
Patent Development Strategy through PCT (Patent Cooperation Treaty) International Registration System: Challenge for Intellectual Property (IP) Attorneys in Indonesia

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ABSTRACT

This research addresses the role of Intellectual Property (IP) Lawyers in patent registration and prosecution, particularly in the Patent Cooperation Treaty (PCT) context. In a complex research and development environment, an understanding of the risk of patent imitation is essential. This study aims to analyze the strategy of international patent registration through the PCT system and evaluate its effectiveness compared to national patent registration in Indonesia. This research uses a normative legal approach by analyzing the literature and practical aspects relating to international patent registration through the PCT system. The research findings show that Intellectual Property Lawyers need to have in-depth knowledge of the national and international patent registration systems. The research also highlights the challenges for inventors with limited budgets in choosing between national Patent and PCT registration, as well as the importance of strategic planning in registration to protect innovation. This research underscores the important role of IP Attorneys in assisting inventors through the patent registration process, both nationally and internationally, and emphasizes that the PCT system is a viable option to effectively protect innovation while managing costs.

Keywords: patent development; intellectual property attorneys; PCT (Patent Cooperation Treaty) registration system.

Introduction

Intellectual property development in relation to industry and business activities, which must have strong legal laws, is growing between trade and competition that produce industries similar products higher (Dosi & Stiglitz, 2014; Weissman, 2017). One proof that a product is the best in its field is the existence of recognition from the public or the quality of a particular product or service (brand recognition), where this recognition does not necessarily arise but must go through the process of a hard work of the stakeholders with

various strategies that they have accompanied by evidence in the form of tangible results that it can be accepted and recognized by the community. These strategies include innovation in the field of technology in creating innovative products and/or services, namely by creating products that have never existed before, including innovation in the form of efforts to complement the existing products (Carayannis et al., 2015; Eggert et al., 2015).

Innovation and creativity as a business strategy is an intellectual work that is an intellectual property (IP) that not only needs to be rewarded but also protection in exclusivity through strong legal instruments in the sense of having "forced power" in the form of criminal or civil sanctions if any violations. Legal certainty that guarantees the protection of intellectual property assets will stimulate industries to continue to develop themselves through their innovations, which will certainly enliven the local industrial market and allow it to compete with products from abroad.

Inventions derived from human thought within the scope of Intellectual Property protection, there are strict limits between the development of a technology as part of previous innovations, but this is often used as an excuse for an industry, namely on the grounds that its products are the result of the development of existing intellectual property (Abbott, 2016; Dutfield, 2017; Gervais, 2017; Lobel, 2014). Appreciation for innovation and creativity is the strategic role of the IPR Attorneys to be involved and committed to the development of Intellectual Property in the future. Challenges in the digital industry going forward, not only for policymakers but also stakeholders, deal with Patent Development Strategy through the PCT (*Patent Cooperation Treaty*) International Registration System, the challenge for Intellectual Property Attorneys, which has implications for aspects of universal patent protection in the future given the implications for intellectual property, including trade, finance and business compliance.

Furthermore, in Article 10 Government Regulation Number 24 of 2022 concerning the Creative Economy, it is stated that Intellectual Property that can be used as an object of debt collateral is in the form of Intellectual Property that has been recorded or registered with the ministry that carries out government affairs in the field of law and Intellectual Property that has been managed either independently and/or the rights have been transferred to another party (Drahos, 2016; May 2015; Parr, 2018). Therefore, to avoid the foregoing, this is where the role of intellectual property attorneys in a business line of industry comes from the initial stage, namely from the planning of a product to the launch of the product to the market, considering that in an industry it is not

only creative people who can only be demanded to find ideas or new things in terms of products, but also absolutely a good strategy to protect all assets of intellectual work in the form of ideas or innovations that is the key to a company's success. It is a false perception when considering the role of IPR Attorneys as merely tools or means for applying for registration of Intellectual Property or their licenses.

Actually, when an invention has been discovered by an inventor, and the invention truly comply with the element of novelty as a requirement for Patentability, but this invention is not registered at all, then this event is very detrimental to the inventor and the owner of the rights. Suppose registration is carried out and granted (accepted) in any jurisdictional countries (within the framework of international registration through the PCT system). In that case, the Patent Owner has exclusive rights in the jurisdiction of the countries concerned.

Basically, the important issue of IP Asset including Patent as asset collateral has started to emerge again since the government issued Government Regulation (PP) Number 24 of 2022 concerning the Creative Economy on 12 July 2022 (Heriyanto & Gultom, 2024; Margono, 2023, 2024). The President wants to encourage the Creative Economy to grow further, considering that it is based on data from the 2020 Tourism Industry and Creative Economy Statistics. Therefore, the creative economy is one of the sectors that will become a pillar of the Indonesian economy in the future.

On the contrary, the role of Intellectual Property (IP) Attorneys is needed in the business flow of an industry from the beginning, namely from the planning stage of a product to the launch of the product to the market (Dratler Jr & McJohn, 2024; Gervais, 2017; Sople, 2016). The existence of false perceptions coupled with a lack of understanding as well as awareness of business actors for the protection of intellectual property rights makes rampant acts of piracy an illegal act, but the state and interested parties cannot do much because their intellectual property rights have not been submitted for protection.

Points of research problems concerning challenge of the IP Attorneys in international registration of Patent that IP Attorney's Role in Intellectual Property under PCT Patents System and Protection particularly In registration & recordation, and the owners of Intellectual Property has exclusive rights to commerce (i.e. publication and reproduction), by system of Intellectual Property licensing its shall means opportunity & Strategic Development.

In this study, the author deliberately examines further the conditions that often occur due to patent imitation, in the form of a product or in the

format of a production process or system, so that a question arises, how can an invention (Patent) be registered, if there is duplication on a national or international scale? because the reality that often occurs is in the case of someone you have a new product or process (revolutionary product), but a few months later it turns out that there is a product/process that has the same "similar" in the market places, this is certainly very detrimental to the owner and inventor.

The Patent System should be able to prevent this problem from occurring, and provide exclusivity (exclusive rights) to protect intellectual property (invention claims from products/processes) owned in the patent system by utilizing the registration system as a global business strategy for inventors and patent owners. Therefore, by registering a Patent in Indonesia, it is a local or national registration Strategy towards international phase.

Various studies have highlighted the critical role of Intellectual Property (IP) in fostering innovation and economic growth. For instance, research has shown that effective patent systems can significantly enhance a country's competitive edge by providing inventors with the necessary protection to invest in research and development. Other studies have examined the challenges faced by inventors in navigating national and international patent systems, especially in developing countries like Indonesia.

This study examines the role of Intellectual Property (IP) Attorneys as professional experts in patent registration and prosecution, particularly within the context of the Patent Cooperation Treaty (PCT). It seeks to analyze the implications of patent imitation and duplication and assess the cost-effectiveness of national versus international patent registration strategies.

The findings of this research will offer valuable insights for inventors, IP Attorneys, and policymakers. By highlighting the necessity for comprehensive knowledge of both national and international patent registration systems, this study will aid inventors in making informed decisions regarding patent protection strategies. Additionally, it will underscore the critical role of IP Attorneys in guiding inventors through the patent registration process, thereby enhancing protection against imitation and optimizing resource use.

Research Method

This type of research is normative research in the form of primary, secondary, and tertiary legal materials. After the data has been collected, a conceptual approach is used. This research method is intended for studies that are literary and practical works, which, in essence, are a means of infrastructure for the development of science and technology, so the applied research methodology is adjusted to the main body of knowledge in the field of law.

This research is also an analysis process of observing and acting logically, and systematically regarding phenomena, and empirical facts that occur or exist around us to be reconstructed in order to reveal facts and information that are useful for life, especially for the Intellectual Property (IP) system in relation with IP (Intellectual Property) Attorneys for international. So the research method in this scientific paper uses legal research methods with qualitative analytical descriptive.

This method emphasizes analysis of the presentation of data and facts based on the method of literature research (literary study) from secondary data. This literary work is written based on the material collected and analyzed based on data according to the topic to be discussed. As we know that, this study is an effort made by humans to find new things, discourse and solve a problem in human and social activities, therefore this paper uses perspective of national interests approach, with a multidisciplinary analysis by the practical framework of the role of the IP (Intellectual Property) Attorneys regarding Patent Development Strategy through PCT (Patent Cooperation Treaty) International Registration System.

Result and Discussion

IP (Intellectual Property) Attorneys Profession Prosecution Patent Registration

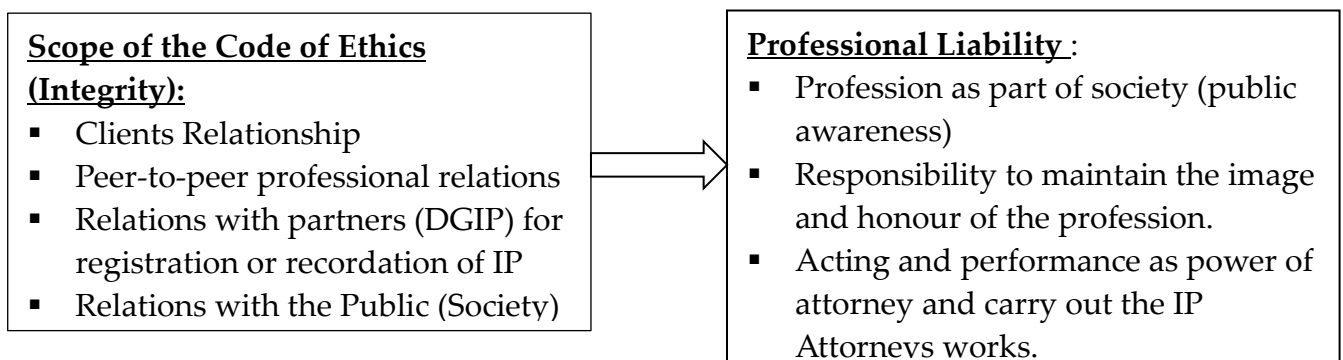
The existence of Intellectual Property (IP) Attorneys is intended to represent the author / Right Holder, Creator, Inventor, Designer or other interested parties in the framework of obtaining protection and registration in the field of IPR to countries where each IPR field has its own characteristics and procedures respectively. In comparison, IP Attorneys are also expected to provide various advice to IPR Applicants (as Clients in the scope of consultation), with respect to the application requirements in the field of IPR. It is important to understand that the understanding of IP Attorneys as power of attorney is different from the notion of legal counsel in assisting/representing clients in or out of court or acting for and on behalf of clients in the context of

seeking justice or upholding their rights, meaning that IPR Attorneys as special powers of the Applicant to apply for registration and/or administration in the field of Intellectual Property practices.

The term profession in the Second Pocket Edition Black's Law Dictionary states that a Profession is a vocation that requires advanced education and training. Meanwhile, according to the Webster New World Dictionary, a profession is defined as a job or position that requires advanced education or training and involves intellectual expertise. Thus, the profession can be interpreted freely as a permanent job in a particular field based on specific expertise that is carried out responsibly with the aim of earning income. Another formulation of the understanding of the profession, as expressed by E.Y. Kanter, A profession is a designation or position in which a person who bears it has special knowledge gained through training or other experience, or is obtained through both, so that profession persons can guide or give advice/advice or also serve others in their own fields.

According to Article 29 paragraph (1), Government Regulation Number 100 Year 2021 intended that Professional Organizations are intended for the Profession of Intellectual Property (IP) Attorneys must gather in 1 (one) Professional Organization forum. The existing Association of Intellectual Property Rights Attorneys (hereinafter known as AKHKI) is recognized as the Association of Indonesian Intellectual Property Attorneys (Article 32). AKHKI, as an existing Intellectual Property Rights Attorneys Professional organization, is obliged to adjust as a legal entity. The Association of Indonesian Intellectual Property Attorneys has been valid to become a legal entity.

Flow 1: Intellectual Property Attorneys Professional Awareness (Public Services and Ethics)



Professional Organization (known as AKHKI) established by the majority of the 1st batch of 2006, furthermore, based on Government Regulation No. 100 of 2021 is enforced 27 September 2021 it is determined that AHKKI, as an existing organization, is still recognized as a professional organization for Intellectual Property Attorneys in the form of a Legal Entity and for all registered Intellectual Property Attorneys at the Directorate General Intellectual Property (DGIP), The Ministry of Law and Human Rights of the Republic of Indonesia has an obligation to join in 1 (one) professional organization. AKHKI is a partner of the DGIP officially as signed Memorandum of Understanding dated 25 November 25th 2021., AKHKI provides a membership program and regulations for all registered Intellectual Property Attorneys, such as protocols and ethical codes also provided for public collaboration to promote the national Intellectual Property system.

Professional Organizations proactively and gives views on law changes or regulations as a response to the market needs on new technologies, administrative reform, and Intellectual Property enforcement. The association regularly contributes to the community by organizing workshops, seminars, discussions, and trainings, observing international intellectual property issues, and cooperating with intellectual property-related associations and institutions on intellectual property laws. For member registered Intellectual Property Attorneys, should be as professional Performance obligation (based on Article 13 Government Regulation Number 100 Year 2021), among others:

- a. Become a member of the Professional Organization (AKHKI);
- b. Reporting (updating) if there is an Intellectual Property Attorneys practice impediment (Age Limit; becoming a Public Official; resigning);
- c. Management Services (Registration and Recording of IP) and Professional consulting in the field of Intellectual Property practices};
- d. Providing socialization and assistance services (probono) including facilitation and advocacy.

The development of the IP Attorneys Profession is very closely related to the Intellectual Property sector which is currently still generally seen in the scope of registered IP (IP registered) and protection within the boundaries of the State (countries territorial based IPR protections), therefore, (in the meantime) the IP Attorneys profession solely a complementary agent for entities or individuals to obtain protection or registration of Intellectual property when a minimum requirement of an Intellectual Property must be assisted (agent by IPR Attorneys) by the IP Attorneys to obtain patents to protect inventions, copyright protects films, art, literature, music, etc., brands to

protect brands, naming includes geographical indications.

However, the professional IP Attorneys is very important in the framework of increasing digital development and IP economic interests (Assets), among others:

- a. Digital development and IP economic interests (Assets) are becoming a mainstay for business actors because they are becoming increasingly high (Needs) (For example: application-based information technology industry, internet of things, etc.).
- b. Portfolio of IPR Assets "as material security" for the Creative Industries, impacting Development Potential or Opportunities for both micro and medium scale industries
- c. Business transactions involving the IPR Asset Portfolio will have consequences that can cause problems, which can result in disputes/cases. Including involving IP assets as collateral/collateral for movable objects with fiduciary guarantees.

The current development is that more business actors who own several IPR assets use exclusive rights and manage them (IPR Asset Management) to increase revenue (eg through licensing) or further corporate strategic objectives. The strategic role can be in the form of repositioning the Intellectual Property Rights Attorneys as well as examiner/auditing (IP Audit), assistant (IP Partners), manager (IP Management) as well as promotional activities that are broader than just getting rights protection or intellectual property registration. This reposition includes a commitment to legal action against parties who use their technology in good faith, or without prior rights/permissions (unlawful act).

The position of the professional organization for IP Attorneys is not only for gathering or discussing of current issues topic usually makes a standard practice; in example, the very Importance role of IP Attorneys, particularly regarding Patent Registration, is described in the table below.

Table 1: IP Attorneys Desk for Patent Prosecution & Commercialization

No	IP Attorneys Desk for Patent Prosecution
1	<p>Consultation Stage</p> <ul style="list-style-type: none"> ▪ In providing Consultations (whether bound by a Non-Disclosure Agreement) with clients (inventors/IP rights owners) ▪ Provide Consultation on IP registration system, IP ownership and Patentability
2	<p>Search Stage</p> <p>Providing Patent Search Services (Patent Literature and Non-Literature)</p>

	relevant to the Invention
	Drafting stage
3	Compile and arranged the Patent Specification and/ or Drafting Patents: <ul style="list-style-type: none"> ▪ Description/ description, ▪ Picture, ▪ Claims of Invention, ▪ Abstract
4	Applying for a patent application (Registration) <ul style="list-style-type: none"> ▪ Patent Application (Simple and/ Or Standard Patent ▪ Patent Substantive Examination Application ▪ Filing a Patent Appeal
5	Applying for a patent registration (Recordation) <ul style="list-style-type: none"> ▪ Patent License Registration (exclusive license and compulsory license) ▪ Recording of Change of Name/ Address of Applicant/ Patent Owner ▪ Registration of Transfer of Patent Rights (including mergers/acquisitions)
6	Patent Portfolio <ul style="list-style-type: none"> ▪ Drafting a Patent License Agreement ▪ IP Audit and Patent securitization

The IP Attorneys professional desk, as specified in Government Regulation Number 100 of 2021 concerning Intellectual Property Attorneys, is a professional who has special expertise in providing services in the field of submitting and managing intellectual property applications to the Directorate General of Intellectual Property (DJIP) of the Indonesian Ministry of Law and Human Rights. It was explained that services in the patent sector range from Patentability Consultation, Patent Search, Preparation of Patent Descriptions, to Patent Registration applications. "Apart from that, it is related to client needs in the form of technology portfolio advisory for Patent Owners, including: IP Audit, Patent License Recordation, mergers and acquisitions and technology transfer. This important reason for recording Intellectual Property licensing (exclusive License agreement) is to provide protection for a license agreement made. Recording is intended to facilitate proof if a dispute occurs in the future between the Licensor and Licensee, as well as to protect third parties if it is related to the implementation of the license agreement.

In a disruptive era like now, change is so fast happening across national borders. Traffic in trade in goods, for example, now relies heavily on electronic transactions with the potential for infringement of intellectual property to remain and could even be greater, as Salvatore Caserta said, quoted that, *"One key societal institution that is likely impacted by these developments is law and relatedly, the legal profession. Law in practices whether understood as a profession, a*

method of handling, soliciting and solving disputes, a tool to achieve justice. Recent advancements in digital technology are precisely transforming the ways in which information is created, stored, and conveyed. Moreover, these developments are making inroads into artificial knowledge production, thereby potentially entering the intellectual and human aspect of law”.

Intellectual Property Attorneys in carrying out their duties are generally limited to the administration side of the application and are not intended as a power of attorney on the side of the right or defense of the Client's right to alleged violations of IPR, but can also play a role in transactions related to the commercialization of Intellectual Assets that are very vulnerable to disputes. Intellectual property rights in the industrial sector have an important role for the development and progress of a nation. Related to this, through IP gave birth to new innovations, high quality, standardized advanced technology. The more innovations, the more they show the high level of mastery of science and technology. Thus, it will further advance the industrial sector to penetrate the domestic and international markets. We find that the Intellectual Property Attorneys profession can come from a variety of disciplines, this is because of the responsibilities that must be carried out as a Attorneys handling various fields related to leading edge technology, industry, commerce and even the arts.

In other IP fields, in example Trademark practices, that IP Attorneys will provide "search" for the relevant brand in literature data and non-literature data, so that it can be shown whether there are already similar brands for the same class of goods/ services (registered/ filing the applicants) beforehand and being able to oversee the whole process of registering the mark and maintaining the validity of the mark and facing objections including when there is interference from parties who want to abuse the mark.

Patent Registration National and International Stages

In general, there are 3 (three) systems for submitting a Patent registration application, as follows:

1. (National or Country System);
2. Regional System
3. International System

1. National or Country System:

- Patent Holder or Applicant can submit an application for registration of an invention (Patent) to the Patent Office in the country where patent protection is requested

- In the system (national system), a patent registration application is submitted together with the required documents (minimum documents) in the destination countries (purposed country) and pay the required fees (official fee and patent attorneys fee) during the process of registering the patent application.

2. Regional System:

- Patent Holders or Applicants can use regional mechanisms to apply for Patents in several countries using a regional patent system (to register a patent in some members of countries using a patent regional system).
- Registration and protection processes are carried out with a validation system in member countries (validating in all or some members of countries).
- Applications can be processed by submitting a Patent Application to a specific Regional Patent Office (the related regional Patent Office).

Some Regional Patent Offices, among others:

- The African Intellectual Property Organization (OAPI)
- The African Regional Intellectual Property Organization (ARIPO)
- The Eurasian Patent Organization (EAPO)
- The European Patent Organization (EPO)

3. International System

In international registration with the choice of international mechanisms (especially the PCT system), the Type of Invention must be considered, as follows:

- Pay attention to the type of invention to be submitted for a Patent, namely the type of product or process invention.
- If the invention is a product, it has the potential to get various benefits if the patent registration is at the national level.
- Protection related to devices (products) on a national scale, then various legal matters can be done more easily through the process.

Example: Products are registered for patent rights such as machines and electrical devices product innovation).

Table 2: PCT Scheme Benefits for Applicants and Patent Offices

PCT Scheme Benefits	Description
Simplified Filing Process	<ul style="list-style-type: none"> ▪ PCT allows Patent Owners / inventors to file a single worldwide patent application, ▪ PCT simplifies the patent application procedure © saves time, costs and effort. ▪ Patent Holders or Applicants can choose to submit a Patent registration application to WIPO or a national patent office directly. ▪ pay one fee after fulfilling the PCT formality criteria in one language
International Search	<ul style="list-style-type: none"> ▪ During the PCT application process, the International Searching Authority (ISA) automatically performs a search based on current data to find published patent documentation and technical literature. ▪ The search results are in the form of a written assessment of the patentability of the invention, → then applicants first awareness of the possibility of obtaining a patent.
International Publication	<ul style="list-style-type: none"> ▪ After 18 months from the filing date, the information in the international application will be publicly available. ▪ This ensures public awareness of the Patent (e.g. product), can be aimed at attracting potential licensees or investors and preventing potential Patent infringement.

Patent Holder or Applicant with the target of protecting and implementing inventions in several countries in PCT member countries (Patent Cooperation Treaty (PCT) member). Based on PCT standard requirement system and in order to carry out the registration process, the Patent Holder or Applicant must have a nationality or domicile in the PCT member countries, and the Patent Owner can run or have a business, market (market in one of PCT countries), with noted as follows:

- Registration with the PCT mechanism will be effective and have an impact.
- There are more than 155 member countries (members of PCT countries). Patent Applications can be filed at the patent office in certain countries (the related country), regional Patent Office, or the PCT office Representative in Geneva, Switzerland.
- The classification system in the PCT depends on the territory, where patents are territorial rights and are based on the guidelines of the World Intellectual Property Organization (WIPO).
- The registration process for filing a patent application in a national or country system, for example Indonesia, or an international system is not difficult, however, it is better for Patent applications to register patents by

appointing experts or Patent Attorneys (Intellectual Property Consultants (KI)) in Indonesia.

- The Patent Cooperation Treaty (PCT) simplifies this process and offers an easier path to patent protection worldwide.

IP Attorneys in addition to being consistent in providing advice on intellectual property in each field of IP, ownership principles and all phases in the application for IP registration. An IP Attorneys must be able to provide an opinion in the form of "IP Opinion" in the form of giving an opinion on the registrability of an intellectual property registration, including an IP portfolio. The assessment includes whether an IP Asset is appropriate or not, both for registration, extension of protection, including the economic value of the IP which is still valid.

Therefore, it will be perfect if an IP Attorneys can have a background in the field of law and also from other fields such as engineering or other, because the basic knowledge obtained from these disciplines can support his professionalism as an IP Attorneys. In the field of Patents, when an innovator manages to discover a new technology, the IP Attorneys can confirm whether the technology is a recent invention, the process of registering the Patent, by describing up to guarding the entire process until the patent application is received (Patent granted). The duties of the IP Attorneys in the field of patents include ensuring that there are other parties who will "disturb" the Patent.

Table 3. Considerations for Using the Patent Cooperation Treaty (PCT) System

Use of PCT System	Descriptions
Eligibility	<ul style="list-style-type: none"> ▪ Patent application applicants who will submit PCT must be residents/citizens of a PCT member country (application). <u>For example:</u> Indonesian citizens, residents and entities are entitled to file a PCT application to ensure that the proposed invention receives international protection.
Provisional Patents	<ul style="list-style-type: none"> ▪ Initial step → filing a preliminary patent application, setting a priority date. ▪ Within 12 months, inventors can file provisional patent applications, giving them the opportunity to give priority to provisional patent applications. ▪ This method provides ample opportunity to improve and refine the results of the invention.

Compliance	<ul style="list-style-type: none">▪ PCT Patent Application → must meet certain formal standards for filing date and formality assessment.▪ Meeting these standards will help avoid possible rejection or delay of the application.
National Phase Entry	<ul style="list-style-type: none">▪ After the international phase, inventors are directed to market their products locally in each destination country while also obtaining patent protection.▪ In the national phase, it is mandatory to translate the application (description) into the local language, pay the national fee, and meet the local requirements (based on the substance of patent law) of the destination country.
Costs and Fees	The PCT process can help reduce certain costs, inventors/patent owners are also charged costs related to the national entry phase.

Intellectual Property (IP) Rights including Copyrights ownership relates to the rights attached to or owned by the copyright holder. According Indonesian Law that this provision for the Recordation of Works has the consequence that the Office of the Directorate General of Intellectual Property (DGIP/ Indonesia IP Offices) has the authority under the law to manage the recordation of Works. including administration, namely DGIP acts to receive, examine and publish it in the Public Register of Works. The consequence of this provision regarding the Recordation of Works is that the DGIP Office acts as an Examiner and determines whether a copyrighted work is eligible or not eligible to be registered. Even though there is no Substantive Examination in the Recordation of Works, this will be a problem, especially regarding the objectivity of the examiner.

Economic problems and legal problems arise when pledging objects in the sense of intellectual property rights for debts and Financing and Collateral guarantees. This problem concerns copyright as an object of fiduciary guarantee. This hypothesis is because the question is relevant to the fact that there is no clear mechanism for making copyright an object of fiduciary guarantee, even though regulations regarding guarantees are closely related to Indonesia's economic development efforts. we already know and are currently aware of, namely the property sector (in the sense of tangible assets) and its implementation is sometimes not appropriate and not in line with the aim of debt guarantees to increase the economic resilience of a just society, then develop in the previous sense of tangible to objects that are not real (intangible) which is the concept of intellectual property ownership.

Patent Cooperation Treaty (PCT) System Simplify International Patent Registration

Basically, PCT shall means a global agreement intended to “simplify the process of obtaining patent rights over several nations using a single application”. According to WIPO, the PCT allows Patent Owners (inventors) to consistently register international registration applications and protection in more than 155 member countries (worldwide patent applications and its protection more than 155 country members). Separate Patent Applications (separating both national or regional applications. Many administrative requirements from each country including costs (a lot of administrative effort and costs).

Procedurally, there are 2 phases in the Patent Cooperation Treaty (PCT) shall be conducted international phase and local/national phase, as follows:

- During the international phase, the Applicant/Authorized Person files 1 (one) Patent registration application (files one single patent application) and then searched worldwide and first reviewed.
- In this international phase, it will provide insightful information on the patentability of the innovation before the process is submitted for the national phase.
- Meaning At the national level, national patent offices from several member countries will evaluate the Patent registration application and decide (in a substantive examination) to accept or reject the Patent registration application (patent grants or not).

Table 4: PCT System (International Treaty Scheme) for Global Patent Protection.

PCT System	Descriptions
Cost Efficiency	<ul style="list-style-type: none"> ▪ In general, a single application for registration under the PCT mechanism worldwide is cheaper than several applications made either local or regional. ▪ This includes, the entire process, fees for rejection, filing fees, and translating expenses.
Time Efficiency	<ul style="list-style-type: none"> ▪ global search and preliminary evaluation will provide initial clues about the potential patentability of an invention. ▪ This is a guideline for strategic opportunities in patent applications and support inventors/patent owners make decisions related to patent protection in certain countries.

Global Recognition	<ul style="list-style-type: none">▪ As an international agreement, each participating country recognizes the patent registration application through the Patent Cooperation Treaty (PCT) mechanism, thus becoming the basis for the value of patent applications (offering a consistent basis for patent appraisal).▪ Furthermore, it can increase the possibility of obtaining patents in several related fields.
Strategic Business	<ul style="list-style-type: none">• The Patent registration process through PCT helps Inventors/Patent owners to have comprehensive commercial prospects, obtain financial support,• evaluate the market viability of their inventions for allocation of funds or fees used at the national level.

Discourse concerning Intellectual Property (IP) based Creative Economy based on Marketing System performed by Creative economy actors will be able to utilize the marketing system facilitated by the government to further their businesses. As mentioned previously, one of the main issues in the creative economy industry is the lack of a marketing ecosystem to promote businesses, especially for micro, small, and medium enterprises. According to Government Regulation Number 24 of 2022, there are 6 (six) major further the creative economy industry, namely:

1. Creative Economy Financing;
2. Intellectual Property-Based Creative Economy Marketing System;
3. Creative Economy Infrastructure;
4. Incentive for Creative Economy Business Actors;
5. Government's Responsibility and the Role of Society; and
6. Creative Economy Financing Dispute Resolution.

Until now, there have been no guidelines for assessing the economic value of intangible objects such as Patent. These norms have been left as norms in law without any implementing regulations until now. In this writing, the Management and Team of the Indonesian Society of Appraisal (Indonesian Appraisal Professional Society abbreviated as MAPPI have carried out a study with several stakeholders in assessing Intellectual Property Assets because it is relatively new, the depth of valuation standards is very important because it has a big impact on the valuation results which are determined by the value of money.

It must be acknowledged that the issue of copyright or Patents as a fiduciary guarantee is not an easy matter, this structural legal matters is at least the Minister, through the Directorate General Intellectual Property (DGIP) Office, is given the authority in accordance with regulations to delete works

that have been registered, if the work violates religious norms, moral norms, public order, state defense and security, as well as statutory provisions. The other problems related to the implementation of alternative dispute resolution (ADR) specific for intellectual property dispute as a standard clause for dispute resolution which must be stated in an agreement and object of invention (Patent), as the chosen and agreed forum (choice of forum).

Patent Registration shall be conducted either local and/ or International Strategy (Commercial Potential). In fact, Patent Registration is a surefire way and strategy to register in the local system to obtain international protection and if it has commercial potential, it is very important for international registration to be submitted through the PCT system. Then below is a description that can be considered for submitting international patent registration, as follows:

1. Commercialization potential (IP Commercialization) is a consideration for both national and global markets;
2. Commercialization potential If the invention (Patent) has high industrial prospects on a national scale;
3. prioritizing patent registration both nationally and internationally provides many benefits/uses. For example: Innovation of computer algorithm software for various types of applications can be applied to mobile devices/computers;
4. Protection related to the process (process patent) on a national & international scale by registering a Patent (process), with the benefits of submitting patent registration internationally;
5. Collaboration Considerations in the global market, including:
 - Joint Venture;
 - Direct Investment (substantive national law for investment);
 - Licensing Scheme (exclusive and non-exclusive license);
 - Cross License (Patent) or business system;
 - Agency, Distributions and other contractual schemes;International Trade (Export-import) is facilitated by an incoterm standard.

Conclusion

The International Patent Registration (PCT) scheme offers enhanced protection opportunities for inventors by implementing Priority Rights, allowing for improved patent novelty. This mechanism is particularly beneficial for entities or investors deciding to register patents both nationally in Indonesia and internationally. When an invention demonstrates promising market

potential on an international scale, filing an international patent application with Priority Rights becomes crucial. Understanding PCT requirements is essential for securing patent novelty and addressing potential imitation issues. An international application not only safeguards the submitted invention but also mitigates risks of duplication and infringement that could harm the inventor or patent owner.

The PCT mechanism provides universal benefits for inventors and patent owners by allowing a single application for patent approval in multiple target countries. Each national or regional patent office examines applications based on its own policies and regulations. In Indonesia, the patent application process is managed by the Directorate General of Patents (DJKI), which is further enhanced by PCT membership. IP Attorneys play a vital role in guiding inventors through this system, highlighting its advantages for obtaining global patent protection. Additionally, the harmonization of intellectual property law with WTO provisions (TRIPs Agreement) underscores the importance of Intellectual Property Rights regulations in international trade, necessitating effective commercial dispute resolution.

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