



September 6, 2007

Dr. Kamil Idris
Director General
World Intellectual Property Organization
34, chemin des Colombettes
1211 Geneva 20, Switzerland

Dear Mr. Director General,

We write on behalf of the Industry Trilateral to express our strong support for the proposal by the United States of America and Japan to amend the Schedule of Fees Annexed to the Regulations Under the Patent Cooperation Treaty (PCT) to reduce the International Filing Fee and the Handling Fee by 15% beginning January 1, 2008.

The Industry Trilateral was formed by intellectual property organizations from Japan (JIPA), Europe (BUSINESSEUROPE), and the United States (AIPLA and IPO). It was created for the purpose of working with the Trilateral Offices to provide input from the major users regarding issues affecting patent applicants and owners.

The proposal notes that the PCT has generated a significant surplus in the current (2006-2007) biennium, and is expected to generate an even larger surplus in the next biennium (2008-2009). These surpluses are projected to generate income in excess of expenses of nearly 18% during the next biennium, providing sufficient resources to support the proposed 15% fee reduction while still providing surplus funds for other activities. Failure to reduce PCT fees would only produce excess surpluses at the expense of international applicants.

Detailed support for the proposed fee reductions is found in Annex II to document PCT/A/36/11, and in the following excerpts of the Financial Highlights from the Proposed Program and Budget for 2008/09, presented by the Director General on May 13, 2007, (document WO/PBC/11/6):

The financial health of the Organization was fully restored by the end of the 2004/05 biennium, with a surplus of 11.5 million Swiss francs and an income growth of 11.1% compared to the actual figure for 2002/03.

Revised income estimates for the 2006/07 biennium (595.1 million Swiss francs, as compared to initial estimates of 531 million Swiss francs) confirm this positive trend. With a proposed level of expenditure of 562.1 million Swiss francs in the revised budget for the 2006/07 biennium (as compared to 531 million Swiss francs in the initial budget), in the 2006/07 biennium the Organization is expected to generate an estimated surplus of 33 million Swiss francs.

Demand for the services provided by the Organization continues to grow. It is currently estimated that in the 2008/09 biennium the total number of PCT applications will increase by 12% and that the total number of Madrid registrations and renewals will increase by 9.1%, respectively, over revised estimates for the 2006/07 biennium.

Notwithstanding the sustained growth, in recent years, of the demand for the services of the Organization and, in particular, of the workload in the PCT and Madrid area, the staffing levels of the Organization have basically stabilized.

In conclusion — all other factors remaining unchanged — the financial situation of the Organization in the medium term remains extremely healthy, with reserves as of the end of the 2006/07 biennium exceeding the target level established by the Member States.

We are aware that PCT funds subsidize other WIPO programs. While we are interested in many of these programs and activities, we believe the amount of surplus PCT fees that will be generated in the next biennium far exceeds the amount that PCT applicants should reasonably be expected to subsidize other activities of WIPO, and that the proposal to reduce PCT fees is justified and fair to all concerns. We urge, therefore, that the 15% fee reduction be adopted as proposed.

Sincerely,



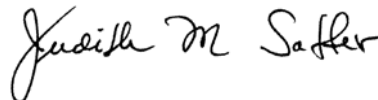
Philippe de Buck
Secretary General of BUSINESSEUROPE



Marc Adler
President of IPO



Taisuke Kato
President of JIPA



Judith Saffer
President of AIPLA