



European Communities Trade Mark Association

The fourth session of the Ad Hoc Working Group on the Legal Development of the Madrid System for International Registration of Marks at WIPO took place from May 30 to June 1, 2007.

## **I. Article 9sexies of the Madrid Protocol**

The working group, firstly, further discussed the repeal of the restriction of the safeguard clause as per paragraph (2) of Article 9sexies of the Madrid Protocol.

At its third session, the Working Group came to the conclusion that the following proposal could be the best possible compromise:

“1. The safeguard clause should be amended to the effect of clearly establishing that, in the relationship between countries bound by both the Protocol and the Agreement, the provisions of the Protocol alone should apply.

2. The amendment should also specify that, notwithstanding the above, a declaration on individual fees by a State party to both the Protocol and the Agreement shall not be applicable to the renewal of an international registration in respect of that State if the territorial extension to that State was effective from a date prior to the amendment and the Contracting Party of the holder in respect of such international registration is party to both treaties.

3. The Assembly would be entitled to repeal the provision indicated under 2, above, only after the expiry of a period of 10 years as from the date of entry into force of the amendment, and by a special three fourths majority (only States bound by both treaties having the right to vote).”(see WIPO doc [MM/LD/WG/4/2](#))

Further to this proposal, various NGOs such as ECTA (see ECTA website under the [Law Committee/paper](#) section), AROPI and BusinessEurope provided WIPO with a position paper on the subject. These papers underlined the importance which the users of the system attach to the advantages of the Agreement namely the fee system and the limited refusal period. Other NGOs also expressed themselves at the meeting.

Taking into account the views expressed by the user's groups, the delegations from the following States which are bound by both the Agreement and the Protocol supported a new compromise solution, as described below: Austria, Belgium, China, Croatia, Czech Republic, France, Germany, Hungary, Italy, Kenya, Latvia, Moldova, Netherlands, Poland, Portugal, Romania, Russian Federation, Slovakia, Slovenia, Switzerland and The former Yugoslav Republic of Macedonia (21 which is a large majority of those present countries).

The new compromise solution would consist of an increase to CHF 100 in the supplementary and complementary fees (which was supported by the vast majority of the NGOs present at the meeting) and an amendment to Article 9 sexies of the Protocol to include a broadening of the compromise as concluded at the third session - to further applications and, - to include an exception as to the refusal period.

If adopted, Article 9 sexies would therefore read:

#### **Article 9sexies**

#### **Relations Between States Party to both this Protocol and the Madrid (Stockholm) Agreement**

(1)(a) This Protocol alone shall be applicable as regards the mutual relations of States party to both this Protocol and the Madrid (Stockholm) Agreement.

(b) Notwithstanding subparagraph (a), a declaration made under Article 5(2)(b), Article 5(2)(c) or Article 8(7) of this Protocol by a State party to both this Protocol and the Madrid (Stockholm) Agreement shall have no effect in the relations with another State party to both this Protocol and the Madrid (Stockholm) Agreement.

(2) The Assembly shall, after the expiry of a period of three years from 1 September 2008 review the application of paragraph 1(b) and may, at any time thereafter, either repeal it or restrict its scope, by a three-fourths majority. In the vote of the Assembly, only those States which are party to both the Madrid (Stockholm) Agreement and this Protocol shall have the right to participate.

The Working Group agreed that the date of entry into force of this amendment of Article 9sexies should be September 1, 2008.

As a conclusion, if the Madrid Union Assembly confirm the conclusions of the Working Group at its Assembly which is to take place in September 2007, then as from September 1, 2008, in mutual relations of States that are party to both th Protocol and the Madrid (Stockholm) Agreement, it will no longer be the Agreement that will applies (as today) but the Protocol with the exceptions of Article 5(2)(b) and Article 5(2)(c) - Refusal Period or Article 8(7) - fee system. Further the supplementary and complementary fees will increase from 73 FS to 100 FS.

This will lead to some changes which ECTA will not fail to point out in due time. However, ECTA is satisfied with the new compromise to the extend that it complies with the main goals contained in its position i.e. to maintain the main advantages of the Madrid Agreement namely the fee system and the limited refusal period.

Also to be noted is that Spain and Cuba expressed their preference for the original compromise solution as adopted at the third Session of the Working Group. However,

the Delegation of Spain would not oppose a consensus. The Delegations of Australia and the US reserved their position to the compromise solution to the extend it is linked to a fee increase.

## **II. Amendments to the Common Regulations**

The Working Group further discussed various amendments to the Common Regulations including:

- the addition of a new Rule 1bis (see WIPO doc. [MM/LD/WF/4/3](#)) that should provide, under certain circumstances for a change in the Treaty applicable to the designation of a Contracting Party bound by both the Agreement and the Protocol more specifically where a Contracting party denounces one of the two treaties but remains a member of the other Treaty.

It is recommended to the Madrid Union Assembly that this new Rule should enter into force on January 1, 2008.

- amendement to Rule 6 - Languages - in order to introduce a full trilingual regime. As from the entry into force of the amendments to Article 6, Applications governed exclusively but the Agreement will no longer be governed in French only, but in English and Spanish as well.

### **III. Legal development of the Madrid Protocol**

The Working Group finally reviewed the Proposal of Australia to improve the information regarding the fate of international registrations in designated Contracting Parties, which was supported by various countries as well as all the NGOs present at the meeting.

However, due to a lack of time, it was agreed to recommend that the Madrid Union Assembly give mandate for further consideration of this issue as well as further proposals made by the Delegations of Norway, Japan and the Republic of Korea.

Reported by Sandrine Peters, ECTA Legal Coordinator