WORLD TRADE ORGANIZATION

RESTRICTED

IP/C/W/125/Add.15
13 April 1999

(99-1459)

Council for Trade-Related Aspects of Intellectual Property Rights

Original: English

REVIEW OF THE PROVISIONS OF ARTICLE 27.3 (b)

Information from Members

Addendum

SWITZERLAND

The present document represents the information requested by the Council for Trade-Related Aspects of Intellectual Property Rights which the Secretariat has received from Switzerland, by means of a communication from its Permanent Mission, dated 1 April 1999.

I. INTRODUCTION

At its meeting of 1-2 December 1998, the Council agreed to invite those Members who were already under an obligation to apply Article 27.3(b) of the TRIPS Agreement to provide information on how the subject matter addressed in that provision was presently treated in their national law. It was agreed that it would be left to members to provide information as they saw fit. It appears that there is no mandatory format. The Swiss delegation has noted that many countries have provided information under various formats, including those proposed by the Secretariat as an "illustrative" list of questions, a Member's additional list of questions, a group of Members' list and other Members' contributions which may be considered as position papers. Article 27.3(b), with its clear and simple wording and structure, in fact provides for a very simple structure of information: 1) Are plants and animals patentable in a Member's system? If yes, under which conditions? 2) Does a Member provide for an effective *sui generis* system of protection for plant varieties? If yes, what is it?

After due consideration of the various contributions, the Swiss delegation holds the view that the one proposed by the European Communities, the United States, Japan and Canada is a reasonable basis for replies, mainly due to its simplicity and briefness. In our view, this would facilitate the collecting of information and understanding of an issue which is presently still too new and complex to be appropriately presented within such a short time limit. The Swiss delegation considers this fact-finding exercise to be a continuing one and expresses its willingness to cooperate in providing information as developments at the national and international levels require or allow to do so (including the works carried out at a technical level by fora such as OECD or WIPO, as the case may be).

The following information basically follows the structure used in document IP/C/W/126 (communication from Canada, the European Communities, Japan and the United States), dated 5 February 1999. Detailed information on the Swiss system was also provided in May 1997 at the occasion of the examination of national legislation on patents (document IP/Q3/CHE/1 of 9 December 1997).

Preliminary Remarks

Attention is called to the following points as far as the Swiss replies are concerned:

1. In the field of patent protection, Switzerland and Liechtenstein are bound by the Treaty of 22 December 1978 on the Protection Conferred by Patents for Inventions[1]. Under this treaty, both countries form a unitary territory of protection. In other words, patents granted by the Swiss Federal Institute of Intellectual Property and the Swiss patent legislation also apply to the territory of Liechtenstein. This bilateral treaty only covers patents for inventions.

2. Both Switzerland and Liechtenstein are parties to the Convention on the Grant of European Patents (European Patent Convention) of 5 October 1973. Further, both countries are parties to the Patent Cooperation Treaty of 1970 and to the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure of 1977 (conventions administered by WIPO).

3. In the field of biotechnology, most of the patent applications (with effect for Switzerland and Liechtenstein) are made via the "EPO's route". Statistically speaking, the number of applications via the "national route" alone is decreasing.

4. The authorities responsible for the grant of titles of protection in the field of biotechnology are as follows:

- for patents (Switzerland and Liechtenstein): the Federal Institute of Intellectual Property, Ministry of Justice and Police. When it receives national patent applications, the Institute does not examine whether they are new and have an inventive step. It only examines if the inventions are capable of industrial application. Novelty and inventive step are left to the court, in case of litigation.

- for plant varieties (Switzerland only): the Bureau for Plant Varieties, from the Federal Office of Agriculture, Ministry of Economy. The Bureau does not proceed to an examination as to substance. It is empowered to refer to examinations and field tests made by the authorities of States that are Contracting Parties of the UPOV Convention.

5. In the field of biotechnological inventions, criteria for protection are the same as those applied in other technological fields. Court decisions relating to patentability are also applicable to such inventions.

6. Switzerland is party to the UPOV Convention (1978 Act). The Swiss Plant Variety Protection Law is currently being revised in view of ratification of the 1991 Act of the UPOV Convention. Revision of the Swiss Patent Law is under consideration as well. It should be noted that revision of both laws is also aimed at obtaining a higher degree of convergence with the European Community law.[2]

[1] Treaty notified under Article 4(d) TRIPS in 1996 (see document IP/C/4/CHE/1). This treaty was concluded within the framework of their Customs Union Treaty of 1923.

[2] Directive 98/44/EC of the European Parliament and of the Council of July 6, 1998, on the Legal Protection of Biotechnological Inventions. Council Regulation 2100/94 of July 1994 on Community Plant Variety Rights.

A. PATENT SYSTEM ISSUES

1. In your territory, is there any basis for denying a patent on an invention consisting of an entire plant or animal that is novel and involves an inventive step?

Yes.

According to Article 1.1 of the Swiss Federal Law on Patents for Inventions (LPI)[3] "[p]atents for inventions shall be granted for new inventions applicable in industry." In other words, they must be new, involve an inventive step and be capable of industrial application. The three conditions must be met. Discoveries cannot be patented.

Article 1a specifies that "[p]atents shall not be granted for new varieties of plants or animal breeds . . . " Article 2 of the LPI, which enumerates inventions that are excluded from patentability, does not mention plants or animals. Thus, all inventions concerning entire plants and animals, and parts thereof, are patentable under Swiss law, provided they meet the legal requirements.

It should be noted that inventions the implementation of which would be contrary to public order and morality cannot be patented (Article 2.a LPI), although they fulfill all other requirements for protection (novelty, inventive step and industrial applicability, disclosure, etc.) Those requirements are not limited to inventions relating to living material; they apply to all fields of technology.

2. If the answer to question 1 is yes, please respond to the following questions:

(a) Does your patent system exclude entire plants or animals as inventions? If it does, please cite the legal basis for this.

See replies to question 1 above.

(b) If your patent system does recognize entire plants and animals as inventions, does it exclude all such inventions from being patentable subject-matter, or does it only exclude certain types of plants or animals? If it excludes all, please cite the legal basis for their exclusion (e.g. lack of industrial applicability). If it excludes only certain types, please identify the categories or characteristics of inventions that are excluded and cite the legal basis for their exclusion.

Article 1a of the LPI specifies that "[p]atents shall not be granted for new varieties of plants or animal breeds . . . ."

See also replies to question 1.

(c) Is there any other basis in your law that precludes the grant of a patent on any categories of plant or animal inventions that otherwise are novel, involve an inventive step and are capable of industrial application? If so, please cite the legal basis for that exclusion from patent eligibility.

As indicated above (question 1), inventions the implementation of which would be contrary to public order and morality cannot be patented (Article 2.a LPI). "Morality" is construed as including human and animal dignity.

[3] Text notified according to Art. 63.2 of the TRIPS Agreement on January 31, 1996 (see document IP/N/1/CHE/1 at p. 10).

3. Other than with respect to subject-matter you defined as being ineligible to be patented under question (2), is it possible in your territory to obtain a patent claim defined in any of the following ways?

(a) A patent claim that is not limited to a specific plant or animal variety.

Yes.

(b) A patent claim that is expressly limited to a plant or animal variety.

No.

(c) A patent claim that is expressly limited to a group of plants or animals, where the group is defined through reference to a shared characteristic such as incorporation of a particular gene.

Yes.

(d) If the answers you provide to question (3)(a) to (c) vary, please provide the definitions of a "plant variety" and an "animal variety" that are used by your examining authority.

There is no definition of a "plant variety" or an "animal variety" in the patent law.

As indicated above in the preliminary remarks, the present Federal Law on New Plant Varieties of 20 March 1975 (LPV)[4] is being revised. The definitions contained in this law will be adjusted to the ones contained in the 1991 Act of the UPOV Convention.

Under the present LPV, the term " variety" means "any cultivar, clone, line, stock or hybrid, whatever the origin, artificial or natural, of the initial variation which gave rise to it." (Article 1(2) LPV). The new protected variety is defined by its official description or by the specimen cultivated in the reference collection of the authority responsible for carrying out the examination (Article 1(3) LPV).

There is no other IP law dealing with the definition of animal variety.

4. Is it possible to obtain a patent in your territory on a microorganism that is novel, involves an inventive step and is capable of industrial application? If not, please identify the legal basis under which these inventions are deemed ineligible to be patented.

Yes.

5. Is it possible to obtain a patent in your territory on an essentially biological process for the production of a plant or animal (i.e. a process limited to those acts that are necessary for sexual or asexual reproduction of a plant or animal)? If not, please identify the legal basis under which a patent on such a process would be denied.

No. The denial of a patent on such a process is based on Article 1a of the LPI.

[4] Text notified according to Art. 63.2 of the TRIPS Agreement on January 31, 1996 (see document IP/N/1/CHE/1 at p. 11).

6. Is it possible to obtain a patent in your territory covering subject-matter that is identical to that found in nature (e.g. a plant or animal in its natural state)?

Subject matter that is identical to that found in nature is patentable, if 1) such subject matter is not known at the moment of patent application, and 2) the process used for its isolation or identification is new. All subject matter that is identical to that found in nature not meeting these two conditions is considered to be a discovery, and is therefore not patentable under Swiss law.

B. PLANT VARIETY PROTECTION SYSTEMS

7. Do the laws applicable to your territory provide for a sui generis form of protection for a new plant variety?

Yes.

New plant varieties are protected by a *sui generis* form of protection, i.e. by the present Federal Law on New Plant Varieties of 20 March 1975 (LPV),[5] and the Ordinance on the Protection of Plant Varieties of 11 May 1977 (OPV),[6] which are based on the UPOV Convention.

8. If the answer to question 7 is "yes", does that protection conform to the standards defined in one of the Acts of the International Convention for the Protection of New Varieties of Plants (UPOV)?

Yes.

9. If the answer to question 8 is "yes", please specify the Act of the UPOV Convention upon which your legislation is based (i.e. the 1991 Act, the 1978 Act or the 1961/1972 Act).

The present LPV is based upon the 1978 Act. It is currently being revised in view of ratification of the 1991 Act.

10. If sui generis protection for plant varieties is provided in your territory, would any of the following acts require the prior authorization of the right holder:

(a) acts performed for research or experimental purposes, or to develop new varieties of plants;

No.

According to Article 12(3) of the LPV, the authorization of the right holder is not necessary when using the propagating material of protected varieties to breed or market new varieties ("breeder's exemption"). The authorization of the right holder, however, is necessary if the protected varieties have to be used repeatedly to produce the new varieties.

Furthermore, Article 12(1) of the LPV only prohibits acts performed on a professional (commercial) level; therefore, all acts performed for research or experimental purposes or to develop new varieties of plants, on a non-professional level, are not prohibited by this provision.

[5] Text notified according to Art. 63.2 of the TRIPS Agreement on January 31, 1996 (see document IP/N/1/CHE/1 at p. 11).

[6] Text notified according to Art. 63.2 of the TRIPS Agreement on January 31, 1996 (see document IP/N/1/CHE/1 at p. 11).

(b) acts performed to commercially exploit a variety distinct from the protected variety but sharing its essential characteristics;

The present LPV does not address the issue of essentially derived plant varieties. Thus, acts performed to commercially exploit varieties that are distinct form protected varieties but share their essential characteristics do not require the prior authorization of the right holder.

The current revision of the LPV will take into account the "essentially derived and certain other varieties", as well as other situations prescribed by the 1991 Act of the UPOV Convention.

(c) acts performed by a farmer of harvesting seed from his planting of a protected variety legitimately obtained, storage of that seed, and replanting of that seed on the farmer's land.

No.

Under the present law, farmers have the right to use the harvesting of (protected) seed in view of another use for further replantings in their own holdings (farmer's privilege).

It is expected that the revised LPV will provide the possibility to grant the farmer's privilege through an ordinance. The farmer's privilege is likely to be restricted to certain agricultural crops enumerated in a list.

If prior authorization is not required for any of the above examples of activities, is there any requirement that the party undertaking the specified actions provide the right holder with remuneration in any form?

No.

11. Can protection be obtained for a plant variety that was known to the public, or was publicly available, prior to the application for sui generis protection for that plant variety, and, if so, under what conditions (i.e. what are the time-limits during which public disclosure or availability will not preclude the grant of protection).

According to Article 5(3) of the LPV, "[t]he fact that a variety is itself generally known shall in no way detract from its character of novelty unless, at the time the application was filed, the variety had already been offered for sale or marketed in Switzerland or – for more than four years – abroad, with the consent of the breeder or his successor in title."

The current revision of the LPV will take into account the features of the 1991 Act of the UPOV Convention.

12. Can protection be predicated on identification of an unexpressed gene, on an unexpressed set of genes present in the genome of the plant variety, or on the characteristics of germplasm, rather than the expressed characteristics of plant varieties derived from such genes or germplasm?

No.

[End of Annex and of document]