

ARTICLE

NUMBER OF PCT FILINGS: 1ST WORLDWIDE DECLINE IN 14 YEARS, BUT FRANCE STILL ON THE RISE

Patent Law | 03/04/24 | François Pochart Océane Millon de La Verteville

DIGITAL PROPRIÉTÉ INTELLECTUELLE TECH & DIGITAL

In anticipation of the forthcoming release of the WIPO 2024 Annual Report, Carsten Fink, Chief Economist at WIPO and Head of the Statistics and Data Analysis Division at WIPO, unveiled on March 7, 2024^[1], some statistics on the 2023 global filings of intellectual property rights.

After a record year in 2022, it has been announced that the total number of international patent filings via the PCT system worldwide was 272,600^[2] in 2023, down 1.8%^[3] on 2022's filings of 277,632.^[4] China, the world's largest filer, saw a very slight drop of 0.6%, with 69,610^[5] PCT filings in 2023, compared with 70,017^[6] in 2022. The United States, in second place in the world rankings, recorded a very sharp 5.3% drop, with 55,678^[7] PCT filings in 2023, compared with 58,823^[8] in 2022. Finally, Japan, the third-largest filer, will register 48,879^[9] PCT filings in 2023, compared with 50,351^[10] in 2023, a significant drop of 2.9%. The drop in PCT filings in the USA and Japan is almost enough to explain the worldwide decline in 2023.

Reversing this trend, France is one of the few countries to show a growth in the number of international filings: the country recorded an increase of 2.0%, from 7,761^[11] to 7,916^[12] PCT filings.

On the businesses' scene, the ranking of the largest applicants reveals contrasting extremes^[13]: the Huawei group alone filed more PCT patents in 2023 (6,494) than all UK applicants combined (5,587). It is therefore logical to find Computer Technologies (27,276) and Digital Communications (25,124)^[14] at the top of the list of technologies with the highest number of PCT applications worldwide.

What accounts for this drop in international PCT filings?

At the press conference, Carsten Fink explained these figures: *"We believe this reflects the current unfavorable environment for innovation and entrepreneurial activity"*.^[15]

WIPO Director General Daren Tang explained that *"rising interest rates and economic unpredictability have affected innovation in 2023"*.^[16]

In this way, economic players, anticipating difficult economic times, or investing less in R&D, may decide to avoid certain international applications. Filing fewer PCT applications may also reflect a desire on the part of applicants not to anticipate or invest in a global market, in order to concentrate on their national or regional markets.

It is, however, relevant to assess the general trend on a larger time scale. We have done this in the tables below for seven countries - China, the USA, Japan, the Republic of Korea, Germany, France and the UK - based on data made available online by WIPO.^[17]

- As far as China is concerned: the number of PCT filings has fallen very slightly between 2022 and 2023, but this number was on the rise in previous years, as well as domestic filings, and in all cases China has a higher dynamic than the United States and Japan;
- In the United States, the number of PCT filings has been falling since 2021, and the number of domestic filings since 2019;
- The Republic of Korea, for its part, has seen its number of domestic filings of all types decline since 2021, while the number of PCT filings has only increased in recent years;
- France, after a drop in PCT applications from 2019 to 2021, has seen an increase since 2021.

Other figures are relevant for further analysis:

- The Republic of Korea leads the field in terms of PCT filings per million inhabitants (over 430 in 2022 and 2023).
- In 2023, France will have 118 PCT applications per million inhabitants, ahead of China (49) and the UK (83).

In conclusion, it is worth putting the figures announced by WIPO into perspective with a more local view and remaining optimistic as WIPO's Director General states that *"despite these short-term declines, long-term trends show that the use of intellectual property is steadily increasing in an increasingly globalized and digitized economy, and is spreading around the world as economies develop"*.^[18]

The complete 2024 annual report is scheduled for release on May 2, 2024.^[19] We will be sure to keep you informed!
To be continued...



Year	Number of patent applications by receiving office and for residents only					Number of PCT applications by origin [the country or territory of residence (or nationality, in the absence of a valid residence) of the first applicant named in an application]. ²⁰					Number of inhabitants per country ²¹
	2019 ²²	2020 ²³	2021 ²⁴	2022 ²⁵	2023	2019 ²⁶	2020 ²⁷	2021 ²⁸	2022 ²⁹	2023 ³⁰	
China	1243568	1344817	1426644	1464605	n/a	59187	68923	69540	70017	69610	1412000000
United States	285113	269586	262244	252316	n/a	57446	58477	59570	58823	55678	333000000
Japan	245372	227348	222452	218813	n/a	52702	50578	50260	50351	48879	125000000
Republic of Korea	171603	180477	186245	183748	n/a	19074	20045	20678	22023	22288	51000000
Germany	46632	42260	39822	37199	n/a	19347	18499	17322	17469	16916	83000000
France	14103	12771	13386	13322	n/a	7923	7782	7380	7761	7916	67000000
United Kingdom	12061	11990	11592	11183	n/a	5777	5889	5841	5716	5586	67000000

PPM (Number of PCT filings by origin, per million inhabitants) ³¹					
Year	2019	2020	2021	2022	2023
China	41.21	48.81	49.25	49.59	49.30
United States	172.51	175.61	178.89	176.65	167.20
Japan	421.62	404.62	402.08	402.81	391.03
Republic of Korea	374.00	393.04	405.45	431.82	437.2
Germany	233.10	222.88	208.70	210.47	203.81
France	118.25	116.15	110.15	115.84	118.15
United Kingdom	86.22	87.90	87.18	85.31	83.37

[1] Announcement of the WIPO virtual press conference 07/03/2024

[2] International patent applications by origin (PCT system), page 1

[3] IP Facts & Figures - The latest comprehensive data from WIPO

[4] International patent applications by origin (PCT system), page1

[5] IP Facts & Figures - The latest comprehensive data from WIPO

[6] International patent applications by origin (PCT system), page 1

[7] IP Facts & Figures - The latest comprehensive data from WIPO

[8] International patent applications by origin (PCT system), page 1

[9] IP Facts & Figures - The latest comprehensive data from WIPO

[10] International patent applications by origin (PCT system), page 1

[11] International patent applications by origin (PCT system), page 1



[12] IP Facts & Figures - The latest comprehensive data from WIPO

[13] International patent applications by origin (PCT system), page 2

[14] International patent applications by origin (PCT system), page 4

[15] International patent filings down in 2023 for the first time in 14 years, Le Figaro, 07/03/2024

[16] Press conference - WIPO - 07/03/2024

[17] WIPO statistics

[18] Press conference article - WIPO - 07/03/2024

[19] Announcement of the release of the WIPO 2024 Report, provisional program - 03/22/24
