

NATIONAL BOARD OF PATENTS AND REGISTRATION OF FINLAND



ANNUAL REPORT 2007

Values are continuously discussed in the National Board of Patents and Registration (NBPR). After a discussion held and preparations made in 2004, our core ethical values were condensed into the following concepts: service, performance, effectiveness and wellbeing, co-operation, responsibility, and development.

### **Service**

- Our operation is based on our clients' needs and produces added value to the operation of our interest groups both domestically and internationally.
- We provide reliable, wide-ranging and easily accessible service and consultancy.

### **Performance**

- Our operation is based on pre-set result targets, which help us to produce high-quality services effectively and profitably.
- The staff is committed to the operational goals.

### **Effectiveness and Wellbeing**

- We promote innovativeness, enterprise, and corporate activities.
- We work together to ensure optimum interest, endurance and wellbeing at work.

### **Co-operation**

- Our interaction with clients and other interest groups is open and active.
- Operation inside the Office is based on open co-operation among the staff.
- We respect both equality and the work of our fellow workers.

### **Responsibility**

- Clients can rely on the objectivity and legal validity of our operation.
- We operate impartially and independently. We are just and unbribable.

### **Development**

- We value know-how and support it through continuous training and development of professional skill.
- As experts we develop our operations and services in both the national and international operating environment.

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*As the liverleaf or liverwort's (Hepatica nobilis) buds develop in the autumn, it flowers in early spring, varying in colour from all shades of blue to almost purple or white*

*The liverwort has no nectar, thus it can't be spread by pollinators. This is done in turn by ants, which are attracted to oil contained in its seeds.*

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- *Nature photos: Lisse Tarnanen*



## Our mission

As an organisation specialised in industrial property rights and business and corporation activities, the National Board of Patents and Registration of Finland (NBPR) advances enterprise, innovativeness, and corporate activities both in Finland and internationally.

The NBPR fosters human capital and furthers technological and economic development by ensuring that

- companies, associations, and foundations are able to operate legally in Finland
- inventors, researchers, product developers, manufacturers, and marketers are able to obtain patents, trademarks, design rights, or other forms of industrial property rights
- the interests of Finns are internationally protected
- our information and consultation services are reliable and quickly accessible.

## Our vision

Creativity, know-how, enterprise, and collaboration are key factors for the success of our clients, as well as the basis for technological, economic and intellectual development and wellbeing in Finland.

Our clients rely on our legal validity, impartiality, and internationally competitive quality, and through the NBPR are also able to fully operate in international business and the multinational innovation system.

Our service is fast, flexible, and easily accessible at our Helsinki Head Office (InnoHouse), regional service points, and electronic information networks.

Our staff is the friendliest and most competent in Finland. We respect our fellow workers, we are open, and we constantly strive to improve our performance.



*In early spring, the Large white butterfly (Pieris brassicae) migrates to Southern Finland and reproduces. The second generation is on the wing from July to September, inhabiting meadows, gardens and coastal areas.*

*The willow (Salix) is an important source of food for early insects. Over 20 different species of willow grow in Finland. Its bark contains acetylsalicylic acid, which is an anti-inflammatory drug. Because of its flexibility, the willow is excellent material for basket and other weaving.*



For decades, the National Board of Patents and Registrations (NBPR) has strived on both domestic and international levels to clarify the importance of innovation and invention policies in corporate finance and the national economy. Thus it is with great pleasure that we observe our present government, led by the Ministry of Employment and the Economy, preparing a new innovation strategy, as well as, for the first time, an intellectual property strategy.

However, in addition to a good strategy, we need practical action, and successful national projects such as Innofinland, Innoschool, Innoint, and Idea Pilot Project serve to this end. We have also taken part for decades on a global level in the World Intellectual Property Organization training activities.

The role of universities as a source of innovation is growing, and research and training now plays a central role on all levels in the creation of innovation policy. In view of this, last year, WIPO organized the Costa Rica Forum, the general theme of which was once again "Creativity and Inventions – a Better Future for Humanity in the 21<sup>st</sup> Century". When compared internationally, Finnish funding systems are of a high level; however, it seems they are still in need of development through increasing risk financing in innovation and invention activity.

The EU is striving for co-operation with international agencies and authorities, especially in the improvement of customer service. As a result of wide-ranging strategy discussions at the Office for Harmonisation in the

Internal Market (Trade Marks and Designs) the Council of the European Union adopted certain conclusions. On the patents front, the central issue is the creation of a new court system, the possible adoption of a Community patent, and its relation to the existing patent systems. Although the European Patent Office is an effective organization, its lengthy processing times remain an issue of concern.

Finland has a stronghold in intellectual property and this is positively revealed in our economy. However, it must be taken into account that changes in the international situation always have an impact on our national economy.

The staff of the National Board of Patents and Registration achieved an excellent result in the year under review. Productivity rose by 7.7%, and for this our employees deserve warm thanks. Our Office was chosen as the best government office in 2007 by the Confederation of Finnish Industries, and we received a special mention for good customer service in the Recognized for Excellence assessment of Excellence Finland. We have also continuously been developing our regional services.

Finally, I would like to take the opportunity to thank all our interest groups. The Board of Directors of the NBPR has played an essential role in keeping communications open with these groups.

A handwritten signature in black ink, reading "Marja Eerjämä". The signature is written in a cursive style.

*The Black-headed Gull (Larus ridibundus) is a small-sized gull, and is easily distinguishable in the summer due to its black head. It nests in colonies of thousands of couples, which can migrate from place to place. Several other waterfowl like to nest in the shelter of these colonies. The black-headed gull was chosen Birdlife's species for 2008.*





At InnoHouse, the year started with a great change: the Patent Library moved from the ground floor at Olavinkatu to the third floor into new and more functional premises. This saw the beginning of the Innogallery renovation.

In March, we participated in the Women Skills Fair in Tampere and in celebration of International Womens' Day, all our female employees received a flower. The Oma Yritys Fair (private enterprises) in Wanh Satama, Helsinki, on 28 - 29 March 2007 received a record number of visitors, and our presentation in the seminar was very successful.

We celebrated the World Intellectual Property Day with an international event in Lappeenranta on 26 April. The main event was preceded by the first Innovation Parliament of the world, where almost 200 experts in the field presented their best ideas to promote Finnish innovation. In addition, Finnish inventors were awarded Konsta prizes, as last year.

Innogallery reopened in early May, with an anti-piracy theme. The exhibition was realised in co-operation with the Finnish Customs and the Finnish Anti-counterfeiting Group, with a special event on World Anti-counterfeiting Day 13 June 2007.

At the end of May, we celebrated our Office's traditional anniversary, Manufacture Day, in an international spirit. Dr Hanns Schumacher, the ambassador for Germany, the holder of the next EU presidency, gave a speech on the future possibilities of our continent.

Our staff participated eagerly in both Fitness for Work (TYKY) and recreational activities. In May, a group of our employees took part in the Naisten Kymppi (Womens' Ten) sporting event, and a group made an excursion to an old-time railway. Mental well-being was also on the agenda: Archbishop emeritus John Vikström gave our staff a lecture in November.

An international IPR Course arranged by the IPR University Center began on 6 September with a lecture at our Office and a presentation of our renovated library.

An expert seminar arranged by the Commerce Committee of the Parliament, our Office and Pharma Industry Finland on 19 September focused on research and product development within the pharmaceutical industry.

Several international delegations visited our Office. The farthest visitors were from Ghana, within the framework of a bilateral co-operation agreement.

The Subcontracting Fair in Tampere at the end of September is visited by our representatives every year.

The Confederation of Finnish Industries published a report in which our services were ranked the best among government agencies.



Barley (*Hordeum vulgare*) is an ancient crop, of which the first findings date as far back as 6000-7000 BC in Turkey. It has different varieties for different purposes; malt, forage, starch and enzymes. Barley is easily distinguished by its long awns. There is an old saying that the cuckoo stops cuckooing when the barley awn has grown big enough to get stuck in its throat.

Our Office was awarded an honorary mention in the Recognized for Excellence assessment.

As in preceding years, this year also culminated in the awards ceremony of the Innofinland prizes of the President of the Republic. President Halonen enjoyed her time in the company of the winners of the Innoschool Prizes, the national Innofinland Prizes and the honorary mentions. Famous Finnish singer Eino Grön performed to the accompaniment of well-known musician Seppo Hovi.

The Ministry of Trade and Industry and the Ministry of Labour merged to form a new Ministry of Employment and the Economy. Permanent Secretary to the new Ministry, Mr Erkki Virtanen gave a first-hand briefing on the situation at Innogallery on 28 November 2007.



## Board of Directors, Management Group and Co-operation Committee



The National Board of Patents and Registration (NBPR) was established in 1942 when the Patent Affairs and Trade Register Departments of the Ministry of Trade and Industry were transferred to a new central agency, the NBPR. Since 1835, it was preceded by the Manufacture Board of the Senate of Finland and the Industrial Board. Today, the NBPR comes under the administrative sector of the Ministry of Trade and Industry (Ministry of Labour and of the Economy as from 1 January 2008). It is a central agency applying the net principle, and is funded by service fees. A substantial part of the NBPR's income comes from foreign clients.

### Board of Directors

The Board of Directors sets the targets for the NBPR's operations and decides on policies. It also controls and supervises how the targets set are achieved. Furthermore, the Board decides on the budget proposal and the operating and financial plan, and promotes the co-operation between the NBPR and the users of its services.

The Government appoints the Board of Directors for a period of three years. The year under review saw a change of boards: the term of office of the old Board of Directors ended on 16 September 2007, and a new Board, whose term will last until 16 September 2010, took over:

### Members

- Mr Jussi Järventaus, Managing Director, Federation of Finnish Enterprises (Chairperson)
- Mr Risto Paaermaa, Ministry of Trade and Industry (Vice-chairperson)
- Mr Martti Enäjärvi, President, NBPR
- Mr Jukka Ahtela, Director, Confederation of Finnish Industries
- Mr Kalevi Olin, Professor, (as of 17 September 2007)
- Ms Leila Risteli, Director, University of Oulu
- Ms Seija Saaristo, Trademark Attorney, Association of Finnish Patent Attorneys
- Ms Eija Lanne, Chief Inspector, representing the staff (until 16 September 2007)
- Ms Riitta Larja, Coordinator, representing the staff (as of 17 September 2007)
- Mr Eero Mantere, Senior Vice President, NBPR (Secretary)

### Management Group

The Management Group assists the President in developing and assessing the operations. It is appointed by the President and discusses the operating and financial plan, the budget proposal, important development projects, how the targets are achieved, as well as matters concerning the national and international context.

### Members

- Mr Martti Enäjärvi, President, (Chair)
- Mr Eero Mantere, Senior Vice President (Vice Chair)
- Mr Olli Koikkalainen, Vice President
- Mr Pekka Launis, Vice President
- Ms Eija Nuorlahti-Solarmo, Vice President
- Mr Kari Summanen, Director of Planning
- Mr Kari-Pekka Helminen, Director of the Register of Associations
- Ms Raija Järviö, Director of Finance
- Mr Esko Inkinen, Director of Human Resources
- Mr Juha Klemola, Director of Communications
- Mr Miika Waris, Director of Marketing
- Mr Christer Brännkärr, Deputy Director (Secretary)
- Mr Matti Santero, Senior Examiner (representing the staff)

### Co-operation Committee

The Co-operation Committee is a statutory co-operation body. Its purpose is to give the personnel an opportunity to influence their own work and the operational decision-making affecting their working conditions. As a result, this improves the performance and economy of the central government.

### Members

The employer was represented by:

- Mr Martti Enäjärvi, President (Chair)
- Mr Eero Mantere, Senior Vice President (Vice Chair)
- Mr Olli Koikkalainen, Vice President
- Mr Pekka Launis, Vice President
- Ms Eija Nuorlahti-Solarmo, Vice President
- Mr Esko Inkinen, Director of Human Resources (Secretary)

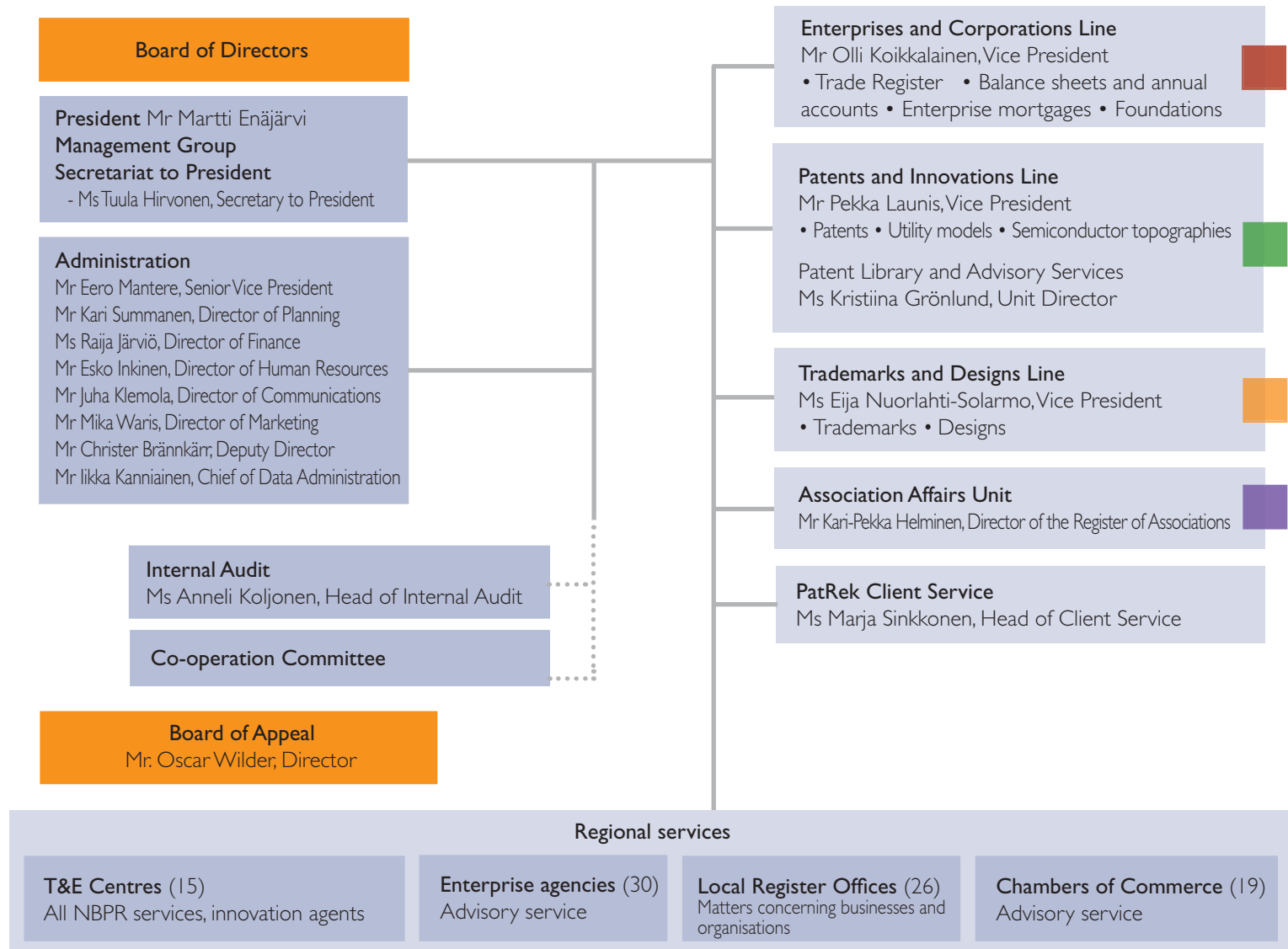


### The personnel was represented by:

- Ms Eija Lanne, Chief Inspector; Negotiation Organisation for Public Sector Professionals JUKO
- Mr Matti Santero, Senior Examiner; Graduate Engineers of Patent Administration/Federation of Salaried Employees Pardia
- Mr Arto Kuparinen, Departmental Secretary, the Employees' Association of the NBPR/Federation of Salaried Employees Pardia
- Ms Eija Peltonen, Assistant Inspector, the Trade Union for the Public and Welfare Sectors JHL (local trade union of the Ministry of Trade and Industry)



# Organisation chart



### Client visits continue at good pace. Co-operation with other authorities intensifies and payments are made easier

A total of 57,000 clients visited our PatRek Client Service in 2007. We supplied 18,000 register extracts, certificates, and copies of documents. Trade register extracts and receipts of notifications to the Business Information System had the highest demand. A decrease in the demand for our information products subject to charge is due to the surge in electronic information services and new delivery channels. Therefore, the number of information service products subject to charge to be collected from PatRek decreased by 27% from the previous year.

PatRek pursues an active policy to develop its client service through co-operation with authorities and the private sector. Among its co-operative partners are the Tax Administration and banks. At the end of the year, our electronic services were accessible with online banking codes through agreement with seven banks or bank groupings.

#### Increasing need for advisory service

Globalisation and changes in the operational environment were reflected in the changed needs of clients. The number of foreign nationals visiting PatRek increased, and visitors required more proficient and wide-ranging services. These changes presented a challenge to our staff. Our response has been to increase our language training and continue to develop our skills towards a one-stop service. The target set for progress in service skills was achieved in 2007, and there were 5.7 staff training days per person on the average.

Every day, 60 clients on average visited our client service to study documents and registers open to the public. The year under review saw one new service: the electronic service on published trade register entries. The self service study of annual accounts in our electronic archive saw a moderate increase.



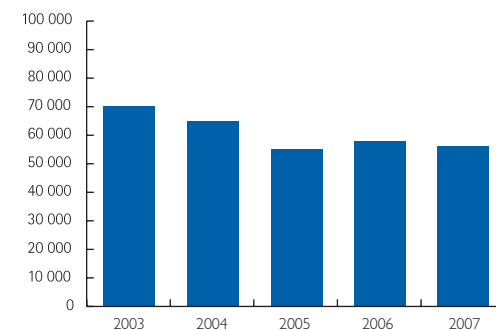
The Banded Demoiselle (*Calopteryx splendens*) is a spectacular vision as it flies, flapping above brooks. It inhabits clean flowing waters; backwater regions in particular. The male of its proximal species, the damselfly, has completely dark-coloured wings. Vantaa, Hattiala



The PatRek Client Service welcomes clients at our modern street-level office. It is, however, also accessible electronically. It receives documents and payments and advises our clients on how to proceed in their matters. At PatRek, clients have free access to our electronic information services and registers.

The Scarce chaser (*Libellula fulva*) is classed in Finland as a rare, highly endangered dragonfly, and inhabits the rivers, ponds and lakes of Southern and Eastern Finland. It can be seen on the wing from mid-June to the end of July. Tammela

#### Visitor trend at PatRek 2003 - 2007



### Library moves to new premises. NBPR service praised by businesses.

Our library moved in February from street-level to the third floor. Now all library personnel is located within easy reach of clients, in rooms adjacent to the library's loan desk, enabling our client service to run more smoothly.

All clients, both external and internal, have quickly learnt to use the new location. The library's comprehensive collection of industrial property books and periodicals is useful for students of intellectual property in particular. It complements the collections of different educational institutes, as it can provide a selection of the latest literature in the field. In 2007, our collection grew by almost 800 books. The library serves the staff of the NBPR by, for example, ordering interlibrary loans of articles from domestic and foreign libraries at the request of examiners. In 2007, over 1,000 copies were ordered this way. This kind of "non-patent-literature" is increasingly significant in the determination of the novelty of inventions.

#### **Co-operation with universities and T&E Centres**

The advisory service provided by the NBPR, which have been available since the early 1970's, has now been expanded to cover the whole of Finland in co-operation with the Foundation for Finnish Inventions. The joint network of advisers comprises experts from institutes of higher education and T&E Centres. This network has made information more accessible to those who need it. The NBPR supports the network by, for example, informing the advisers of legislative projects, giving lectures and making searches in the subject fields of invention disclosures. In 2007, the number of inventors and other inquirers contacting the network rose to over 17,000.

#### **All patent information available to Finnish clients on the Internet**

In 2007, the first step towards electronic publishing was taken when translations of European patents, which were

previously only available in paper form, were put onto the internet. This brought us closer to the strategic goal of the Patents and Innovations Line, which is to make all patent information available to its Finnish clients. Data retrieval was also made more effective. Electronic publication will expand in 2008 to domestic patents and utility models.

In the year under review, a high-quality video conference system was acquired for the dissemination of patent information at the client interface, and also to provide for the line's internal training needs.

*The patent library offers its services to both internal and external clients. It also maintains our Office's collection of patent publications, and provides easy access to all relevant national and international patent information.*

*All our operational lines have a network of expert advisors whose free advisory services are available to our clients. A significant amount of NBPR-related information can also be found on our website, which has nearly three million visitors every year. At the end of 2007, the Confederation of Finnish Industries published a survey in which the NBPR was ranked the best administrative authority in Finland.*





The lake highlands of Nuuksio National Park comprises valleys and ravines, and has 150 lakes or ponds. The Myllypuro brook was originally straightened in order to provide better conditions for farming. It has now however been restored to its original serpentine-like shape. Nuuksio, Takala

### Training of staff and promotion of well-being at work continued. Positive feedback from the Recognized for Excellence assessment.



*The Mute Swan (Cygnus olor), was originally brought to the Åland Islands as a park bird. It has reddish-orange bill surrounded by a distinctive black base. As it swims, its neck is often curved, and wings half raised. Despite its name, the aggressive mute swan makes hissing and snorting sounds, and according to legend is silent all its life, only making a noise as it is about to die – hence the term “swan song”.*

#### **Small changes in personnel structure**

At the end of 2007, we employed a staff of 507, which is 1.6% more than the previous year. The number of person-years was 483, as some of the personnel is only temporarily employed. Due to the productivity programme underway, the number of employees will gradually diminish in some functions in the years to come. However, international agreements oblige us to recruit more examiners in different technical fields, in order to ensure high performance in our tasks as a PCT authority.

Women accounted for nearly two thirds of the entire personnel, and the average age of an employee was 45.9, which is slightly higher than the previous year.

#### **Recognized for Excellence assessment**

According to the feedback report of Excellence Finland, our staff is committed to its work and holds a strong expert status. Regularly conducted staff satisfaction surveys and other targeted enquiries ensure that the views of the staff are always known to management. Thanks to the conclusions of an annual statement of human resources, our human resources policy has advanced in the right direction. New, innovative approaches have been introduced to develop working conditions; for example flexible working

hours and the option of part-time work or working from home.

Skills were improved in many areas. Work skills were upgraded, and we focused on the evaluation of job descriptions and orientation of new employees. The transfer of knowledge from elder to younger members of staff was also a central issue. A new brochure entitled “Welcome to the NBPR” presents a good overview to new employees, before their own lines and units introduce them to their respective specialised jobs. The staff received an average of 5.7 days of training per person-year.

Employees elected spokesmen in both the representative and the managing organs of the NBPR. Many reform projects have been prepared by working groups. For example, our Office's co-operation agreement was completely renewed, and our equality plan was updated. A special initiative incentive system encourages both individual members of staff and groups to help develop our operations.

#### **Well-being and work endurance causes concern**

The Fitness for Work (TYKY) and recreational activities comprised lectures on work community and well-being, and

*Personnel administration is responsible for human resources development, security and all other issues relating to the staff of the Office. It also assists in recruiting and prepares both collective bargaining agreements and collective agreements for civil servants at office level.*

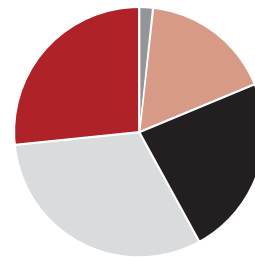
a wide range of exercise and recreational events. We also supported employees' personal efforts to maintain physical fitness by, for example, distributing tickets for sports centres.

There were ca. nine days of sickness absence per person-year during the year, which is about two days less than the previous year. As earlier, we continued investing into preventive occupational health work. During the year, an overall workplace inspection was completed, the feedback of which will be taken into account in subsequent improvement measures.

#### Job satisfaction continues to improve

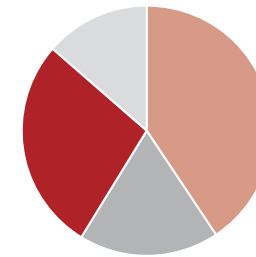
A positive attitude to the working environment continued among the staff. This can be seen in the results of the 2007 job satisfaction survey which even surpassed the previous years' exceptional results. The average was over 3.5, on a scale from 1 to 5. Moreover, the results have improved in all areas. Employees felt most positive towards the working atmosphere, co-operation and working environment (3.9). Jobs were also considered challenging and meaningful, and even satisfaction with salaries continued to improve steadily; this has indeed been the trend from the very beginning of the salary system reform.

Personnel by age group on 31 Dec. 2007



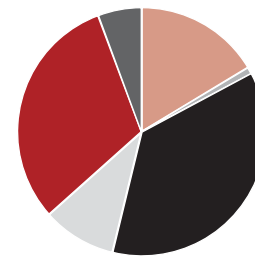
- below 24
- 25-34
- 35-44
- 45-54
- over 55

Personnel by educational attainment



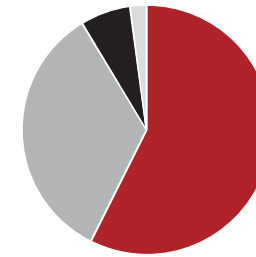
- Master's Degree, Postgraduate 206
- Polytechnic/Bachelor's degree 92
- Upper secondary education (upper secondary school, college or vocational education or comparable) 140
- Basic education 69

Number of personnel in person-years 2007



- Administration (incl. Board of Appeal, Communications, PatRek, PTT) 78.99
- Marketing and Business Services unit 4.00
- Patents and Innovations Line 176.90
- Trademarks and Designs Line 46.41
- Enterprises and Corporations Line 149.18
- Register of Associations 27.62

Full-time and part-time employees by gender on 31 Dec. 2007



- Full-time, female 291
- Full-time, male 172
- Part-time, female 33
- Part-time, male 11

New Trade Register services immediately popular. Registration times remain commendably short. Information system reform progressing steadily.



Busy trade activity shows in the everyday work at the Trade Register. Number of new businesses grew by 12% compared with previous year. Limited liability company is still most popular company type. Total reform of information systems is proceeding as planned.

### Businesses active

Businesses were active in reporting information for registration last year, and a great deal of notifications were registered. The number of new businesses grew by 12%, and amendments to entries in the register grew by 8% compared with the previous year. The number of annual accounts received stayed at almost 115,000, and the number of enterprise mortgages registered rose by 9%.

Processing times remained at the targeted level throughout the year. Thus, new businesses whose basic notifications were correctly filled in were registered in six working days on average (median), and amendment and termination notifications in seven working days. These times constitute total processing, from filing to decision to register.

At the end of the year, there were over 480,000 businesses and housing companies in the Trade Register. The two most popular company forms are the limited liability company and private trader, accounting for 72% of all registered businesses.

### Systems improved

The NOVUS project, i.e. reform of the line's information systems proceeded according to schedule from specifications to the implementation of subsystems. A new information system for the Foundations Register was taken into use in November 2007.

Remodelling of the information services of the Enterprises and Corporations Line started in December 2007, in conjunction with the implementation of a new information supply system. The deployment of the new services is scheduled for 2009.

Electronic filing of company information is being prepared together with the Tax Administration, the projects for which

proceeded in 2007 as planned. The aim is to launch the first joint electronic filing services at the end of 2008.

### Substantial number of searches for company information

The electronic information services provided by the Trade Register were very popular. The amount of searches in the information services subject to charge, such as KATKA and other application query services, grew by 15%. Register information was retrieved through them over 1.9 million times.

The BIS Information Service, which we jointly maintain with the Tax Administration, underwent an image change in 2007, and the number of searches conducted totalled 14.4 million.

### New services

The Trade Register's electronic information service on published entries was opened in September 2007. It contains basic information on businesses and the publishing of the most recent Trade Register entry. This service is available round the clock and is open to the public free of charge.

We also introduced a new role information service, which is subject to charge. It offers information on registered businesses and is a 24/7 gateway to official information on company officers. The service is designed to be run over a technical interface by the client's own application.

### Advisory Committee for Enterprise Issues

The Advisory Committee for Enterprise Issues contributes

*The Enterprises and Corporations Line is responsible for registering up-to-date, comprehensive information on both old and new companies, and on foundations active in Finland. This information is added to the Trade Register, and the Business Information System (BIS), which is a joint register with the Tax Administration. The line also registers enterprise mortgages and foundation matters and supervises foundation administration.*



Sugar-frosted violets (*Viola*) were served in the past at tea parties in English country manors.

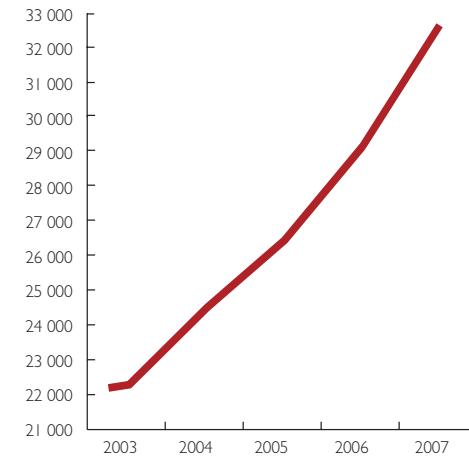
to the development of the registers run by the Enterprises and Corporations Line by communicating to us the views of Finnish businesses and the client perspective. It therefore regularly assembles to discuss topical issues.

#### Members of the Advisory Committee for Enterprise Issues in 2007

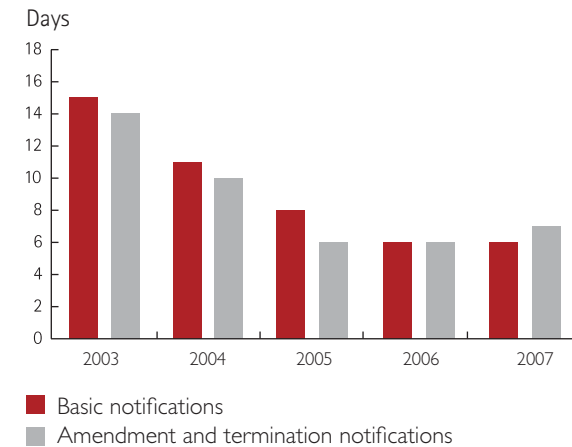
- Mr Martti Enäjärvi, President, NBPR (Chair)
- Mr Olli Koikkalainen, Vice President, NBPR (Vice Chair)
- Mr Markus Aaltonen, Managing Director, Veterator Oy
- Mr Juha Ahvenniemi, Managing Director, Association of Finnish Accounting Firms
- Mr Anders Blom, Managing Director, The Finnish Family Firms Association
- Mr Erkki Kontkanen, Director, Federation of Finnish Financial Services
- Mr Kari Lehto, LL.M. with court training, Pellervo Confederation of Finnish Cooperatives
- Ms Leena Linnainmaa, Director, Central Chamber of Commerce of Finland

- Mr Antti Majjala, Attorney at Law, Heikkilä & Co Attorneys at Law
- Mr Antti Neimala, Director, Federation of Finnish Enterprises (from 1 September 2007)
- Ms Ulla Partanen, Managing Director, Operaria Ulla Oy
- Ms Tytti Peltonen, Chief Policy Adviser, Confederation of Finnish Industries EK
- Mr Rauno Vanhanen, Programme Director, Ministry of Trade and Industry (until 31 August 2007)
- Mr Martti Virtanen, Licentiate in Laws, Federation of Finnish Commerce
- Mr Ilkko B. Voipio, Project Director, The Government Institute for Economic Research VATT
- Mr Eero Mantere, Senior Vice President, NBPR
- Ms Eija Nuorlahti-Solarmo, Vice President, NBPR
- Mr Juha Klemola, Director of Communications and Community Relations, NBPR
- Mr Sakari Kauppinen, Deputy Director, NBPR
- Ms Ulla-Majja Sarkkinen, Deputy Director, NBPR (Secretary)

#### Registered new businesses 2003 – 2007



#### Processing times 2003 – 2007



Emphasis on quality of examination processes. Quality certificate also granted to national applications' examination. Co-operation agreements concluded with both WIPO and EPO.



The White-tailed deer (*Odocoileus virginianus borealis*) is a rare example of successful deer stocking in Finland. This particular species was originally a gift given by American Finnish immigrants to the Finnish Hunters' Association in the 1930's.

The Patents and Innovations Line continued to implement its development scheme by investing substantially in the quality of examination processes. In 2007, the process for examination of national applications was also granted the ISO 9001:2000 quality certificate. Our PCT process won a similar certificate the previous year. The quality team has put great effort into ensuring the high quality of examination at our Office. It performs random checks of outgoing official actions, and on the basis of what is learnt from this, the training of examiners is tailored towards raising quality-awareness.

The number of international patent applications (PCT applications) designating Finland grew notably over the last year. Because of this increase in demand, recruitment of new examiners has continued. Introduction of these new examiners to their work and further training has required a major investment of time, as with this continuous recruitment and training taking place, we have taken the opportunity to revise earlier training programmes, enabling them to better support quality work.

Electronic filing is increasing steadily. Our applicants appear to have become familiar with the software used in electronic filing; essentially similar programs are, after all, used all over Europe. During the year under review, half of all applications and as much as 70% of PCT applications were submitted online.

### **Reform of international agreements safeguards Finnish applicants' interests**

In 2007, Finland and the World Intellectual Property Organization (WIPO) renewed their mutual agreement on our Office's status as an international searching and examining patent authority. The new agreement is similar to the previous one, setting up a framework and ensuring stable conditions for our work as far as the end of 2017. However, it now also ensures that in the future, Finnish applicants wishing to file an international application will be able to contact the office nearest to them using their mother tongue.

A new co-operation agreement with the European Patent Office (EPO) was also concluded. It ensures that a Finnish applicant, pursuing an application at the EPO, is treated equally, in matters concerning patenting process and fees, to others applying for a European patent. The new co-operation agreement enters into force on 1 April 2008.

### **Limiting the scope of patent protection by holder becomes possible**

At the end of 2007, the Patent Act was amended in conjunction with an amendment of the European Patent Convention. Through this, it became possible for patent holders to limit their patent if necessary. This may be the case when, for example, new publications emerge after a

*The main function of the Patents and Innovations Line is to examine the novelty and patentability of inventions described in patent applications, and to register utility models. In 2005, the tasks of the Line extended to include the search and examination of international patent applications (ISA and IPEA) under the Patent Cooperation Treaty (PCT). Applications for a European patent can also be filed with the NBPR, as we register and publish European patents to be validated only in Finland.*

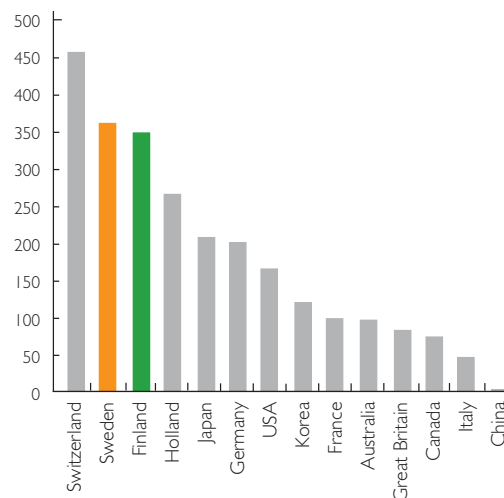
patent is granted which, had they been known at the time of processing, would have led to a more limited scope of protection than that stated in the patent. Through limitation, the patent holder can safeguard the patent from invalidation.

Revision of the Utility Model Act also began in 2007. At the time of writing, the revised act is estimated to enter into force by summer 2008.

#### New names on list of those with highest number of applications

The number of domestic applications remained constant. The list of 15 biggest domestic applicants is headed, as in the previous year, by the paper machine constructor Metso Paper Inc. VTT Technical Research Centre of Finland also continues to occupy a place at the top after several years. Newcomers are, for example, Glykos Finland Oy and the Finnish Red Cross Blood Service. Helsinki University of Technology is also now on the list for the first time. A new law on inventions made at academic institutions, which entered into force at the beginning of 2007, channels more patent applications through these institutions, thereby increasing the number of academic institutions and universities among Finnish patent applicants.

PCT applications in proportion to population in 2006



#### Patent applications

	2006	2007
Patent applications	2018	2 015
domestic	1 813	1 804
foreign	205	211
Patents granted	1 059	921
PCT applications		
Received (RO)	1 015	1 029
NBPR conducts novelty search (NBPR = ISA)	643	721
NBPR conducts preliminary examination of patentability (NBPR = IPEA)	122	149
European patents validated in Finland	6 469	5 478
Patents in force at the end of the year		
Granted by the NBPR	17 076	14 604
Granted by the European Patent Office	26 269	29 918
Utility model applications	2006	2007
Utility model applications	520	506
domestic	493	485
foreign	27	21
Registered utility models	414	392
Utility models in the register at the end of the year	3 183	3 038

#### Domestic companies with highest numbers of applications filed in Finland in 2007

Metso Paper, Inc.....	131
Kone Corporation.....	56
VTT Technical Research Centre of Finland.....	56
Nokia Corporation.....	39
ABB Oy.....	36
Rautaruukki Oyj.....	32
Glykos Finland Oy.....	31
Wärtsilä Finland Oy.....	26
Outotec Oyj.....	20
Red Cross Finland Blood Service.....	18
Nokia Siemens Networks Oy.....	17
Sandvik Mining and Construction Oy.....	17
Beneq Oy.....	15
Helsinki University of Technology.....	13



The white-tailed deer is easily distinguishable due to the white underside of its tail, which it raises when excited, is fleeing, or feels threatened.

Listing of trademarks with a reputation begins. Electronic trademark application introduced. Applications from SMEs on the increase.

### Launch of listing of trademarks with a reputation

Businesses, agents and other stakeholders can more easily obtain information on reputable trademarks since the launch of a new service in the form of a list in June 2007. Applications were accepted from the beginning of August 2007, and by the end of the year 53 applications had been filed.

### Introduction of electronic trademark application

At the beginning of November, an electronic trademark application was introduced. This reform was successful; by the end of the year, almost 27% of all applications were submitted electronically.

### Excellent performance by Trademarks and Designs Line

The line achieved exceptional results, exceeding the target by over ten per cent.

### New tasks and improved services

According to our Office's mission, the Trademarks and Designs Line furthers technological and economic development in its field, and advances corporate activities and enterprise. To this end, the line

- processes trademark and design applications, and grants and protects exclusive rights
- keeps trademark and design registers and ensures that register information is available and correct
- compiles and maintains a list of trademarks with a reputation
- participates in international co-operation
- contributes to industrial property legislation
- provides information and advisory services, and markets our products to clients and interest groups

### Processing times for trademark and design applications decreasing

The average processing time for national trademark applications was, at five months, a little shorter than the previous year. However, for international applications it was one month longer than the year before, i.e. six months. The processing time for design applications was nine months, which is about one month shorter than the previous year.

### Number of applications from the SME sector on the rise

In 2007, a total of 7,400 trademark applications were submitted, of which 4,100 were national and 3,300

international applications. The number of national applications grew by some 8%, whereas the number of international applications fell by nearly 11%. The total amount of applications remained at almost the same level as the previous year (-1.1%). At the end of 2007, there were about 78,000 valid trademarks in our Trademark Register.

We sent 92,000 examination reports concerning European Community Trademark applications to OHIM last year, which was almost 21,500 reports more than the previous year. The number of applications for trade mark renewal decreased by about 6% compared with the year before.

The number of design applications was 225, maintaining the average level from the last few years. Applications for renewal of design registration went up to 689, which is over 10% more than in 2006. At the end of the year under review, the Designs Register contained 4,212 valid registrations.

We forwarded only 14 applications for Community Designs to the Office for Harmonization in the Internal Market (OHIM).



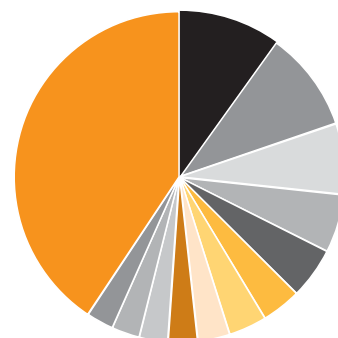
*Time stands still at this Enklinge Island museum. Contrary to other museums, it has not been filled with ancient artifacts; everything inside it has been left exactly as it was when the last person inhabited it.*  
Åland Islands Kumlinge

*The Trademarks and Designs Line processes trademark and design right applications and keeps registers of them. We offer our clients and interest groups advanced information and advisory services. We also participate in international co-operation in our field, and contribute to its legislative work.*



Sea-views have been taken in from these rocks since Viking times. This island, which has comprised Swedish, Russian and Finnish military bases, is a significant part of Finnish history. The Gulf of Finland, Santahamina

### National trademark applications by class 2007



- Advertising; business management and administration
- Education: sporting and cultural activities
- Scientific, technological and legal services
- Scientific and electric apparatus; computer software
- Paper goods, printed matter; office requisites
- Clothing, footwear; headgear
- Telecommunications
- Building construction; repair, installation services
- Foodstuffs of plant origin
- Insurance; financial and monetary affairs; real estate affairs
- Pharmaceutical preparations
- Legal services; security services; personal services
- Other classes

### National design rights

	2006	2007
Applications for design registration...	244	225
Designs included in those applications.....	531	389
Designs included in processed applications.....	452	571
of which registered designs.....	307	420
Renewal and amendment applications.....	669	735
Designs pending at the end of the year.....	506	332
Preliminary examinations.....	16	11
Processing time (months).....	9.7	9.0

### National trademarks

	2006	2007
Trademark applications.....	3810	4133
domestic.....	3258	3501
foreign .....	552	632
Processed applications.....	4020	3961
Applications pending at the end of the year.....	2586	2832
Preliminary examinations.....	200	253
Processing time (months).....	5.3	4.9

### Trademark applications for Finland by country in 2007 (top twenty)

Country	National	Inter-national	EU (OHIM)	Total
Germany	43	612	15479	16134
United States	157	160	13956	14273
Great Britain	38	72	9319	9429
Spain	7	30	7345	7382
Italy	8	177	7135	7320
France	20	362	6004	6386
Finland	3504		723	4227
Netherlands	20	90	3209	3319
Switzerland	29	296	2630	2955
Sweden	113	123	1840	2076
Austria	1	74	1972	2047
Japan	15	63	1885	1963
Belgium	3	55	1288	1346
Poland	4	45	1261	1310
Portugal		20	1266	1286
Denmark	52	79	1154	1285
China	5	253	740	998
Canada	4		891	895
Australia	1	24	766	791
Ireland	2	2	741	745

### Electronic filing popular. New technical solutions yield more effective client service.



#### **Civic activity continues to thrive**

In 2007, we had 127,574 registered associations, and about 2,400 new associations were entered into the Register. The Register of Religious Communities comprised nearly 400 communities and registered congregations.

During the year under review, we received nearly 21,000 notifications concerning either the establishment or dissolution of associations, rule amendments, and changes in signatory rights. We received 162 pre-check applications, 22 applications for exemption, and over 100 notifications concerning religious communities. All in all, we made over 21,000 decisions.

Processing times of notifications surpassed set targets. Our unit processed basic notifications in just under two months. Notices concerning amendments to rules and dissolutions were processed in about three months, and changes in signatory rights were almost processed in real time. There were about 49,000 registered associations within the Standard Industrial Classification.

#### **Register of Associations within easy reach for all**

The electronic notification and electronic establishment package are part of the electronic services of the Register of Associations, aiming for better access to registers for everyone.

In 2007, there were almost 3,500 electronic applications, which is 17% of all applications submitted. The electronic establishment package enables applicants to fill out an online registration application, where only the name of the association is checked by the registration authority.

The electronic application is part of our future data processing system. The system was under preparation during the year under review and will be completed in 2008. The new data system has five main goals: to speed up registration; to facilitate the filing of notifications; to ensure the correctness of register entries; to grant legal security to decisions; and to raise the productivity of our unit.

*At the Association Affairs Unit, we enter basic notifications of associations and their rule amendments into the Register of Associations, as well as the dissolution of any associations. We also record changes in the details of Board chairpersons and those with signatory rights. Upon request, we can pre-check an association's rules or their amendments before the association files its notification. Finally, our unit registers Chambers of Commerce, amendments to their rules, and changes concerning the members of their committees, boards, and those with signatory rights.*

*The Register of Religious Communities contains the details of registered congregations of religious communities. We supply information from both registers by providing extracts, certificates, and copies of documents upon request. We provide advice to our clients, by telephone or email, on questions relating to the Associations Act, associations' rules and their interpretation, or best practices among associations.*

### Advisory Committee for Associations

The Association Affairs Unit constantly monitors changes in Finnish society, and the Advisory Committee for Associations serves as a link between the unit and its interest groups. It meets four times a year to process legislative issues of importance to organisations, as well as issues relating to other fields. The committee has representatives from the six largest political parties in Finland, from central labour market organisations, and from organisations in the fields of commerce, agriculture and sport. The committee's diverse expertise helps improve the processing of association affairs.

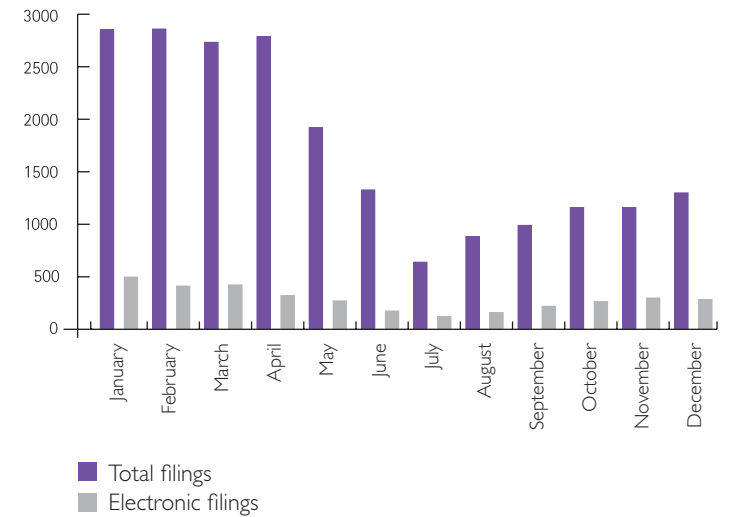
In 2007, the committee's agenda focused on free civil activity issues, the auditing of associations, and taxation questions.

### Members of the Advisory Committee for Enterprise Issues in 2007

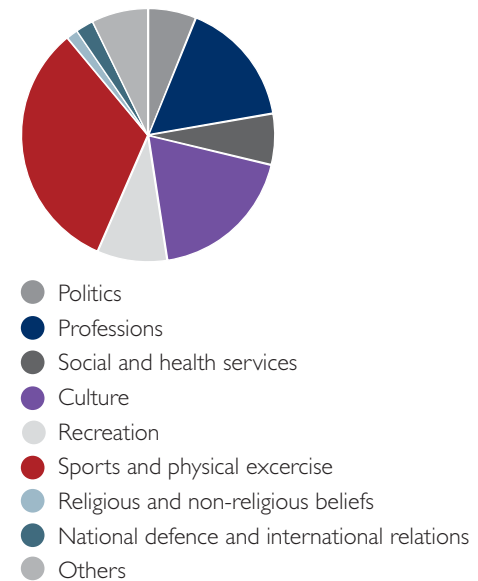
- Mr Martti Enäjärvi, President, NBPR (Chair)
- Mr Kari-Pekka Helminen, Director of the Register of Associations, NBPR (Vice Chair)
- Mr Reijo Paananen, Deputy Manager, Central Organisation of Finnish Trade Unions
- Ms Kerstin Ehnholm, Director of Sport Policy, Finnish Sports Federation
- Mr Esko Grekelä, Secretary for Trade Union Affairs, Left Alliance

- Ms Ulla Achrén, Secretary General, Swedish People's Party
- Mr Pekka Loukola, Organisational Manager, Finnish Centre Party
- Mr Matti Hynynen, Director, Finnish Confederation of Salaried Employees STTK
- Mr Risto Kauppinen, Director, Confederation of Unions for Academic Professionals in Finland AKAVA
- Mr Lasse Miettinen, Organisational Secretary, Green League of Finland
- Mr Hannu Rautiainen, Counsel, Confederation of Finnish Industries EK
- Mr Matti Kankare, Project Manager, National Coalition Party
- Mr Matti Voutilainen, Director, Central Union of Agricultural Producers and Forest Owners
- Mr Janne Makkula, Legal Advisor, Federation of Finnish Enterprises
- Mr Arto Heinonen, Head of Organizational Unit, Finnish Social Democratic Party
- Mr Martti Virtanen, Leading Legal Counsel, Federation of Finnish Commerce and Trade
- Mr Hannu Salokorpi, Director, Finland's Slot Machine Association RAY
- Mr Eero Mantere, Senior Vice President, NBPR
- Mr Olli Koikkalainen, Vice President, NBPR
- Mr Juha Klemola, Director of Communications and Community Relations, NBPR
- Ms Riitta Lae, Deputy Director, NBPR (Secretary)

### Filings in 2007



### Associations by sector in 2007



St. John's wort (*Hypericum perforatum*) is an ancient medicinal plant, which is used for the treatment of depression, sleep disorders, and anxiety. It may have a synergetic effect with certain medicines.

### SME needs given priority. Introduction of new tools for protection of intellectual property.



*The House sparrow (Passer domesticus) is one of our best-known bird species. Recently its figures have been diminishing significantly. This "city-sparrow" has now taken to leaving the lush countryside to become a regular customer of outdoor cafes in towns.*

*The Marketing and Business Services Unit markets and develops the business services of the NBPR. The services are provided on a commercial basis, and developed in close co-operation with our Office's client service, advisory service, Communications and Community Relations Unit, and the experts in the line units.*

We develop our business services on the basis of our client needs. Through interaction with our interest groups, we advance the dissemination of information and the marketing of services. Our central goal is to encourage responsible and accurate use of services and information in Finnish companies. We continue to strive towards this goal through a variety of co-operation projects.

Through the Idea Pilot Project we continued the introduction of best practices of industrial property to everyday business, SMEs in particular. Our networked co-operation model has now become a standard approach, and the number of our co-operative partners has grown considerably.

We have three core objectives: the use of technical and competitor information becoming a standard part of development work; the systematic protection of intellectual property becoming everyday practice; conscious,

anticipatory intellectual property defence strategy becoming a part of business planning in growing businesses; internationally expanding businesses in particular.

The ip4inno project within the PRO INNO EUROPE programme is progressing at full speed. During its first year, this EU-financed project prepared comprehensive training material focusing on the use of the industrial property system in commercialisation. The target group of the training consisted of both open sector and private sector specialists involved in business services. The 14 trainees were from our Office, T&E Centres and the Foundation for Finnish Inventions.

Our nationwide series of INTO seminars for entrepreneurs and SMEs also continued. We arranged regional events together with T&E Centres, the Ministry of Trade and Industry, the Confederation of Finnish Industries EK, Federation of Finnish Enterprises, the Central Chamber

#### Courses arranged by the Marketing and Business Services Unit 2003 – 2007

Year	Courses	Participants
2003	24	464
2004	24	380
2005	16	295
2006	19	371
2007	14	277

#### Regional INTO Service Seminars 2007

Venue	Participants
Jyväskylä	44
Oulu	45
Joensuu	37
Vaasa	28
Rovaniemi	73
Seinäjoki	62
Turku	41
Total	330

of Commerce, the SME Foundation, the Foundation for Finnish Inventions, and Finnvera. The seminars encouraged businesses to assess their key knowledge areas, evaluate the protection these areas most likely need, and to take advantage of the wealth of industrial property information available in their line of business.

The InnolInfo co-operation project with VTT reached completion. One of the central results of the project was a report on refusals of patents to domestic applications.

An examination of official actions from 2000 – 2005 (n= 11,775) showed that in 33.2 % of applications there was a novelty bar, i.e. the idea in the application was already known. Only in 10.4% of applications were there no cited documents, meaning that the invention was totally new. Correspondingly, in almost 90% of applications, publications disclosing state-of-the-art were found. Patent information may be most useful at the beginning of a development

project in particular. It enables businesses to

- enter the market more effectively
- obtain information on competitive situations
- learn to know the current state-of-the-art and how the invention relates to it
- avoid overlapping work on product development
- ensure freedom in which to operate
- find co-operative partners
- find licensing opportunities

Together with the European Patent Organisation, we organised the 17<sup>th</sup> IPR Roundtable, which gathered representatives from 11 countries. The roundtable broadly discussed how to disseminate industrial property information and knowledge among SMEs in particular. The panel agreed that the central issue is that businesses do not yet see the relevance of the industrial property system in standard business.

During the year under review, we launched a marketing campaign highlighting the services of the industrial property system and how they can be used in product development, marketing, financing and internationalisation.

We also continued our intense co-operation with the national EnterpriseFinland project, the focus of which is on the development of online services and a new innovation service concept. Enterprise Finland is a project co-ordinated by the Ministry of Trade and Industry, aimed at developing public services to businesses according to the one-stop-shop model.

## Number of appeals increases significantly. Most appeals concern trademarks and patent matters.

In 2007, the majority of cases processed by the Board of Appeal related to trademarks and patents. Of decisions in the patent field, 60% concerned opposition cases. Similar decisions in trademark matters accounted for some 40% of all cases. Less than 50% of decisions on patent appeals and almost 20% of decisions on trademark appeals were taken further, to the Supreme Administrative Court.

The number of trademark-related appeals filed with the Board of Appeal grew considerably compared with previous years. About 50% of all appeals relating to patents, and about 25% of those relating to trademarks, concerned decisions that the NBPR had made in the opposition procedure. About 40% of trademark appeals dealt with decisions on international registrations in which Finland was designated.

The appeal statistics show that the number of pending trademark appeal matters has somewhat increased, i.e. we have not succeeded in cutting processing times, as was our target.

During the year under review, a working group commissioned by the Ministry of Justice completed report No. 2007:20 on the centralization of the litigation of IPR matters. This report is likely to have an impact on the Board of Appeal's future prospects and status.

Board of Appeal sessions are held by a chairperson and two other members who, based on a presentation given to them, decide on the matter in hand. The composition of the Board varies in order to ensure its familiarity with the legislation pertinent to the case under hearing.

*The Board of Appeal processes and decides on appeals against decisions made by the NBPR concerning patents, designs, layout designs of integrated circuits, utility models, and trademarks. It also deals with different kinds of appeals concerning the Trade Register, the Register of Associations and the Register of Foundations. Further appeals against decisions of the Board of Appeal may in turn be made to the Supreme Administrative Court.*

**Board of Appeal statistics 2006 and 2007 (2006 in brackets)**

	Patents	Trade- marks	Designs rights	Trade Register	Utility models	Register of Associa- tions	Founda- tions	Total
Cases lodged with the Board	20 (32)	168 (102)	2 (0)	1 (3)	9 (6)	0 (0)	0 (0)	200(143)
Cases decided by the board	29 (30)	139 (118)	0 (3)	3 (3)	6 (7)	0 (3)	0 (2)	177(166)
Amendments to decisions by the NBPR	10 (11)	27 (22)	0 (1)	0 (0)	3 (2)	0 (0)	0 (0)	40 (36)
Opinions given to the Supreme Administrative Court	14 (14)	26 (17)	1 (0)	2 (0)	5 (2)	0 (0)	0 (2)	48 (35)
Cases undecided at the end of the year	43 (52)	301 (273)	2 (0)	1 (3)	8 (5)	0 (0)	0 (0)	355(333)



*The Glauca Dog Rose (Rosa dumalis) grows wild in Southern Finland. There are four species of Orb Weaver Spider (Araneidae); only an expert can distinguish between them. Tammisaari, Jussarö*

### New technical platform for website. Electronic services more prominent. Fragmented media environment proves challenging.

In line with our communication strategy, we strived to meet the demands of our increasingly diversified communication environment. Our website at [www.prh.fi](http://www.prh.fi) continued to be the main forum for information in our field, and it now seems an even more active approach is developing.

#### Technical revision of [www.prh.fi](http://www.prh.fi) a success

A new technical platform for our website was adopted. This improvement enables us to continue upgrading both our website and electronic services.

Our website attracted about 20% more visitors at 2.8 million over 2.3 million the previous year. In addition, there were 215,000 visitors to our Swedish and English main pages, and the number of visitors through bookmarks to specific pages of our lines and units amounted to nearly 5 million. The editorial staff of our website consists of about 40 members from all our operational units.

Our electronic services and communications are networked with our closest co-operative partners. The most significant networks are the Business Information System [ytj.fi](http://ytj.fi), which we jointly maintain with the tax administration, [EnterpriseFinland.fi](http://EnterpriseFinland.fi) run by the Ministry of Trade and

Industry, the public sector e-service's [suomi.fi](http://suomi.fi) portal and the state employer's [valtiolle.fi](http://valtiolle.fi) site. Internal communication among our staff was managed through five line-specific intranets.

#### Interest groups grow in importance

The NBPR has wide networks, both domestically and internationally. Meetings and events at InnoHouse form an essential part of our work for the good of the Finnish society. Our proximity to the Parliament building has proven useful. In addition to clients, over 4,000 Finnish and foreign experts visit us annually for co-operation meetings and office presentations. In addition to our everyday work, our Office exhibits the many sides of Finnish innovation.

The World Intellectual Property Day 2007, initiated by WIPO saw its first-ever extended celebration in Lappeenranta. The main event was preceded by the first Finnish Innovation Parliament, attended by a distinguished Russian delegation, under the theme "Innovation Crossing Borders". The international guest lecturer for our Office's annual celebration, Manufacture Day, was Dr. Hanns Schumacher, the Ambassador for Germany, the host of the next EU Presidency

#### New look for Innogallery

Innogallery was revamped after our library moved to new premises. It can now be converted into a conference room and this facility was immediately taken into active use, by both our staff and our co-operative partners.

In May, we opened a wide-ranging exhibition on the dangers of pirated products, in co-operation with the Finnish Customs and the Finnish Anti-Counterfeiting Group. In November, the gallery housed an exhibition on the prize-winning innovations from the Innofinland 2007 Contest.

#### Fairs, print and media

We continued to bring our services closer to users at fairs, mainly by having joint stands with the T&E Centres and the Foundation for Finnish Inventions. At the "Oma Yritys" Fair on 28 to 29 April 2007, we had an additional seminar programme. Other important events were the Women's Skills Fair and the Subcontracting Fair in Tampere, the Information Days and the Winner -07 Fair in Helsinki.

Our client magazine, PRHTieto, released one issue and our staff newsletter, [Ikiliikkuja](http://Ikiliikkuja), came out twice. Our Office monitors publicity within our sector through several

*The Communications and Community Relations Unit is responsible for our Office's media contacts, both general and common communication, and works together with our top management and our lines. It also assists our top management in the maintenance of community relations that are of interest to our Office. InnoHouse's Innogallery, run by our unit, is a showcase for the NBPR's operations.*

*The Hooded Merganser (Mergus merganser) can nest as far as a kilometre from the shore. All its young hatch simultaneously, and immediately follow their mother to the waters. It often carries its young on its back as it swims.*



parameters. The statistics for 2007 show that the number of our contacts remained the same as in previous years.

### Visitor statistics 2007

#### Website

Finnish main page.....	2 800 000
Swedish main page.....	1 15 000
English main page.....	100 000
Breakdown	
- Web store.....	21 000
- News.....	36 000
- Feedback.....	14 000
- Electronic publications.....	28 000
- Innogallery.....	20 000

In addition, about 5 million visitors through bookmarks found the lines' and units' own pages.

#### Visitors to InnoHouse

PatRek Client Service.....	57 000
Library.....	1 200
Meetings and training.....	3 600
Other events and visitors.....	800

In the printed media, there were over 2,000 writings about issues concerning our field, two thirds of which were in leading national and provincial newspapers and magazines.



*Eating insects. When fishing, the hooded merganser swims in a fanlike way, intimidating small shoals of fish into shallow waters, where their target is easy prey. Lake Päijänne, Padasjoki*

### “Innovations and age” theme marks Finland's 90<sup>th</sup> anniversary. Baby boom generation- now 60.

In 2007, the Innofinland Contest received 179 innovation entries of either products, services or methods. In addition to national prizes, 33 regional prizes and 11 honourable mentions were awarded.

Our customary Innovation Day was celebrated at InnoHouse on 20 November 2007, and President Tarja Halonen presented the national Innofinland and Innoschool prizes.

The national Innofinland 2007 prize went to the following five innovative businesses:

- Codenomicon Oy, Oulu: Data security testing tool – Defensics product family
- Erikoistyö Mäki Oy, Isokoski: Easy access threshold for fire doors
- Innohome Oy, Espoo: Device for preventing electrical fires and water damage at home
- Pensi Rescue Oy, Vammala: Ergonomic system for patient transports
- Seniortek Oy, Rovaniemi: Security and monitoring system for service homes

An honourable mention was awarded to two businesses. They were:

- Symbicon Oy, Kajaani: Long-lasting digital information and signboard for global conditions
- Viconsys Oy, Jyväskylä: Combined process and quality monitoring system applying digital machine vision technology

#### **Innoschool Innovation Event in Southern Karelia and the Lappeenranta region**

As well as the Innofinland Contest, an Innovation Event for school children was arranged for first and second grade pupils of comprehensive schools and vocational college students, in order to encourage their creativity and imagination. For the eighth time, the National Board of Education actively contributed to the organising of this event.

First and second grade pupils in the Lappeenranta region brainstormed ideas in September. All in all, nine schools participated with 271 entries, five of which won a prize. At vocational colleges, there were 800 final projects by

graduating students, and four of these were awarded.

Vocational college awardees: Final project by Anne Hellsten and Katja Muhonen (Lappeenranta) “Stimulative activities as part of rehabilitation care”

Final project by Mikko Koho (Imatra): “Automated natural gas compressor station, and electrical installations in rooms with danger of explosion”

Final project by Kati Kosonen (Imatra): “Determining the fibre content in black liquor - an alternative to sinter”

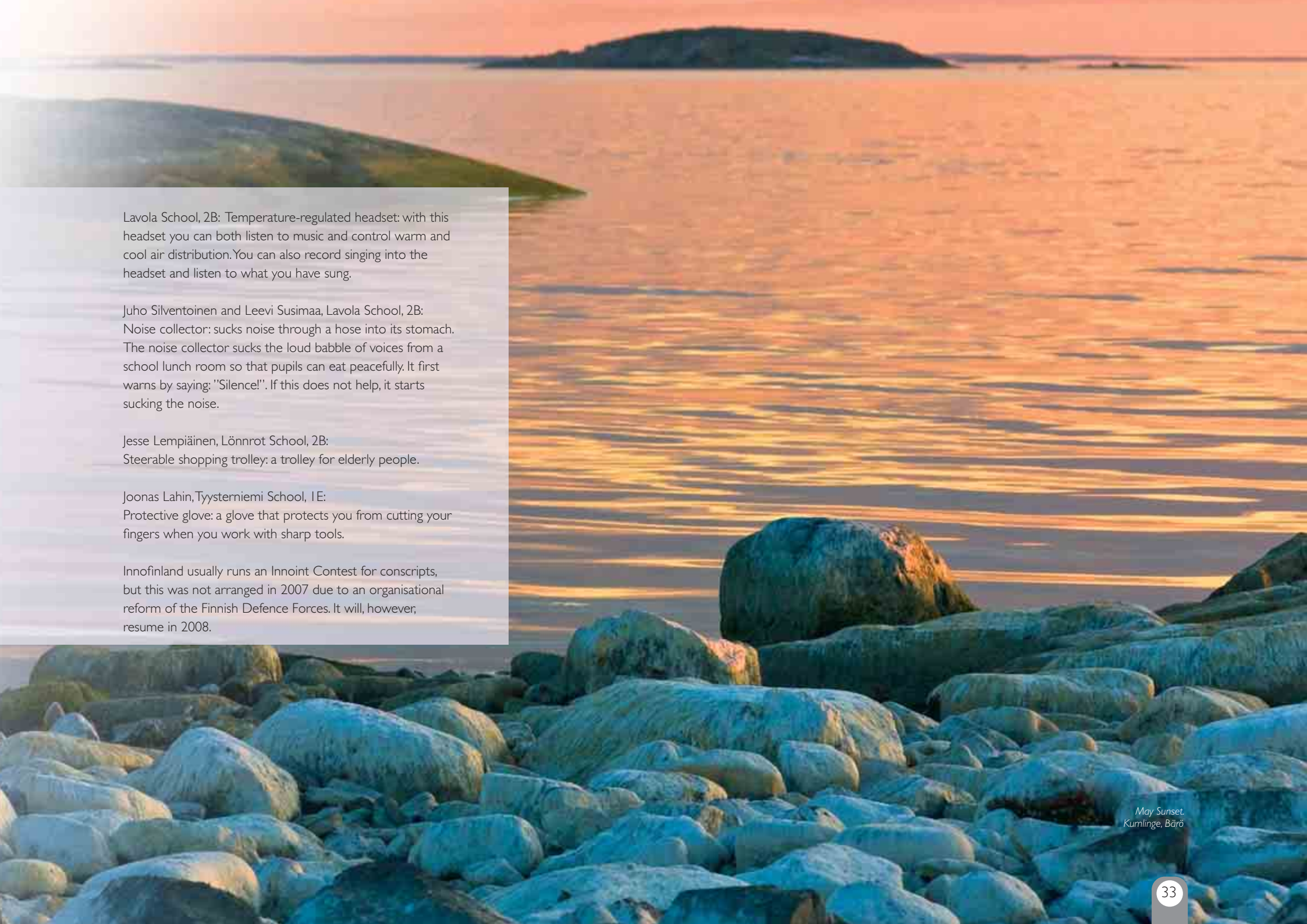
Final project by Jenni Lampinen (Taipalsaari): “Trial runs with ceramic doctor blades in a coating machine”

Comprehensive school awardees:

Kasper Kettunen, Alakylä School, 2B: Living traffic light: a living traffic light prevents disobedient people, including motorists, from driving or walking at a red light.

Mila Sederholm, Petriina Penttinen and Noora Heikkonen,

*Innofinland is an ongoing project, launched in 1994 on the initiative of the President of the Republic. It practically promotes creativity, skill, entrepreneurial spirit and collaboration and is constantly updated. The Innofinland Project relies strongly on regional activities and local participants. It holds an annual contest for new innovative businesses and awards the best ones. Each year, the project culminates in an awards ceremony, where the President of the Republic presents the prizes. Our co-operative partners in this project comprise central ministries, the T&E Centres, innovation financiers and stakeholders, together with Finnish business organisations.*



Lavola School, 2B: Temperature-regulated headset: with this headset you can both listen to music and control warm and cool air distribution. You can also record singing into the headset and listen to what you have sung.

Juho Silventoinen and Leevi Susimaa, Lavola School, 2B:  
Noise collector: sucks noise through a hose into its stomach. The noise collector sucks the loud babble of voices from a school lunch room so that pupils can eat peacefully. It first warns by saying: "Silence!". If this does not help, it starts sucking the noise.

Jesse Lempiäinen, Lönnrot School, 2B:  
Steerable shopping trolley: a trolley for elderly people.

Joonas Lahin, Tyysterniemi School, 1E:  
Protective glove: a glove that protects you from cutting your fingers when you work with sharp tools.

Innofinland usually runs an Innoint Contest for conscripts, but this was not arranged in 2007 due to an organisational reform of the Finnish Defence Forces. It will, however, resume in 2008.

### Finland's position in global industrial property network now even stronger. Experience, co-operation skills and high quality among NBPR's assets.

The international co-operative partners of the National Board of Patents and Registration consist particularly of the World Intellectual Property Organization WIPO, the European Patent Office EPO, and the EU Office for Harmonization in the Internal Market (Trademarks and Designs) OHIM.

An important step was taken in our co-operation with WIPO, when an agreement between NBPR and WIPO was concluded, ensuring that NBPR continues to be an examining and searching authority under the Patent Cooperation Treaty (PCT). We started operations as a PCT authority in spring 2005 and have successfully carried out this task, which is vital for Finnish business life and innovation. Thus the General Assembly of WIPO decided in September 2007 to allow us to continue in this role for the next ten years.

In connection with the continuation of PCT work, we also succeeded in pushing through a decision in the Administrative Council of the European Patent Organisation

guaranteeing that applications examined by our PCT process, and subsequently pursued at the EPO, receive equal treatment in matters concerning fees.

Within the EU, a debate on a uniform litigation system in patent matters was held in 2007. In this process we aim to guarantee Finnish businesses and inventors the opportunity to carry out litigation in a national court in their mother tongue.

At OHIM, its Administrative Council, chaired by our President Mr Enäjärvi, discussed the development of co-operation between OHIM and national trademark offices in 2007. The Council of the European Union adopted its conclusions on the issue in May 2007. Mr Enäjärvi's mandate as the Chair of the OHIM Administrative Council ended on 31 December 2007; he continues, however, as a member of the Council.

In November 2007, WIPO organised a fourth seminar on creativity and inventions, with Mr. Enäjärvi as its main co-

ordinator and moderator. The "Forum on Creativity and Inventions – A Better Future for Humanity" was held this time in Costa Rica, with a great number of international experts in the field as guests.

During 2007, top-level delegations from Kyrgyzstan and Ghana visited our office within the framework of bilateral co-operation agreements. In addition, co-operation with several European offices continued on a high level; among our European guests were the Directors-General of the Intellectual Property Rights (IPR) offices of Poland and Hungary. We also hosted the Nordic Meeting of Heads of IPR offices. President Enäjärvi visited the Slovenian Patent Office and the 15<sup>th</sup> Anniversary Celebration of the Estonian Patent Office.

With the Ministry of Education and WIPO as our co-operative partners, we organised an excursion to Finland for parliament members from the new independent states (NIS).

*Finland has joined a number of international industrial property treaties and organisations in which the National Board of Patents and Registration represents its country. European co-operation in issues concerning the registration of businesses in particular has significantly increased. The International and Legal Affairs Unit, together with the President, is responsible for the development and co-ordination of our Office's international operations.*



*The mouflon, a European wild sheep (Ovis musimon) is originally from the Mediterranean islands. Its large horns are hollow, thus making poor battle weapons. There is a flock of a few dozen mouflons in Nauvo, Western Finland, living in harmony with the deer.*



## Economy stable. Operations financed by service fees. Foreign clients a significant source of income.

The NBPR is a central agency applying the net principle and is funded by service fees. About half of its income comes from foreign clients. In 2007, the income of the NBPR exceeded its expenses, which means that all our operations were financed by income from performance charges. There is, however, a state budget appropriation which applies to our Office to cover the deficit caused by the low fees for associations and religious communities; these performances are priced under the cost price for socio-political reasons. Moreover, the foundations' register performances are not expected to be fully cost-effective.

### Income

Income amounted to €41.1m and expenses to €40.1m.

Income consisted of income from operations €40.7m,

minor rents, compensations, and other income from operations. It rose by €4.0m, that is 10%, from the previous year.

The majority of income came from the Enterprises and Corporations Line, i.e. the Trade Register's services. The second largest part of income was collected by the Patents and Innovations Line, mainly in the form of patent fees, followed by the Trademarks and Designs Line's portion, which came from examinations and registering fees.

### Expense structure

Total operating expenditure rose by 8% and amounted to €40.1m during the operating year.

Staff expenses of €23.1m were the biggest single expenditure item, making up 58% of total expenditure. On

IT projects for own use, an item of €0.7m of staff expenses was capitalised. It is shown as a separate item in the income and expenditure sheet. External services were bought for €9.4m and rents paid amounted to €5.2m.

Capitalised investments in fixed assets depreciated by €1.3m.

Total expenditure rose by €2.9m from the previous year. The biggest increase was staff expenses, €2.0m, and rents, €0.4m. External services were bought for €1.0m more than the previous year. Other expenses remained on the same level, and depreciations decreased by €0.3m. In addition, expenses of materials and consumables also remained the same.



The cloudberry (*Rubus chamaemorus*) is one of Finland's most valuable wild berries. It can survive a winter of up to -40°C, and contains 3-4 times the vitamin-c of an orange. Kuhmoinen, Isojärvi National Park

### Breakdown of expenditure 2005-2007

	2005	2006	2007	Change 2006-2007
Raw materials and consumables	681 047,21	1 025 161,64	1 093 911,87	7 %
Staff expenses	20 394 918,24	21 077 646,95	23 076 725,05	9 %
Rents	4 030 639,63	4 849 713,88	5 180 903,75	7 %
Services purchased	8 661 300,97	8 436 480,60	9 447 223,93	12 %
Other expenses	534 146,24	568 871,61	650 486,47	14 %
Production for own use	- 76 916,49	- 424 902,03	-691 235,32	63 %
Depreciations	2 231 918,39	1 642 883,97	1 331 916,84	-19 %
<b>Expenses, total</b>	<b>36 457 054,19</b>	<b>37 175 856,62</b>	<b>40 089 932,59</b>	<b>8 %</b>

### Balance sheet

The balance sheet total was €9.4.m on 31 December 2007.

The balance sheet mainly consists of capitalised development and construction items for the NBPR's information systems and for related IT equipment.

On the assets side of the balance sheet, the majority of the sum total, €7.9m, consists of intangible assets. During the accounting period, there was a change in recording practice: information systems, both self-made and commissioned, are now recorded under long-term investments instead of research and development expenses. A total of €2.9m was capitalised in intangible assets, in which both external specialist services used for upgrading our Office's IT systems and our own staff's contribution to this work was

included. Other intangible fixed assets included unfinished development projects totalling €4.5m, €0.4m of other expenses with long-term effects (repairs etc) and €0.2m of intangible rights (IT programs).

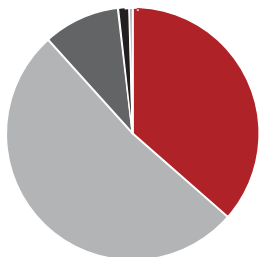
Tangible assets comprised machinery and equipment, €0.6m, and furniture and fixtures, €0.2m.

The residual value of the fixed assets and other long-term investments in the annual accounts totalled €8.7m. Investments made in fixed assets amounted to €3.6m.

Stocks and financial assets include current debtors and other liquid assets, totalling €0.7m.

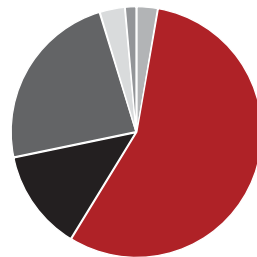


#### Income per unit



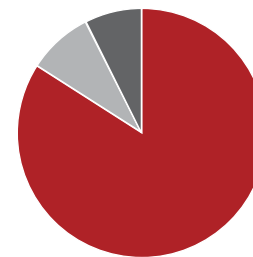
- Patents and Innovations Line €15.6 m
- Enterprises and Corporations Line €22.2 m
- Trademarks and Designs Line €4.2 m
- Register of Associations €0.6 m
- Administration €0.2 m

#### Breakdown of expenditure 2007



- Raw materials and consumables €1.1 m
- Staff expenses €22.4 m
- Rents €5.2 m
- Services purchased €9.4 m
- Depreciations €1.3 m
- Other expenses €0.6 m

#### NBPR's assets 2007



- Intangible assets €7.9 m
- Tangible assets €0.8 m
- Financial assets €0.7 m

### Sharp increase in work productivity. Cost per unit curbed. Honourable mention in Excellence Finland assessment



The Horned or Slavonian grebe (*Podiceps auritus*) inhabits lush lakes and rivers. It is an excellent diver, and can stay underwater for up to 3 minutes, travelling up to 200m at a time. Its food consists of fish, plants and water invertebrates.  
Santahamina, Likolampi

The NBPR gave 449,273 decisions, 10.6% more than the previous year. This growth is mainly due to an increased number of submitted annual accounts, and search requests concerning Community Trademark applications.

#### Work productivity

In 2007, productivity of work in the units increased by an average of 7.7%, well in excess of the target of 2.0% set in the state budget. Our overall productivity is clearly above the target: since 1988, our productivity has risen by 130%. Results management, performance measurement, improvement of processes, and the continuous development work on data-processing systems and increasing staff skills have all contributed to this rise.

#### Processing times

Processing time at the Trade Register decreased to four working days. In trademark matters, the processing time of national applications fell to 5.1 months. The average

processing time at the Register of Associations decreased to 2.4 months, while basic notifications are processed even quicker, in 1.7 months. In other units, the times remained more or less unchanged.

#### Economy

Cost per unit fell by 2.3%. We succeeded in reaching the economy target for 2007, since the budgeted limit for rise in cost per unit was 13.4%. In real terms, the cost per unit fell by 5.4%.

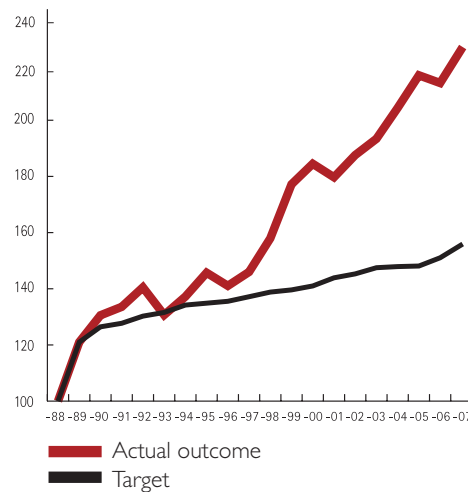
#### Quality and effectiveness of operations

In our effort to improve effectiveness, we have adopted an even more comprehensive assessment of NBPR's operations. For several years already, we have applied the criteria of the European Excellency Model EFQM (European Foundation for Quality Management), to our assessment. Our performance measurements have been conducted through self-assessment of management and staff.

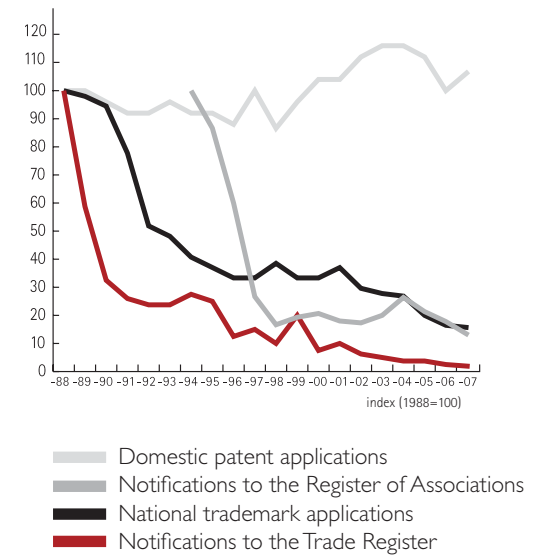
Our Office participated in the 2007 Excellence Finland Quality Assessment and achieved nearly 400 quality points with an honourable mention for its excellent client results. The jury found that our special strengths are, as well as client results, our central performance results and our management of partnerships and resources.

The assessment group set by Excellence Finland gave the following summary: "The development-oriented attitude of the management and the staff's high level of commitment, combined with the opportunity for more intensive exchange of information between the lines and units, form a perfect basis for future quality work".

Development of productivity of work and targets set (1988 = 100)



Development of processing times



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