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## TRADE MARKS – The Madrid System

WIPO has made available the working document for the Ad hoc Working Group on the Legal Development of the Madrid System for the International Registration of marks, which will take place in Geneva, from July 4 to 8, 2005. Please also refer to [ECTA Flash 07-05](#).

Indeed, as per the provisions of the Madrid Protocol, the Madrid Union Assembly has to review the provision on the Refusal Procedure and the “Safeguard Clause”. The proposed changes can be summarized as follows:

### 1. Refusal Procedure

As per Article 5(2)(e) of the Protocol, the Madrid Union Assembly has to review the refusal procedure (Article 5(2)(a) to (d)) upon the expiry of a period of ten years from the entry into force of the Protocol namely as from 1 December 2005.

Amendment will be made on the unanimous decision of the Assembly. It is WIPO’s view that the system works well and that no big changes are to be proposed. Namely:

- No changes are proposed regarding Article 5(2)(a) – notification of refusal to the International Bureau.
- No changes are proposed regarding Article 5(2)(b) – possible extension of time limit up to 18 months for notification of refusal to the International Bureau.
- Regarding Article 5(2)(c) – refusal resulting from an opposition:  
Article 5(2)(c) provides that notification of a refusal resulting from an opposition may be notified to the International Bureau after the 18 months period but only if:
  - (i) *it has, before the expiry of the 18-month time limit, informed the International Bureau of the possibility that oppositions may be filed after the expiry of the 18-month time limit, and*
  - (ii) *the notification of the refusal based on an opposition is made within a time limit of not more than seven months from the date on which the opposition period begins; if the opposition period expires before this time limit of seven months, the notification must be made within a time limit of one month from the expiry of the opposition period.*

Article 5(2)(c)(ii) is quite complicated and raised some difficulties. As in practice, most cases fall under the second provision namely “the one month” period, WIPO suggests to drop the first provision namely “the seven months” period.

- No changes are proposed regarding Article 5(2)(d) – effective date of declaration.

## 2. Safeguard Clause

As per Article 9sexies(2) of the Protocol, the Madrid Union Assembly has to review the “Safeguard Clause” upon the expiry of a period of ten years from the entry into force of the Protocol namely as from 1 December 2005.

This provision relates to seven features namely:

- The refusal period;
- The individual fee system;
- The possibility of requesting a transformation of an international registration into one or more national applications in the event of a central attack during the five-year dependency period;
- The required basis for filing an international application;
- The issue of the so-called “cascade”;
- The presentation to the International Bureau of subsequent designations, cancellations and renunciations;

Should the Safeguard Clause be repealed it seems that 2 features may raise some concern for the users namely the “refusal period” and the “individual fee system”.

Indeed, should the following example be taken:

French applicant and Swiss designation, should the Safeguard Clause be reversed, the following will occur,

- instead of 12 months, there will be an 18 month refusal period, and
- the designation fee will be 600 Swiss Francs (for 2 classes) instead of 73 Swiss Francs (for three classes).

WIPO is not taking any position in this matter but explains the consequences of each alternative.

The possible amendment needs to be obtained by a majority of three-fourths of those States party to both the Agreement and the Protocol (namely of 43 countries).

The consequences of the repeal or a restriction of the scope of the safeguard clause should also be considered with regard to two additional features:

- The address requirement for a representative appointed before the International Bureau.  
But this would be of no incidence should the amendment to Rule 3(1)(b) (see section 3.a hereunder) be approved.
- The language of an international application and other communications relating thereto. (English, French or in Spanish for the Protocol vs French only for the Agreement).

In both cases it should not be detrimental to the users.

### 3. Further possible amendments to the Common Regulations

- The address requirement for a representative appointed before the International Bureau.

Currently, Rule 3(1)(b) provides that:

*The address of the representative shall be,*

- (i) in respect of an international application governed exclusively by the Agreement, in the territory of a Contracting Party bound by the Agreement;*
- (ii) in respect of an international application governed exclusively by the Protocol, in the territory of a Contracting Party bound by the Protocol;*
- (iii) in respect of an international application governed by both the Agreement and the Protocol, in the territory of a Contracting Party;*
- (iv) in respect of an international registration, in the territory of a Contracting Party.*

Today there is a difference between the requirements of an international application and registration.

WIPO suggests dropping this difference and that the rules regarding the international application be those of an international registration.

- Treatment of irregularities affecting the date of the international registration.

Currently Rule 11(6)(a) - *Other Irregularity With Respect to the Designation of a Contracting Party Under the Protocol* - provides that

- (a) Where, in accordance with Article 3(4) of the Protocol, an international application is received by the International Bureau within a period of two months from the date of receipt of that international application by the Office of origin and the International Bureau considers that a declaration of intention to use the mark is required according to Rule 9(5)(f) but is missing or does not comply with the applicable requirements, the International Bureau shall promptly notify accordingly and at the same time the applicant and the Office of origin.*
- (b) The declaration of intention to use the mark shall be deemed to have been received by the International Bureau together with the international application if the missing or corrected declaration is received by the International Bureau within the period of two months referred to in subparagraph (a).*

(c) The international application shall be deemed not to contain the designation of the Contracting Party for which a declaration of intention to use the mark is required if the missing or corrected declaration is received after the period of two months referred to in subparagraph (b). The International Bureau shall notify accordingly and at the same time the applicant and the Office of origin, reimburse any designation fee already paid in respect of that Contracting Party and indicate that the designation of the said Contracting Party may be effected as a subsequent designation under Rule 24, provided that such designation is accompanied by the required declaration.

WIPO suggests to drop the first possibility namely that if the missing or corrected declaration is received within the period of 2 months as referred to in subparagraph (a), the declaration of intention to use the mark shall be deemed to have been received by the International Bureau together with the international application.

Indeed, only 15 cases for correction were applied in 2004. This rule applies therefore in very rare cases.

- WIPO suggests to drop Rule 30(3)(c) providing for a mechanism allowing the WIPO, under some limited conditions, to proceed “provisionally” with the recording of the renewal of an international registration, in spite of the fact that the required renewals fees have been paid in full, as since its adoption in 1996, this procedure has never applied to any international registration.
- WIPO suggests to drop Rule 32(3) with as consequence that WIPO will no longer have to provide the paper version of the yearly index indicating the names of the holders of the international registrations published in the Gazette each year – it will only be made available in electronic format.
- Inclusion of provisions concerning the date of recording of various communications (such as licenses and restrictions of the holder’s right of disposal).

In some situations such as the recordal and notification of a Change or of a Cancellation (Rule 27(1)(b)), the date of recordal is specified by the Rules. However, in other circumstances such as for licenses no similar provision is provided. WIPO suggests that the date of recordal be clearly specified in all circumstances.

As already reported in ECTA Flash 07-05, WIPO is convening a Working Group from 4 to 8 July 2005. If necessary, a second Session will be scheduled in early 2006.

The proposals to amend the relevant provisions to the Protocol and the Common Regulations will be submitted to the Madrid Union Assembly at its regular session in September 2006.

Full WIPO full document can be retrieved at:

[http://www.wipo.int/meetings/en/details.jsp?meeting\\_id=7462](http://www.wipo.int/meetings/en/details.jsp?meeting_id=7462)

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