

Representation of AIPPI

10th Session Working Group
on the Legal Development of the Madrid System
for the International Registration of Marks

Geneva, July 2 and 3, 2012

REPORT

by Abdurrahim AYZ, Member Q212

TIMING OF THE SESSIONS: Sessions were taken place at 10.00 am – 01.00 pm and 03.00 pm – 06.00 pm on Monday July 02, and 03.00 pm – 06.00 pm on Tuesday July 03. The sessions which supposed to take place at 09.00 am – 10.50 am on Tuesday July 03 was cancelled.

Main agenda, contents and materials of the session held on July 2 and 3, 2012

AGENDA ITEM 1: OPENING OF THE SESSION

The session was opened by Mr. Francis Gurry, Director General of WIPO, who has put forward some facts about Madrid System. Some of these facts are summarized below;

- There are 86 countries now party to Protocol, including new members; The Philippines and Colombia.
- The only country remained party to Agreement only is Algeria, which will join to Protocol in close future.
- Costa Rica and Dominican Republic are working to join Protocol.
- India, Mexico and New Zealand will join to the Protocol within this year.
- Statement of Grant of Protection has become mandatory by January 2011.
- Good and Service Manager is available in 10 Languages.

- The number applications increased by 6.5% in 2011. The biggest increases by countries are; Russia by 35%, EU by 24%, USA by 15% and China by 11%.

- Three new system were launched during INTA Annual Meetings of this year, namely,
(1) Madrid Portfolio Manager – which makes available to check status and make changes,
(2) Electronic Alert System,
(3) Electronic Communication System advanced.

AGENDA ITEM 2: ELECTION OF THE CHAIR AND VICE-CHAIR

Mr. Mikael Francke Ravn (Denmark) was elected as Chair of the Working Group, and Ms. Kisztina Kovacs (Hungary) and Mr. Xu Zhisong (China) were elected as Vice-Chairs.

AGENDA ITEM 3: ADOPTION OF THE AGENDA

The Working Group adopted the draft agenda, without modification. The draft agenda is enclosed as **Exhibit 1**.

AGENDA ITEM 4: PROPOSED AMENDMENTS TO THE COMMON REGULATIONS UNDER THE MADRID AGREEMENT CONCERNING THE INTERNATIONAL REGISTRATION OF MARKS AND THE PROTOCOL RELATING TO THAT AGREEMENT

Discussions were based on document MM/LD/WG/10/2, a copy of which is enclosed as **Exhibit 2**.

PROPOSED AMENDMENTS

RULE 7: NOTIFICATION OF CERTAIN SPECIAL REQUIREMENTS

Rule 7(3)(b) - Notification

On September 16, 2011, the Director General of the World Intellectual Property Organization (WIPO) received from the Ministry of Foreign Affairs of Sweden a notice of withdrawal of the notification made under former Rule 7(1) of the Common Regulations. The withdrawal is effective as from July 1, 2011. Sweden was the only Contracting Party with a standing notification made under former Rule 7(1); insofar as Rule 7(1) is now deleted, no more notifications under that Rule, or withdrawals thereof under item (3)(b) of the same provision, are possible. It is proposed to delete in Rule 7(3)(b) the following words: "*paragraph (1), as in force before October 4, 2001, or*", as well as the accompanying footnote 1. Rule 7(3)(b) would then read as follows:

- (b) Any notification made under paragraph (2) may be withdrawn at any time. The notice of withdrawal shall be addressed to the Director General. The withdrawal shall have effect upon receipt of the notice of withdrawal by the Director General or at any later date indicated in the notice.

RULE 24: DESIGNATION SUBSEQUENT TO INTERNATIONAL REGISTRATION

Rule 24(2)(a)(i) – Presentation: For and Signature

Rule 24(2)(a)(i) contemplates the presentation of a subsequent designation by the Office of origin where Rule 7(1), as in force before October 4, 2001, applied. Since the Ministry of Foreign Affairs of Sweden has withdrawn its notification made under Rule 7(1), Rule 7(1) becomes inapplicable and thus Rule 24(2)(a)(i) is also no longer applicable for any Contracting Party. It is proposed to delete this provision

RULE 40: ENTRY INTO FORCE; TRANSITIONAL PROVISIONS

Rule 40(5) - Transitional Provision Relating to Statements of Grant of Protection

Rule 40(5) establishes that no Office shall be obliged to send statements of grant of protection under Rule 18~~ter~~(1) before January 1, 2011. Insofar as the period during which the sending of such statements was not mandatory has expired, Rule 40(5) is no longer applicable. It is proposed to delete this provision.

COMMENTS & VOTE

EU and China expressed their supports on the changes. At the end, the Working Group agreed to recommend to the Madrid Union Assembly the proposed amendments to Rules 7, 24 and 40 of the Common Regulations, as set out in the Annex to document MM/LD/WG/10/2.

AGENDA ITEM 5: INFORMATION RELATING TO THE REVIEW OF THE APPLICATION OF ARTICLE 9~~SEXIES~~(1)(B) OF THE PROTOCOL RELATING TO THE MADRID AGREEMENT CONCERNING THE INTERNATIONAL REGISTRATION OF MARKS

Discussions were based on document MM/LD/WG/10/3, a copy of which is enclosed as **Exhibit 3**.

Delegates representing EU, Switzerland and Russia commented that there is no need to take an action at this time, and the agenda may be discussed 3 to 5 years later. The Chair suggested that the agenda may be discussed 3 years later if Algeria joins Protocol within that time. Russia and Romania supported 3 years term. INTA suggested that the discussion should be linked to Algeria's accession.

There was consensus among the delegations that Article 9sexies(1)(b) of the Madrid Protocol should continue to remain unchanged, pending further review in the future.

The discussions concluded by agreeing that Article 9sexies(1)(b) of the Madrid Protocol would be reviewed by the Working Group after a period of 3 years. However, it was further agreed that any member of the Madrid Union, or the International Bureau may, in the *interim*, propose that the issue of the review of Article 9sexies(1)(b) be revisited at a time that is earlier than the said period of three years.

AGENDA ITEM 6: PROPOSAL FOR THE INTRODUCTION OF THE RECORDAL OF DIVISION OR MERGER CONCERNING AN INTERNATIONAL REGISTRATION BEFORE THE OFFICE OF A DESIGNATED CONTRACTING PARTY

Discussions were based on documents MM/LD/WG/10/4 (prepared by the International Bureau) and MM/LD/WG/10/6 (Proposal by Switzerland). A copy of MM/LD/WG/10/4 is enclosed as **Exhibit 4** and a copy of MM/LD/WG/10/6 is enclosed as **Exhibit 5**.

WIPO and Switzerland presented their proposals. Proposal prepared by WIPO is criticized on the point that proposing to keep one IR number while that registration is divided in national level. Swiss proposal is supported by some delegates (as France, Russia) on the point that it proposes separate IR number for each division of registration, but criticized by some delegates (as US) on the point that assigning new IR number for each division of registration will make the system complex.

Some delegates, as Norway and Germany, question on how the renewal fee will be, and some delegates, as Germany, Italy and Czech Republic, are against the introduction of division of IRs despite the proposed change would not be mandatory.

INTA representative commented that there is clear need for trademark owners in division, and that division has already become international standard by TLT and Singapore Treaty, and that applicants chosen IR system should have the same opportunity with those chosen national application, and that division of IR should be allowed to members who allow division in national law, and that WIPO proposal is not good enough since it does not make notification mandatory, and that IR registry should have transparency and therefore WIPO must keep records of division.

User organizations, as INTA, GRUR, AROPI and APRAM supported the proposal, but expressed their concern on transparency of IR records.

A number of delegations expressed a desire for further clarification of the more precise practical differences between the proposals contained in the two documents under discussion with a view to more clearly establishing the consequences of the proposals

contained in each and clarifying the relative advantages and disadvantages of each proposal. Those delegations also said that further information should be made available to the Working Group in order to facilitate a wider discussion of the issue and in order that the potential impact of the introduction of a procedure for division of international registrations be better understood.

It was agreed by the delegations that if a procedure for the division of international registrations were to be introduced, full information concerning such division should be made available in the ROMARIN database in a centralized format.

Upon completion of the discussions, the Chair concluded as follows:

- (a) The Working Group agreed that the International Bureau should prepare a further document for consideration by the Working Group at its next session, which would contain a new proposal on how it may be possible to introduce a mechanism that would allow for the division and merger of international registrations and/or designations under the Madrid system. Such document would take into account all the comments and concerns expressed at the current and previous session of the Working Group.
- (b) In due course, the International Bureau would issue an invitation to the Offices of Contracting Parties and to user-organizations to provide comments in advance of the preparation of the document. That invitation would request the submission of any such comments before the conclusion of 2012.

Finally, I attach Summary by the Chair, namely document MM/LD/WG/10/7 as **Exhibit 6** and a provisional list of participants as **Exhibit 7**.