ANNUAL REPORT 2012 ................................................................. 1
1. FOREWORD ............................................................................................................. 3
2. LEGAL FRAMEWORK .......................................................................................... 3
3. PROTECTION OF INDUSTRIAL PROPERTY ......................................................... 4
   3.1. Patents and utility models ..................................................................................... 4
      3.1.1. Patents ......................................................................................................... 6
      3.1.2. Utility models .............................................................................................. 8
   3.2. Industrial designs ............................................................................................... 9
   3.3. Trademarks and geographical indications ......................................................... 11
      3.3.1. Trademarks ................................................................................................. 11
      3.3.2. Geographical indications and appellations of origin ....................................... 13
   3.4. New plant varieties and animal breeds ............................................................... 14
   3.5. Services to the public ....................................................................................... 14
      3.5.1. Changes in the legal status of industrial property claimed or protected .......... 15
      3.5.2. Patent documentation and service ................................................................ 16
      3.5.3. Studies ....................................................................................................... 16
      3.5.4. Industrial property representatives (IPR) ....................................................... 16
   3.6. Disputes and procedural representation ............................................................ 17
   3.7. Administrative and punitive activity .................................................................. 20
4. INFORMATION ACTIVITY ..................................................................................... 20
   4.1. Official journal of the Patent Office ................................................................. 20
   4.2. Other publications ........................................................................................... 21
   4.3. Internet site ...................................................................................................... 21
   4.4. Annual report of the Patent Office ................................................................. 21
   4.5. Seminars ........................................................................................................... 21
   4.6. Further events ................................................................................................... 22
5. INTERNATIONAL COOPERATION ....................................................................... 23
   5.1. European Union ............................................................................................... 23
   5.2. European Patent Organisation ........................................................................... 24
   5.3. Organisation of the Internal Market harmonization .......................................... 26
   5.4. World Intellectual Property Organization (WIPO) ........................................... 28
6. FURTHER ACTIVITIES OF THE OFFICE ............................................................ 29
   6.1. Information technologies ............................................................................... 29
   6.2. Organisational structure and human resources ................................................ 31
      6.2.1. Staff number and structure ........................................................................ 31
      6.2.2. Enhancement of the administrative capacity ................................................ 32
      6.2.3. Administrative activity .............................................................................. 32
   6.3. Budget ............................................................................................................. 34
1. FOREWORD

The report of the Patent Office of the Republic of Bulgaria for 2012 contains primarily statistical information on the main activity of the Office, namely providing protection of various objects of industrial property. In parallel, it also contains information about important activities beyond this field. These include for example:

- International cooperation, which is extremely important for the protection of the applicants' rights on an international scale and the development of the Patent Office;
- Technological development of the Office, which is a prerequisite for successful performance of the tasks assigned to it;
- Involvement of the Office in the dissemination of knowledge about opportunities and ways to obtain protection of the industrial property objects in order to increase the applicants' activity, especially in the field of patents;
- Funding the institution in recent years, which is largely related to the quality and quantity of the work done;

Specific for year 2012 and important to the work done was the gradual stabilization of the Office in terms of its staffing, the first step taken towards overall improvement of the technical support of its activity and a stronger public awareness on the subject “industrial property”. A step in the right direction was also the introduction of the awards “Inventor of the Year” in three categories, in addition to the entry in the Golden Book of discoverers and inventors in Bulgaria. In this way the Patent Office seeks to provide a further moral reward for inventors and attract more public attention to them and their accomplishments. The need for actions along this line is unquestionable, as the country’s aspiration to more innovations is directly related to the inventive activity.

Special attention in the future should be paid to training in Industrial Property in specialities off the field of law and economics. Deficits in this aspect are evident not only in Bulgaria and in the coming years special attention will be given to that problem by international institutions where our country is a member and, of course, by the Patent Office.

Kamen Veselinov
President
2. LEGAL FRAMEWORK

In 2012, with the assistance of a working group composed of representatives of the Office, lecturers and practitioners in industrial property have developed a Draft Law on the Chamber of Representatives in Industrial Property. Its purpose is to regulate the competence and relationship between the guild and the Patent Office. It was submitted for consideration by the public, with the participation of organizations of representatives involved in industrial property, individual representatives of the guild and representatives of the Ministry of Economy, Energy and Tourism. The Draft Law was agreed by all ministries, but could not be submitted to the National Assembly due to its dissolution and will be presented immediately after the constitution of the new National Assembly following the elections in 2013.

Besides, a Draft Law to amend and supplement the Law on Patents and Utility Models Registration was prepared. Its purpose is to improve the legal framework concerning the protection of inventions and utility models, to simplify the procedure of examination of a patent application for invention, and to bring the law into compliance with the new version of the European Patent Convention and the amendments to the Patent Cooperation Treaty. The Draft Law was submitted for public discussion.

3. PROTECTION OF INDUSTRIAL PROPERTY

3.1. Patents and utility models

In total, in year 2012 the Office received 460 applications for patents and registration of utility models (in 2011: 503).

As in previous years, there is some excess in the number of applications for inventions over that of utility models regardless of the fact that the procedure for the issuance of a protection document for utility models is rather simpler and shorter.

Despite expectations of a predominant number of applications in the field of electrical engineering, in particular in the field of information and communication technologies under the impression that in this field the economic activity in Bulgaria most large, this does not correspond to the real situation. Applications for inventions by Bulgarian applicants in the field of mechanical engineering are the most. Next are the applications in the field of electrical engineering and in chemistry.

Taken as a whole, there was a reduction in the applicants’ activity by approximately 8.5% compared to the previous year. The main reason is probably the ongoing economic crisis. The situation is similar for the applications from abroad, where, although they make only about 5% of the Bulgarian ones, there is also a decrease.
Applications for inventions and utility models 2011 – 2012, after regions and applicants

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Inventions</td>
<td>Utility</td>
<td>Inventions</td>
<td>Utility</td>
<td>Inventions</td>
<td>Utility</td>
<td>Inventions</td>
<td>Utility</td>
</tr>
<tr>
<td></td>
<td></td>
<td>models</td>
<td></td>
<td>models</td>
<td></td>
<td>models</td>
<td></td>
<td>models</td>
</tr>
<tr>
<td></td>
<td>Bulgaria n</td>
<td>foreign n</td>
<td>Bulgaria n</td>
<td>foreign n</td>
<td>Bulgaria n</td>
<td>foreign n</td>
<td>Bulgaria n</td>
<td>foreign n</td>
</tr>
<tr>
<td>Chemistry; Pharmacy</td>
<td>73</td>
<td>16</td>
<td>53</td>
<td>5</td>
<td>49</td>
<td>5</td>
<td>25</td>
<td>2</td>
</tr>
<tr>
<td>El. engineer; electronics</td>
<td>74</td>
<td>1</td>
<td>36</td>
<td>0</td>
<td>91</td>
<td>5</td>
<td>51</td>
<td>2</td>
</tr>
<tr>
<td>Mechanical engineering</td>
<td>117</td>
<td>3</td>
<td>116</td>
<td>9</td>
<td>105</td>
<td>4</td>
<td>114</td>
<td>7</td>
</tr>
<tr>
<td>TOTAL</td>
<td>264</td>
<td>20</td>
<td>205</td>
<td>14</td>
<td>245</td>
<td>14</td>
<td>190</td>
<td>11</td>
</tr>
<tr>
<td>TOTAL Bulgarian and foreign applicants</td>
<td>284</td>
<td>219</td>
<td>259</td>
<td>201</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Applications for utility models and patents in 2012

![Pie chart](image)

In 2012 a total of 470 decisions on applications for inventions, utility models and supplementary protection certificates (SPC) have been given; their distribution is shown in the table. As seen by the data in the table, “success” with patent applications for inventions is relatively low – a protection document is issued in 31 % of the cases only. With the utility models the share is much higher – 87 %, but probably relevant is the fact that their regime is registration one.
Decisions on patent applications and utility models registration in 2012

<table>
<thead>
<tr>
<th>Type of decision</th>
<th>Patents, incl. SPC</th>
<th>Utility models</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal protection provided</td>
<td>100</td>
<td>130</td>
<td>230</td>
</tr>
<tr>
<td>Applications terminated, refused, withdrawn</td>
<td>220</td>
<td>20</td>
<td>240</td>
</tr>
<tr>
<td>Decisions, in total</td>
<td>320</td>
<td>150</td>
<td>470</td>
</tr>
</tbody>
</table>

The number of applications for patents, utility models and SPC, subject to decision making, is 1186. At the end of 2011 the figure was virtually the same – 1215, but there is a slight increase in the number of the decisions given during the year (by 29 more than in 2012).

By 31.12.2012, the number of existing national patents for inventions was 1516 (in 2011: 1614) and existing patents and registered utility models - 562 (in 2011: 524) – a total of 2078 (in 2011: 2138).

3.1.1. Patents

In 2012 the Patent Office received a total of 259 applications for inventions (in 2011: 283). 245 of them were submitted by Bulgarian applicants and 14 - by foreign ones (5 pursuant to the national law and 9 pursuant to the Patent Cooperation Treaty (PCT)).

Compared to 2011 there was a decrease of the applications submitted by 8.5%.
The structure of the applications submitted by Bulgarian applicants has shown that traditionally the number of applications by individuals is far exceeding the number of the ones submitted by institutions and companies. This shall mean that the economic activity of the enterprises resulting in applicants' activity is quite low.

As it should be expected, the share of foreign applicants to obtain invention patents in Bulgaria is immaterial despite the low overall applicants' activity in the country. However, in respect to the existing European patents in Bulgaria there is a significant increase. By 31.12.2012 their number was 6970 (in 2011: 5854). This increased number
is indicative of the fact that the interest in obtaining protection for inventions, and thereby in the economy of Bulgaria by foreign holders of patent rights is increasing.

In 2012 the Patent Office received 3 requests for temporary protection of applications for European patents in the country and 1615 requests for the provision of legal protection of European patents. Legal protection was provided to 3 applications and 1851 European patents. The continuous growth in the number of requests, and thus of the existing European patents in Bulgaria is shown in the figure below.

In 2012, the Office received 26 applications for supplementary protection certificates (SPC), by 10 more compared to 2011. 14 certificates have been issued and 1 application has been refused.

3.1.2. Utility models

The number of applications for utility models, submitted in 2012, was 201 (in 2011: 217); 190 of them by Bulgarian and 11 - by foreign applicants (2 were submitted under the Patent Cooperation Treaty). As with patents, the share of foreign applicants was also immaterial.

Out of all applications for utility models, submitted during the year, 159 were for registration, 26 were parallel to patent applications for inventions, and 16 were transformed from patent applications for inventions to applications for utility models registration.

As with the applications for patents for inventions, there is no clear trend in the development of their number in recent years, which is also evident in the figure.
3.2. Industrial designs

In 2012 the Office received a total of 251 applications for registration of industrial designs (by 43 more compared to the previous year), 230 of them pursuant to the national law (NL) (in 2011: 193) and 21 - pursuant to the Hague Convention (HC) (in 2011: 15).
Unlike the applications for inventions and utility models the number of applications for industrial designs pursuant to the national law has a clear downward trend from 2006 to 2010, but we can see stabilization of their number and it looks like it began to grow again.

During the reporting period a total of 290 decisions on applications for registration of industrial designs were given (277 - pursuant to the national law and 13 - pursuant to the Hague Convention ), 237 of them had positive results (224 pursuant to the national law and 13 - pursuant to the Hague Convention ).

### Decisions on applications for registration of industrial designs in 2012

<table>
<thead>
<tr>
<th>Type of decision</th>
<th>Pursuant to the national law</th>
<th>Pursuant to HC</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered</td>
<td>224</td>
<td>13</td>
<td>237</td>
</tr>
<tr>
<td>Refused/withdrawn</td>
<td>53</td>
<td></td>
<td>53</td>
</tr>
<tr>
<td>Total</td>
<td>277</td>
<td>13</td>
<td>290</td>
</tr>
</tbody>
</table>

By 31 December 2012 the number of pending applications for industrial designs was 128 (110 national and 18 international ones).
3.3. Trademarks and geographical indications

3.3.1. Trademarks

In 2012 the Patent Office received 4262 applications for national registration of trademarks (in 2011: 4490); 3844 of them by Bulgarian and 418 – by foreign applicants.

For an international registration pursuant to the Madrid Convention (MC) and Protocol the Patent Office received 2025 applications (in 2011: 2157).
During the reporting period, Bulgarian applicants submitted 259 applications for international registration pursuant to the Madrid Convention (MC) and Protocol (in 2011: 238), and 42 applications for territorial expansion.

In 2012 the Patent Office received a total of 459 oppositions; 416 of them were against applications for registration of trademarks pursuant to the national law and 43 against admitting the act of international registrations of trademarks pursuant to the Madrid system for international registration of trademarks, where the Republic Bulgaria was mentioned. The total number of decisions concerning oppositions was 230; 97 of them were about total or partial refusal of a trademark, 21 – about rejection of the opposition, 97 - about termination of the procedure and 15 – to not initiate proceedings. We shouldn’t speak yet of a trend in filing oppositions, because only one year expired since the introduction of this possibility in Bulgarian legislation.

There were 11 oppositions received under Article 38а of the Law on Trademarks and Geographical Indications Act (absolute grounds for refusal).

During the reporting period, 3813 final decisions on applications for national registration of trademarks were given; 3141 of them were about registration, 71 - about termination and 601 - about refusal. The rate of refusals was approximately 16 % of the decisions.

In 2012, also 1677 decisions on applications for registration of trademarks were given, which were examined pursuant to the repealed Law on Trademarks and Geographical Indications (about registration – 1194 and about refusal – 483, which means approximately 29 % of the decisions.

The total number of final decisions on applications for registration of trademarks pursuant to the national law was 5490 and thus, the number of the decisions made significantly exceeded the number of applications. This achievement required significant efforts on the part of the Office staff, but the reduction of the backlog of applications for trademarks was absolutely necessary, so that the deadlines for processing of applications gradually approach the legally defined one.

In 2012, 1,721 final decisions on international registrations and territorial expansion were issued, whereby there were 14 refusals to admit registration and the number of international registrations admitted to be existing in the Republic of Bulgaria was 1707.
**Decisions on applications for registration of trademarks in 2012**

<table>
<thead>
<tr>
<th>Type of decision</th>
<th>Pursuant to the national law</th>
<th>Pursuant to the MC and Protocol</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered</td>
<td>4335</td>
<td>1946</td>
<td>6281</td>
</tr>
<tr>
<td>Refused/terminated</td>
<td>1155</td>
<td>14</td>
<td>1169</td>
</tr>
<tr>
<td>Total</td>
<td>5490</td>
<td>1960</td>
<td>7450</td>
</tr>
<tr>
<td>Decisions on oppositions</td>
<td>228</td>
<td>13</td>
<td>241</td>
</tr>
<tr>
<td>Total decisions</td>
<td>5718</td>
<td>1973</td>
<td>7691</td>
</tr>
</tbody>
</table>

During the reporting period, also 239 proceedings concerning international registrations have been completed, which were examined under the repealed Law on Trademarks and Geographical Indications.

The total number of completed proceedings concerning international registrations in 2012 was 1960, which, compared to 2011, makes an increase of 13%.

On the whole, during the year, 7450 final decisions on applications for registration of trademarks pursuant to the national law and for international registrations and territorial expansion have been given (in 2011: 5610). Together with the oppositions, the total number of decisions in 2012 was 7691.

The total number of national applications, subject to pending decision, was 5197 (by December 2011 their number was 8278). Thus, the delays in delivering decisions is gradually reduced and probably within approximately an year the period of delivering decisions will get close to the requirements.

By 31 December 2012 the number of trademarks existing in the Republic of Bulgaria and registered pursuant to the national law, was 56348 (37802 – filed by Bulgarian applicants and 18546 - by foreign ones).

### 3.3.2. Geographical indications and appellations of origin

In 2012, the Patent Office received only one national application for registration of geographical indication. There were also 3 requests for user entry. During the year, 2 appellations of origin have been registered, a decision concerning refusal of 1 application for registration of geographical indication has been delivered and 4 new users of geographical indications have been registered.

During the reporting period, 7 requests for international registrations for appellations of origin pursuant to the Lisbon Agreement for the Protection of Appellations of Origin and their international registration have been received and decisions on 4 of them have been given.
3.4. New plant varieties and animal breeds

In 2012 the Office received a total of 20 applications for new plant varieties and animal breeds (in 2011: 33); 18 of them were about plant varieties and 2 – about animal breeds. Compared to 2011, the number of applications was lower, by 13.

The examination on the merits of the new plant varieties is made by the Executive Agency for Variety Testing, Field Inspection and Seed Control and of the animal breeds - by the Executive Agency for Selection and Reproduction in Animal Breeding. All actions of protection after such examination on the merits are performed by the Patent Office on the basis of the decisions and reports delivered by above executive agencies.

Above data show a dramatic drop in the applicants’ activity in the last two years. The number of applications in 2012 was more than four times smaller than that in 2010.

During the year, decisions were given, in total, on 38 applications. For 35 of them, decisions to provide protection and issue certificates were taken, and 3 applications were refused.

The number of valid certificates for new plant varieties and animal breeds by 31.12.2012 was 440.

3.5. Services to the public

The Patent Office is providing its customers with a range of services that are not only part of its core functions, but also an important component of its functioning as a state institution involved in the protection of industrial property (IP). They cover a wide range of activities, including registration of changes in the legal status of the objects of intellectual
property, maintenance of the rich collections of information sources, research of the various objects of IP (free ones performed with the methodological assistance of information and documentation experts, and paid ones – upon requests by customers, etc.).

3.5.1. Changes in the legal status of industrial property claimed or protected

The distribution of entries made in 2012 concerning changes in the legal status of the various objects of industrial property is given in the tables below.

- **Trademarks**

<table>
<thead>
<tr>
<th>Requests</th>
<th>Submitted</th>
<th>Performed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewal of registration</td>
<td>2297</td>
<td>2293</td>
</tr>
<tr>
<td>Changed name / address of holder</td>
<td>1399</td>
<td>1388</td>
</tr>
<tr>
<td>Transfer of rights</td>
<td>1274</td>
<td>1220</td>
</tr>
<tr>
<td>License agreements</td>
<td>301</td>
<td>295</td>
</tr>
<tr>
<td>Special pledges established</td>
<td>258</td>
<td>250</td>
</tr>
<tr>
<td>Distrainments</td>
<td>111</td>
<td>76</td>
</tr>
<tr>
<td>Changes in the tax registration (restriction of goods, waiver of rights, etc.)</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>Change in respect to the industrial property representatives</td>
<td>1282</td>
<td>1282</td>
</tr>
</tbody>
</table>

- **Industrial designs**

<table>
<thead>
<tr>
<th>Requests</th>
<th>Submitted</th>
<th>Performed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewal of registration</td>
<td>71</td>
<td>71</td>
</tr>
<tr>
<td>Changed name / address of holder</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>Transfer of rights</td>
<td>31</td>
<td>31</td>
</tr>
<tr>
<td>License agreements</td>
<td>30</td>
<td>30</td>
</tr>
<tr>
<td>Pledges</td>
<td>23</td>
<td>23</td>
</tr>
<tr>
<td>Distrainments</td>
<td>19</td>
<td>19</td>
</tr>
<tr>
<td>Changes in the tax registration (restriction of goods, waiver of rights, etc.)</td>
<td>14</td>
<td>14</td>
</tr>
</tbody>
</table>

- **Inventions and utility models**

<table>
<thead>
<tr>
<th>Requests</th>
<th>Submitted</th>
<th>Performed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Changed name / address of holder</td>
<td>65</td>
<td>65</td>
</tr>
<tr>
<td>Transfer of rights</td>
<td>112</td>
<td>112</td>
</tr>
<tr>
<td>License agreements</td>
<td>62</td>
<td>62</td>
</tr>
</tbody>
</table>
• European patents existing in Bulgaria

<table>
<thead>
<tr>
<th>Requests</th>
<th>Submitted</th>
<th>Performed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificates of annual fees paid issued</td>
<td>5176</td>
<td>5176</td>
</tr>
<tr>
<td>Changed name / address of holders</td>
<td>52</td>
<td>52</td>
</tr>
<tr>
<td>Transfer of rights</td>
<td>203</td>
<td>157</td>
</tr>
<tr>
<td>Registration of co-inventor, Bulgarian/European registration</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

The above data show that the “secondary” activities associated with the real work of registration of industrial property objects make a significant volume of the activities of the Office.

3.5.2. Patent documentation and service

In 2012, in pursuance of the Patent Office’s function to provide public access to information in the field of industrial property protection, the topicality of the patent documentation was maintained, including the collections of patent documents, the official journals of the patent offices and international organizations in the field of industrial property, the theoretical and periodical literature, the records of applications for industrial property objects, which have been completed by a total of more than 9,000 units in paper and electronic form.

During the year, in the reading-room of the Central Patent Library (CPL) about 600 external users (in 2011: 783) have been served. Documents and dossiers have been, on a daily basis, provided to employees of the Patent Office to perform their duties. Copies of a total of 2282 documents (in 2011: 3231) have been provided in paper and electronic form or retrieved from Internet databases, upon request by external user and to provide for the activity of the Office.

3.5.3. Studies

For external customers, incl. for governmental institutions, a total of 8402 studies were performed and of them:

- in the field of inventions and the utility models – 4537 (in 2011: 11966), incl. 217 under the Program on Special Studies - 217 (in 2011: 161);
- in the field of industrial designs – 65 (in 2001: 42);
- in the field of trademarks – 3800 (in 2011: 9783)

3.5.4. Industrial property representatives (IPR)

In 2012, a consecutive training course for candidates to become IPR has been organised and conducted; their curriculums covered two modules: “Inventions and Utility
Models” and “Trademarks, Geographical Indications and Industrial Designs”, with a total duration of 5 weeks. In the training on the first module, 25 candidates took part and in the second one - 61.

Also, the relevant examination session concerning IPR has been organized and conducted. For examination on module “Inventions and Utility Models”, 19 candidates appeared and on module “Trademarks, Geographical Indications and Industrial Designs” - 45. In the first module, 6 candidates passed successfully the exam, and in the second one - 29.

During the reporting period, the topicality of the registers and databases of the Patent Office concerning IPR has been maintained: new representatives and changes in the address/name have been registered, and deletions were made; all changes have been published in the Official Journal and on the website of the Office.

3.6. Disputes and procedural representation

The activity of department „Disputes” is associated with making decisions on complaints and requests regarding registration of industrial property objects. The numbers of the incoming complaints and requests are given in the table.

<table>
<thead>
<tr>
<th>Complaints and requests in the period 2006 – 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
</tr>
<tr>
<td>Inventions and utility models</td>
</tr>
<tr>
<td>Industrial designs</td>
</tr>
<tr>
<td>Trademarks</td>
</tr>
</tbody>
</table>

In 2012 in the field of inventions and utility models a total of 7 requests were received, 6 of which were about invalidation and 16 complaints, 10 of which were against the refusal to issue a protective document. During that period, a total of 19 decisions were given, 16 decisions of them on complaints against decisions of the examination department and 3 decisions on requests for invalidation of a granted patent. 2 decisions on complaints against the refusal to issue a certificate of a new plant variety have been given.

During the year, 20 requests to delete registered designs have been received, 4 complaints against the refusal to register a design and one against the decision to terminate proceedings concerning an application for registration. 4 decisions on requests to delete a design were given, 1 decision on a complaint against the decision to terminate proceedings and 2 decisions to not initiate proceedings on deletion requests.
Decisions on complaints against decisions of the expert examinations concerning inventions, utility models and industrial designs in 2012

The total number of decisions in 2012 delivered by department „Disputes” on complaints against decisions of the expert examination concerning inventions, utility models and industrial designs was 19 and 13 of them confirm the decisions of expert examination department.

In 2012, 84 complaints concerning trademarks, 188 revocation requests and 79 deletion requests of registration have been received. Furthermore, 12 complaints against decisions on oppositions have been received. A total of 414 decisions have been drawn up and 64 of them concerning revocation requests, 67 - deletion requests, 92 - complaints, 112 decisions not to initiate proceedings, 27 - termination of proceedings, as well as decisions to suspend or resume proceedings.

21 of the 92 judgements given, concerning complaints against decisions of the expert examination or oppositions, confirm the decisions drawn up by the relevant departments. 35 of the judgements partly confirm the decisions of the expert examination, and the other 36 judgements repeal such decisions. It should be borne in mind that most of the judgments confirming partly a decision of refusal were judgements, where the application was returned to register such goods/services, in respect of which there were no grounds for refusal (prior to the Amendments and Supplements to the Law on Trademarks and Geographical Indications of 2010 there was no partial refusal, and decision of total refusal was made, where the applicant has not limited the list of goods/services to those for which there were no grounds for refusal). Judgements to repeal decisions of refusal are given also in the cases where in the complaint the applicant has limited the goods/services to the goods/services for which there were no grounds for refusal, as well as in the case of consent delivered or successfully filed request to overrule or delete a decision, subject to complaint.
Decisions on appeals against trademarks examiners' decisions in 2012.

- Approx 39% of decisions were overruled.
- Another 38% were partially approved.
- About 23% of decisions were approved.

The activity of the department “Legal support” is largely associated with the procedural representation in the case of appeals in Court against decisions of the Office. During the reporting period 120 complaints (140 in 2011) were received against acts of the Patent Office. Of these, 61 were against penal provisions.

Procedural representation on behalf of the Patent Office before the Courts in Sofia and the country in 290 cases was realized (330 cases in 2011). 81 adjudications were delivered, 70 of which confirmed the decisions of the Patent Office, whereby the proportion the decisions upheld by the Court was above 86% (85% in 2011).
3.7. Administrative and punitive activity

The Patent Office of Bulgaria, unlike most other National Offices, has also law enforcement functions. Its range of competences covers inspections concerning infringement of rights in trademarks, industrial designs and geographical indications and imposition of administrative penalties in case infringements were established. During the reporting period, 381 inspections have been made (in 2011: 275), 276 acts concerning administrative offences established (in 2011: 221) have been drawn-up and 105 statements on lack of offence (in 2011: 72). 260 penal provisions have been drawn-up (in 2011: 250).

For the pre-trial authorities, more than 430 expert examinations and inquiries have been made.

The Patent Office delivers judgments also on terminated prosecutor's correspondences under Article 172b of the Penal Code, sent to the Office by virtue of its competence. In 2012 the Patent Office received 111 prosecutor's correspondences (163 in 2011). 64 penal provisions have been delivered in this regard.

In respect of the existing penal provisions, fines and property sanctions have been paid by the violators, amounting to BGN 69,000.

4. INFORMATION ACTIVITY

The information activity of the Office covers publications, the edition of a newsletter on industrial property objects, the maintenance of the Office’s website on the Internet, used to disseminate information about events and other news, the conduct of seminars and courses, the provision of annual awards for inventive activity and other events related to informing and increasing the public interest in the activity of the Office.

4.1. Official journal of the Patent Office

The official journal is a monthly edition and since 2009 has been published on the site of the Patent Office in its full volume and covers information about all objects of protection, administered by the Patent Office, about entries into the official registers, directories, information about the industrial and intellectual property representatives.

All 12 numbers of the official journal issued during the reporting period cover information about 13042 objects of protection, including inventions (national and European ones), utility models, supplementary protection certificates, new plant varieties and animal breeds, trademarks, industrial designs, as well as 7657 (in 2011: 6237) entries into the public registers (changes in the name/address, license agreements, know-how and specific pledges, renewal of registration), lists of existing patents.
(national and European ones) and registrations of utility models, ongoing changes in the list of industrial property representatives (IPR) and the full alphabetical list of the IPRs, written with Cyrillic and Latin letters.

4.2. Other publications

In pursuance of the Technical Cooperation Agreement with the Office of Harmonization for the Internal Market (OHIM), the collection “Commercial trademarks and Industrial Designs of the European Union” was published in 2012, in 300 printed copies. This collection of 125 pages comprises 5 articles and analyses developed by experts from the Patent Office. They provide theoretical and practical knowledge about the Community mark and design, as well as information about the OHIM. The collection is designed for small and medium-sized enterprises interested in the CE mark and design.

4.3. Internet site

In 2012, on an ongoing basis, the topicality of the website of the Office has been maintained, which covers more than 120 rubrics and, ongoing, a total of over 350 information materials have been published - official announcements, news related to the activity of the Office, statistical information, information about public procurement, about the situation of various projects involving the Office, about draft laws, updated information about entries and changes in the list of industrial property representatives, information related to the protection of intellectual property, changes in classifications, records concerning undelivered correspondence, etc.

4.4. Annual report of the Patent Office

In 2012, the report for 2011 has been prepared and published on the website of the Office, bringing together the most important aspects of the overall activity of the institution during the reporting period as well as statistics on applications filed, for various industrial property objects.

Furthermore, the annual technical reports for 2011 have been prepared and sent to the EPO and WIPO, as well as the annual statistics on all industrial property objects administered by the Bulgarian Patent Office.

4.5. Seminars

In 2012, in pursuance of the Patent Office’s function to make industrial property popular, 5 seminars have been organised and held:
• A two-day national seminar on “Intellectual property for judges and other law enforcement authorities”, organised in cooperation with the World Intellectual Property Organisation;
• Seminar for small and medium enterprises on „The CE mark and design – practical knowledge”, organised in Sofia, together with the Office of Harmonization for the Internal Market, in pursuance of the Technical Cooperation Agreement concluded between OHIM and the Patent Office;
• National seminar for small and medium enterprises (SMEs) on „The CE mark and design – practical knowledge”, organised by the Centre for industrial property in Varna, together with OHIM;
• Seminar on „Industrial property as a tool for successful innovation”, jointly organized by the Union of Inventors in Bulgaria and the Federation of the Scientific Engineering Unions in Bulgaria, to celebrate the World Intellectual Property Day – 26th April;
• Seminar on „Dissemination of knowledge on industrial property at universities” and roundtable on „How to expand the knowledge and raise awareness of industrial property in academia, exchange of best practices;”

In 2012, performing its activity in terms of public relations, more than 30 materials have been prepared for publishing on the website of the Office and sending to the media, contacts with journalists have been realised and the participation of representatives of the Office in radio and television broadcasts has been organised, on various topics in the field of industrial property and in connection with the coverage of events organised by the Office.

4.6. Further events

In October, the 10th anniversary of Bulgaria’s accession to the European Patent Convention (EPC) and its membership in the European Patent Organisation (EPO) has been solemnly celebrated, with the participation of the EPO President Mr. Benoit Battistelli, the Minister of Economy, Energy and Tourism, the Minister of Education and Science, inventors, academia representatives and representatives from the Offices of Romania and Macedonia. Within the framework of the celebration, an official ceremony of registering prominent inventors into the Golden Book of Bulgarian Inventors and Innovators was held, and for the first time the prizes “Inventor of the Year” and “Most Innovative Company of the Year” have been awarded. For the 31st year now, in the “Golden Book of Bulgarian Inventors and Innovators”, three inventors have been registered and rewarded with honorary diplomas and the “Icarus” prize, who have contributed to the development of science, research activity and economy. The nomination “Inventor of the Year” has been selected among the patents issued last year, in three categories. To nominations, 9 inventions have been
admitted - three in each category: “Chemistry and Biotechnology”, “Machine Building and Construction” and “Electronics and Electrical Engineering”. The winners have been awarded a statuette specially designed for the ceremony.

5. INTERNATIONAL COOPERATION

The activity of the Patent Office is organically connected to its participation in international cooperation, mainly with international organizations, but also in bilateral cooperation with similar institutions in other countries. First of all, cooperation is associated with the participation in three international organizations. These are the EPO, OHIM and WIPO.

The Patent Office is chairing also Working Group 34 “Protection of Intellectual and Industrial Property” under the Council for European Affairs, by preparing draft opinions of Bulgaria on EU regulations.

5.1. European Union

In fulfilment of Bulgaria’s obligations arising from its membership in the European Union, representatives of the Patent Office took part in 2012 in the meetings of various formats of the Intellectual Property Working Group at the EU Council, where EU draft regulations shall be prepared and discussed. The Patent Office representative at the Permanent Representation of Bulgaria to the EU and national experts participated in the work for preparation and discussion of the following documents related to improving the patent system in Europe:

- Proposal for a regulation of the European Parliament and of the Council on the establishment of uniform patent protection within the scope of enhanced cooperation;
- Proposal for a Council regulation on the applicable provisions concerning translation in relation to the uniform patent protection in the framework of enhanced cooperation;
• Draft Agreement establishing a Unified Patent Court and draft statute of the Court.

In December 2012 the Council of the European Union adopted the two regulations concerning the realisation of enhanced cooperation in the field of establishing a uniform patent protection. During that time, the negotiations concerning the Draft Agreement establishing a Unified Patent Court and draft statute of the Court have been also finalised, which was signed by our country based on the decision of the Council of Ministers.

Within the framework of EU cooperation, the Patent Office participated in IPorta, a project of the European Commission. The Agreement provides for cooperation between the National Offices and European organizations, to support the business in service to small and medium enterprises. The contractual partners shall cooperate and coordinate their activities with the purpose of enhancing the competitiveness of SMEs, fostering dialogue with them, supporting the successful utilisation of their intellectual property.

5.2. European Patent Organisation

Bulgaria is a full member of the European Patent Organisation (EPO), which includes 38 countries and has one vote on the Administrative Board and the Budget Committee, whose meetings the Office is regularly attending. There, the actions in the field of patent protection in the participating countries are coordinated, preparatory work for the introduction of a unified European patent is carried out, support is obtained for advanced training of experts (seminars, exchange of experience, language courses), software support for the Office and other activities (provision of software products, expert assistance in the implementation and maintenance), participation in joint projects, joint seminars for various target groups, support to initiatives for cooperation with universities for training in the field of industrial property, provision and receipt of information about property objects.

A fundamental document defining the framework of cooperation between the member states of the European Patent Organisation is the roadmap of cooperation developed by the EPO and approved by its Administrative Council.

During the business meeting held in Sofia at the beginning of the year, between the Patent Office of the Republic of Bulgaria and the European Patent Office, a report on the activities under the “National Action Plan” for the period until the end of 2011 and the new cooperation framework have been presented. Furthermore, the new projects included in the Plan for Bilateral Cooperation in the period 2012-2015, signed in the summer of 2012, have been discussed in detail.

In compliance with the Plan for Bilateral Cooperation, following activities have been performed in 2012:
• Under the EPO project “Machine Translation” the translations of the European patents legally binding in the Republic of Bulgaria have been scanned – about 8000 documents on 700,000 pages, and have been provided to the EPO;

• Within the scope of the formal celebration of the 10th year of Bulgaria’s accession to the European Patent Convention, a seminar on “Dissemination of knowledge on industrial property at the universities” and a round table on „How to expand the knowledge and raise awareness of industrial property in academia, exchange of best practices“ have been organised. The seminar was attended by 75 representatives of universities in the country, of the Ministry of Education and Science, of the Bulgarian Academy of Sciences, inventors and others.

• Under the project „Enhancement of the administrative capacity“ 14 experts from the Patent Office participated in various trainings of the European Patent Academy in the field of expert examination of patents and public relation.

• Under the project „Preliminary diagnostics“, three preliminary diagnostics of small and medium enterprises have been made, which meet the requirements of the project. The purpose was to provide expert analysis of the situation and the prospects of the relevant enterprise in the field of industrial property, to explain its advantages for the competitiveness of the enterprise and to deliver recommendations and guidelines for future actions. “The preliminary diagnosis” consists in visiting experts on the ground in the enterprise, meeting with its leadership, research in databases accessible to the Patent Office with a detailed report with recommendations for the application of object / and industrial-owned enterprise.

In 2012, a meeting with representatives of the European Patent Academy was held at the Patent Office in connection with the work with universities and training in intellectual property.
In fulfilment of Bulgaria’s obligations as a Member State of the European Patent Organization, in 2012, representatives of the Office participated in the regular meetings of the Administrative Council of the EPO and some of its Committees, as well as in an information day on the cooperation with EPO Member States, in the annual meeting on Espacenet (searching tool providing access to patent documents worldwide, containing information about inventions and technical developments), concerning the National Offices, in a meeting under the project “Preliminary diagnostics of SMEs”, in a seminar on “The Future of Espacenet and online application submission”, in the 76th meeting of the Technical and Operational Support Committee in connection with the online application submission, Espacenet, machine translation, in a meeting of the European Patent Network concerning E-learning.

The President of the Patent Office took part in the ceremony of presentation of the European Inventor of the Year award 2012, which took place at the Royal Danish Theatre in Copenhagen and was broadcast live on the website of the European Patent Office and in social networks.

5.3. Organisation of the Internal Market harmonization
In 2012 the cooperation between the Bulgarian Patent Office and the Office of Harmonization for the Internal Market (OHIM) was primarily expressed in the actions under the Technical Cooperation Agreement for 2012, under the projects of the Cooperation Fund and the Convergence Programme.

Technical Cooperation Agreement
Under the Technical Cooperation Agreement with OHIM for 2012, two one-day seminars have been held – in Sofia and Varna oriented towards the SMEs attended by a total of 105 representatives of business circles. A collection of studies has been released, dedicated to the Community mark and design, and a Help-desk was maintained via email.

Cooperation Fund
In pursuance of the key objectives of the Cooperation Fund, which shall be limited to the modernization and simplification of the national systems of trademarks and designs via on-line services; initiatives to harmonise the systems of trademarks and designs and support to the national offices, for the popularisation and enforcement of the rights over trademarks and designs, the Office was in 2012 actively involved in the implementation of following projects:

- Creation and harmonization of seniority databases - commissioning and routine maintenance of the seniority database
- Common electronic tool for similarity of goods and services;
- Videoconferencing between OHIM and the Bulgarian Patent Office;
• Common portal for EU trademarks and designs (European TMDM), which is already in operation;
• Online claiming of national trademarks – execution of preparatory activities under the project;
• Quality standards – the schedules of the procedures for the trademarks, industrial designs and services to consumers have been developed at the Office and the translation of the harmonized quality standards approved has been agreed;
• Harmonised survey of the consumer satisfaction – the basic questionnaire has been drafted and approved and a test study conducted.

Convergence Programme

In 2012 the Patent Office was actively involved in the Convergence Programme, targeting the establishment of uniform approach to be applied by the Office of all EU Member States and OHIM in the various aspects of their activities related to trademarks. The Convergence Programme covers five projects:

1. Harmonization of the goods and services classification practice for the purposes of trademarks registration;
2. Common interpretation (convergence) of class headings of the Nice Classification;
3. Absolute grounds for refusal of trademarks comprising figurative components;
4. Scope of protection in respect to other colour in black & white trademarks;
5. How to deal with non-distinctive components of trademarks in the context of the examination of relative grounds for refusal.

The aim of the project „Harmonization of the goods and services classification practice“ shall be to create common practice regarding trademarks in the Offices of EU Member States and OHIM in classifying goods and services, which shall be primarily achieved through the following mechanisms:

• Creation of the unified database Euroclass of pre-approved goods and services by all participating Offices. The name of the database was changed to TMClass in connection with the accession to the project by several states outside the European Union. Furthermore, a tool for the terminology maintenance of the database has been created allowing the National Offices to correct their translations and propose supplementing the list by new terms.
• Creation of a taxonomic structure as an aid in classifying goods and services. Taxonomy is a new method of organising goods and services in a hierarchical structure which helps the users to find goods and services, to precisely define the scope of the protection sought.

The project „Common interpretation (convergence) of class headings of the Nice Classification“ is an initiative that involves determining whether the terms in the class headings of the Nice Classification are acceptable for classification purposes. The goal
shall be to get consent from all Offices regarding trademarks of the EU Member States and OHIM concerning the acceptability for classification purposes of each term in the class headings, to sufficiently clear justify the unacceptability, for classification purposes, of terms accepted as such and to achieve agreement on a common approach to terms in the class headings included in registrations which should be judged unacceptable.

As a result of its participation in the Convergence Program in 2012, the Patent Office became part of the Common Harmonized Database employing the TMClass tool; thus, the users will not only have available a common list of goods and services in the EU languages the, but will also rely on a uniform approach in assessing the acceptable and unacceptable terms in classification, to be applied by numerous Offices. In this connection, the Patent Office validated numerous terms to supplement the Common Harmonized Database, participated in the discussion on the terms in the class headings in order to determine their acceptability for classification purposes, as well as in discussions to determine the scope of the groups and subgroups included in the new taxonomic structure and their translation into Bulgarian.

The Patent Office has, on a regular basis, provided information on the projects: “Absolute grounds for refusal of trademarks comprising figurative components”, "Scope of protection in respect to other colour in black & white trademarks" and "How to deal with non-distinctive components of trademarks in the context of the examination of relative grounds for refusal”.

5.4. World Intellectual Property Organization (WIPO)

Except for the purely political effect of the participation in Assemblies, the concrete support in seminars (see above), obtaining and providing information, participation in various bodies (committees for the various industrial property objects, to regulate certain activities), an important element of the cooperation, in the opinion of the Patent Office, is the agreement concerning the provision of the IPAS software system to automate activities in the Office, provide the provision of services and many more. In this connection, in cooperation with WIPO in 2012, the Patent Office organised a bilateral meeting on issues concerning the information technologies and systems.

In 2012, representatives of the Patent Office took part in the meetings of the General Assemblies of the WIPO Member States, in the meetings of the Coordination Committee, the Intergovernmental Committee on Intellectual Property and Genetic Resources, Traditional Knowledge and Folklore, of the Programme and Budget Committee, the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications, of the Working Group on the Hague Convention, the Working Group on the Legal Development of the Madrid System, the Committee on Development and Intellectual Property, the IPC Union - Committee of Experts, with or without financial aid from WIPO.
Representatives of the Office participated in a presentation at a conference organised by WIPO concerning the development of national strategies in the field of intellectual property rights in Romania and in a seminar on the Hague System in the Czech Republic.

6. FURTHER ACTIVITIES OF THE OFFICE

6.1. Information technologies

Along with the daily activities in terms of maintenance and current renewal of the intra-office and publicly accessible IT systems and services, further activities have been performed in 2012 and their results mark the progress of the Office. In 2012, the Patent Office continued to be an active participant in the IT programmes and projects initiated and implemented with the decisive assistance of international institutions (EPO, OHIM, and WIPO). Most projects are long-term projects and their results are intermediate and not final.

Activities and projects in cooperation with the European Patent Organisation

In 2012, the EPTOS project was finalised, which was associated with the introduction of the system of automated administrative services for the protection of industrial property rights. In accordance with the provided procedure of EPTOS Handover and following the reinstallation of the EPTOS environment (up to Stand Alone version 9.1 - SLE) and the servers eOLF (electronic filing of patent applications) and Espacenet (patent searching tool), whereat upgrade and update have been performed, up to the current versions, both servers (eOLF and Espacenet) remain available and will be administered and maintained by the Patent Office. Thereby, the further development of the environment and the servers remain its responsibility and duty, but this will be done in cooperation within the European Patent Network.

In 2012, to the services eOLF and Espacenet, the service European Federative Patent Register has been added (European patent searching tool), thereby all three services will be developed in parallel and mutually linked.

Activities and projects in cooperation with the Office of Harmonization for the Internal Market (OHIM)

The development of a common searching tool TM_View concerning claimed and registered trademarks, follows the general policy and currently is operating in Phase 2.

Under the Cooperation Fund, the Patent Office has implemented the following projects in 2012:

• Creation and Harmonization of Seniority Databases – a common database of trademarks claiming for seniority;
• Common tool on designs (Designview) – a searching tool concerning claimed and registered industrial designs, pursuant to the national law
• Common Tool on Similarity of Goods and Services – a common information collection of decisions concerning similarity of goods and services, to equalize the classification criteria;
• Videoconferencing between the OHIM and the Bulgarian Patent Office.

**Intra-office projects**

• At the end of 2012, the project “Improvement of the information and communication environment for application, examination and registration of industrial property objects to achieve interoperability at national and European level and to provide better administrative services to citizens, businesses and public institutions” has been approved and launched, financed under the Operational Programme “Administrative capacity”. The final results of its implementation are expected in 2014.

• In cooperation with the World Intellectual Property Organisation and in connection with the implementation of the new administration system IPAS, following activities have been performed during the year:
  - The implementation environment agreed with WIPO has been activated – the old server and SAN Disk Area with the relevant software installed;
  - The prerequisites for remote access to the environment have been realised;
  - Demonstrations with the product have been performed by WIPO representatives during a business visit to the Bulgarian Patent Office,
  - The options and sequence of steps in implementing the product, as well as the responsibilities of both Parties in this process have been discussed. The results have been summarised in a special document - „IPAS Deployment Project”;
  - The most important step made in 2012 was the preparation of the project under OPAC (Operational Programme Administrative Capacity), which in its essence is entirely related to the implementation of IPAS.

Last year 2012 was less unfavourable for the development of the information systems and technologies in the Office. Significant projects have been successfully launched and implemented, the products developed and implemented on their basis have a noticeable positive effect on the development of systems and services (intra-office and publicly accessible), which in turn improves the quality of the services provided by the institution.

In 2012, actions were also taken to partially replace the existing hardware devices. 20 new computer configurations, a server, two printers and two multifunction devices have been purchased. In this way, some of the most urgent needs were covered, but the situation with the technical support of the Office remains complicated.
In 2013, the Office will continue to work both towards upgrading the existing hardware infrastructure and to implementing the ongoing projects.

### 6.2. Organisational structure and human resources

The organisational structure of the Office has not been changed in principle in recent years; it is shown in the diagram below. Generally, it consists of three directorates with seven departments of specialized administration and one directorate with four departments of general administration.

**Organisational structure of the Patent Office – December 2012**

- **President**
- **Vice-President**
- **Secretary General**
- **Directorate**
  - Inventions, utility models and industrial designs
- **Directorate**
  - Trademarks and geographical indications (TMGI)
- **Directorate**
  - Legal support, international law enforcement and disputes
- **Directorate**
  - Administrative services, financial and economic activities
- **Directorate**
  - Financial and accounting activity
- **Directorate**
  - Administrative Services and Property Management
- **Directorate**
  - Inform. technologies, implementation & maintenance
- **Directorate**
  - Human resources, public relations and Protocol

- **Department**
  - Expert examination
- **Department**
  - Formal examination and examination on the merits of the TMGI
- **Department**
  - Opposition
- **Department**
  - Disputes
- **Department**
  - Public registers, studies and information services concerning TMGI
- **Department**
  - Central Patent Library, Information and Documentation

### 6.2.1. Staff number and structure

The approved staff number of the Office comprises 120 permanent positions. By 31.12.2012 the really occupied positions were 112. The legal relation to 9 employees has been terminated last year.
In 2012, the Office appointed a total of 14 employees under a contract of service and one employee under an employment contract. As replacement of absent employees, four civil servants have been appointed under the terms of Article 15 of the Civil Servants Act. In 2012, the Office conducted 9 competition procedures (one of the procedures was about two positions) for the appointment of civil servants.

6.2.2. Enhancement of the administrative capacity

In 2012, the Patent Office was actively involved in training programs for professional development of employees in the public administration provided by the Institute of Public Administration, the European Patent Academy, OHIM and other training organisations.

The objectives set in conducting such trainings were to improve the professional qualification of the experts in the administration of the Office, to increase the effectiveness of the work of its employees, and for employees holding managerial positions - to develop their managerial skills.

The procedures needed to conduct the training included the preparation and approval of the annual plan for mandatory and specialised training, coordination and submission of applications to training organisations, informing and ensuring the participation of the employees in the seminars under a schedule, monitoring the execution of the annual plan for mandatory and specialised training for the relevant year, coordination and clarification with the relevant training organizations of the changes occurred.

Altogether in 2012, 30 trainings have been carried out in the organisations listed above, with the participation of a total of 46 employees, of them:

- Trainings with European partners through the European Patent Academy and OHIM - 16 employees
- Civil servants who passed training under Article 35a of the Civil Servants Act through the Institute of Public Administration - 13;
- Civil servants who have been appointed for the first time in the civil service in 2012 and passed mandatory training - 12;
- In other training organisations in Bulgaria – 5 employees.

6.2.3. Administrative activity

In 2012, a considerable amount of the administrative activity performed by the Office was focused on the introduction of the new regulations affecting the persons working in public administration. By Council of Ministers Decree 129 of 26 June 2012 made a radical change in the regulatory framework governing the civil service has been made. By this governmental act, several subordinate normative acts have been adopted
governing key points in the status of employees working in the state administration. Here, following normative acts are relevant: **New Position Classification in Public Administration and Regulation on its Enforcement, Regulation on Civil Servants Wages, Regulation on the Terms and Procedure in Assessing the Performance of Civil Servants, Regulation on the Job Descriptions of Civil Servants.**

This whole set of documents required adequate work in order to introduce the changes into the Office. In this connection, changes in the structure and positions have been made and reflected into amendment to the Organisational Rules. A new model of payment for employees has been introduced requiring the preparation of calculations for new consolidated individual basic monthly salaries of all employees of the Office, updating, for all employees, the additional pay for length of service and experience, determining the degrees and levels of the new basic consolidated salaries, estimation of the total length of service and professional experience for the relevant position.

The change of the normative acts caused amendments to the internal administrative rules and procedures and in this connection, **new internal rules on the employees' salaries** at the Patent Office of the Republic of Bulgaria have been prepared and approved, and **internal rules on the selection, appointment, promotion, performance appraisal and training of employees of the Patent Office**, and both acts came into effect from 01.07.2012.

Although the administrative activity in 2012 was focused on above area, also numerous other administrative rules have been prepared and approved during the year, with the purpose to update the intra-office basis, such as:

- Internal rules on the prevention and counteraction of corruption;
- Internal rules on the order of implementing and organising the implementation of the procedures concerning public procurement and monitoring the execution of contracts for procurement;

In order to ensure the continuous production process and activity of the Office, also **five public procurements** have been conducted during the year, four of which based on public invitations.

The annual report on the state of the administration and the report on self-appraisal of the administrative services have been successfully prepared and published on time. Also, the report on the execution of the objectives of the Office for 2011 has been prepared and presented to the Ministry of Economy, Energy and Tourism and the one for 2012 have been approved.

Furthermore, activity was performed, linked to the access to public information in accordance with the requirements under the Law on Access to Public Information. In 2012, **five applications for access to public information** have been considered and the relevant decisions given.
6.3. Budget

Revenues


For 2012 the reported revenues amounted to BGN 9,958 thousand, which makes 13.1% (BGN 1,151 thousand) more than the approved plan for revenues in 2012.

The largest share of 95.1% (BGN 9,469 thousand) made the revenues from state fees collected by the Patent Office under the Tariff of the Fees approved by Decree 242/7.12.2009. The remaining revenues were generated by services rendered to the public, fines collected and penalties under penal provisions, and also came from other sources.

Of the revenues from state fees the largest share have the revenues from state fees for trademarks pursuant to the national law - 41.5%, followed by state fees associated with European patents - 22.7%, in the third place from patents and utility models pursuant to the national law - 17.3%, followed by international trademarks and designs - 14.8% and 3.7% of other from objects of intellectual property.

Revenues from state fees for IP object in the period 2007 - 2012, in thsd. BGN

<table>
<thead>
<tr>
<th>IP object</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trademarks – pursuant to the national law</td>
<td>4679</td>
<td>5033</td>
<td>4085</td>
<td>3573</td>
<td>3210</td>
<td>3929</td>
</tr>
<tr>
<td>Trademarks – pursuant to the Madrid Convention &amp; Protocol (Bulgarian applicants)</td>
<td>116</td>
<td>105</td>
<td>76</td>
<td>65</td>
<td>68</td>
<td>95</td>
</tr>
<tr>
<td>Patents, utility models, SPC</td>
<td>1741</td>
<td>1802</td>
<td>1939</td>
<td>1774</td>
<td>1782</td>
<td>1634</td>
</tr>
<tr>
<td>European patents</td>
<td>571</td>
<td>880</td>
<td>1097</td>
<td>1415</td>
<td>1946</td>
<td>2149</td>
</tr>
<tr>
<td>Industrial designs – pursuant to the national law &amp; the Hague Convention (Bulgarian applicants)</td>
<td>298</td>
<td>299</td>
<td>230</td>
<td>194</td>
<td>199</td>
<td>194</td>
</tr>
<tr>
<td>Plant varieties and animal breeds</td>
<td>59</td>
<td>77</td>
<td>79</td>
<td>71</td>
<td>75</td>
<td>68</td>
</tr>
<tr>
<td>International trademarks and designs - Madrid Convention &amp; Protocol &amp; the Hague Convention</td>
<td>1332</td>
<td>1290</td>
<td>1187</td>
<td>1348</td>
<td>1424</td>
<td>1400</td>
</tr>
<tr>
<td><strong>TOTAL:</strong></td>
<td><strong>8795</strong></td>
<td><strong>9485</strong></td>
<td><strong>8693</strong></td>
<td><strong>8439</strong></td>
<td><strong>8703</strong></td>
<td><strong>9469</strong></td>
</tr>
</tbody>
</table>
Expenses

The expenses specified in the budget for the Patent Office in 2012 amounted to BGN 2,829 thousand.

The expenses approved for 2012 were barely 32.1% of the revenues of the Office planned, and the resources approved for long-term assets (capital expenditures) were insignificant.

The expenses reported for 2012 amounted to BGN 2,598 thousand. At that, the largest share had the expenses incurred for remunerations, social security payments and other expenses for the staff and for workers in non-labour relationships – 69.7% (BGN 1,811 thsd.), the other expenses were for the maintenance of the Patent Office (materials, external services, travelling expenses in the country and abroad, expenses related to the maintenance of the permanent representative of the Office in Brussels, expenses for the WIPO membership fee and the like). There is clearly a steady downward trend in the expenses of the institution. This fact is alarming because, as one can see in the statistical information provided in the report, the work performed did not become less so as to justify such reduction. Particularly alarming is the low amount of the capital expenditures planned in recent years. An institution whose overall activity is related to providing and maintaining unique information cannot afford for years to not update its technical infrastructure. The management of the Office makes a lot of effort to achieve a change in the situation primarily based on the projects developed and the execution of contracts, so that there will be serious improvement in 2014.

Expenses of the Patent Offices under items in the period 2007 – 2012 in thsd BGN

<table>
<thead>
<tr>
<th>Type of expenses</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries, remunerations for the staff and social security contributions</td>
<td>2228</td>
<td>2274</td>
<td>2207</td>
<td>1826</td>
<td>1919</td>
<td>1811</td>
</tr>
<tr>
<td>Maintenance expenses</td>
<td>1077</td>
<td>1040</td>
<td>953</td>
<td>695</td>
<td>705</td>
<td>670</td>
</tr>
<tr>
<td>Membership fee expenses</td>
<td>81</td>
<td>89</td>
<td>92</td>
<td>114</td>
<td>116</td>
<td>114</td>
</tr>
<tr>
<td>Capital expenditures – major renovation, acquisition of long-term of tangible and intangible assets</td>
<td>322</td>
<td>269</td>
<td>3</td>
<td>65</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>TOTAL expenses</td>
<td>3710</td>
<td>3672</td>
<td>3256</td>
<td>2702</td>
<td>2740</td>
<td>2598</td>
</tr>
</tbody>
</table>