1. PREFACE

The Annual Report of the Patent Office of the Republic of Bulgaria for the year 2017 contains information regarding the results achieved as a state institution aimed at protection of industrial property and as a key factor in the implementation of state policy in the field of innovations. What has further been concluded, is the statistical data for protection of Industrial Property Objects, the related information and other activities. Not least, it focuses on the activities undertaken to promote and raise awareness of the public and improve the qualifications of particular target groups involved in the field of industrial property.

2. LEGAL FRAMEWORK

In 2017, as a result of the involvement of the Patent Office in various formats related to the membership of the Republic of Bulgaria in the EU and international industrial property organizations, actions were taken to update and comply with the international requirements of the national laws and the additional regulatory acts, regulating industrial property objects. Legislative initiatives have been implemented in this respect and in order to amend the existing legal framework and to create a new one. Amongst the acts drafted during the reporting period are:

Law on Amendment and Supplement to the Marks and Geographical Indications Act.

The draft law on Marks and Geographical Indications (LMGI) was initiated in connection to the transposition of Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 on the approximation of the laws of the Member States relating to trademarks and the alignment of the national legislation in the field of trademark protection in line with that of the European Union and in particular Art. 3 - 6, 8 -14, 16 - 18, 22-39, 41 and 43 to 50 of the Directive.

Act on Ratification of the Protocol on implementation of the Unified Patent Court Agreement.
The Unified Patent Court (the Court) was founded by the Agreement on the Unified Patent Court of 19 February 2013. The Court has legal personality in each Contracting State and has the most extensive legal capacity accorded to legal persons under the national law of the said State.

The Republic of Bulgaria ratified the Agreement on 08.04.2016, as the Ratification Act was promulgated in State Gazette, issue No 32 as of 22.04.2016. The Unified Patent Court consists of a Court of First Instance comprising central, local and regional divisions, Court of Appeal and a Secretariat. Upon request of a Member State, a local division may be established, as the state shall designate its headquarters and provide facilities and staff for its administration.

The Protocol on the Provisional Implementation of the Agreement on the Unified Patent Court (AUPC) is part of the package of documents whose approval and ratification by the Member States that have ratified the AUPC is necessary for the proper functioning of the Court.

The Protocol on the Provisional Implementation of the Agreement on the Unified Patent Court aims at allowing a period of pre-implementation of the institutional, organizational and financial provisions of the Agreement and the Statute before the formal entry into force of the AUPC. The wording of the Protocol on the Provisional Implementation of the AUPC has been negotiated by the Preparatory Committee at its 11th Meeting and the signing ceremony held at the end of the Competitiveness Council in October 2015. The text of the Protocol was approved by Decision No. 33 of a meeting of the Council of Ministers as of 2.08.2017. It was signed on behalf of the Government of the Republic of Bulgaria on 11.09.2017, subject to subsequent ratification. The pre-implementation period shall enable the Contracting Member States to establish the separate governing bodies - Administrative Committee, Budget Committee, Advisory Committee and the Presidium - and to adopt all legal texts, as also make decisions, and appointments in accordance with the AUPC procedures and the Statute.
The establishment of the Unified Patent Court shall provide a unified practice in the field of patent protection. It will also help to drastically reduce litigation costs as the parties shall not have to pursue parallel legal proceedings before the different national jurisdictions.

In addition, the Agreement shall ensure the quality and efficiency of litigation by provision of special requirements on the qualifications required for the judges and specialized training in the field of patent protection. Since complicated technical issues are involved in patent litigation, it is envisaged that the judges with technical qualifications will participate in the various court divisions.

The establishment of a Unified Patent Court, along with the unitary patent protection will improve the investment climate in Bulgaria by providing the local and foreign enterprises with better conditions for protecting their technological achievements in Bulgaria and for carrying out innovative activities in the territory of the state. The unitary patent protection will promote scientific and technical progress and the functioning of the internal market by making the access to the patent system easier, cheaper and more secure from a legal point of view.

**Regulation on Industrial Property Representatives.**

The Regulation sets forth the profession of Industrial Property Representative as a "regulated profession" within the meaning of the Law On Regulated Professions and Recognition of Professional Qualifications.

The terms and conditions for acquiring professional qualification and right to practise the profession in Bulgaria are regulated. Provisions for the conduct of training and examinations for the acquisition of professional qualifications have been envisaged, so have been the terms and conditions for entry in the Register of Industrial Property Representatives and practising the profession in a partnership of representatives.

The Regulation makes the national regulation of the activities of Industrial Property Representatives in compliance with the European Union Law and in particular Art. 49 and Art. 56 of the Treaty on the Functioning of the European Union. The amendments to the Regulation are also in line with
the Law on Service Activities and the Professional Qualifications Act, which introduce Directive 2006/123 / EC of the European Parliament and the Council relating to the services in the internal market and Directive 2005/36 / EC of the European Parliament and of the Council on the recognition of professional qualifications. The regime for long-term provision of services by foreign representatives and their right to practise the profession in Bulgaria is regulated, as well as the regime for temporary or one-time execution of such actions in Bulgaria by the said persons.

The Regulation was adopted by Decree of the Council of Ministers № 161 of 04.08.2017 and promulgated in SG No. 64 of 8 August 2017

**Regulation on Dispute Resolution under the Marks and Geographical Indications Act.**

The regulation stipulates the procedure for resolution of applications and requests filed under the Law on Marks and Geographical Indications. A legal regulation has been set on the procedure of filing claims or requests, the conditions and requirements to which they should comply with, and the order in which they are examined and resolved.

The Regulation establishes conditions for publicity and transparency of dispute settlement procedures, efficiency and speed of the administration, the rules for correspondence with the parties to the proceedings, the facts and the circumstances to be proved in detail, in view of the various legal bases for submission of claims and requests, as there also are grounds for suspending and terminating proceedings in disputes. The draft of the Regulation stipulates the regime for proceedings for official deletion of the registration of national trade marks on the grounds of Art. 26, Para. 6 of the LMGI.

The Regulation complies with the Marks and Geographical Indications Act, providing for clear and detailed rules for ruling on requests and claims filed.

**Regulation on Dispute Resolution under the Industrial Designs Act**
The Regulation stipulates the procedure for resolution of claims and requests filed under the Industrial Designs Act. A legal regulation is in place on how to lodge complaints or requests, the conditions and requirements to which they should be responsible, as well as the order for their consideration and pronouncement.

The Regulation establishes conditions for publicity and transparency of dispute settlement procedures, efficiency and speed of the administration, the rules for correspondence with the parties to the proceedings, the facts and the circumstances to be proved in detail, in view of the various legal bases for submission of claims and requests, as there also are grounds for suspending and terminating proceedings in disputes. The draft of the Regulation stipulates the regime for proceedings for official deletion of the registration of industrial designs.

The Regulation complies with the Industrial designs Act, providing for clear and detailed rules for ruling on requests and claims filed.

In 2017 our efforts was directed towards increasing the quality and reducing the administrative burden of services provided to the public and business.

In this regard, on 12.06.2017 the President of the Patent Office approved a Price List of the Services provided to the public by the Patent Office. As a result of the amendments made, 19 services are now available to the applicants absolutely free of charge. These are 30% of the total number of administrative services that are offered to the business and citizens according to the above Price List. As for the other 44 services, the approach to substantial price decrease has been adopted, and they have been considerably reduced. The approach is to reduce the cost of the search for inventions by 50% provided that the applicants are micro and small enterprises under the Small and Medium-Sized Enterprises Act, State or Municipal Schools, State Higher Education Institutions, Budget Support Academic Research Organizations, or Inventors registered in the State Patent Register or the Utility Models. Other than that, a new criterion was introduced,
according to which all prices for administrative services collected under the Price List were reduced by another 10% for online applications.

The deadlines the execution of the services provided by the Patent Office to the business and the citizens were also reduced to 28.


Draft on the Tariffs of Fees collected by the Patent Office of the Republic of Bulgaria (the Tariff) was prepared in connection with the implementation of Decision under Item 30 of Protocol No. 28 of the Council of Ministers meeting on June 28, 2017 for the adoption of measures for reducing the administrative burden.

The amendment aims at optimizing the existing and cancelling of some of the services provided so far, the ways of providing the services, etc. The designation of the Tariff services subject to fees is fully in line with the legislation of the other EU Member States, as well as those of the European Union Intellectual Property Office.

The proposed project sets forth cancellation of a total of 10 fees, including 2 cancelled services, 2 free services and 6 cancelled fees for additional services. There are 3 transformed services. Two new services are also available.

A total of 63 percent of all fees have been reduced, with an average arithmetic reduction rate of 11 percent.

3. PROTECTION OF INDUSTRIAL PROPERTY

3.1. Patents and Utility Models

During 2017 the Patent Office had a total of 508 patent applications for inventions and registration of utility models as 225 of them are for patent for
inventions and 283 for registration of utility models.

During 2016 the Patent Office had a total of 703 patent applications for inventions and registration of utility models as 241 of them are for inventions and 462 for utility models.

It is noteworthy that the number of applications submitted for these two types of industrial property objects has decreased significantly compared to the previous year 2016 when a total of 703 applications for patent for inventions and registration of utility models were filed. However, the total number of applications received is even lower by 2015 when the total number was 563, but it is higher than that of 2014, namely 467.

The trend of the previous year is retained, where there is a prevalence of interest in filing utility model registrations, compared to patent applications for inventions (241 patent applications and 462 utility model registration applications). In 2017 283 applications for utility model registration and 225 patent applications for invention were filed.

The application activity for patents and utility models registrations for 2012-2017 has been represented in the graph below:
As seen from the data, it can be concluded that, with regard to the filing of patent applications in 2017, the lowest activity for the period is observed. Regarding the applicant activity for applications for registration of utility models, the application in 2017 is the third in the quantitative dimension for the period. Regarding the applications filed from abroad the situation is the same since the share of such applications remains low for both types.

In 2017, 549 decisions on applications for inventions, utility models and supplementary protection certificates (SPC) were issued (in 2016-843). The success rate of the application for patent for inventions is relatively low as protection document has been issued to 32% of the cases. As for the utility models the share of decisions for registration is significantly higher or 79%, which is mostly due to the registration regime of these IP objects (there is no search and assessment of patentability).

The number of applications for patents, utility models and SPC, which are subject to pending decision, is approximately 1000. At the end of 2016, the number of applications for patents, utility models and SPCs in the examination of formality requirements, preliminary and substantive examination was commensurable.

As of December 31, 2016 the national effective patents for inventions were 819, whereas in 2015 they were 1027, and the number of the effective utility models was 919 (923 for 2015) or 1738 in total (1950 for 2015).
The graph shows that over the last five years the total number of the effective IP object of these two types has generally decreased up until 2016. In 2012 the total number of protected objects was 2078 and in 2013 it was 2007, in 2014-2001 and in 2015-1871, while in 2016 this tendency was stopped and the number of the IP objects during the year increased to 1950. This is due to the raised interest towards the registration of utility models. On the other hand the tendency in decrease of the effective national patents continues which can be solved by adoption of a unified strategy for protection of intellectual property in the country.

### 3.1.1. Patents

In 2017 the Patent Office received total of 225 patent applications for inventions (241 in 2016). Generally, 232 of them were filed by Bulgarian applicants and 9 by foreign applicants.

**APPLICATION FOR INVENTIONS IN 2017**

Compared to the year 2016 there were 16 fewer patent applications for inventions filed for the year 2016. This decrease in the application activity is of approximately 7%.

The structure of the applications, filed by Bulgarian applicants, shows that typically the number of applications filed by physical entities (PE)
considerably exceeds the number filed by institutions - the Bulgarian Academy of Science (BAS), Higher Education Institutions (HEI) and legal entities (LE). Consequently, the economic activity of corporate enterprises resulting in application activity remains at a relatively low level.

**Applications for inventions by Bulgarian applicants for 2006-2017**

As observed a tendency, the share of foreign patent applicants for inventions in Bulgaria has been insignificant over the last years, particularly when taking into consideration the overall law application activity in the country. However, it should be noted that there is an increase regarding the effective European patents in Bulgaria. As of 31.12.2017 they are 11590. (In 2016 they were 10 485). The aforementioned indicates that there is an increase in interest towards obtaining protection for inventions and respectively towards the economy of Bulgaria by foreign holders of patent rights.

Again in 2017 the largest share is attributed to applications for inventions in the field of machine building industry - approximately 45% of all applications filed. Next are applications in the field of electrical engineering and electronics with 33% and chemistry and biotechnology with 22%.
The ratio proves that the widely held view that information and communication technologies have a leading role in the Bulgarian economy, has its grounds and a leading role in the innovation potential of the country as far as it might be associated with the patent activity. The applications in this area represent 45% of all applications filed in the Patent Office for patent for invention in 2017.

In 2017 there were 2 application for temporary protection of application for European Patents filed in the BPO. However, there were over 2300 (1900 in 2016) requests for provision of legal protection of European Patents. Legal protection was provided to 2290 European Patents.
In 2017 the Office received a total of 49 applications for Supplementary Protection Certificate (SPC) as 48 of them are medical products and 1 for plant variety protection. In comparison to year 2016 there were 55 applications for SPC filed in the Office as 49 of them are for medical products and 6 for plant variety protection.

In 2017 there were 74 were decisions issued as 67 were for issuing SPC, and 7 for refusal. In 2016 there were 25 decisions for SPC issued.

### 3.1.2. Utility models

The number of applications for utility models filed in 2017 is a total of 283, as 263 of them were filed by Bulgarian applicants and 20 by foreign applicants. The number of applications for utility models for the year 2016 is a total of 462 and it clearly shows a decrease of 39 % as for the applications for utility models. The share of the foreign applicants is small similarly to the ones filing for patents.

Of all applications for utility models the main part are for registration, but there also are applications parallel to patent applications for inventions and 15 for conversions of applications for utility model.
What should be taken into account is that to a larger extent the higher applicant activity in 2016, compared to year 2017, arises out of the possibility for enterprises to apply for grants and funding of projects related to acquisition of rights to intellectual property on innovations that are subject to the applications.

### 3.2. Industrial Designs

In 2017 a total of 145 applications for registration of industrial designs were filed as they include 633 under the national route. In comparison to year 2016 there were 166 applications for industrial design including 689 under national route. Besides this there were 38 applications under The Hague Agreement. Conversely in 2015 there were 49 application under the Hague Agreement in the year 2015.

The applicant activity related to applications for industrial designs continues the downward trend dating back 2014. The decrease in the number of applications for industrial designs relative to year 2016 is more than 12%
During the reporting period, 217 decisions were made on industrial design applications, 195 were approved for registration and 22 were withdrawn or terminated. Compared to year 2016 there were 149 decisions made for registration of applications for industrial designs as 179 and 17 were withdrawn or cancelled. The number of pending applications was a total of 68 applications for industrial design.
As of 31.12.2017 the pending applications for industrial designs are 15% lower than those of 31.12.2016 (80 in 2016).

The registrations of industrial designs as of 31.12.2016 are 2156, including 7496 single designs (less than 2200 as of 31.12.2016).

**3.3. Trademarks and Geographical Indications**

**3.3.1. Trademarks**

In 2017 the BPO received 4530 applications for national registration (NR) of trademarks (4673 in the year 2016) as 4147 of them are by Bulgarian and 383 by foreign applicants.

There were 1577 international registrations (IR) filed to request operation in the territory of the Republic of Bulgaria (1245 in the year 2016) in compliance with the Madrid Agreement (MA) and Protocol.
During the year there were 173 applications for international registration under the Madrid Agreement and Protocol filed by Bulgarian applicants (opp. 224 in 2016) and 28 applications for territorial expansion.

In 2017 a total of 449 oppositions were filed (495 in 2016) as 434 of them (464 in 2016) were against applications for registration of trademarks under the national route and 15 (31 in 2016) against admission of the effect of international registrations of trademarks under the Madrid system for international registration of trademarks, in which the Republic of Bulgaria is designated state. The total number of decisions on oppositions is 334(347 for 2016) as 144 of them are related to full or partial refusal of a trademark, 48 are related to rejection of the opposition, 124 are about termination of the procedure and 18 about non-initiation of proceedings.

The objections claimed under Art. 38a of the Law on Marks and Geographical Indications (LMGI) are 38 (for the year 2016-30) - only against national applications. The total number of decisions on objections under Art. 38a of the MGIA are 39 (for the year 2016 - 28), of which 15 are well founded and 24 unfounded.

During the year there were 4744 examinations made. There were 5764 final decisions issued on applications for national registration of trademarks (4476 in 2016) as 4294 of which were for registration (3415 in 2016), 140 for
cancellation (99 in 2016), 170 for refusal (101 in 2016) and 1160 were withdrawn (861 in 2016). The application withdrawal was, as in 2016, due to unpaid fees for application, examination, publication and registration. The refusals represent 2.9% of the decisions.

In 2017 there were 1327 final decisions issued on international registrations and territorial expansions (1078 in 2016). There were 30 refusals for admission to registration (20 in 2016) and the international registrations allowed to operate in the territory of the Republic of Bulgaria were 1297 (1058 in 2016).

Overall, during the year the final decisions under the national route, international registration, and territorial expansions are 7091 (5554 in 2016). Along with the oppositions the total number of decisions issued in 2017 is 7425 (5901 in 2016).

The data shows that the downward trend observed during 2011-2013 indicating a decrease in the number of applications for trademarks pursuant to the National Route has been overcome. Such conclusion can be drawn despite the slight decrease in 2015 because the number of the applications in 2016 has been stabilized at levels slightly higher than those of 2014.

There were 1245 international registrations (IR) filed to request operation in the territory of the Republic of Bulgaria (1638 in the year 2015) in compliance with the Madrid Agreement (MA) and Protocol.

### 3.3.2. Geographical Indications and Appellations of Origin

In 2017, 25 patents were filed in the Patent Office (2016-17) national applications for registration of geographical indication user. Decisions for entry of user were issued to 2 of them (6 in 2016).

During the period there were 3 (44 in 2016) requests for international registration of origin in compliance with the Lisbon Agreement for the Protection of the Appellations of Origin and their international registration. All of the requests were allowed for use in the territory of the Republic of Bulgaria.

### 3.4. New Plant varieties and Animal Breeds

As of the year 2017 there was a total of 47 applications for new animal
breeds (37 in 2016). Annual fees for maintenance of new varieties of plants and animal breeds have been utilized in total of 300 protected ones. In 2015 the lowest applicant activity was observed as for the period from 2006 onwards. The data shows clearly that there is a serious increase in applicant activity compared to 2015 as the said increase relative to 2016 is of 35%. The diagram below shows that the applicant activity for the reporting period reaches the levels of 2008.

In 2017, 24 certificates for new plant varieties were issued. 32 23 were sent to the Executive Agency for Variety Testing, Field Inspection and Seed Control (EAVTFISC) (23 sent in 2016); 26 are to be published and sent to EAVTFISC. There are 75 applications for substantive examination in EAVTFISC. The certificates for new plant varieties and animal breeds in effect are about 400 as of 31.12.2017 they are at the range of 400.

![Applications for New Plant Varieties and Animal Breeds during 2007 - 2017](image)

The substantive examination of the new plant varieties is carried out by the Executive Agency for Variety Testing, Field Inspection and Seed Control (EAVTFISC) and the examination of new animal breeds is carried out by the Executive Agency for Selection and Reproduction in Animal Breeding (EASRAB). All actions of protection upon the substantive examination are performed by the Patent Office of the Republic of Bulgaria based on the decisions and reports of the latter executive agencies.
3.5. Public Services

The Patent Office provides its clients with a number of services, which include a wide range of activities, such as registration of changes in the legal status of the objects of industrial property, maintenance of various information sources, research on the different objects of IP (free of charge, performed with methodological assistance of experts on information and documentation and paid services- upon request by the client).

3.5.1. Changes in the Legal Status of Industrial Property Objects Claimed or Protected

The distribution of entries in 2017 related to the change of legal status of the various objects of industrial property is shown in the tables below.

<table>
<thead>
<tr>
<th>Trademarks</th>
<th>Requests</th>
<th>Performed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewal of registration</td>
<td></td>
<td>2610</td>
</tr>
<tr>
<td>Change of name/address of the holder</td>
<td></td>
<td>952</td>
</tr>
<tr>
<td>Transfer of right</td>
<td></td>
<td>1228</td>
</tr>
<tr>
<td>Licensing agreements</td>
<td></td>
<td>136</td>
</tr>
<tr>
<td>Special pledges established</td>
<td></td>
<td>319</td>
</tr>
<tr>
<td>Distrains</td>
<td></td>
<td>73</td>
</tr>
<tr>
<td>Changes in the tax registration (restriction of goods, refusal of rights, etc.)</td>
<td></td>
<td>276</td>
</tr>
<tr>
<td>Change of Industrial Property Representatives</td>
<td></td>
<td>889</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>6483</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Inventions, Utility Models and European Patents</th>
<th>Requests</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change of name/address of the holder of patent/utility model</td>
<td></td>
<td>31</td>
</tr>
<tr>
<td>Change of name/address of the European Patent holder</td>
<td></td>
<td>131</td>
</tr>
<tr>
<td>Transfer of right</td>
<td></td>
<td>282</td>
</tr>
<tr>
<td>Request</td>
<td>Performed</td>
<td></td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>-----------</td>
<td></td>
</tr>
<tr>
<td>Renewal of registration</td>
<td>103</td>
<td></td>
</tr>
<tr>
<td>Change of name/address of the holder</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>Transfer of right</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Licensing agreements</td>
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<td></td>
</tr>
<tr>
<td>Pledges, collaterals</td>
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<td></td>
</tr>
<tr>
<td>Refusal of rights</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>138</strong></td>
<td></td>
</tr>
</tbody>
</table>

### 3.5.2. Patent Documentation and Service

In 2017 pursuing the function of the Patent Office to provide public access to information in the field of industrial property protection the topicality of the patent documentation was maintained including the collection of patent documents, official newsletters of patent offices and international organizations in the field of industrial property, theoretical publications and periodicals. The records of applications for industrial property objects are periodically revised if necessary.

Over the year the reading room at Central Patent Library (CPL) has served more than 280 external users. Documents and files of the employees of the Patent Office are provided on a daily basis for the fulfilment of their official duties (more than 580 orders have been fulfilled). More than 2,100 pages of copies of paper, electronic media and Internet databases have been provided, upon request by external users, and for ensuring the work of the Office. There were ongoing consultations and provision of information in
relation to the use of patent information and documentation and general
questions concerning the protection of industrial property (IP) that were within
the competence and expertise of the employees of the Office (including via
e-mail and telephone).

In 2017, the tendency in the demand for information services remains
stable relative to previous reporting periods.

3.5.3. Searches

In 2017, information services on patents for inventions, utility models,
supplementary protection certificates, industrial designs and plant varieties
and animal breeds, including name searches of natural and legal persons for
the Commission for Illegal Assets Forfeiture were provided, and include the
following:

• name searches on natural persons and legal entities for the
Commission for Illegal Assets Forfeiture, National Revenue Agency, Ministry
of Interior and others as 711 were for patents, utility models, designs, and
plant varieties and 994 were for trademarks and geographical indications.

• in the field of inventions and utility models (novelty, and novelty
and inventive step, patent clearance and theme 128 (2016 - 345);

• in the field of industrial designs – 48 searches; (2016 r. – 30);

• legal status, analogous patents, name and numerical searches –421.
(2016-582), including under the Special Searches Program - 69;

• services in the field of trademarks and geographical indications as
follows: 1095 – searches for presence of identity and similarity with earlier
trademarks, 759 subscription searches for monitoring of registered
trademarks, 225 examinations of the legal status of trademarks/geographical
indications, etc.

3.5.4. Other

• Issued duplicates of patent protection / utility model - 4;

• Issued priority certificates - a total of 43, including:

For patents - 13

For utility models - 29

For Industrial Design - 1
- Fees for maintenance of patent - 1189 for national patents and 11 590 for European patents with effect on the territory of the Republic of Bulgaria;
- Paid fees for maintaining the registered utility models - 170;
- Correction of technical errors made by the applicant / holder - 50;
- Terminated patents - 195 national patents and 1152 European patents with effect on the territory of the Republic of Bulgaria;
- Restored Patents - 8 national patents and 13 European patents;
- Terminated effect of utility models-139;
- Excerpts from the State Register - for inventions and utility models.

**3.5.6. Industrial Property Representatives (IPR)**

In the year 2017 the following training course for IPR candidates was organized and successfully conducted as the syllabus covered 2 modules: “Inventions and Utility Models” and “Trademarks Geographical Indications and Industrial Design" with a course length of 5 weeks. Overall of 71 IPR candidates were enrolled in the course.

The examination session for IPR was held, as there were 14 candidates sitting the “Inventions and Utility Models” module and 23 for the “Trademarks Geographical Indications and Industrial Design" module. Over the reporting period the topicality of registers and database of the Patent Office in regards to IPR was duly maintained- new representatives were entered, deletion and changes in the address/name were performed and the latter were published on the webpage respectively the bulletin of the Patent Office. Block certificates for IPR registration have also been sent to the EUIPO.

**3.6. Dispute and Procedural Representation**

The Department of Legal Affairs and Disputes is focused primarily upon decisions on appeals and requests related to industrial property objects as well as decisions on deletion/invalidation of trademark registration, geographical indications, industrial designs and utility models, invalidation of a granted patent and protection certificates.
In 2017 a total of 1 request was filed for deletion of utility model registration were filed as all of them were for invalidation of registration and there were 8 appeals against decisions of the Examination Department. Over the reporting period there were 7 decisions on appeals against decisions of the Examination Department, 1 decision on request for invalidation of a granted patent for invention, 2 decisions on requests for deletion of registration of a utility model.

During the year there were 10 requests for invalidation of registered designs filed. There were no appeals against decisions of the Examination Department. There were 11 decisions all of which were on requests for invalidation of design.

The total number of decisions of the Legal Affairs and Disputes Department in the fields of inventions, utility models and industrial designs is 21 for the year 2017.

In 2017 there were 103 appeals against decisions on trademark registration, 55 requests for revocation and 71 requests for invalidation of registration. 74 of the appeals filed were against decisions on oppositions, 4 against decisions on cancelation of proceedings and 25 against decision by substantial examination.
A total of 196 decisions were issued as 64 of them were on requests for invalidation and 4 were initiated under invalidation procedure ex officio, 49 were on requests for revocation, 48 on appeals against oppositions, 22 on appeals against decisions of examination per se, 5 on cancellation of proceedings, 9 non-initiation of proceedings, and 8 on enforcement of judgements (1 decision on request for invalidation, 3 for revocation, 3 decisions on appeals against opposition and 1 against examination per se).
25 of the decisions on appeals against opposition are to be upheld, 8 are for revocation and 5 - for partial confirmation / cancellation, 3 - for cessation of proceedings, 5 - for non-initiation of proceedings, 1 - for suspension and 4 for resumption of proceedings. Regarding the decisions issued on appeals against examination per se 7 of the latter were confirmed, 9 were repealed, and 5 were partially confirmed/repealed. There also was 1 decision not to open proceedings and 1 decision to supplement the order.

In connection with appeals against decisions to terminate proceedings, the judgements handed down are 3; by 1 judgement, the action was found to be unfounded and 1 judgement was given to terminate the proceedings. Concerning the decisions on requests for invalidation, 11 of them were considered well-founded, 19-unfounded and 6-partly unfounded. The decisions on requests for revocation issued were respectively 16 well-founded, 23 unfounded and 2- partially unfounded. As for the decisions on requests for non-initiation of proceedings 5 were issued on requests for invalidation, 5 on requests for revocation, 5 on appeals against oppositions, and 1 against substantial examination Considering the decisions for cessation of proceedings 4 were on requests for invalidation, 4 on requests for revocation and 3 on appeals against opposition and 1 on appeal against decision of the examination for termination.
The activity of procedural representation is related to appeals against decisions of the Patent Office, including penalty of violation. During the year, a total of 93 appeals were received (104 for 2016) against acts of the Patent Office. Procedural representation on behalf of the Office before courts in Sofia and the country was performed under 274 cases (292 cases for 2016). There were 119 effective court decisions as 85 upheld the decisions issued by the Patent Office for the year 2017. Thus the share of the so upheld decisions is 71 %. The subject matter of the cases in which decisions have entered into force is mainly related to appealing the decisions of the Department of Legal Affairs and Disputes (88) and appealing against the penalty of violation issued (31). The court upheld 63 decisions of the Department of Legal Affairs and Disputes that have entered into force as respectively 25 cases were revoked. The enacted judgements under administrative and criminal cases with which the court has ruled in favour of the Patent Office are 22 and under 9 of the cases the penalty of violation issued have been cancelled.

3.7. Administrative and Punitive Activity

The jurisdiction of the Patent Office also includes administrative and punitive activity comprising inspections on infringement of the rights of trademarks, industrial designs and geographical indications as well as enforcement of administrative penalty. During the reporting year there were
195 inspections performed (259 in 2016) as 125 acts of administrative
offences were issued (231 in 2016) and there were 70 statements on lack of
offence issued (28 in 2016). 131 punitive decrees were issued (2016 - 236).

There were 343 expert examinations and inquires submitted to pre-
litigation authorities.

The Patent Office also pronounces on terminated prosecution files under
Art. 172b of the Penal Code, sent to the latter by virtue of competence. For
the year 2017, 107 prosecution files were submitted to the Office (58 in 2016).

Regarding the penalty of violation in force there were fines paid and
pecuniary sanctions imposed on the offenders at total amount of BGN
61,601.00.

4. INFORMATION ACTIVITY

The information activity of the Office covers publication, issuing a
newsletter on industrial property objects, maintenance of the BPO webpage
to disseminate information about events and other news, seminars, training
courses and other events related to raising public awareness towards the
activities of the Office.

4.1. Official Gazette of the Bulgarian Patent Office

The Official Gazette which has been published since 2009 on the BPO
web page in its full volume and contains information about all objects under
protection administrated by the Patent Office as well as the entries in the
official registers, directories, and Intellectual and Industrial Property
Representatives. Since October, the Official Bulletin has been issued twice a month, on the 15th and on the last working day of the month.

In 2017 all of the 15 issues of the Official Gazette were published at total volume of 13022 pages.

4.2. Internet Webpage

In 2017 the topicality of the BPO website content was updated on an ongoing basis as it covers more than 150 rubrics.

Various information materials were published: official announcements, news related to the activities of the Office, statistical data, information about public procurements, information about various project stages, in which the Office participates, updates on draft regulatory acts, up-to-date information on entries and changes in the list of Industrial Property Representatives as well as information related to protection of industrial property, records of undelivered correspondence and other relevant information.

The ‘News’ rubric provides extremely rich and varied information on a wide range of issues, topics, events, industrial and intellectual property initiatives, and the work of international IP organizations that is beneficial not only to professionals but also of interest for citizens who have the opportunity to raise and deepen their awareness of these issues.

The ‘News’ section offers detailed information and pictorial material to illustrate the work of the Patent Office. A realistic picture of the activities of the Office has been created- events, meetings, initiatives, ongoing projects, etc. In the year 2017, over 60 articles were published in the public relations work, some of which were also sent to the media. Contacts with journalists from the leading media have been established and information and interviews have been published and broadcast about the activities of the Patent Office and on topical issues in the field.

4.3. Other Publications

Pursuant to the Cooperation Agreement between the Patent Office of the Republic of Bulgaria and the European Union Intellectual Property Office (EUIPO) for the year 2017, two information bulletins 'Information about
Trade Marks and Designs were published, reflecting the novelties in the practice of trademarks and designs in Bulgaria and Europe, and the new cooperation projects in the field. They provide information on the events and practices related to trademarks and designs, EUIPO and cooperation between EUIPO and the EU Member States intellectual property offices.

In accordance with the said contract, a brochure "Getting to know the intellectual property" with a target group of teachers and students from the secondary schools in Bulgaria was published, as well as a flyer "Changes in the regulation of the EU trademark" introducing the new trends in the protection of the EU trademark, respectively the cooperation among the EU Member States.

4.4. Annual Reports of the Patent Office

The annual report of the Office for 2016 was published as it combines the essential aspects of the overall activities of the institution during the reporting period in regards to the various industrial property objects.

The annual technical reports for the year 2015 were completed and sent to EPO and WIPO along with the annual statistics on all Industrial Property objects administered by the Bulgarian Patent Office.

4.5. Seminars

Raising public awareness in the field of Industrial Property has been one of the priorities for the Patent Office and a lot of efforts have been made in this direction in order to achieve the goals set via constant, purposeful, and consistent actions. The regular organization of seminars have been substantial part of the activities of the Office and it has direct impact on the users of services offered by the institution. The information on the ongoing and already held seminars has been constantly updated on the Office webpage.

The World Intellectual Property Day - April 26 was celebrated with a workshop-discussion under the motto announced by the World Intellectual Property Organization (WIPO) - "Innovations for a Better Life". The officials attending the event were the Deputy Minister of Economy Lyubomir Ganchev, the Deputy Minister of Transport, Information
Technologies and Communications Georgi Todorov, the Deputy Minister of Justice Valeri Tarandov, as well as representatives of the Commission for Protection of Competition, Sofia City Court, DGCOC, Customs Agency, Council for the Electronic Media, members of the Academic Council to the President of the Patent Office, rectors and representatives the Academia.

On 12 May 2017, the Patent Office and the European Patent Office (EPO) held a joint discussion platform on "Practices and procedures for patenting inventions relating to systems and methods involving computer programs". The meeting was attended by specialists in the field of computer programs, patent experts, industrial property representatives, experts from the European Patent Office and experts from the Patent Office of the Republic of Bulgaria.

The European Union Intellectual Property Office (EUIPO), with the assistance of the Bulgarian Patent Office, held in Sofia on 1 and 2 June 2017 practical seminars on the so-called European cooperation projects with EUIPO member states. The seminars were related to the “Cooperation Network” and "Project Management Certification" projects - PRINCE2 / the most widely used global certification system for public sector project management.

The “Cooperation network” seminar was attended by experts from Bulgaria, Slovakia, Finland and EUIPO lecturers. It was aimed to provide training for experts who would perform a linguistic verification of the word segments of trademarks submitted to EUIPO. Each of the participating offices shall verify whether the word elements of the trademarks submitted to EUIPO convey meaning in the national language of the office and shall further submit this information to EUIPO. The seminar provided tools, rules and guidelines for the language verification.

In 2017, 4 seminars were held in implementation of the EUIPO Technical Cooperation Agreement.

A three-day seminar on "Intellectual Property in Bulgarian Schools" was held in Sofia in September. During the three-day training of Bulgarian secondary school teachers, introductory knowledge in the field of industrial property was provided as well as an opportunity for interactive
training on how to use the online tools developed by the European Trademark and Design Network. The participants were introduced to the issues of prevention and legal options in case of violation of the rights on European and national trademarks.

The Patent Office organized meetings with representatives of the small and medium enterprises in October in Blagoevgrad, Plovdiv and Kazanlak, during which experts introduced the participants to the benefits, opportunities and procedures for registration of trademarks and designs at national level and for the territory of the European Union. The new trends in the activities and common practices of WIPO were EUIPO were also presented. The e-services provided by the Office and EUIPO were presented and demonstrated.

On October 17 and 18, 2017, a National Seminar on "Creating an Intellectual Property Culture for Small and Medium-Sized Enterprises" was held in the main hall of the UNWE as it was organized by the World Intellectual Property Organization (WIPO), in cooperation with the Bulgarian Patent Office and University of National and World Economy (UNWE). The seminar addressed issues such as increasing business competitiveness through effective use of the intellectual property system as a means of increasing investments; new challenges for small and medium-sized enterprises; product marketing, use of intangible assets through licensing, franchising and merchandising. Distinguished Bulgarian lecturers, representatives of small and medium business and foreign specialists on the topics mentioned participated in the seminar.

On October 27, 2017, the President of the Patent Office Dr. Petko Nikolov congratulated and addressed the participants in a discussion organized by the European Community Trade Mark Association (ECTA). The participants in the round table discussed topics in the context of the Bulgarian Presidency of the Council of the EU and future priorities in the field of IP. The topic of parallel imports into the territory of the European Union was covered. The Office delivered a presentation that examined the current issues of the patent system in Bulgaria.
On October 27, 2017, Dr. Petko Nikolov also welcomed the participants at a round table on "New Models of Intellectual Property Management". The event was jointly organized by the Department of Private Law at the Faculty of Law and the Department of Creative Industries and IP at the University of National and World Economy and the International Legal Centre (ILAC). During the round table, the challenges faced by the public and private sectors were discussed with intellectual property experts and researchers.

The Vice-president of the Patent Office, Dr. Ophelia Kirkoriyan-Tzonkova, participated in the opening of the tenth National Exhibition "Inventions - Transfer - Innovations" - "ITI - 2017", which took place in Sofia from 1 to 3 November 2017 and was hosted by the House of Science and Technique. The event was organized by the Union of Inventors in Bulgaria and was held under the patronage of the Ministry of Education and Science. The forum provided opportunities for meetings between inventors, scientists and students aiming to shorten the path of innovation and inventions from the creative inventor to the entrepreneur and the manufacturer. The Patent Office has traditionally participated in the awarding committee for the best exhibitors.

A conference on patent information EPOPIC 2017, organized by the European Patent Office (EPO), in cooperation with the Bulgarian Patent Office was held from 6 to 9 November 2017 in Sofia Hotel Balkan. With approximately 350 participants - representatives of 45 countries around the world - the conference is the world's largest patent information forum, organized in Europe. Representatives of patent offices, companies and other participants working in the field of industrial property attended the lectures, as 37 delegations presented their activities in specially designed pavilions. What was basically presented included various software solutions and database work, information portals to search for patent information from around the world, ways to submit patent applications online, etc. The participants were congratulated by Mr. Raimund Lutz, Vice-President of the European Patent Office, the Deputy Minister of Economy of Bulgaria Lachezar Borisov and Dr. Petko Nikolov, President of the Patent Office. The conference
was remarkable scheme of large dimensions and the choice of Bulgaria was landmark.

Within the framework of EPOPIC, on 8 November 2017, a Bulgarian Seminar on **Electronic Instruments on Industrial Property Objects** took place. The Forum presented information on the innovations in the provision of electronic services for industrial property objects by the Patent Office and the EPO, which are important for Bulgarian and European consumers.

On November 29, 2017, the Patent Office held an **Information Day for Information and Knowledge Management students at the University of Library Studies and Information Technologies (UNIBIT)**. The experts from the "Examination and Protection of Inventions and Industrial Designs" acquainted the students with the procedure for issuing patents, maintaining the register of patents and utility models, and maintaining the effect of patents and utility models - terms and fees. The students were also given a demonstration of how to work with the databases available to the Patent Office in connection with various patent searches.


On December 4, 2017, the Office participated in a round table organized by the BCCI on "**Meeting of Financial Investors with Young Entrepreneurs from Innovative Startups and SMEs**". The round table was attended by representatives of the BCCI Innovation Council, the BCCI branch organizations, the Club of Mixed and Foreign Chambers at the BCCI, representatives of the large, small and medium business outside the BCCI member organizations, as well as representatives of the banking community, scientists and researchers from different spheres of applied science, representatives of the Academia and the media.

**4.6. Other events**
On November 10, 2016, the traditional "Inventor of the Year" Awards Ceremony took place in three categories - "Electrical Engineering and Electronics", "Machine Building and Construction" and "Chemistry and Biotechnology" as well as "Innovative Company of the Year". There were three nominees for each category namely inventors and inventive teams with patents for inventions issued in the previous year. In the Electrical Engineering and Electronics category there were 14 patents for inventions nominated and 13 competing in "Machine Building and Construction", and 7 in the category "Chemistry and Biotechnology".

Two scientists were entered for their overall contribution to technical and natural sciences and inventive activities in the Golden Book of Bulgarian Discoverers and Inventors.

There was a 12-member jury of representatives of the Bulgarian Patent Office, the Union of Inventors in Bulgaria, the Bulgarian Academy of Sciences, UNWE, NBU, Sofia University and the Technical Universities, which awarded the winners in the categories.

5. INTERNATIONAL COOPERATION

The activities of the Office in terms of international cooperation are directly related to Bulgaria's membership in international organizations in the field of intellectual property protection. In 2017, the line of cooperation with the three leading organizations in the field - the World Intellectual Property Organization (WIPO), the European Union Intellectual Property Office (EUIPO) and the European Patent Office (EPO)-was actively maintained. The bilateral cooperation with institutions in the field of intellectual property of other countries has also been carried out.

In 2017, the Patent Office signed two cooperation agreements - with the intellectual property offices of Hungary and Turkey.

The agreement with Hungary provides for joint trainings, expert meetings, exchange of knowledge and experience in the registration of
patents, trademarks, designs, as well as the development and modernization of the information systems of the two offices, etc.

The Memorandum signed with the Turkish Patent and Trademark Office sets out: cooperation in training of experts, exchange of experience, exchange of publications in the official monthly editions, annual reports and on topical legal issues, mutual assistance in working with databases and software programs, updating of legislation, etc.

On November 6, 2017, a meeting with a delegation from the Intellectual Property Office of the PRC was held in the premises of the Patent Office and was organized within the framework of the initiatives provided for in the Memorandum of Cooperation signed by the parties. The topics of discussion mainly concerned the activities of the two institutions in the field of patents, utility models, industrial designs and the requirements, procedures and deadlines that apply throughout the process - from application to registration of inventions and utility models. Furthermore there was information exchange on the work of the two offices with international organizations, and the matter of the use of patent database and patent publications Espacenet and others was discussed.

5.1. European Union

In fulfilment of the obligations of Bulgaria arising out of its membership in the European Union (EU), representatives of the Patent Office participated in the meetings of the different formats of the Intellectual Property Working Parties and Committees at the Council of the EU in 2017 for drafting and discussion on EU acts. The BPO representative at the Permanent Representation to the EU and national experts worked on the preparation and discussion of documents related to different areas of industrial property. The Council conclusions on patents and the rights of breeders have been adopted in order to increase the legal certainty and facilitate the application of Directive 98/44 / EC on the legal protection of biotechnological inventions. The following activities were also performed: coordination of EU positions for the WIPO meetings; ( e.g. the Intergovernmental Committee; the Committee for the International Registration of Marks under the Madrid Agreement; the Standing
Committee on the Law of Patents; Working Group on Preparation of the Regulations to the Lisbon Agreement and the Geneva Act revising the Agreement; Committee on Development and Intellectual Property; the Standing Committee on Trade Marks and Designs and Geographical Indications; the Intellectual Property Rights Consultative Committee and others).

The Office also took part in EC expert groups for providing expert support and guidance on the implementation of IP legislation. Some of the groups were on Industrial Property, as well as on Application of the Community Trade Mark Regulation and the Trademark Subgroup to the Expert Group on Industrial Property Policy (both of which were concerned with the adoption of implementing rules of the Regulation and the Community Trade Mark Directive), technical meetings "Discussing Intellectual Property Rights Clauses in Free Trade Agreements", sub-group "Trade Secrets Directive" (for implementation of the document at national level) and others.

The Office continued its participation in the Preparatory Committee for the Unified Patent Court (UPC) meetings and the preparatory work for the adoption of the Protocol on the Provisional Application of the UPC Agreement.

The Patent Office continued its contacts with representatives of the European Commission, the EPO, EUIPO and the stakeholders in Brussels as it was actively preparing for the Bulgarian Presidency of the Council of the EU in the first half of 2018. It was also presented at formal and informal IP events in Brussels as a discussion on the introduction of an SPC exemption, a report on the activities of the EPO for 2016 and others.

5.2. European Patent Organization

Bulgaria is a full member of the European Patent Organization (EPO) along with 38 other states. BPO representatives attend regularly the Administrative Board and Budget Committee meetings of the European Patent Office. The aim of the meetings is to coordinate actions in the field of patent protection in the member states, as well as the reports of the EPO on the financial state and budget of the organization.
The European Patent Office supports the qualification of experts (seminars, exchange of experience, language courses), the implementation of the programme set forth by the National Office and other activities (provision of software products, expert assistance in implementation and maintenance), participation in joint projects, joint seminars for various target groups, support for initiatives in the field of cooperation with universities for training in industrial property, provision of information on industrial property objects.


As part of the Plan, BPO representatives participated in international meetings and trainings organized within the framework of the European Patent Network.

There has been successful work in the field of supporting candidates for sitting the examination before the European Patent Office in order to obtain the rights of European patent agents.

A delegation from the European Patent Office visited Bulgaria to make an annual review of the implementation of the Bilateral Cooperation Plan. The further activities have been outlined in the short and long-term aspect of development.

In November, the Vice-President of the European Patent Office, Raimund Lutz, participated in the Inventor of the Year and the Innovative Company of the Year Awards Ceremony.

5.3. European Union Intellectual Property Office

In 2017, the cooperation between the Bulgarian Patent Office and the European Union Intellectual Property Office continued successfully in the
direction of developing the activities under the Technical Cooperation Agreement as of 2017 and the Cooperation Fund Projects. On 02.01.2017 a new Cooperation Agreement was signed between the Patent Office of the Republic of Bulgaria and the European Union Intellectual Property Office (EUIPO), which included projects that are part of the EUIPO Strategic Plan 2020 as well as the Program for joint action with the national offices.

The projects under which the Patent Office of Bulgaria cooperates with the European Union Intellectual Property Office (EUIPO) are the so called European Cooperation Projects or ECP, which are divided into 5 separate groups, aiming at modernizing and simplifying the national systems for trademarks and designs via online services; harmonizing the systems of trademarks and designs; building up and developing the software services; assisting national offices with promotion and enforcement of trademark and design rights.

The projects are divided into 5 large groups, each group having several sub-projects:

**ECP 1. Consolidating and Completing the CF landscape.** It includes the activities of the instruments of the already completed Cooperation Fund, because there are still national agencies that have not implemented everything yet. The Patent Office has successfully implemented all the projects (excluding Back Office since another back office system has been currently implemented in the Office, namely IPAS). The Office has expressed interest only in the development of Similarity, however the scope and deadlines will become clear in 2018. As of the date of the 2018 Cooperation Agreement, there are no commitments of the Office under ERR1 whatsoever.

**ECP 2: Major Improvements to Existing CF Tools.** Several subprojects are included in this project aimed at major improvements to the modules and software upgrades already implemented under the Fund, including further upgrading and developing the systems and developing additional modules to the front and back office systems of each national office. The sub-projects are as follows: ECP2: Major Improvements to Back Office, in
which the BPO does not participate and ECP2: Major Improvements to Front Office, under which Bulgaria is pilot organisation. The Patent Office has been actively involved in the development of significant part of the new and / or upgraded modules, subject to this sub-project. The activities include developing improvements to the e-services portal, both of the national office and the EUIPO. They will be finalized by the end of 2018. There is also a representative of the Patent Office in the working group. ECP2: Major Improvements to Common Gateway, in which the Office also has a representative. This subproject was finished at the end of 2017, with the launch of the administrative portal, which provides preparation, submission, implementation and reporting of each project in which the Office participates.

**ECP4 Convergence Analysis Project.** This project includes harmonization of trademark and design practices. Particular attention is focused on the ECP4 Collaborative Network - Language check subproject. The purpose is to perform a linguistic verification of specific terminology of the elements of the trademarks filed to EUIPO. Since the middle of the year, the Patent Office has been one of the national offices that are actively involved in carrying out these activities.

The Patent Office has also been a successful and active participant in the **ECP5 Supporting the Network**, which includes a significant number of sub-projects, namely:

**ECP5: Capture and Store Historical Files.** It aims to support the network of national offices and to carry out scanning and storage of files / dossiers on paper. Within this subproject, digitization of the paper files of trademarks and designs, international trademarks and designs up to 10 years back, as well as such that date back more than 10 years but are still active will be carried out. The scanned documents will be uploaded to the back office of the respective office, in accordance with the requirements of EUIPO. It is envisaged that the subproject will be finalized in 2019.

**ECP5 Project Management Certification for IP Offices.** It provides for training to acquire a PRINCE2 project management certificate. It includes 27 employees of the Patent Office, 17 of whom take part in an exam training and
a Prince 2 Foundation certificate, and 10 in the Prince2 Practitioner. Several employees have already successfully completed their training.

ECP5 Support to Management Systems for IP Offices. The sub-project aims to support the certification of national agencies for the quality management system for the intellectual property offices of EUIPO. The Patent Office has started to participate in the development and implementation of a quality management system according to the international standard BSS EN ISO 9001: 2015. The project will start at the end of October 2017. It also involves an external contractor. Induction training was carried out for the staff participating in the working group on application of the system implementation activities. The action plan for application of the system has been implemented, the responsibilities of the team have been allocated and new ones have been assigned and the internal normative acts laid down in the implementation plan have been amended, according to the requirements of the standard, as an exchange was carried out with the Slovenian Intellectual Property Office. By the end of 2018 it is envisaged that the Patent Office will have been certified according to the international standard BSS EN ISO 9001: 2015.

Pursuant to the Technical Cooperation Agreement of 2017, the Patent Office has been actively involved in promoting in public the European Trademark and Design Network and Intellectual Property Network. In this connection, various seminars and trainings were held, two newsletters were issued, reflecting the latest developments in national and European practice related to trademarks and designs, news and up-to-date information on the change of legislation were promoted. Various collaborative projects have been prepared in this area.

In September 2017, in connection with the implementation of the Cooperation Agreement, a three-day seminar was organized for teachers from different secondary schools from all over Bulgaria, as it was realized jointly with the Centre for Education and Training Companies. The aim was to train the trainers of students, who in turn would build up knowledge and respect for the intellectual property in the younger generation, especially in secondary
school students. The event introduced knowledge of the nature of trade marks, industrial design, and projects between EUIPO and BPO. Further information was provided on how to obtain protection for different intellectual property objects and how to apply rights in case of violations. Special attention was paid to the EUTM and RCD as well as to the electronic application procedure and other common tools developed within the framework of cooperation (TMView, DesignView, etc.). A special book entitled "First Steps in the Intellectual Property" was also distributed to the participants in the seminars. Additional copies were provided to each teacher in order to be distributed to students and school libraries alike.

5.4. World Intellectual Property Organization

In 2017, the BPO representatives took their regular participation in the meetings of the General Assemblies of the World Intellectual Property Organization /WIPO/ Member States and in the meetings organized by some of the committees. Meetings and discussions were held in connection with the forthcoming. Bulgarian Presidency of the Council of the European Union in January 2018.

Within the framework of cooperation with WIPO, the IPAS co-operation - an information system with independent modules for all industrial property objects developed and disseminated by the World Intellectual Property Organization - continued, with a joint meeting with representatives of WIPO and the European Patent Office.

5.5. Other

In 2017, the Patent Office of the Republic of Bulgaria continued to chair Working Group 34 "Protection of Intellectual and Industrial Property" at the Council for European Affairs, which prepares draft positions of Bulgaria on EU acts.

Furthermore, BPO representatives participate in Working Group No 30 - "EU Enlargement" and Working Group No 25 "Trade and Foreign Economic Policy" of the Council for European Affairs.
A significant activity was carried out over the year in order to intensify the bilateral cooperation of the Republic of Bulgaria in the field of industrial property protection.

6. FURTHER ACTIVITIES OF THE BPO

On 26.10.2017, the Patent Office of the Republic of Bulgaria launched the implementation of Project № BG16RFOP002-1.004-0002-C01 "Improving quality, efficiency and effectiveness of the services provided by the Patent Office of the Republic of Bulgaria in regards to the protection of industrial property objects ", financed by the Operational Program" Innovation and Competitiveness ", co-financed by the European Union through the European Regional Development Fund, grant award procedure BG16RFOP002-1.004" Development of modern industrial property system by supporting the activities of the Patent Office of Bulgaria".

The overall objective of the project proposal is to improve the quality, efficiency and effectiveness of the business services offered by the Patent Office of the Republic of Bulgaria related to the protection of industrial property objects. The activities in support of the development of modern and newly established services for the business provided by the Patent Office will lead to an increase of the innovation activity of the Bulgarian enterprises by creating the necessary environment for the development of innovations. The project will be implemented within 36 months and provides for a set of measures assisting to achieve the main objective, including:

- Upgrading and integration of the IT environment of the Patent Office for the achievement of complex electronic management of the system for protection of industrial property;
- Renovation of the building stock of the Central Patent Library;
- Upgrading and modernizing of the web site of the Patent Office;
- Preparation of analyses and studies to maximize the support of business representatives in using the industrial property protection system;
- Speeding up patent examination applications;
- Promoting the system of protection of industrial property objects;
• Improving the quality and effectiveness of administrative and punitive activity;

• Other activities.

The project proposal also includes the relevant outsourcing, information and publicity activities, project organization, management and audit.

6.1. Information technologies

The maintenance of the registers and information systems of the Patent Office continued in 2017. The state registers for all industrial property objects are constantly maintained and updated. Over the past year, the registers have increased by another, namely the European patent register.

The work on upgrading the e-services portal, which started in 2016 continued in 2017. In the beginning of 2017, the project for development of new software modules for integration of the Patent Office of the Republic of Bulgaria with the Federative Register of European patents maintained by the European Patent Office was successfully completed. Thanks to the above, it became possible to discontinue the out of date back-office system Common software.

In 2017, a project for upgrading and development of the information systems and electronic services and registers of the Patent Office of the Republic of Bulgaria was launched, as it also included improvement of the internal processes and mechanisms for provision of public information. This project gives grounds for preparing an electronic register of industrial property representatives to provide new free electronic services that industrial property representatives will use. What is foreseen is an automation of the work flow in the Legal Activities and Disputes Directorate and development of e-newsletter module.

The activities under ECP2 have started jointly with EUIPO so as to update the e-mail submissions of application and services modules currently in use, and improve the quality and extension of e-services offered by the Office. The preparations for introduction of new types of trademarks after the transposition of Directive (EC) 2015/2436 have been launched.
In 2017, the Office continued to expand and accelerate its activities by upgrading and upgrading systems. A lot more "online" information is provided and the users can search easily and quickly, as it makes the services even more accessible and simplified.

6.1.1. Activities and projects within the framework of cooperation with the European Patent Organization

Representatives of the Patent Office of the Republic of Bulgaria took part in the meetings of the Monitoring Committee under the Operational Program "Innovation and Competitiveness" 2014-2020

6.2. Organizational Structure and Human Resources

6.2.1. Staff Number and structure

The approved staff number of the Office is 114 permanent positions. As of December 31, 2017 the occupied positions were 109.

In 2017 there were 13 contracts terminated as 18 new employees were recruited under service contracts and 6 under labour contracts. 8 employees were appointed civil servants as substitutions under Art.15 and Art.81 of the Civil Servants Act and 1 employee was appointed civil servant under Art.81a of the said act. In 2017 there were 18 competitive selection procedures for appointment of civil servants.

6.2.2. Enhancing the Administrative Capacity

In 2017, the Patent Office actively participated in the training courses for professional development of public administration employees offered by the Institute of Public Administration, the European Patent Academy, the Academy of EUIPO, the WIPO and other training organizations.

There was also an in-company English language training course for the employees of the Patent Office.

The training procedures included the preparation and approval of the annual plan for mandatory and specialised training, coordination and filing applications to education and training organisations, communication and ensuring the participation of the employees in the seminars on schedule, monitoring the execution of the annual plan for mandatory and specialised
training for the respective year, coordination and clarification of the changes with the relevant training organisations.

All in all there were 59 trainings carried out in 2017 by the listed organisations as 167 employees enrolled and attended them:

- trainings organised by the European partners, EUIPO and WIPO - 29 employees;
- civil servants trained by the Institute for Public Administration - 49 employees. Civil servants first appointed for civil service in 2017 and having completed compulsory education - 8;
- Other training organisations in Bulgaria - 89 employees.

6.3. Administrative Activity

The Annual Report on the State of the Administration was completed in 2017. The Report on the Implementation of the Objectives of the Office for 2017 was also completed and submitted to the Council of Ministers and the Ministry of Economy as the goals set for the year 2018 were approved along with the report on the implementation of the programming budget for 2017.

In order to ensure the continuous process and activities, the Office conducted six public procurements, two of which were held under open procedures, one under negotiation without notice, two under public calls, and two under competitive bidding procedures.

Another activity which was also performed was to ensure access to public information in accordance with the requirements set forth in the Law on Access to Public Information. In 2017 a total of eight requests for access to public information were examined as the respective decisions were issued for all of the latter. Two requests for access to public information were rejected.

6.5. Budget

The Patent Office is a secondary administrator with a budget approved by the Minister of Economy. The so approved budget determines the amount of funds, which the Office has at its disposal to perform its activities and the amount of funds to be received as revenue in the state budget.
As a result of the efforts made by the management body there is revenue over-performance of the approved budget.

**Budget Revenue and Expenditure during 2012 -2017**

Overall, for the year 2017, the state budget expenditure amounts approximately 23% (BGN 2 910 068) compared to the total revenue of the Office.

**Budget Revenue and Expenditure for 2017**
Revenue

The planned revenues of the Patent Office approved by the State Budget Act for 2017 amount to BGN 7,541,500 and the plan specified as of 31.12.2017 is increased to BGN 7,659,241 with the proceeds of grants and donations from abroad (BGN 116,317) and from insurance indemnity (BGN 1,424). The incomings to the bank account and centralized revenues for the year 2017 amount to total BGN 12,612,655 and exceed to over BGN 1 million reported for the previous year. The state budget revenues from state fees amounted to BGN 12,316,000, and those from administrative services (trademark searches, patents, certificates and photocopies of documents) as a result of the policy and measures for reducing the administrative burden of fees and services decreased almost twice - BGN 133,122 against BGN 243,179 in 2016.

The Law on Marks and Geographical Indications of the Republic of Bulgaria regulates the administrative punitive function of the Patent Office (Art. 81 and Art. 82). As for the established violations of protected rights under the LMGI and issued penal decrees by the President, the Office shall collect the fines and sanctions through the NRA.

The amount of the income from fines and property sanctions in the Patent Office for the year 2017 is BGN 61,601, of which BGN 45,960 were collected voluntarily and BGN 15,641 by the NRA. In comparison with the reported revenues from fines and property sanctions in 2016, the increase is more than 30% or BGN 15,641 more.
Until the year 2015, revenues from the state budget were dominated by national state registration fees. In 2016, the revenues from national trademarks (BGN 4,052 thousand) were equalized with the revenues from fees for European patents (BGN 4,044 thousand). This trend of increased demand for European patents with no change in prices affected the amount of revenues reported for 2017 by the European patents of the Office - BGN 5,533 thousand and the amount of the fees for trademarks imported by Bulgarian applicants by national route and on international applications is only BGN 4,007 thousand.

Considering the transactions from the WIPO to the Patent Office of fees collected by the International Bureau in Geneva under the Madrid Agreement and the Protocol (a total of BGN 1,410 thousand), the share of revenue generated by trademarks and imported into the 2017 budget increases to BGN 5,417 thousand.
Expenditure

The expenditures of the Patent Office approved by the State Budget for the year 2017 in the implementation of Program 3 "Protection of IPO" amount to BGN 2 455 600, and as a result of the 8 changes made to the budget, the expenses on the specified plan increased to BGN 2 923 341.

By Decree of the Council of Ministers No 147 / 21.07.2017 additional costs of BGN 300 000 were approved for 2017 by the personnel indicator in the budget of the Office and an increase of the individual salaries of the employees of the Patent Office was made.

As a total, the budgeted costs of the current period are relatively the same, with a slight decrease of around 2%, from BGN 2 960 thousand as of 31 December 2016 to BGN 2 910 thousand in 2017.
The expenditure for staff (salaries, remuneration and social security payments) has a predominant place in the budget expenses - 71.5%.

Maintenance costs, including paid fees and taxes, represent 24.3% of the total cost.

Contributions due to our membership in WIPO and alike paid by budget funds account for about 4% of the expenditure incurred and with a minimal and insignificant amount as a rule and for capital expenditure by 0.2% for 2017.
7. STATISTICAL DATA
Applications for inventions and utility models 2016 – 2017 by field and applicant

<table>
<thead>
<tr>
<th>FIELD</th>
<th>2016</th>
<th>2017</th>
<th>2016</th>
<th>2017</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Inventions</td>
<td>Utility models</td>
<td>Inventions</td>
<td>Utility models</td>
</tr>
<tr>
<td></td>
<td>BG</td>
<td>Foreign</td>
<td>BG</td>
<td>Foreign</td>
</tr>
<tr>
<td>Chemistry, Pharmaceuticals</td>
<td>54</td>
<td>1</td>
<td>101</td>
<td>2</td>
</tr>
<tr>
<td>Electrical engineering, electronics</td>
<td>79</td>
<td>3</td>
<td>149</td>
<td>3</td>
</tr>
<tr>
<td>Machine building</td>
<td>99</td>
<td>5</td>
<td>203</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>232</td>
<td>9</td>
<td>453</td>
<td>9</td>
</tr>
<tr>
<td>TOTAL Bulgarian and foreign applicants</td>
<td>241</td>
<td>462</td>
<td>225</td>
<td>283</td>
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</tbody>
</table>

Decisions issued on applications for patents, registration of utility models and supplementary protection certificates (SPC) in 2017

<table>
<thead>
<tr>
<th>Decision Type</th>
<th>Patents, incl.SPC</th>
<th>Utility models</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal protection granted</td>
<td>139</td>
<td>409</td>
<td>548</td>
</tr>
<tr>
<td>Cancelled, refused, withdrawn applications</td>
<td>45</td>
<td>85</td>
<td>130</td>
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<tr>
<td>Withdrawn or not dated at the examination of the formality requirement stage</td>
<td>45</td>
<td>46</td>
<td>91</td>
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<td>TOTAL Decisions</td>
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Applications for inventions by Bulgarian applicants for 2012-2017

<table>
<thead>
<tr>
<th>Year</th>
<th>BAS and Universities</th>
<th>Legal entities</th>
<th>Natural persons</th>
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<tr>
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<td>25</td>
<td>72</td>
<td>148</td>
</tr>
<tr>
<td>2013</td>
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<td>91</td>
<td>132</td>
</tr>
<tr>
<td>2016</td>
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<td>71</td>
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</tr>
<tr>
<td>2017</td>
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<td>139</td>
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</table>
**Filed requests and European patents in force on the territory of the Republic of Bulgaria during 2012-2017**

<table>
<thead>
<tr>
<th></th>
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<th>2013</th>
<th>2014</th>
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<th>2016</th>
<th>2017</th>
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<tbody>
<tr>
<td>Requests for legal protection</td>
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<td>1652</td>
<td>1613</td>
<td>1735</td>
<td>1900</td>
<td>2300</td>
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<tr>
<td>Patents in force</td>
<td>970</td>
<td>7977</td>
<td>8909</td>
<td>9359</td>
<td>10485</td>
<td>11590</td>
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**Filed requests for utility models during 2012 – 2017**

<table>
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<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>201</td>
<td>373</td>
<td>233</td>
<td>272</td>
<td>462</td>
<td>283</td>
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</table>

**Filed applications for industrial designs pursuant to the national Route during 2012-2017**

<table>
<thead>
<tr>
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<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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<tbody>
<tr>
<td></td>
<td>251</td>
<td>314</td>
<td>244</td>
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<td>166</td>
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**Decisions on Applications for Industrial Designs during 2012-2017**

<table>
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<tr>
<th>Decision type / type</th>
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<th>2014</th>
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<th>2016</th>
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</thead>
<tbody>
<tr>
<td>Registered</td>
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<td>238</td>
<td>253</td>
<td>179</td>
<td>149</td>
<td>195</td>
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<tr>
<td>Refused /cancelled / withdrawn</td>
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<td>41</td>
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<tr>
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**Decisions on Applications for Registration of Trademarks for 2017**

<table>
<thead>
<tr>
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<th>MA and Protocol</th>
<th>Total</th>
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<tr>
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<td>5591</td>
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<td>Refused /cancelled / withdrawn</td>
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<td>1500</td>
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<td>Total</td>
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<td>1327</td>
<td>7091</td>
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<tr>
<td>Decisions on oppositions</td>
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<td>18</td>
<td>334</td>
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<tr>
<td>Total decisions</td>
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### Field Applications for New Plant Varieties and Animal Breeds during 2012 – 2017

<table>
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<tr>
<th></th>
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<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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</thead>
<tbody>
<tr>
<td>Total</td>
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<td>38</td>
<td>21</td>
<td>16</td>
<td>37</td>
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### Appeals and Requests during 2012 – 2017

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<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventions and Utility Models</td>
<td>23</td>
<td>10</td>
<td>11</td>
<td>11</td>
<td>17</td>
<td>9</td>
</tr>
<tr>
<td>Industrial Designs</td>
<td>25</td>
<td>14</td>
<td>13</td>
<td>11</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Trademarks</td>
<td>351</td>
<td>419</td>
<td>214</td>
<td>236</td>
<td>159</td>
<td>103</td>
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### Revenue from State Fees for IP Objects during 2013 – 2017 in Thousands of BGN

<table>
<thead>
<tr>
<th>Objects of IP / BGN thousands /</th>
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<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
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</thead>
<tbody>
<tr>
<td>Trademarks – Registration pursuant to the National Route</td>
<td>4136</td>
<td>3585</td>
<td>3371</td>
<td>4052</td>
<td>3961</td>
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<td>79</td>
<td>74</td>
<td>76</td>
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<td>46</td>
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<tr>
<td>Trademarks – International Registration pursuant to the MA and Protocol (Foreign Applicants)</td>
<td>1388</td>
<td>1401</td>
<td>1704</td>
<td>1495</td>
<td>1410</td>
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<tr>
<td>Patents, Utility Models, SPC, Certificates</td>
<td>1666</td>
<td>1539</td>
<td>1329</td>
<td>1385</td>
<td>1252</td>
</tr>
<tr>
<td>European Patents</td>
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<td>2979</td>
<td>3423</td>
<td>4044</td>
<td>5356</td>
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<tr>
<td>Industrial Designs - pursuant to the National Route</td>
<td>213</td>
<td>198</td>
<td>186</td>
<td>172</td>
<td>143</td>
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<tr>
<td>Industrial Designs – pursuant to the Hague Agreement (Foreign Applicants)</td>
<td>12</td>
<td>11</td>
<td>16</td>
<td>24</td>
<td>22</td>
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<tr>
<td>Plant Varieties and Animal Breeds</td>
<td>80</td>
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<td>92</td>
<td>108</td>
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<td><strong>TOTAL:</strong></td>
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<td><strong>9885</strong></td>
<td><strong>10197</strong></td>
<td><strong>11334</strong></td>
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<table>
<thead>
<tr>
<th>Expenditure type</th>
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<th>2015</th>
<th>2016</th>
<th>2017</th>
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</thead>
<tbody>
<tr>
<td>For the Staff (salaries, other Remuneration, and Social Security Payments)</td>
<td>1788</td>
<td>1798</td>
<td>1736</td>
<td>1804</td>
<td>2081</td>
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<tr>
<td>Maintenance Expenses, Taxes and Fees</td>
<td>837</td>
<td>606</td>
<td>669</td>
<td>950</td>
<td>706</td>
</tr>
<tr>
<td>Membership Fee Expenses</td>
<td>65</td>
<td>112</td>
<td>108</td>
<td>108</td>
<td>119</td>
</tr>
<tr>
<td>Capital Expenditures – Acquisition of long-term assets</td>
<td>107</td>
<td>8</td>
<td>29</td>
<td>98</td>
<td>4</td>
</tr>
<tr>
<td><strong>TOTAL Expenditures:</strong></td>
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<td><strong>2524</strong></td>
<td><strong>2542</strong></td>
<td><strong>2960</strong></td>
<td><strong>2910</strong></td>
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