



European Communities Trade Mark Association

World Intellectual Property Organization  
Att.: Mr. Ernesto Rubio  
Assistant Director General  
34, chemin des Colombettes  
1211 Geneve 20

June 30, 2005

Dear Mr Rubio,

**Ad Hoc working group on the legal development of the Madrid System for the international registration of Marks  
Geneva, July 4 to 8, 2005  
Document MM/LD/WG/1/2**

ECTA, the European Communities Trade Mark Association, which brings together European IP practitioners from the free profession and from industry, is pleased to submit these preliminary comments in preparation of the Ad Hoc working group on the legal development of the Madrid System for the international registration of Marks. The comments refer to Document MM/LD/WG/1/2 dated April 6, 2005 prepared by the Secretariat.

#### **I. REVIEW OF THE REFUSAL PROCEDURE UNDER THE MADRID PROTOCOL**

##### **§ 37 – Reference to the maximum seven-month time limit in Article 5(2)(c)(ii)**

ECTA supports the proposal made by WIPO as it will serve to clarify the situation.

##### **§ 43 – Recommendation that the interpretative statement referred to in § 42, be submitted to the Assembly of the Madrid Union for adoption.**

ECTA supports this proposal.

## **II. REVIEW OF THE SAFEGUARD CLAUSE**

### **§ 59 – Possible recommendation that a proposal to restrict the scope of the safeguard clause with respect to the refusal period be submitted to the Assembly of the Madrid Union for adoption.**

ECTA would recommend the maintenance of the safeguard clause in this respect. Indeed, manufacturers, for economical reasons, do need certainty regarding their trademark status as soon as possible and the 12 months period, as provided under the Madrid Agreement, is often already too long for them. Further, there seem to be a tendency in the countries involved to extend the period to 18 months and please refer for instance to Greece's recent information in this regard. If the safeguard clause is restricted, the number of countries having long refusal periods will probably grow.

An alternative would be to repeal the safeguard clause in this regard but to amend the Madrid Protocol in order to meet the right-holders need.

We further would like to draw your attention to the fact that an additional essential need of the right-holders is to become aware of all the objections to each registration in each claimed country as soon as possible and within a predetermined deadline. May we therefore suggest that the member states make positive declarations when a trade mark is accepted in their country as soon as possible as it is already made by some PTO's.

### **§ 65 – Possible recommendation that a proposal to restrict the scope of the safeguard clause with respect to the individual fee system be submitted to the Assembly of the Madrid Union for adoption.**

ECTA would recommend the maintenance of the safeguard clause in this respect. Indeed, restricting the safeguard clause in this respect would lead to an increase of the international filing fees at least for some designations.

It is to be underlined that at least in Europe, the costs for the PTOs are progressively diminishing with the suppression of the ex officio examination on prior rights. Further if the Safeguard-Clause was restricted in this regard, it must be assumed that the applicants would have to pay individual fees not only in 11 additional countries (additional to the present 21 countries), but also in all other countries (at present 45) which would mean more fees in order to improve their finances, instead of being content with the standard fee of CHF 73 as hitherto. If the Safeguard clause was restricted, the costs of international trademarks would increase considerably.

### **§ 72 – Possible recommendation that a proposal to restrict the scope of the safeguard clause with respect to transformation be submitted to the Assembly of the Madrid Union for adoption.**

ECTA agrees and supports this change concerning transformation which will further increase right-holder benefits, thus enhancing the attractiveness of the system.

### **§ 79 – Possible recommendation that a proposal to restrict the scope of the safeguard clause with respect to the required basis for applying for an**

**international application be submitted to the Assembly of the Madrid Union for adoption.**

ECTA's opinion is neutral on this matter for the following reasons:

The Madrid System trade mark is the extension of an existing registered trade mark in the home country (country of origin) and for the Protocol an existing Community Trade Mark. For a Protocol, an application suffices.

For requesting a Madrid Agreement trade mark, one needs a home registration as a basis. In many countries it takes a long time to obtain a registration and it therefore seemed unfair that in certain countries, one had to wait so long to be entitled to request a Madrid Agreement trade mark. The effect was also that it was often not possible to make this request within six months of the home application, so as to benefit from the Paris Convention priority.

Consequently, the Protocol provides that it is sufficient to have an application in the home country to serve as basis for the Madrid Protocol trade mark.

It is to be noted that:

1. On the one hand, to accept the above mentioned disadvantage, in some countries it is possible to obtain a speeded-up registration. In other countries it is even possible to officially obtain an immediate accelerated registration – even a few weeks after application - for instance in the Benelux or Germany.

2. On the other hand, a home application is sufficient for requesting a Madrid Protocol trade mark. However, it is to be remembered that it is indispensable that the home application matures to a registration. If that does not occur or if the registration is partially accepted, under the provision of Article 6 of both treaties, (dependency clause) the entire international trade mark will follow the same fate. Filing on the basis of an application is consequently not without danger. Further, we feel a danger that in this alternative the registration of the national trade mark may slow down.

Consequently both alternatives seem to have pros and cons.

**§ 88 – Possible recommendation that a proposal to restrict the scope of the safeguard clause with respect to the issue of the so-called “cascade” be submitted to the Assembly of the Madrid Union for adoption.**

ECTA agrees and supports the proposal to further align the two systems and thus increase right-holders benefits, enhancing the attractiveness of the system.

**§ 95 – Possible recommendation that a proposal to restrict the scope of the safeguard clause with respect to the presentation to the International Bureau of subsequent designations and requests for the recording of cancellations and renunciations be submitted to the Assembly of the Madrid Union for adoption.**

ECTA agrees and supports the proposal to further simplify the functioning of the system, making it optional for the right-holder to involve his national PTO or work directly with the International Bureau. It would further be another step toward enhancing the attractiveness of the system.

**§ 107 – Possible recommendation that a proposal to amend the Common Regulations with respect to languages along the lines described in paragraphs 101 to 104 in case of repeal of the safeguard clause, or along the lines described in paragraph 106 (a) or (b), in case of restriction of the scope of the safeguard clause, be submitted to the Assembly of the Madrid Union for adoption.**

ECTA agrees and supports the proposal to further align the two systems and thus simplify the work process for right-holders, enhancing again the attractiveness of the system.

**§ 110 - Indicate as to whether it would recommend that a proposal of the kind referred to in paragraph 108 or 109, above, as the case may be, be submitted to the Assembly of the Madrid Union for adoption.**

ECTA supports submission of the proposal as outlined in § 109.

### **III. POSSIBLE AMENDMENTS TO THE COMMON REGULATIONS**

**§ 119 – Indication as to whether it would recommend that a proposal of the kind referred to in paragraph 117 or 118, above, as the case may be, be submitted to the Assembly of the Madrid Union for adoption.**

ECTA supports submission of the proposal as outlined in § 117.

**§ 126 - Indicate as to whether it would recommend that a proposal, to provide that an international application and a subsequent designation containing an irregularity affecting the date bears the date of receipt of the corresponding correction by the International Bureau, be submitted to the Assembly of the Madrid Union for adoption.**

ECTA agrees and supports this proposal.

**§ 132 - Indicate as to whether it would recommend that a proposal consisting in deleting Rule 30(3)(c) be submitted to the Assembly of the Madrid Union for adoption.**

ECTA agrees and supports the submission of such a proposal.

**§ 136 – Indication as to whether it would recommend that a proposal consisting in deleting Rule 32(3) be submitted to the Assembly of the Madrid Union for adoption.**

ECTA agrees and supports this proposal to discontinue issuing the paper form of the yearly index.

**§ 139 - Possible recommendation that a proposal consisting in specifying the date of recording of invalidations, restrictions of the holder's right of disposal, licenses and replacement of a national or regional registration by an international registration (namely the date on which the corresponding request, complying with the applicable requirements, has been received by the International Bureau), be submitted to the Assembly of the Madrid Union for adoption.**

ECTA supports the proposal made by WIPO as specifying the date would bring more legal certainty.

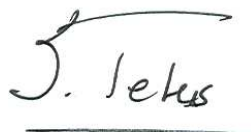
We do hope these comments are helpful and should you wish to distribute these amongst the participants at the meeting, please feel free to do so.

We look forward to meeting you as well as all participants for a fruitful discussion next week.

Yours sincerely,



Max Oker-Blom  
President of ECTA



Sandrine Peters  
Legal Coordinator