular rules of procedures for the Boards of Appeal and the main Boards of Appeal). Finally, the staff rules and regulations will be modified for the special status of the members of the Boards of Appeal.

The final work for the entry into force of the European unitary patent is being continued in the Select Committee of the European Patent Organisation as planned. The chairman still assumes that this work will be completed by the end of 2016 even though 'Brexit' has created a change to the situation. The 13 ratifications (including mandatory ratification by Germany, France and Great Britain) needed for enacting it are not yet in place. Switzerland, as a non-participating state with observer status in the Select Committee, will continue to carefully follow the developments and effects on the Swiss patent system.

The World Intellectual Property Organization

The 2016/17 budget for the WIPO with expenditures of 727 million Swiss francs over a period of two years was approved at the annual WIPO General Assembly in October 2015. The Swiss delegation led by the IPI managed to successfully lobby for the compromise, which led to the budget's ultimate acceptance. The obstacle had been differences about financing the so-called Lisbon System. The Lisbon Agreement for the Protection of Appellations of Origin and their International Registration was successfully revised in May 2015 so that its future scope of protection will be extended to geographical indications of source. Switzerland is involved in constructive work for geographical indications of source to ensure the entry into force of the revised Lisbon Agreement as soon as possible. A potential accession to the revised Lisbon Agreement was also reviewed.

In October 2015, the mandate of the Intergovernmental Committee for Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore (IGC) was extended for a further two years. After a year of obstruction, the formal negotiations can now continue. Here too, the Swiss delegation, led by the IPI, actively and successfully worked towards an extension of the mandate. The goal is to develop one or more international legal instruments to provide a balanced and effective protection of genetic resources, traditional knowledge and folklore.

The World Trade Organization / TRIPS Agreement

With regard to the Ministerial Conference in Nairobi in December 2015, Switzerland called for the negotiation of solutions for three TRIPS issues in a joint submission with Brazil, China, Indonesia and Peru: improving protection for geographical indications of source, a corresponding WTO register for these, and mandatory disclosure of the source of genetic resources in a patent application if the invention is based on such resources. These TRIPS issues were confirmed as part of the future working programme in Nairobi.

The IPI led the Swiss delegation at the WTO TRIPS Council. Switzerland is a member of the informal member state group Friends of Intellectual Property (IP) & Innovation, and actively participates in sharing experiences in the Council on the group's main topics: IP training in schools and universities as well as creating awareness among the public about the role and functions of the intellectual property system; the role of IP for companies when inventing new technologies and, in particular, sustainable and environmentally-friendly technologies. Switzerland also organised another panel event on IP and innovation with partner delegations in Geneva in order to include a broad spectrum of the public in the discussions.



Plurilateral and bilateral trade agreements

In Switzerland's free trade agreements and those of the European Free Trade Association (EFTA: Iceland, Liechtenstein, Norway, Switzerland), the IPI is responsible for the preparation of the chapter on protection and enforcement of intellectual property rights and their negotiation with the partner country. Switzerland is currently conducting negotiations on free trade agreements within the context of the EFTA with India, Indonesia, Malaysia and Vietnam. During the reporting year, negotiations with Georgia and the Philippines could be successfully concluded and much was achieved with regard to the protection of intellectual property. Official exploratory discussions for revising the existing treaty with Canada and a first round of negotiations with Mexico were also conducted. Negotiations with Indonesia, which had been suspended since the 2014 elections there, have been reopened.

Bilateral dialogue

Representatives of the Chinese patent office visited the IPI in April 2016 as part of the ongoing bilateral dialogue on the protection of intellectual property. Patents and designs were discussed in depth. An industry roundtable was also conducted for the third time, which allowed representatives of Swiss companies to directly discuss problems in the area of patents and designs with the Chinese government representatives. The bilateral dialogue provides for a privileged and direct channel of communication between Swiss companies and the various Chinese authorities responsible for intellectual property.

International cooperation

Implementation of the projects with Indonesia and Columbia funded by the State Secretariat for Economic Affairs (SECO) continued. The first phase of the project with

Indonesia was successfully completed and SECO has approved a second phase for the project. In addition, the implementation of the second phases of the projects with Ghana and Serbia began in the last reporting year. The project with Tajikistan was cancelled when the Republic of Tajikistan Patent Office stopped supporting the collaboration. The activities on intellectual property in Palestine mandated by the European Free Trade Association (EFTA) could be reopened after the critical security situation was improved. Important areas of international cooperation include the protection of geographical indications, guidance in drafting national strategies for intellectual property, staff and organisational development for the responsible authorities, assistance for knowledge and technology transfer systems and promoting innovation and creative industries.

Involvement

Overview

During the reporting year, the IPI supported selected organisations and programmes as part of its legal mandate to provide information to the public on intellectual property including, as in previous years, the Swiss Innovation Forum event, the SEF4SME programme and the Swiss youth in science foundation, "Schweizer Jugend forscht". The Swiss Innovation Forum regards itself as a leading platform in Switzerland for the promotion of innovation, creativity and design. Its goal is to establish a sustainable innovation culture in Switzerland. The Swiss Innovation Forum also highlights exemplary projects, gives recommended actions and initiates pioneering activities. This focus makes the Swiss Innovation Forum a perfect match for the tasks and

goals of the IPI. The IPI is instrumental for and has been involved in the development of the Swiss Innovation Forum since its foundation. In the reporting year, the IPI supported the Swiss Innovation Forum as a main sponsor and was present at the Swiss Innovation Forum's innovation conference with its own information stand.

SEF4SME is an initiative of the Swiss Economic Forum (SEF) and its founders Peter Stähli and Stefan Linder. Its goal is to provide specific support to Swiss small and medium-sized companies with Swiss SMEs benefiting from a customised growth programme and practical knowledge from the Swiss Economic Forum's network. The IPI supports these initiatives through its specialist knowledge, with, for example, expert visits, assisted searches and other in-depth searches for patents. The IPI has also recently provided substantial funding, in particular to finance the expansion of the SEF4SME's activities in the French and Italian-speaking regions of Switzerland.

"Schweizer Jugend forscht" organises various events for young people at secondary school levels I and II (secondary school, commercial school, vocational college) that are interested in science and research. The foundation provides young people and young adults with a platform where they can gain initial experience in scientific work. The foundation regards itself as a supplement to school education and, above all, attaches importance to independent learning and discovery about the world of science. It also encourages competence-building for when students later choose a profession or course of study. As well as its recent co-sponsorship, the IPI also provided further support to the Swiss Talent Forum in the reporting year, the aim of which is to better integrate vocational students into the Swiss Youth in Science competition.

The fight against counterfeiting and piracy

The STOP PIRACY Association, co-sponsored by the IPI, is primarily committed to raising public awareness about counterfeiting and piracy. During this reporting year, the association particularly targeted young people who are taking their first steps as consumers and for whom early sensitisation to the negative consequences of counterfeiting and piracy are particularly important. STOP PIRACY also hosted an information stand at two educational trade fairs and one public trade fair. In addition, it opened a special exhibition called "Beguiling Appearance – Murky Shadows?" at the Swiss Customs Museum in Cantine di Gandria in Ticino, the Italian-speaking region of Switzerland. The exhibition was organised together with the Federal Customs Administration and will remain open until 20 October 2018 (see feature article starting on page 5). The exhibition, which illustrates the various aspects of product piracy, is aimed at a broad public and is being visited by many schools. Materials are available for teachers so that they can integrate the topic into their lessons and so that a visit to the museum has a longer-lasting effect. Lastly, STOP PIRACY conducted its first expert conference on best practices in the fight against counterfeiting and piracy with speakers from Switzerland and abroad on the fringes of the annual general assembly in September 2015.

The Institute Council

The Institute Council is appointed by the Federal Council of Switzerland and is the highest executive board of the Institute (IPI). It approves the budget, the annual report and the annual financial report. It also determines the IPI's schedule of fees and defines the composition of the executive management (excluding the Director General). The Institute Council consists of the following members:

Felix Hunziker-Blum

Dr. iur., Attorney-at-law, Schaffhausen
President

Jean-Pierre Maeder

Attorney-at-law, St-Légier
Vice President

Roman Boutellier

Prof. Dr. sc. math., Emeritus Professor
of Technology and Innovation Management
ETH Zurich, Oberegg

François Curchod

Dr. iur., Genolier

Vincenzo M. Pedrazzini

lic. iur., Wollerau

Matthias Ramsauer

Attorney-at-law, FDJP Secretary-General,
Bern

Beatrice Renggli

lic. iur., Zurich

Sara Stalder

Manager of the Swiss Consumer
Protection Foundation, Sumiswald

Evelyn Zwick

Dipl. Phys. ETH, Patent Attorney,
Ebmingen

Information concerning the Institute Council members and their affiliations outside the IPI, both private and public, can be found at www.ipi.ch under the heading About us > Institute > Organigram.

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.

Status as of 1 November 2016



Operating Result on the Up, Equity Diminishing

The Swiss Federal Institute of Intellectual Property (IPI) has again started to achieve a positive operating result over the past two years. In the reporting year, this is reflected in a net profit of CHF 7.1 million, up CHF 1.3 million on the previous year. This good result somewhat cushions the further decrease in the IPI's equity resulting from additional provisioning requirements for pension fund liabilities.

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After persistent losses over a period of six years, an increase in patent and trade mark renewal fees took effect on 1 January 2014. This introduced progressively structured renewal fees for patents in Switzerland in line with the norm across Europe. This means that as a patent matures, the fee for each subsequent year of patent protection increases. Initially, the IPI had anticipated that the increasing costs would influence the number of patents being kept in force. However, two years following the fee rise, only a marginal effect has been able to be determined. Revenues deriving from renewal fees for European patents rose by 2.0% in the reporting year, with the number of European patents valid in Switzerland surpassing the 100,000 mark. After distribution of the share of fees from the European Patent Organisation, the IPI was left with net proceeds totalling CHF 60.0 million. Various reasons contributed to higher operating expenditures in the year under report.

The "Swissness" legislation, which will come into force on 1 January 2017, provided the IPI with a number of new tasks: a new cancellation procedure, a new register for geographical indications of source as well as tasks in relation to the enforcement of rights. The gradual implementation of the new electronic IP rights administration system (which includes a new fee process) also resulted in additional personnel costs. For these reasons, the IPI staff contingent increased both permanently and temporarily, particularly in the second half of the financial year.

Consequently, salary costs increased by approximately CHF 650,000 and occupational pension costs including additional net pension costs in accordance with IAS 19 by CHF 700,000. Many larger projects led to an increased need for external services. These concerned changes to the SAP system for the new fee process, the changeover to a fully electronic manage-

ment of files for processing incoming mail and the ongoing redesign of the IPI's website.

Finally, as part of its statutory mandate to provide information, the IPI also supported selected organisations and programmes, as in previous years, such as "Schweizer Jugend forscht" (Swiss youth in science), the Swiss Innovation Forum and the SEF4SME programme.

Overall, the IPI posted an operating profit of CHF 7.1 million in its twentieth year of business. This result somewhat cushions the further decrease in equity resulting from additional provisions for pension fund liabilities in accordance with the International Financial Reporting Standards (IFRS) applied by the IPI. In light of the lower long-term yield expectations on the financial markets, the technical interest rate has continuously been decreasing since 2013 (mid-2013: 2.25%; mid-2014: 1.75%; mid-2015: 1.0%). This interest rate determines the present value of future pension claims of IPI staff members. In mid-2016, this interest rate was at 0.3%, which led to an additional need for provisioning amounting to CHF 21.8 million. Although this actuarial loss does not negatively impact the IPI's income statement, it is included under other comprehensive income in the statement of comprehensive income for the 2015/16 reporting year and thus has a direct impact on the amount of equity. This has fallen by a total of CHF 14.7 million and stood at CHF 22.4 million at the end of the financial period.

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

The detailed IFRS-compliant financial statements (in German only) can be downloaded from the website www.ipi.ch (under About Us > Institute > Annual report).



Balance Sheet

(in thousands of CHF)	2015/2016 30.06.16	2014/2015 30.06.15
Cash and cash equivalents	98 631	83 102
Receivables	803	820
Other receivables	891	3 483
Accrued receivables and prepaid expenses	2 878	2 423
Current assets	103 202	89 828
Tangible assets	22 704	23 786
Intangible assets	2 123	1 963
Fixed assets	24 827	25 748
Total assets	128 029	115 576
Accounts payable	2 006	2 106
Current accounts (amounts due to customers)	5 480	5 198
Other liabilities	9 764	7 311
Accrued expenses and deferred income	9 265	8 571
Short-term provisions	1 977	1 668
Short-term liabilities	28 492	24 854
Provisions for pension plans	73 683	50 254
Other provisions	3 440	3 315
Long-term liabilities	77 123	53 569
Balance sheet result	7 086	5 744
Reserves	62 389	56 644
Accumulated other income	-47 060	-25 236
Equity	22 414	37 153
Total liabilities	128 029	115 576

Statement of Total Comprehensive Income

(in thousands of CHF)	2015/2016 from 01.07.15 to 30.06.16	2014/2015 from 01.07.14 to 30.06.15
Fees for statutory activities	75 264	73 576
Services	5 311	5 495
Miscellaneous revenues	2 234	1 919
Own contributions to software projects	488	574
Gross revenue	83 297	81 564
50 % EPO renewal fees for European patents designating CH/LI	-23 026	-22 508
Other revenue decreases	-229	-279
Net revenue	60 042	58 777
Third party fees	-1 066	-1 181
Third party services	-1 024	-914
Other third party expenses	-818	-964
Third party expenses	-2 908	-3 060
Personnel expenses	-38 932	-37 654
IT expenses	-2 717	-2 293
Other operating expenses	-5 586	-4 223
Depreciation and impairment loss	-1 873	-5 215
Federal Patent Court	-937	-513
Operating expenses	-50 045	-49 898
Operating profit	7 090	5 819
Financial income	1	113
Financial expenditure	-5	-188
Financial result	-4	-75
Profit (+)/Loss (-)	7 086	5 744
Other income*		
Result from the revaluation of defined benefit plans	-21 824	-13 817
Other income	-21 824	-13 817
Comprehensive income	-14 738	-8 073

Profits amounted to TCHF 7086 (5744), while the overall result was a loss of TCHF -14,738 (-8073).

* Other income consists only of those positions that are not subsequently transferred to the profit and loss sheet, which is why detailed subdivisions have been dispensed with.

Cash Flow Statement for Operating Result

(in thousands of CHF)	2015/2016 from 01.07.15 to 30.06.16	2014/2015 from 01.07.14 to 30.06.15
Change in cash flows from operating activities		
Profit after financial result	7 086	5 744
Depreciation (+) of fixed assets	1 866	2 041
Impairment loss on fixed assets	8	3 175
Depreciation (+) / appreciation (–) receivables	–3	4
Other non-cash surplus (–) or loss (+)	125	454
Increase / decrease in long-term provisions	1 605	1 118
Increase / decrease in short-term provisions	309	239
Increase / decrease in accounts payable and other liabilities		
– from services	–101	156
– from accruals and deferrals	694	468
Increase / decrease in other liabilities and equities	2 453	–1 027
Increase / decrease in receivables		
– from services	20	–96
– from accruals and deferrals	–459	–363
Increase / decrease in other receivables	2 592	–2 632
Interest earnings	5	74
Interest income	0	92
Cash inflow/outflow from operating activities	16 200	9 447
Change in cash flows from investment activities		
Cash-effective investments in tangible assets	–339	–461
Cash-effective investments in intangible assets	–614	–893
Change in cash flows from investment activities	–952	–1 355
Change in cash flows from financing activities		
Change in current accounts	282	–132
Cash inflow/outflow from financing activities	282	–132
Change in cash and cash equivalents	15 530	7 960
Cash and cash equivalents at year begin	83 102	75 141
Cash and cash equivalents at year end	98 631	83 102

Statement of Changes in Equity

(in thousands of CHF)	Revaluation of pension obligations	Reserves	Total Equity
Opening balance after restatement	–11 419	56 644	45 225
Loss/profit	0	5 744	5 744
Other income	–13 817	0	–13 817
Closing balance on 30.06.2015	–25 236	62 389	37 153
Opening balance on 01.07.2015	–25 236	62 389	37 153
Loss/profit	0	7 086	7 086
Other income	–21 824	0	–21 824
Closing balance on 30.06.2016	–47 060	69 474	22 414



Eidgenössisches Institut für Geistiges Eigentum
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