



FACTS & FIGURES
2022



Hungarian Intellectual
Property Office

Contents



2022 anniversaries

150 years ago, on 23 September 1872, **Gedeon Richter**, pharmacist and founder of the modern Hungarian pharmaceutical industry, was born

150 years ago, on 27 January 1872, **Lipót Aschner**, businessman, inventor of the **Tungstram** brand name, and great innovator of Hungarian lighting technology, was born

Alexander Graham Bell, physicist and inventor of the telephone, was born 175 years ago, on 3 March 1847

Louis Pasteur, the founder of microbiology, immunology and epidemiology, and the inventor of vaccination methods, was born 200 years ago, on 27 December 1822

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Foreword by the President

Dear Readers,



Another year has passed and it's time once again to review the achievements of the Hungarian Intellectual Property Office. We look at how the macro-economy has affected the number of IP rights and also examine which domestic sectors are the most conscious of those rights. We have had a difficult year, but we firmly believe that the solution to the challenges ahead lies in innovation, in capitalising on innovation and even in transforming protected innovations into economic and social benefits.

Today we are at such an exciting point in global innovation, where digital technologies, artificial intelligence, big data, cloud services and all areas of the internet are booming. These rapidly evolving technologies have the potential to transform large parts of the global economy, create new growth opportunities for economic actors and strengthen the communities. There is no need to show how new ideas, products and services are good for the economy, but we cannot say enough about the innovation behind them and need to do much more to protect it.

There is no need to show how new ideas, products and services are good for the economy, but we cannot say enough about the innovation behind them and need to do much more to protect it.

Our day-to-day experience also points in one direction: that without innovation ecosystems working together, we cannot keep up with the world, and that the money spent on development can only pay off if IPR protection is in place as well. Whether it is the defence industry, space technology, medical development, or even the automotive industry or agriculture.

But we have to recognise that we can only be at the forefront if we are as conscious of this knowledge as our competitors. This publication shows that we still have room for improvement. It is no exaggeration to say that we are in the last minute.

Starting to protect intellectual property (IP) rights is like planting a tree. 20 years ago would have been the right time, but if we didn't start then, today is the time to get started. Now, as the world begins to recover from a pandemic, struggling with economic hardship due to a war, innovation has a greater role than ever before to open up new opportunities for growth and to provide us with solutions that will be essential to mastering the challenges ahead.

First and foremost, we must emphasise that the most important actor in innovation is the human being who comes up with an idea or a solution that they can implement, either independently or in cooperation with others, thus creating value.

We need to pay attention to this resource of knowledge, to domestic creative minds, to their creations, embracing them and helping them every step of the way.

But this value creation is fragile, and can be affected by so many circumstances, some of which are difficult to anticipate. However, some elements of it can be influenced by the implementers themselves in ways that are positive for them and for the community. The protection of IP rights is one of the areas that can certainly be influenced.

Indeed, the fact is that 2022, similar to previous years, has in many ways challenged both the international and domestic economies, and thereby our Office as well. In the spring months, the restrictions imposed by the coronavirus epidemic made it difficult for many businesses to operate and survive, and in early spring the war in our neighbouring country sent shockwaves of an energy crisis and caused economic downturns that affected not only the neighbouring countries but practically the whole world.

In this economically perilous and risk-ridden environment, it is not easy to encourage businesses to start investing extra resources now to acquire and protect their own IP rights. That's why in the second half of the year, we put much more emphasis on helping economic operators with simple, freely available services (IP Scan) or financial assistance (SME Fund).

The data show that domestic pharmaceutical players are the most conscious of protecting intellectual property. It is also encouraging that domestic universities are becoming increasingly confident in the field of IPR and recognise its importance: in 2022, two universities (those of Miskolc and of Debrecen) were among the top applicants for patents in Hungary. However, there are still only a few dozens of patents in force in higher education institutions (62 patents).

It was essential to strengthen our presence in universities: last year, 13 higher education institutions offered stand-alone IP protection training to students. In addition, it is worth highlighting the significant 2.5-fold increase in the number of students enrolled in distance learning: in 2021, 758 students took exams from the Office's distance learning courses, while 1 854 students participated in this form of training last year. We know that these training courses, the continuing, ever-expanding education and the constantly updated information will help people understand the benefits of IP protection and the importance of enforcing their IP rights.

The situation in 2023 is not easy either, but owing to the processes set in motion in recent years it will also be a year of realisation in the very broad spectrum of IP (industrial property, copyright).

A realisation, for example, that intellectual property rights have commercial value and economic and social benefits not only for the right holders, but also for the domestic economy and society. The biggest question for the coming period is how much artificial intelligence will influence economic processes. I am confident that in 2023 we will finally see the light at the end of the tunnel and Hungary (along with all other nations) will be able to return to a stable development path. The ideal situation would be to need only weapons similar to intellectual property rights (such as a patent or utility model, or a trademark or design right) to be used in everyday life.



Gyula Pomázi

President, Hungarian Intellectual Property Office

1 Protection of intellectual values

The Hungarian Intellectual Property Office (hereinafter “the HIPO” or “the Office”) is the central government office responsible for the protection of intellectual property, i.e. the intangible assets of the economy, as well as of science and culture. Its activities cover industrial property protection, copyright and the qualification of research and development activities. The supervision over the Office under government control, as provided for by an Act, was exercised by **László Palkovics Ph.D.**, Minister for Technology and Innovation until 22 May 2022, and in the new government structure, from 24 May 2022, it has been taken over by **János Csák**, Minister for Culture and Innovation.

In the exercise of his institutional management and control powers, during 2022 the President of the HIPO was assisted by **Péter Lábodý**, Vice-President for Legal, International and Innovation Affairs **Dóra Gyetvainé Virág**, Vice-President for Industrial Property Administration, and **Zoltán Horváth**, Vice-President for Financial Affairs. Under the new Organisational and Operational Rules, **Tivadar Bognár**, Director General for Digitalisation and Development, has been added to the senior management of the Office as of 30 April 2022.

In the challenging year of 2022, the HIPO continued to meet traditionally high professional standards. It has performed its tasks to an outstanding standard, with a strong focus on customer orientation and digitalisation, and in an efficient manner. Its quality-focused activity is guaranteed by the fact that it operates in accordance with the requirements of ISO 9001:2015 Quality Management and ISO/IEC 27001:2013 Information Security Management standards, and its certificates were renewed in November 2022 by an external review audit.

Despite the unfavourable external environment, protection activity improved in some customer segments during 2022, but many areas were characterised by lower filing rates than in the previous year and the number of valid protections shifted in different directions depending on the form of protection.

Main trends in industrial property protection activity

2022/2021



Increase

+12,3%

Nationally filed patent applications

+3,0%

Valid European patents in Hungary

+2,7%

All valid patents (national and European) in Hungary

+9,4%

Valid utility models

+27,2%

International patent (PCT) applications filed by Hungarian applicants

+37,6%/+2,5-fold

Hours of/participants in intellectual property training



Percentage of trade mark applications filed electronically

Decrease



-24,3%

Requests for validation of European patents in Hungary

-4,5%

Valid nationally granted patent protections

-3,9%

International trade mark applications designating Hungary

-20,5%

Nationally filed trade mark applications

-11,8%

Nationally filed design applications

-4,2%

Valid international trade marks (under the Madrid System)



Encouragingly, thanks to more extensive university cooperation, the indicators for intellectual property education in cooperation with the HIPO have increased spectacularly.

New potential customers from the small and medium-sized business sector were reached, for example through the IP Scan service, which has been completely renewed in the framework of international cooperation, and its effective, target group-oriented promotion.

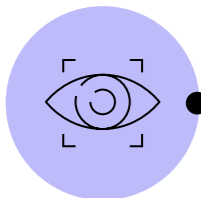
A positive trend is the development of e-administration in the HIPO. It was foreseeable that, with the lifting of the epidemic restrictions, the uptake of e-filing would moderate somewhat for several forms of protection, but its share in 2022 was typically well above the pre-pandemic level of the year 2019 in all cases. Trade marks led the way in electronic filing, with 74% of national trade mark applications received electronically, up 5% on the previous year, which was already the highest percentage.

Main indicators for the activities of the HIPO in 2022



1282
IP training courses jointly organised with HIPO

3423
students

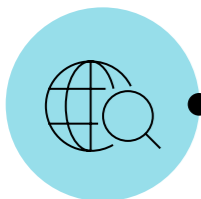


11 press events

39 press releases

<800 news items

<100 reports



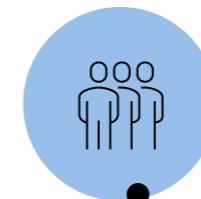
<10 major presidential interviews

<10 vice-presidential interviews

~ 60 events and presentations

385 000 website visitors

1 500 000 website visits



17 506
customer service enquiries

12 107
of which the number of enquiries by phone

Proportion of applications filed electronically via the national route

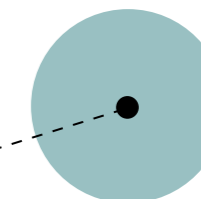


171 975

Valid industrial property rights in Hungary on 31 December 2022
Protections (nationally granted, validated and registered pursuant to international cooperation – Madrid, Hague)

123 762

total of filed official documents



9961

applications, requests for validation and for qualification filed with HIPO



9673

closed cases



8134

grants of protection

13
supervised common and independent rights management organisations

35
registration proceedings

21
tariffs

24 467
measures relating to the keeping of registers

5 104
Measures affecting changes to the register

24

Customer-focused authority

Valid protections in Hungary

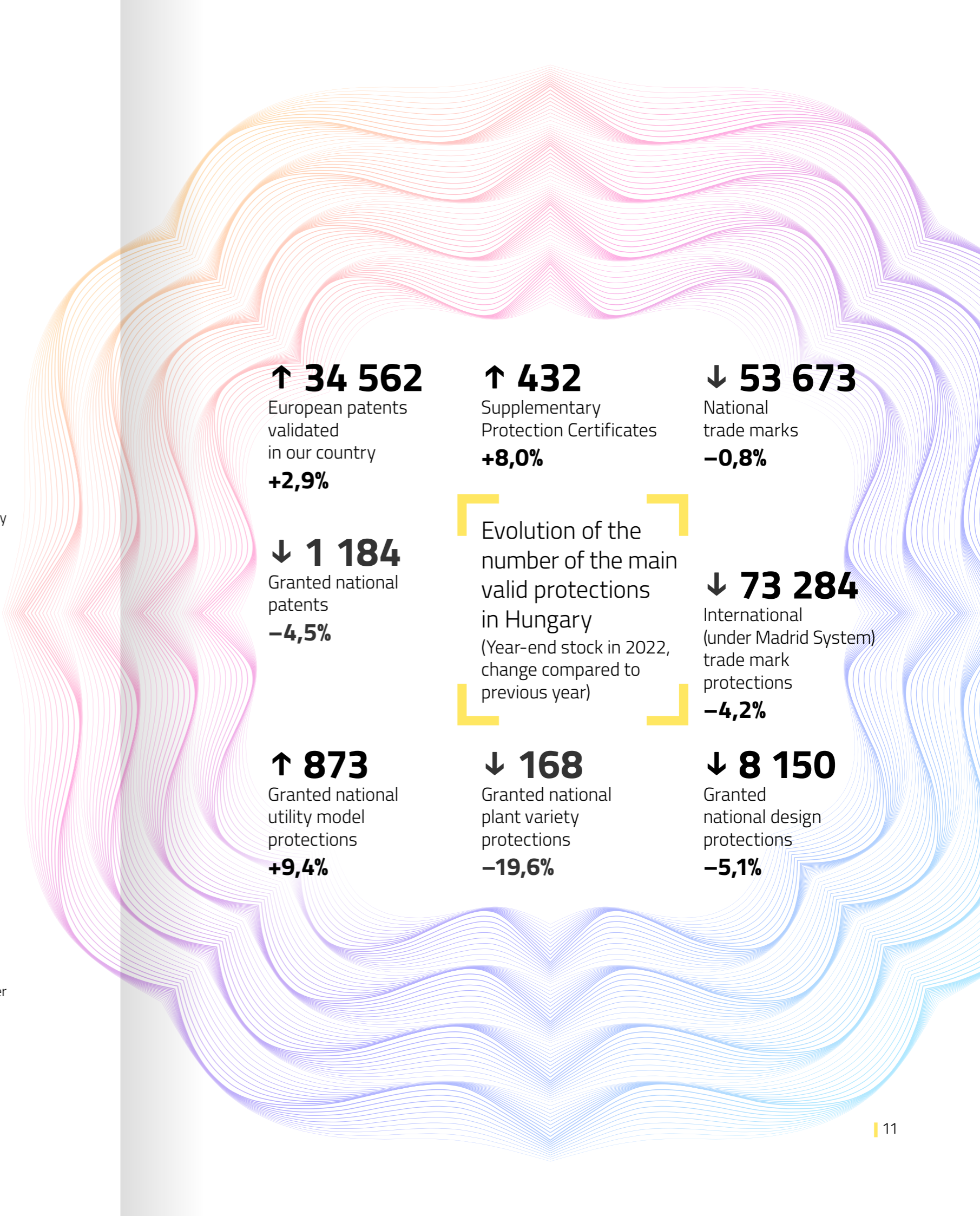
IP protections extending to the territory of Hungary are not only an indicator of the competitiveness, strengths and R&D quality of the economy, but also provide an indication of the attractiveness of the economy for foreign capital and as a target market for trade. Monopoly rights in the field of intellectual property can promote technology transfer, R&D cooperation and trading of licences, and can boost business and investor confidence in high-tech sectors.

Another reason for the importance of intellectual property protection covering Hungary is that all players in the Hungarian market (domestic and foreign companies, research institutes, universities, institutions, farmers) must carry out production, sales and research and development activities in Hungary in compliance with these monopoly rights, otherwise they may be accused of infringement. The proliferation of existing protections means that producers, traders and developers have to make increasing efforts to exercise due diligence in mapping existing monopoly rights. The services of the HIPO and the profession of patent attorneys offer their help in this respect.

At the end of 2022, the number of European patents validated in Hungary, nationally granted utility model protections and supplementary protection certificates increased

compared to the end of the previous year, while the number of other valid protections granted in national and international proceedings remained at the same level or decreased.

The total number of valid patents in Hungary at the end of the year was 35 746, up 2.7% on the end of the previous year. This was exclusively due to a nearly 3% increase in the number of European patents validated in Hungary, as the number of patents granted nationally continued to fall, from 1 240 in the previous year to 1 184, a decrease of 4.5%. The number of valid national utility models, on the other hand, increased by 9.4% to 873, compared to the previous year. The number of valid national designs dropped by 5.1% to 8 150. The number of valid national trade marks fell from more than 54 000 in previous years to 53 673 by the end of 2022. The number of international (Madrid System) trade marks decreased further by more than 4% from 76 000 to 73 000. The number of EU trade marks, valid also in Hungary, is over 2 million, while the number of Registered Community Design protections is in the order of 1.5 million. In addition, the number of Community plant variety rights, valid also in our country, was 30 000 at the end of the year, up 3.3% on the previous year.



2/2

Administration in patent matters

Under the Patent Cooperation Treaty (PCT), which is the basis for international patent cooperation, a patent (or utility model) application can be filed for obtaining protection in 193 countries worldwide by filing a single application. The growth in the number of international patent (PCT) applications has slowed down in recent years, with the number of applications filed in 2022 exceeding the 2021 figure by 0.3%.

Nevertheless, the 278 100 PCT applications received by the World Intellectual Property Organization (WIPO) in 2022 represented a record high.

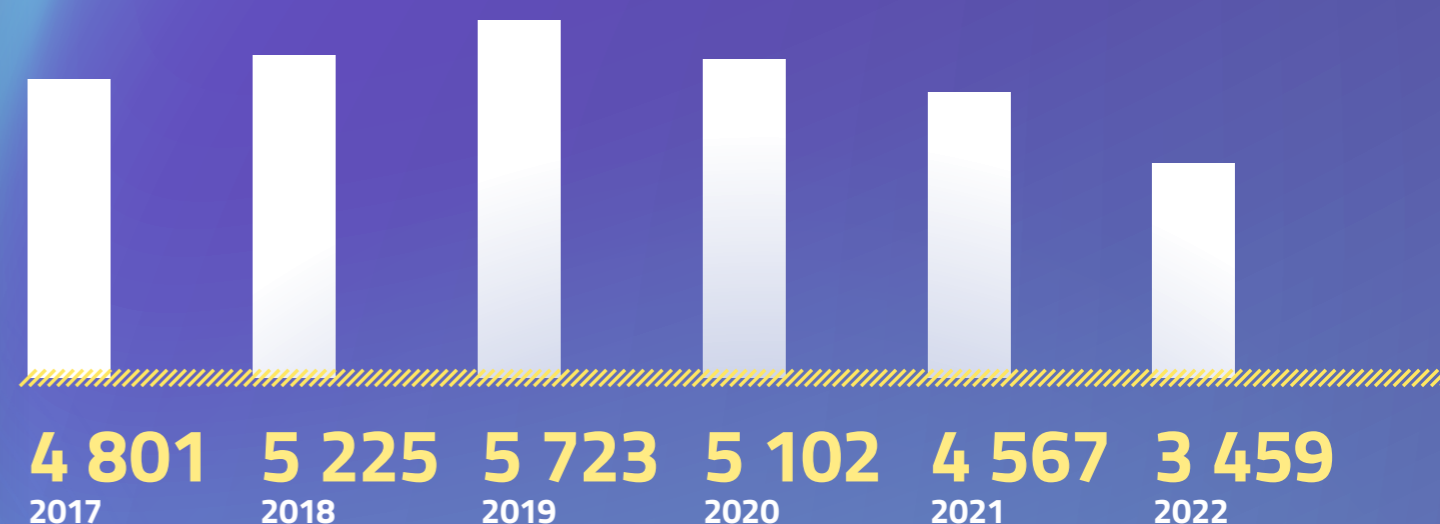
Only a small proportion of these applications result in protection extending to Hungary at a later stage of the proceedings. The number of PCT applications entering the national phase in Hungary in 2022 was 65, which is more than 10 times higher than in 2021, despite the low volume. Although the international patenting activity of Hungarian applicants is low, in 2022,

the number of 145 proceedings initiated by Hungarian applicants under the PCT system was 27.2% higher than in the previous year (114).



European patent

It is now possible to obtain a European patent under the European Patent Convention (EPC) in 39 contracting member states. Since Hungary's accession to the Convention in 2003, foreign patent applicants typically no longer apply for patent protection covering Hungary through the PCT system by entering the so-called national phase or by filing directly with the HIPO, but typically choose the European route. Rights holders interested in a presence in the Hungarian market typically request the validation of their European patents granted by the European Patent Office (EPO) in Hungary.



Number of requests for validation of European patents in Hungary (2017–2022)

In 2022, the number of European patents granted by the EPO with an HU designation was 81 566, a quarter less than in the previous year. A notable trend is that the number of European patents granted by the EPO has decreased year on year since 2019, reaching a dramatic decline in 2022, when the number of European patents granted was 24.9% lower than in the previous year. In parallel with the decreasing EPO grants, the volume of requests for the validation of granted European patents in Hungary has also steadily decreased after the peak in 2019. Statistics show that, on average, right holders file applications for extension to Hungary for 4–5% of their granted European patents. In 2022, 3 459 such applications were received by the HIPO, which is almost 24.3% less than in 2021.

Patent applications filed via the national route

include, on the one hand, patent applications of domestic origin and, on the other hand, foreign applications filed directly with the HIPO and PCT applications entering the national phase.

501 The number of patent applications received via the national route was **12.3% more than in 2021**.

Of these, 414 were applications of domestic origin, i.e. from clients with a seat or domicile in Hungary, down by 3.9% compared to the previous year. The number of foreign patent applications filed directly with the Office has increased from 9 in 2021 to 22 in 2022, and the number of national procedural requests resulting from previous PCT designations has increased from 6 to 65.

82,6% Of the patent applications filed via the national route, **were of domestic origin and 17.4% were of foreign origin.**

Of the applications received via the national route, 43.7% (219) were so-called individual applications from private persons and 56.3% (282) were so-called institutional applications from legal entities (e.g. companies, universities, research institutes). The number of patent applications filed by domestic individual and institutional applicants both decreased compared to the previous year (by -4.4% and -3.4%, respectively).

The TOP5

Hungarian patent applicants in 2022 were:

- University of Miskolc (5 applications),**
- Research Centre for Natural Sciences (5),**
- University of Debrecen (5),**
- Richter Gedeon Nyrt. (3) and**
- the Biological Research Centre of Szeged (3).**

Breakdown of national patent applications by origin and type of applicants

17% foreign applicants
83% domestic applicants

56,3% Institutional applicants
43,7% Individual applicants

With the lifting of the restrictions due to the epidemic, the growth of electronic filing in patent matters has turned down: in 2022,

46% of patent applications were received by the Office via electronic channels

(e-filing, e-paper, via the office gateway), compared to 55% in 2021. A number of patent inventors prefer to file in person, as shown by the fact that, after 29% in 2021, the year of the epidemic restrictions, the proportion of patent

38% applications filed in person rose again to a relatively high in 2022, in parallel with the lifting of the restrictions.

The share of those filing via a terminal fell from 17% to 4%.



National patent administration proceedings

3 618 In the patent area, European patents had been validated

by the end of 2022, 1 286 or 26.2% less than the previous year – due to fewer requests received. Of the patent protection proceedings initiated via the national route, 564 cases were completed.

Among the decisions closing the proceedings, the number of grants increased from 107 in the previous year to 132, so that 23.4% of the closed cases resulted in the grant of a national patent.

26.1% of cases were terminated due to surrender, 41.8% due to withdrawal, and 5.1% due to non-payment of fees. Of the closed patent cases, 20 applications were rejected. The number of national patent cases pending at the end of the year was 837, the same as in the previous year.

The number of novelty searches carried out in the patent granting proceedings is determined by the stock of applications filed in the previous year and still pending. Of the 310 novelty search reports, 143 were accompanied by a written opinion and 74 of these were requested by customers to be performed in an accelerated procedure.

Since 2019, a written opinion can be requested on the basis of an English-language patent description and claims, which was requested by clients in 13 cases in 2022, and only for pharmaceutical and biotechnology applications. To achieve cost-effectiveness, a typical patenting strategy is for applicants to file an application in English to ensure Hungarian priority, and then to file an international patent application without extra translation costs once they have a written opinion.


20,3

The average gross pendency time¹ for patent applications filed via the national route was 27 months and the average net pendency time was months.

Customers have typically not taken advantage of the possibility to request publication earlier than 18 months free of charge to speed up the proceedings. It was not in their interest to disclose the invention prematurely because, for example, they were not yet fully prepared to enter the market.

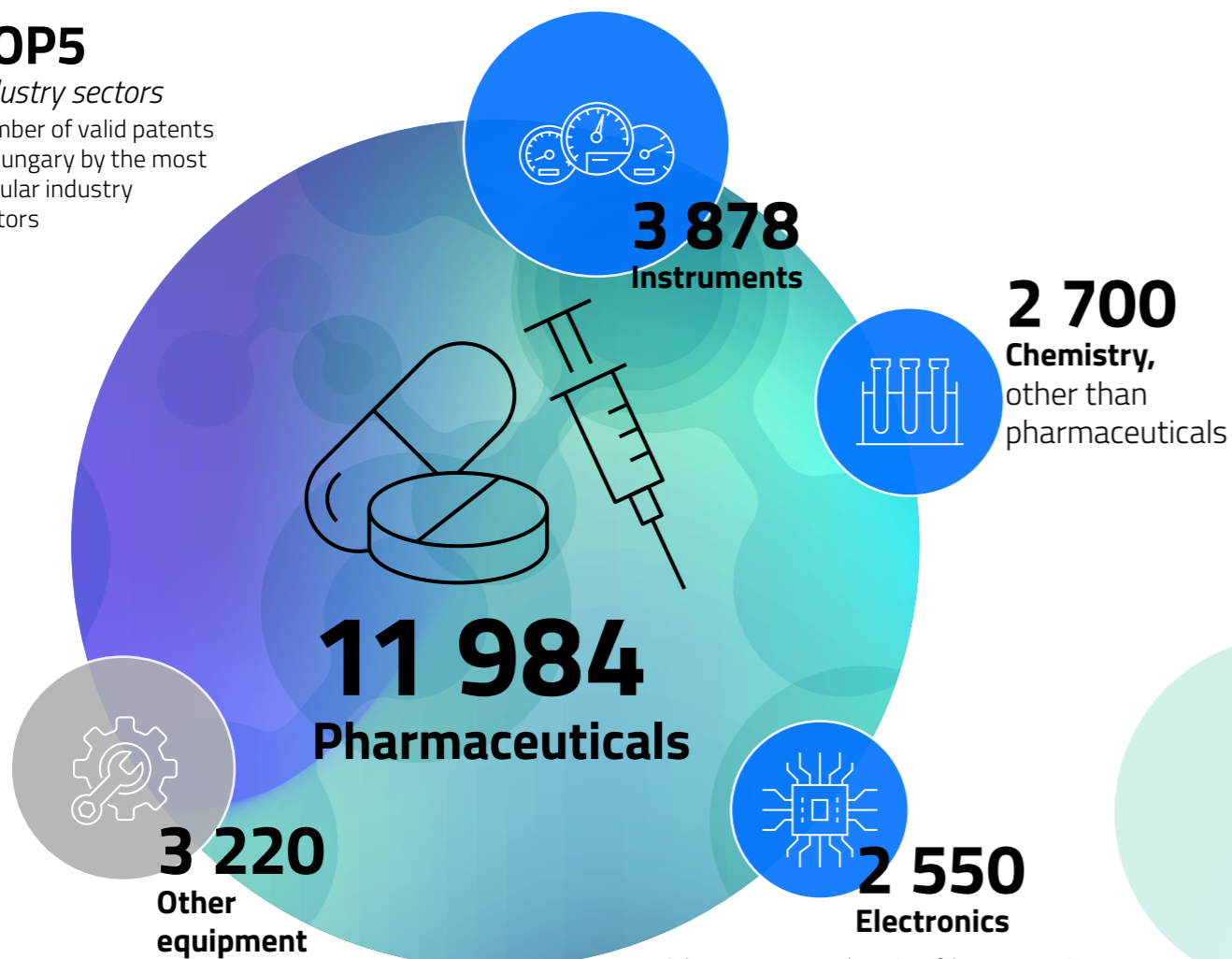
Among the technological fields (specialisations), pharmaceuticals topped the list for both nationally granted and validated European patents.

One third of all valid patents in Hungary, 33.5%, were concentrated in a single field, pharmaceuticals, which accounted for 11 984 valid patents in the pharmaceutical sector.

TOP5

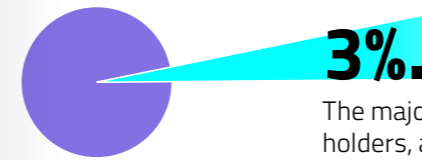
industry sectors

Number of valid patents in Hungary by the most popular industry sectors



¹ | The average gross pendency time of the patent granting proceedings measures the time between the date of filing of a patent application and the final decision thereon. If we subtract from the gross pendency time the time periods at the disposal of the applicant to prepare his replies, we obtain the average net pendency time, which includes the mandatory 18 months' waiting period pursuant to the Patent Act.

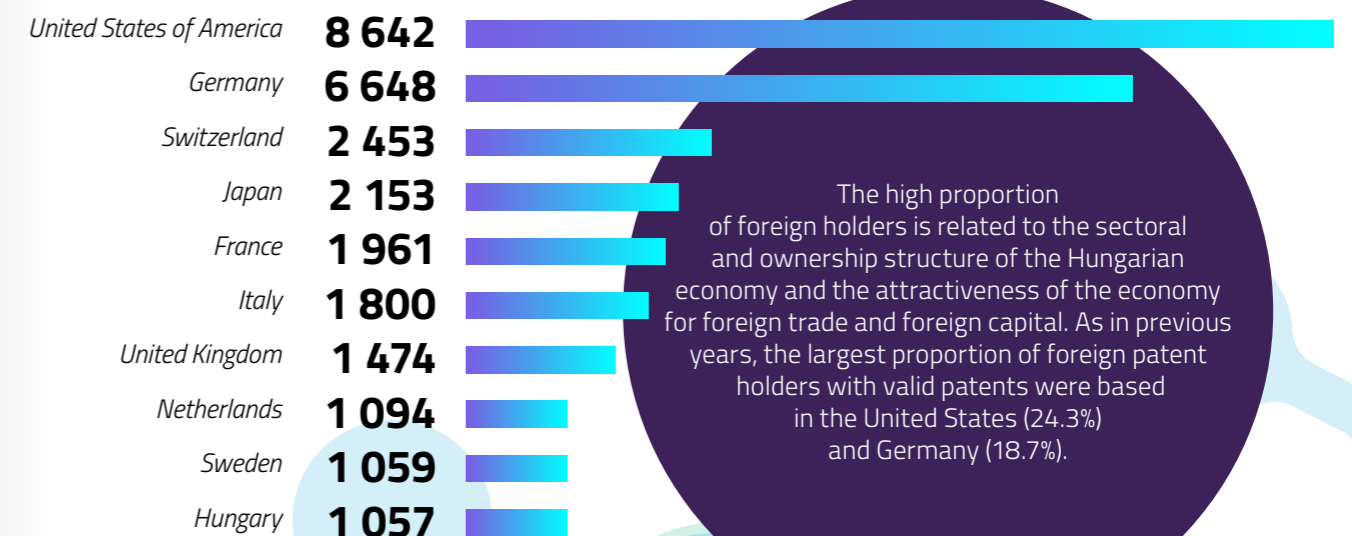
For years, 97% of patent holders in Hungary have been foreigners, while the share of Hungarian patent holders has been


3%.

The majority of the 34 562 European patents valid in Hungary are held by foreign patent holders, accounting for the vast majority of all patents validated in Hungary. Among the European patents validated in Hungary, the share of Hungarian patent holders can be estimated at only about 0.7% (e.g. large Hungarian pharmaceutical companies).

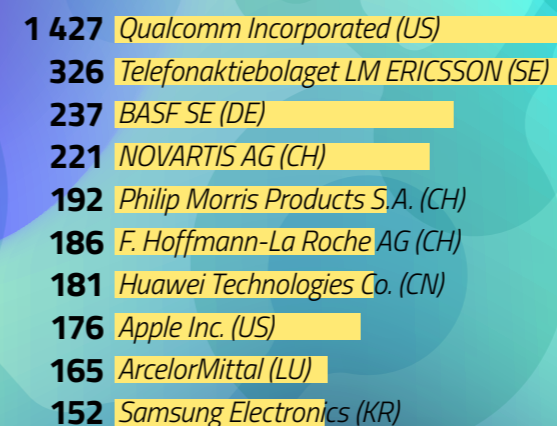
TOP10 countries of origin

Breakdown of holders of valid patents (nationally granted and validated European patents) in Hungary by countries of origin



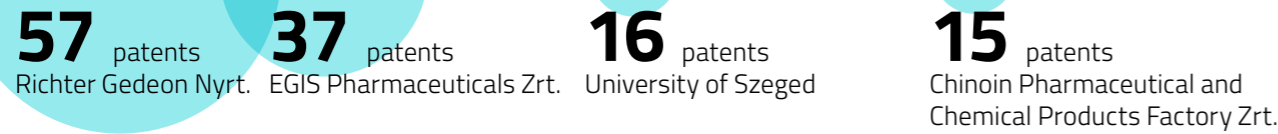
The high proportion of foreign holders is related to the sectoral and ownership structure of the Hungarian economy and the attractiveness of the economy for foreign trade and foreign capital. As in previous years, the largest proportion of foreign patent holders with valid patents were based in the United States (24.3%) and Germany (18.7%).

TOP10 Patent holders



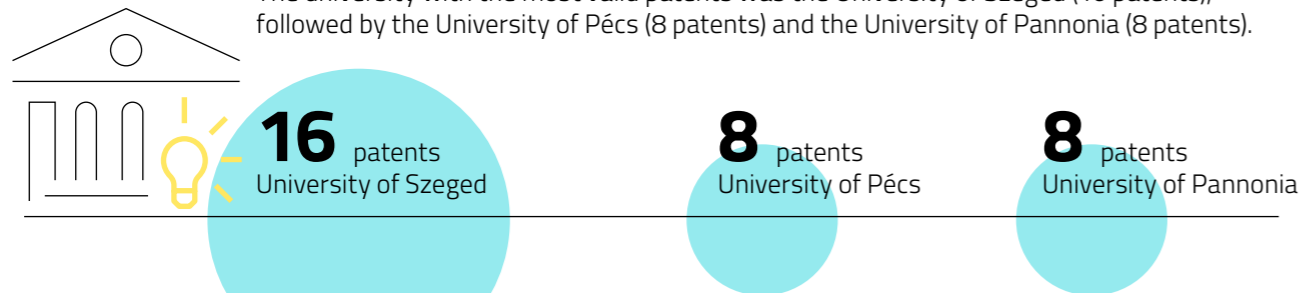
The top list of patent holders with the most valid patents (nationally granted and validated European patents) is topped by companies with headquarters abroad.

Among Hungarian patent holders, Richter Gedeon Nyrt. ranked 17th in the 2022 top list with 121 valid patents (nationally granted as well as validated European patents). Richter Gedeon Nyrt. leads the field of domestic patent holders with 57 nationally granted valid patents.



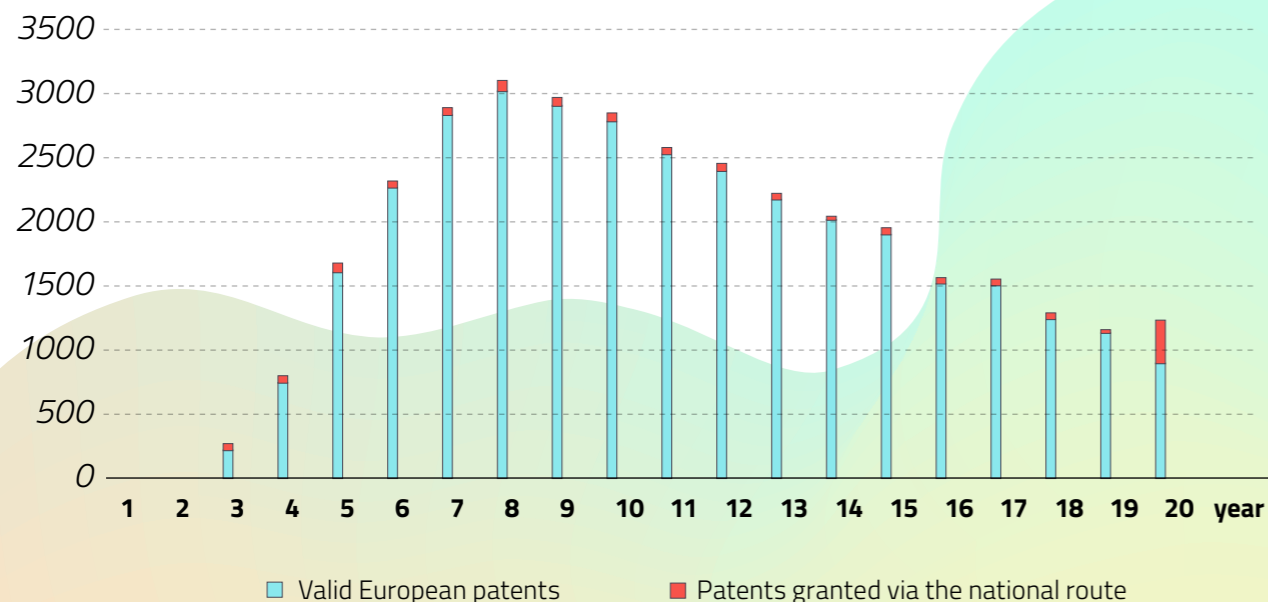
62 At the end of 2022, Hungarian universities had a total of valid patents in Hungary.

The university with the most valid patents was the University of Szeged (16 patents), followed by the University of Pécs (8 patents) and the University of Pannonia (8 patents).



Age pyramid of valid patents in Hungary

In terms of the age pyramid of valid patents, nationally granted patents have the highest number of patents at the 20th year (326), while valid European patents have the highest number of patents at the 8th year. On expiry of the 20-year term of protection in 2023, the number of nationally granted patents is likely to fall significantly.



2/3 Administration in utility model matters

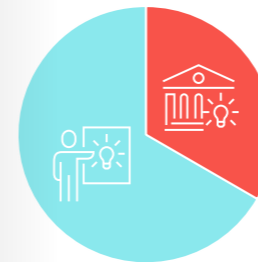
The Office received **208** applications for utility model protections (so-called „small patents“), almost the same number as the previous year (211).

90,9% of the national applications were filed by domestic applicants

and 9.1% were submitted by foreign applicants. Of the latter, 18 foreign applicants filed their applications directly with the HIPO and one was an international PCT application that entered the national phase.

40% of the applications for the utility model protections

have been submitted electronically, and another 3% have been received by the Office on e-paper. However, 34% of the applications were still submitted in person, 18% by post and 5% via a terminal.



Of the applications received via the national route, 59.1% came from individual applicants and 40.9% from institutional applicants.

Two foreign (a Chinese and a UK applicant) and two Hungarian institutional applicants filed the largest number of applications for utility model protection.

The Office closed 254 proceedings by the end of the year, 13.4% more than in the previous year. Of the closed cases, 169 applications (66.5%) met the eligibility criteria and were granted protection, 8 applications were rejected and 77 cases terminated by withdrawal. Thanks to the accelerated processing, the backlog of pending cases at the end of the year has decreased sharply (137 cases), so that the backlog of pending cases at the end of 2022 was the lowest in the period 2015-2022, 23% lower than the previous year.

The average gross pendency time for cases received and completed by the Office during the year was 6.61 months and the average net pendency time was 2.93 months.



873
Valid national utility models



208
Applications



254
Closed proceedings



169
Grants



137
Pending cases

2/4

Supplementary protection certificates

Supplementary protection certificates (SPCs) provide an extension of the term of patent protection of a protected medicinal or plant protection product. During 2022, the Office received

55 new SPC applications, nearly the same number as in the previous year (57).

During the year, 72 proceedings were closed, 23.4% fewer than in the previous year. The number of cases pending at the end of the year fell to 59, they were 22.4% fewer than the previous year. During the year, 68 supplementary protection certificates were granted. The number of valid supplementary protection certificates at the end of the year was 81. In addition, the basic patents for 351 SPCs already granted were still valid at the end of 2022. For these, the SPCs will only take effect when the basic patent expires.

In 2022, the Court of Justice of the European Union (CJEU) was seized of two new preliminary ruling cases fundamentally affecting the interpretation of the law concerning supplementary protection cases, which create uncertainty in case-law, in particular with regard to the treatment of combinatorial products. The Hungarian government submitted comments on both cases, in the preparation of which the HIPO also participated.

2/5

Administration in plant variety matters

The exclusive use of plant varieties is guaranteed by a separate form of protection, the plant variety right. The Office received 30 national applications for plant variety protection in 2022, exactly the same number as in 2021. During the year, 15 proceedings were completed, of which the Office granted protection in 14 cases. At the end of the year, 76 cases were pending, for which the 4-year period for submitting the results of biological and morphological tests of the plant variety to be protected had not yet expired, and could therefore not be closed.

The number of valid nationally granted plant variety rights at the end of the year was 168. According to the register of the Community Plant Variety Office (CPVO), the number of applications for Community plant variety rights was 3 193. At the end of 2022, there were

30 566 valid Community plant variety rights, extending also to Hungary, up 3.3% on the previous year.

2/6

Administration in design matters

The effect of Registered Community Designs (RCDs) registered by the EUIPO extends also to Hungary. The years-long rise in the number of Community design applications filed with the EUIPO and the number of designs included in those applications has come to a halt in 2022. While the number of applications exceeded 28 000 and the number of designs included in applications exceeded 91 000 in 2022, this represented a decrease of 11.8% in applications and 9.1% in designs included in applications compared to the previous year. Applicants established or residing abroad typically choose the European Union route to obtain rights in Hungary and obtain Community design protections at the EUIPO with effect also in Hungary.

202 Hungarian applicants also increased their activity in the field of Community design protection applications: such Community applications were filed, compared to 143 in the previous year.

TOP3

Right holders of Community design protections of Hungarian origin (based on number of RCDs)

244
Julius-K9 Zrt.

60
Wellis
Hungary Trading
and Services

56
Hungarian
individual
applicant

In the framework of international cooperation (under the Hague Agreement), the Office examined 13 international industrial design applications in which Hungary was designated. These applications included a total of 19 designs.

In national proceedings the percentage of customers choosing electronic filing decreased from 63% to 57%. 19% of the filings were made in person, 16% by post and 8% via terminal.

193

The Office received 97 national design applications covering designs, an average of 2 designs per application.



Compared to 2021, the number of nationally filed design applications decreased by 11% and the number of designs included in applications decreased by 77.7%. All applications were received from domestic applicants. 75% of the applications were filed by individual applicants and 25% by institutional applicants. Most applications were received from the **Moholy-Nagy University of Art and Design** (3 applications).

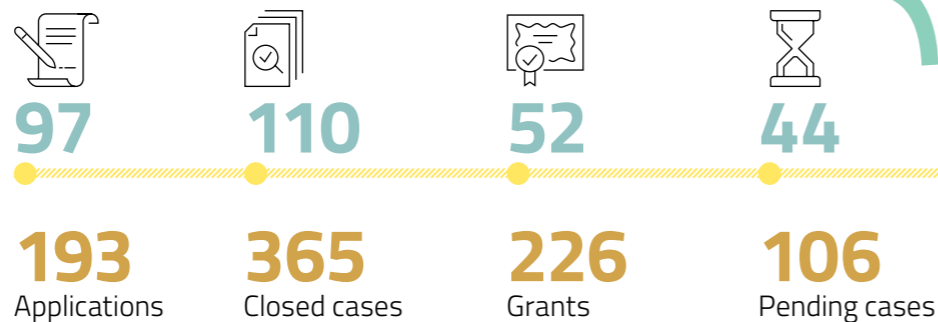
National design protection proceedings

2 406

8 150

Valid national designs

- Number of cases
- Number of designs



The Office closed 101 cases and within that framework examined 365 designs, a decrease of 27.3% in closed cases and 60.7% in examined designs compared to 2021. 48% of cases ended with a withdrawal, 1% with a rejection and 30% were still pending at the end of the year.

In almost half (49%, 50 cases) of the national design cases examined, all designs contained in the application were granted.

Two completed cases, involving several designs, resulted in partial grant decisions, as only some of the designs applied for were granted. A total of 226 designs were granted, with a distribution of 50 cases in which all designs applied for were granted, for a total of 188 designs, and 2 cases in which partial grants resulted in 38 designs being granted.

2/7

Trade mark administration



Registered European Union trade marks have effect in Hungary too. After years of buoyant EU trade mark filing activity, EU trade mark filing activity declined in 2022: in 2022 more than

174 000

EU trade mark applications were filed with the EUIPO

and more than 165 000 EU trade marks were registered during the year, but this was 12% and 8.6% down on 2021. However, the number of EU trade marks valid in Hungary already reached 2 million.

1 143

The WIPO-administered system for the international registration of trade marks received international trade mark applications and subsequent territorial extensions

designating Hungary in 2022, 3.9% lower than in 2021. In addition to the epidemic situation, the drop in international trade mark applications was also due to the postponement of decision-making as a result of the Russian-Ukrainian war.



73 284

Valid international trade marks



1 143

Applications



974

Publications



1 026

Closed proceedings



911

Registrations (grants)



369

Pending cases

974

In the Gazette of Patents and Trade Marks international trade mark applications were published,

23.6% fewer than in the previous year. The Office examined 1 026 international trade mark applications and subsequent territorial extensions designating Hungary and acknowledged protection in 911 cases. The number of international trade mark applications refused was 112. The proceedings were terminated in 3 cases. At the end of 2022, 369 international trade mark applications were pending. As a designated office, the HIPO managed to reduce average pendency times by almost one week compared to the previous year.

The activity of trade mark applicants of Hungarian origin abroad also decreased.

856

EU trade mark applications with the EUIPO,

6.1% lower than in 2021. A total of 727 EU trade marks of Hungarian origin were registered, which was 11% (90 trade marks) less than the previous year.

232

Hungarian applicants filed International trade mark applications

under the WIPO-administered system for the registration of international trade marks (Madrid Agreement and Protocol).

TOP5

EU trade mark holder of Hungarian origin (based on EUTM number)

- 220 URSA Salgotarjan Glass Wool Close CO.
- 150 Zwack Unicum Nyrt.
- 128 Richter Gedeon Nyrt.
- 116 MOL Nyrt.
- 102 Hell Energy Magyarország Kft.

Hungarian trade mark applicant activity (2022)

3 333

HIPO
Nationally filed trade mark applications

856

EUIPO
EU trade mark applications

232

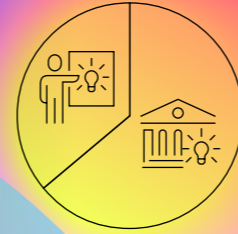
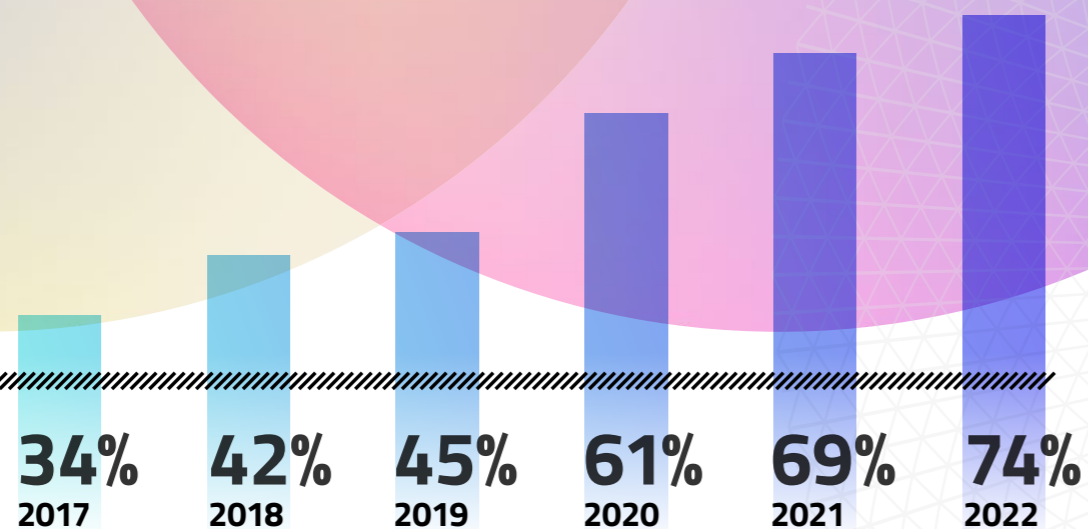
WIPO
International (Madrid system) trade mark applications

The number of nationally filed trade mark applications decreased by 19.6% to 3 333 in 2022 compared to the previous year. As previously, 91.4% (3 048 applications) of national trade mark applications were filed by domestic applicants, while 285 applications (8.6%) were filed directly with the HIPO by foreign applicants. The number of publications in 2022 was 2 984, up 3.4% on the previous year.

Customers have the possibility to speed up the administrative process through the so-called accelerated procedure and special accelerated procedure. During the year, 153 requests for accelerated procedure and 144 requests for special accelerated procedure were received, bringing the total number of applications processed by the Office to 297.

The largest share of electronic administration is in the trade mark area. An increasing proportion of national trade mark applications are filed electronically: in 2022, nearly three quarters **73,5%** of the applications were submitted electronically, compared to 69.1% in 2021, and a further 1% were submitted on e-paper. At the same time, the proportion of personal submissions fell to 16 percent, and 8% were submitted by post and 2% via terminal.

Percentage of trade mark applications filed electronically (2017–2022)



36,3% 63.7% of nationally filed trade mark applications came from institutions while *came from individual applicants.*

TOP5

National trade mark applicants
The applicant filing the most national trade mark applications

- 41 Richter Gedeon Nyrt.
- 31 EGIS Pharmaceuticals Zrt.
- 26 Hungarian Tourism Agency Zrt.
- 24 Media Services Support and Trust Fund
- 20 Győr Area Development and Project Management Kft.

The list of the largest national trade mark applicants is traditionally led by Richter Gedeon Nyrt. (41 applications) and EGIS Pharmaceuticals Zrt. (31 applications), followed by the Hungarian Tourism Agency Zrt. (26 applications).

The Office completed **3 800** cases, 12.2% fewer than in the previous year. Registrations continued to dominate (75.3%), with 2 862 national trade marks registered. The number of refusals was 112 and the number of cases terminated was 826. The number of cases still pending at the end of the year was 1 695, almost 30% down on the previous year.



53 673
Valid national trade marks



3 333
National trade mark applications



2 984
Publications



3 800
Closed proceedings



2 862
Registrations (grants)

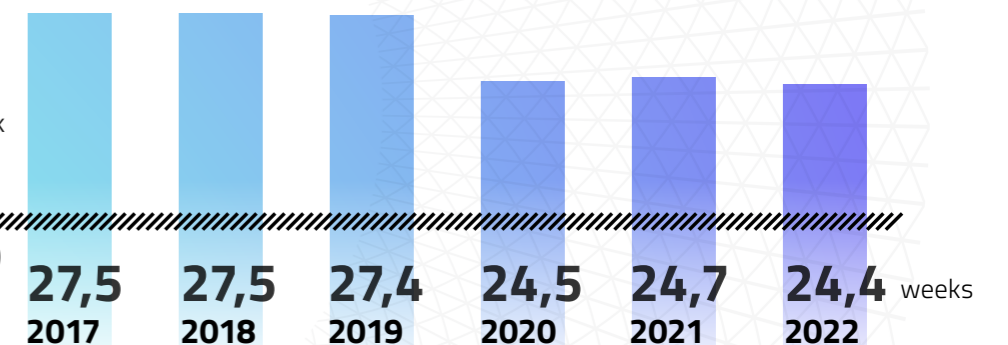


1 695
Pending cases



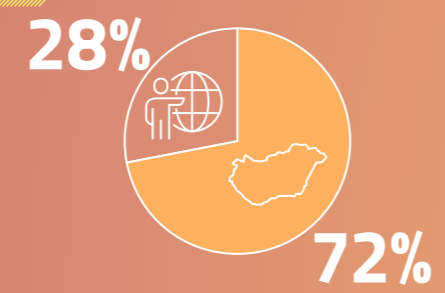
Compared to the previous year, the average gross pendency time for the national trade mark registration proceedings was reduced to

24.4 weeks (5.64 months) in 2022, resulting in an average pendency time of less than 6 months.



53 673, The number of valid national trade marks at the end of the year was down 0.8% from 54 000 the previous year.

Of the more than 53 000 valid trade marks in the national trade mark register, 72% were owned by Hungarians and 28% by foreigners.



TOP10
countries of origin

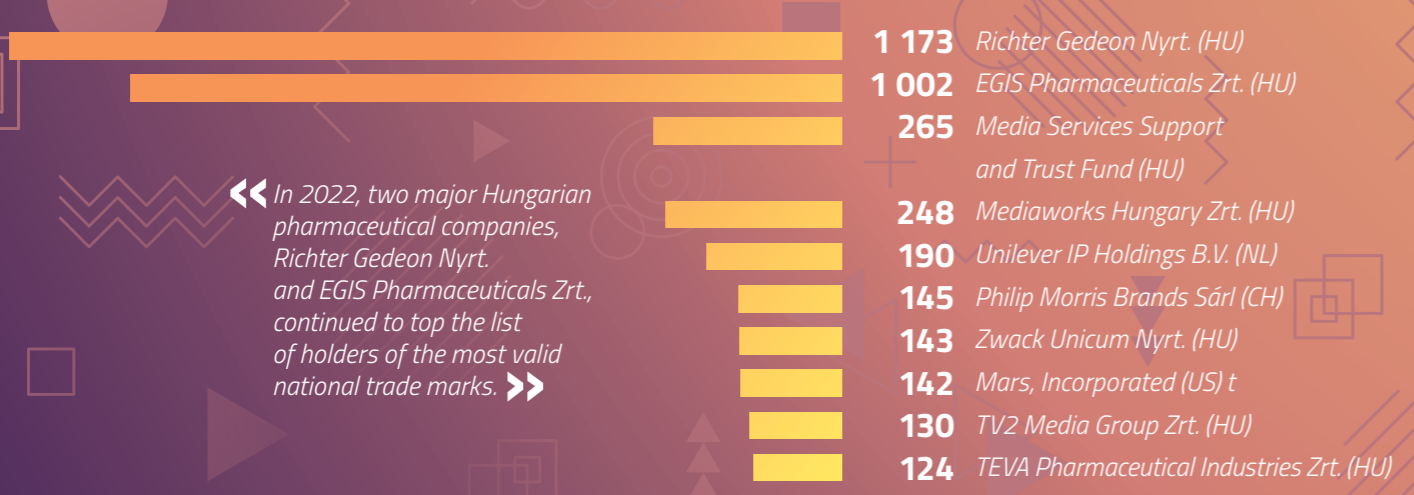
Breakdown of valid national trade marks by country of origin of right holders (2022)



« As in previous years, the majority of trade mark owners were based in the United States, Germany and the United Kingdom. »

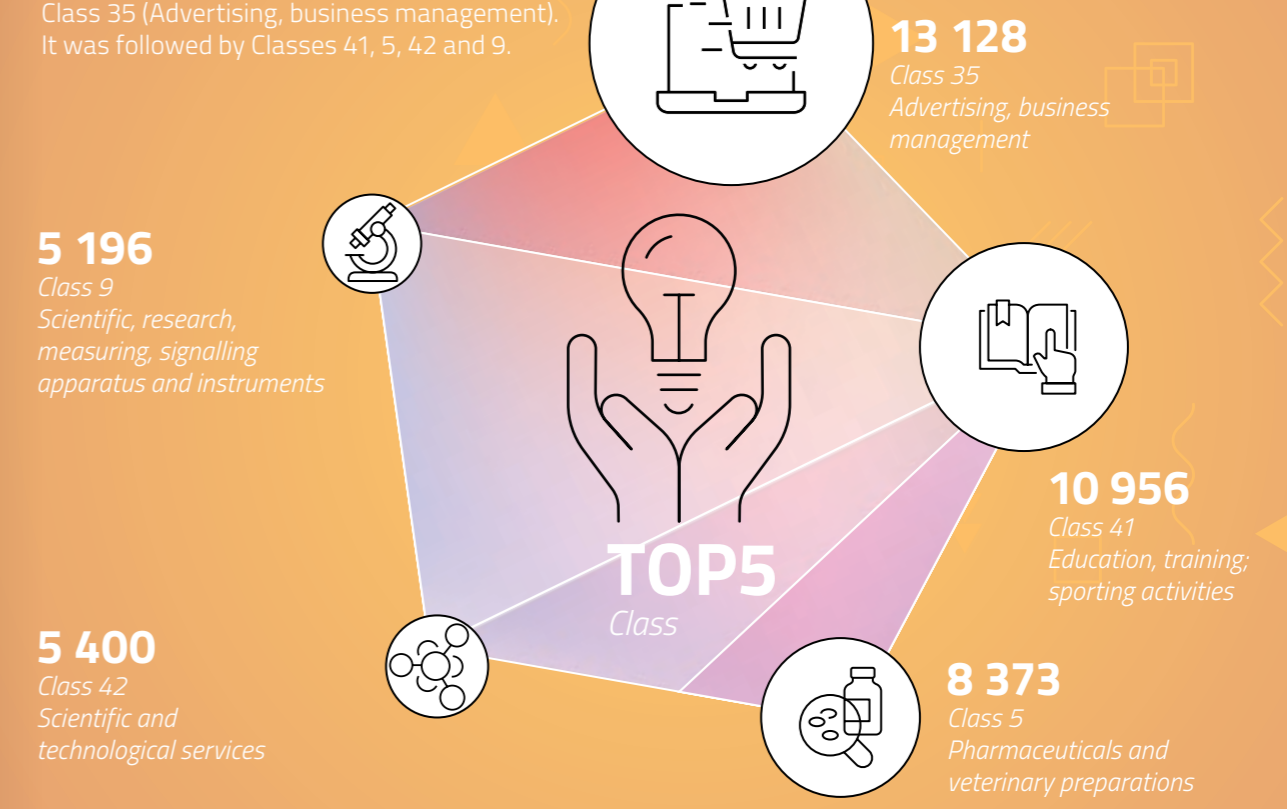
TOP10
right holders

Holders of the most valid national trade marks (2022)

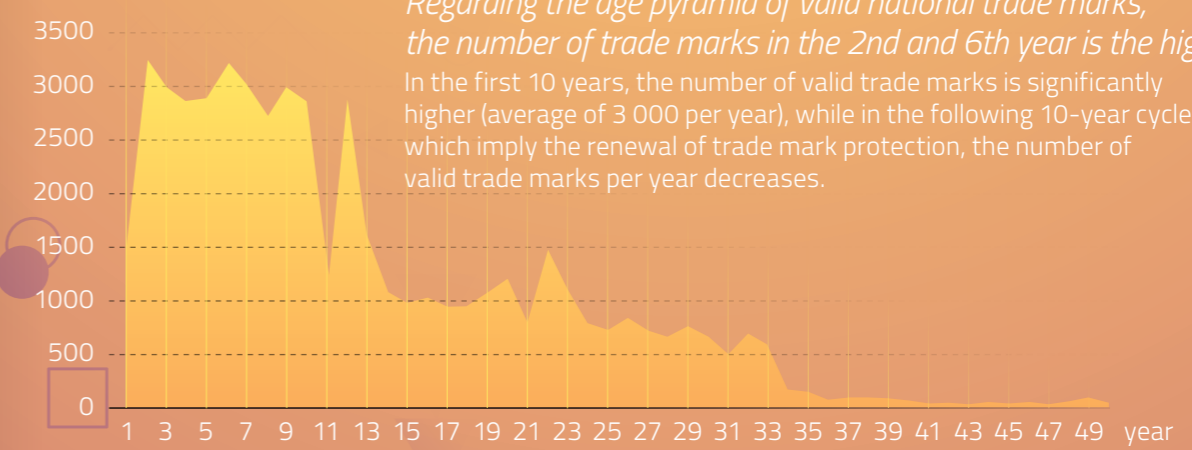


« In 2022, two major Hungarian pharmaceutical companies, Richter Gedeon Nyrt. and EGIS Pharmaceuticals Zrt., continued to top the list of holders of the most valid national trade marks. »

The most frequently designated class of goods in the national trade mark register of valid trade marks was Class 35 (Advertising, business management). It was followed by Classes 41, 5, 42 and 9.



Regarding the age pyramid of valid national trade marks, the number of trade marks in the 2nd and 6th year is the highest. In the first 10 years, the number of valid trade marks is significantly higher (average of 3 000 per year), while in the following 10-year cycles, which imply the renewal of trade mark protection, the number of valid trade marks per year decreases.



At the end of 2022 in the national trade mark register the number of right holders having a trade mark of more than a hundred years old was over 60.

The oldest trade mark is the „ODOL“ sign filed by Panadol GmbH with a filing date of 26 July 1895. Right holders who have a trade mark, which is more than a hundred years old are, among others, Bayer („Aspirin“) of 1899, GRUPA MASPEX Sp.z.o.o. Sp.k. („Apenta“) of 1899, Aesculap AG. („AESCULAP“) of 1900, Daimler AG („Mercedes“, „Daimler“) of 1900, and Valvoline LLC „VALVOLINE“ of 1902. The Hungarian trade mark holder with the oldest trade mark is Richter Gedeon, whose sign „TONOGEN“ is entered in the register with the filing date of 19 November 1902.

2/8

Geographical indications

A geographical indication which may be used to identify the geographical origin of marketed products may be based on a verifiable link between the quality characteristics of the products and their area of origin. This protection ensures that right holders can act against all those who use those indications without authorisation.

During the year, the Office received three applications for geographical indications and 25 applications for international appellations of origin designating Hungary.

The number of valid EU geographical indications for agricultural products and foodstuffs was at the end of 2022, of which 31 were of Hungarian origin, according to the eAmbrosia database. (e.g. mirror carp of Szeged, fish of Lake Balaton).

1 609

The number of EU geographical indications for wines reached at the end of the year, of which 38 were of Hungarian origin (pl. Soltvadkert, Csopaki, Nagy-Somló, Debrői Hárslevelű, Villányi).

1 629

The number of EU geographical indications for spirits was at the end of 2022, of which 13 were of Hungarian origin (pl. Homokháti őszibarack pálinka, Nagykunsági szilvapálinka, Pálinka, Törkölypálinka).

259

Of the valid international appellations of origin under the Lisbon Agreement were of Hungarian origin (e.g. Herend) according to WIPO's data.

28

2/9

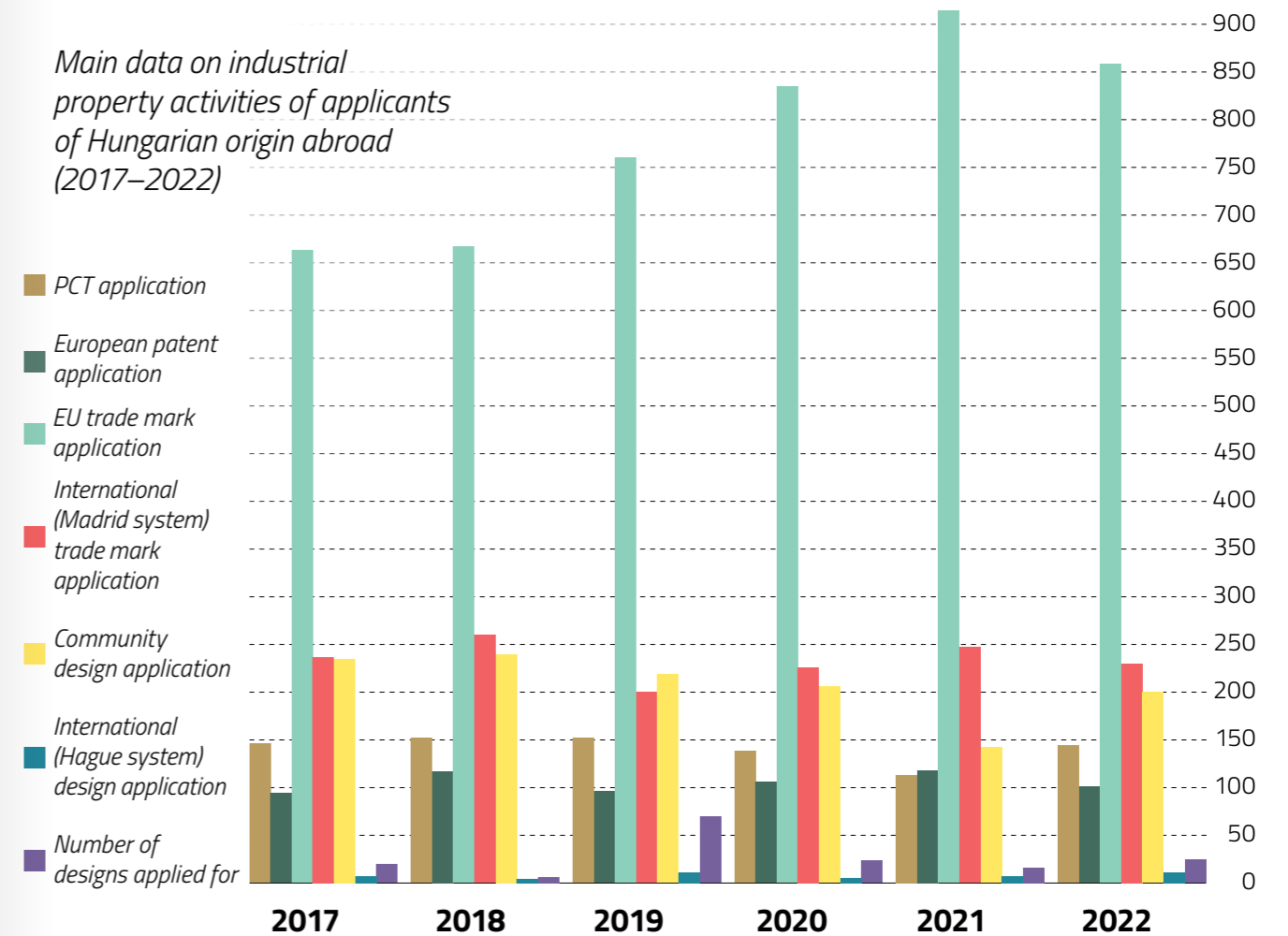
Industrial property activity of Hungarian applicants

The intensity of industrial property activity of Hungarian applicants abroad is relatively low. The number of patent applications of Hungarian origin filed under the **international patent system (PCT)** increased in 2022: according to WIPO's preliminary figures, the number of such applications filed in 2022 increased by 27.2% to 145, compared to 114 in 2021. However, according to EPO data, the number of European patent applications of Hungarian origin in 2022 was 102, which was 14.2% less than in 2021 (119 applications).

According to EUIPO records, the number of **EU trade mark applications** of Hungarian origin in 2022 decreased to 856 compared to the previous year, down 6.1% from the previous year. According to WIPO data, the total number of international trade mark applications of Hungarian origin received by WIPO in 2022 was 232, 6.8% (17 applications) fewer than in the previous year.

According to EUIPO data, the number of **Community design applications** filed by domestic applicants in 2022 was 202, an increase of 41.3% compared to 143 in the previous year. According to WIPO data, the number of international (Hague system) design applications of Hungarian origin increased from 7 to 11, and the number of designs included in these applications increased by 50%, from 16 to 24.

Main data on industrial property activities of applicants of Hungarian origin abroad (2017–2022)



3 / R&D qualification for legal certainty

The aim of R & D qualification carried out by the HIPO is to enhance legal certainty in the use of subsidies and tax incentives related to R & D activities. The Office can examine the R&D content of a project in three different procedures.

- 1 A (preliminary) R&D qualification of a given project can be requested in the framework of an official procedure,
- 2 the qualification of several projects at the same time is possible within the framework of a project group qualification,
- 3 at the request of other authorities and courts, as well as third parties, the Office assesses whether certain activities can be qualified as R&D.

The volume of R&D qualification tasks to be performed by the Office is primarily determined by whether there are calls for proposals, R&D grants or R&D tax allowances for which such qualification can be used.

Of the 191 submissions received by the Office in 2022, 35 were requests for project qualification, 155 were requests for expert opinions, and 1 request for project group qualification was received, which contained 35 projects.

35 *The HIPO received requests for preliminary R&D qualification during the year.*

The number of closed cases was 33, of which 97% were qualified as R&D or partly R&D, i.e. with some R&D content. 100% of the cases were in technical fields (including ICT and IT). 80% of the requests came from SMEs. Of the requesting entities in the completed project qualification cases, 23% were micro, 34% small and 23% medium-sized enterprises.

35 *An important step forward was the adoption of the first-ever project group qualification decision, in which projects were awarded R&D qualification.*

In preliminary qualification cases, the statutory 30-day time limit was respected by the HIPO, with an average processing time of 16-21 days, which is half of the time available.

155 *The number of requests for expertise received by the Office was which is close to the previous year's figure. A quarter of the requests came from an authority that had ordered an audit of previously paid grant money or allowances.*

145 *The number of opinions prepared on the basis of requests for expertise was and in 89% of the cases the activity in question was qualified as R&D, and 96% of those cases dealt with technical matters. When preparing the opinions, the Office respected the average 45-day deadline, but the actual processing time was much shorter, 33-34 days instead of the 45 days available.*

2021	159	47	2	} 208
2022	155	35	1	
	Requests for expert opinion	Requests for project qualification	Requests for project group qualification	Total of requests for R&D qualification

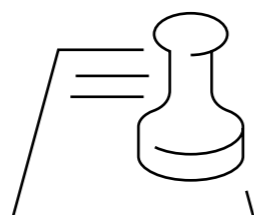
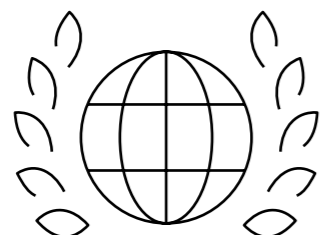
2021	48	167	0	} 215
2022	33	145	35	
	Decisions	Expert opinions	Closed projects related to project group qualification	total number of closed projects

96% of requests were received electronically via client gateway. In 2022, the number of R&D qualification projects completed was 213, the same as in the previous year. Thanks to client-friendly preparatory work based on prior consultation, on average, in more than 90% of closed cases, the projects were qualified as R&D.

The Office managed to maintain close cooperation with the National Investment Promotion Agency (HIPA) in relation to R&D project funding that can be granted on the basis of an individual decision of the government. As a result, **7 large foreign companies** have submitted a request for qualification to the Office in connection with the establishment of their R&D centres in Hungary.

4

Preparation of laws



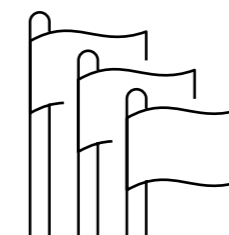
The Office has been proactive in preparing draft legislation or the amendment of existing laws on the protection of intellectual property. Much of the work on preparing laws focused on drafting legislation related to EU membership.

The Office played a key role in the preparation of the amendment of **Government Decree 26/2004 (26.II.) on the rules necessary for the implementation of the European Union regulations on the supplementary protection of certain products**. The amendments entered into force on 1 March 2022.

It contributed to the drafting of a **legislative package** of amendments to intellectual property laws (e.g. Patent Act, Trade Mark Act, Act on the Protection of Utility Models, Act on the Protection of Designs, government decrees and ministerial decrees). The amendments to the relevant Acts are contained in **Act LV of 2022 amending certain Acts on Judicial Matters**, which entered into force on 1 January 2023.

The main element of **legislative work in the area of copyright** has been the adaptation of previous legislative amendments in the framework of the EU copyright reform in the light of case-law and enforcement experience. The amended laws entered into force on 1 January 2023.

The Bill on the **protection of the origin of agricultural products**, adopted by the National Assembly, will enter into force on 1 May 2023, significantly amending **Act XI of 1997 on the protection of trade marks and geographical indications**, almost completely removing therefrom the substantive and procedural rules on geographical indications of agricultural products.



*In the field of intellectual property, the HIPO has also taken a major role in preparing the initial negotiating positions of the **Interministerial Committee for European Coordination***

in 2022 (e.g. such as the negotiation of the proposal for a Regulation on the protection of geographical indications for craft and industrial products, or the initial mandate for the proposal for a revision of the Directive and Regulation on the protection of designs presented by the European Commission).

The HIPO was involved in drafting the Hungarian submission in two preliminary ruling cases before the Court of Justice of the European Union. Both cases concern the interpretation of the conditions for the issue of supplementary protection certificates for medicinal products.

The Office continuously monitors intellectual property cases before the **Court of Justice of the European Union (CJEU)** and processes CJEU decisions, which are published in the CJEU's judgment search database on the Office's website.