

WIPO



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WORLD INTELLECTUAL PROPERTY ORGANIZATION
GENEVA

**SPECIAL UNION FOR THE INTERNATIONAL REGISTRATION OF MARKS
(MADRID UNION)**

ASSEMBLY

**Thirty-Eighth (17th Ordinary) Session
Geneva, September 24 to October 3, 2007**

LEGAL DEVELOPMENT OF THE MADRID SYSTEM

Document prepared by the International Bureau

I. INTRODUCTION

1. Since the last Assembly of the Madrid Union in September-October 2006, the *ad hoc* Working Group on the Legal Development of the Madrid System for the International Registration of Marks (hereinafter referred to as “the Working Group”) has convened in Geneva on two occasions, holding its third session from January 29 to February 2, 2007, and its fourth session from May 30 to June 1, 2007, respectively.

2. The report of the third session of the Working Group is available in document MM/LD/WG/3/5. With regard to the fourth session of the Working Group, the summary by the Chair is attached hereto in the Annex.

3. The present document summarizes the conclusions and recommendations of the third and fourth sessions of the Working Group and, in particular, submits to the Assembly, for adoption, the recommendation of the fourth session of the Working Group that the Assembly give to it an ongoing mandate to consider issues relating to the legal development of the Madrid Protocol.

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II. CONCLUSIONS AND RECOMMENDATIONS

Proposed new Rule 1bis

4. Full particulars concerning the conclusions and recommendations of the Working Group in relation to this matter are contained in Assembly document MM/A/38/1.

Review of Article 9sexies of the Madrid Protocol

5. Full particulars concerning the conclusions and recommendations of the Working Group in relation to this matter are contained in Assembly document MM/A/38/2.

Replacement

6. At the third session of the Working Group, the discussions with regard to the issue of replacement were based on document MM/LD/WG/3/3. The Working Group considered that the harmonization of the work of Offices with regard to replacement should be pursued. It expressed its agreement with the establishment of an Internet forum during the second part of 2007 and requested the International Bureau to study the feasibility of making this forum a multi-directional one.

7. The Working Group also indicated that the International Bureau should recall the objectives of replacement in the form of a document to be posted on the forum website, with a view to ascertaining if current Office practices met these objectives. At the same time, and independently, the International Bureau should conduct a survey of Office practices.

8. The necessary preparatory work for the creation of such Internet forum and for the establishment of a survey of Office practices is now at an advanced stage and it is expected that both the forum and the survey will be launched in early fall 2007. The results of the forum and the survey will, in due course, be collated and analyzed with a view to reporting to the next session of the Working Group and, eventually, to the Assembly.

Legal Development of the Madrid Protocol

9. It is recalled that at the second session of the Working Group, held at Geneva in June 2006, the Delegation of Norway submitted a document entitled "Proposal by Norway" (document MM/LD/2/9), which referred to a number of issues for discussion, in the context of the legal development of the Madrid System. The issues in question included, *inter alia*, the possible suppression of the requirement for a basic mark, the revision of the time limits for the notification of provisional refusals and the possibility of designating the Contracting Party of the applicant or holder of an international trademark registration.

10. Following the recommendation of the Working Group at the conclusion of its second session, the Assembly of the Madrid Union at its thirty-seventh session in September-October 2006 extended its mandate so that, *inter alia*, the future development of the Madrid system might continue to be discussed under the agenda item "Other Matters".

Third Session of the Working Group – January-February 2007

11. At its third session, the Working Group took up discussion of the proposal of the Delegation of Norway, now based on document MM/LD/WG/2/9, which had been postponed from the second session, along with discussion on the basis of an informal document introduced by the Delegation of Japan, entitled “Contribution of Japan on the discussion of the future development of the Madrid system”. The Working Group recommended that it should continue to examine in greater depth the issues raised in those documents.

12. In addition, the Working Group initiated discussion in relation to measures aimed at ensuring that the level of services provided by the Offices of Contracting Parties to the Protocol would be commensurate with the individual fees charged and the length of the applicable refusal period and, in addition, that would establish more precise criteria and maximum levels to be applied when fixing the amounts of individual fees. This discussion was based on document MM/LD/WG/2/11 and was facilitated by the circulation by the Delegation of Australia of an informal paper entitled “Proposal by Australia to the *ad hoc* Working Group on the Legal Development of the Madrid System in relation to further work on the future development of the Madrid system”.

13. At the conclusion of the discussion, while there had not been agreement with regard to the level of services provided and their relationship with the amount of individual fees, nevertheless a consensus had emerged to the effect that a guarantee should be provided whereby a certain minimum number of services should be offered within the context of the Protocol.

14. Taking note of the informal paper circulated by the Delegation of Australia, the Working Group recommended that discussion continue on the subject and concluded by proposing that it declare its intention that standards be established in the provision of information, which would apply throughout the membership of the Protocol and that at its following session it would continue to discuss the proposal put forward by the Delegation of Australia.

15. As regards the issue of establishing more precise criteria and maximum levels to be applied by Contracting Parties to the Protocol when fixing the amounts of individual fees, the Working Group did not make a recommendation.

Fourth Session of the Working Group – May-June 2007

16. For the fourth session of the Working Group, the legal development of the Madrid Protocol was placed on the agenda as a specific item. In relation to that agenda item, the following documents were available for consideration: document MM/LD/WG/2/9 (Proposal by Norway), document MM/LD/WG/4/4 (Proposal by Australia), documents MM/LD/WG/4/5 and MM/LD/WG/4/5 Corr. (Contribution by Japan) and a proposal submitted informally by the Delegation of the Republic of Korea, entitled “Proposal for Improving the Correction System”.

17. The discussion during the course of the fourth session of the Working Group focused, in particular, on the proposal by the Delegation of Australia (document MM/LD/WG/4/4).

18. Agreeing on the merits there would be, for Madrid applicants as well as for the broader trademark community, in improving the accessibility of information regarding the fate of international registrations in designated Contracting Parties, the Working Group agreed to request the Secretariat to prepare a paper addressing the different aspects of the matter with a view to proposing possible amendments of the Common Regulations.

19. With a view to assisting the Secretariat in the preparation of that paper, the Working Group encouraged Contracting Parties and international non-governmental organizations to submit their contributions on this specific issue to the International Bureau by the end of 2007.

20. The Working Group recommended that the Assembly give to it an ongoing mandate to consider issues relating to the legal development of the Madrid Protocol and, subject to which, it proposed that a first meeting be convened in the first half of 2008 to address specifically the issue mentioned in paragraph 18, above, while the issues raised in the papers submitted by Japan, Norway and the Republic of Korea would be discussed at a second meeting to be convened later in the same year.

21. The Assembly of the Madrid Union is invited to take note of the conclusions and recommendations of the Working Group and to decide whether the Director General should give to the Working Group an ongoing mandate to consider issues relating to the legal development of the Madrid Protocol, as indicated in paragraph 20, above.

[Annex follows]

WIPO



MM/LD/WG/4/6

ORIGINAL: English

DATE: June 1, 2007

WORLD INTELLECTUAL PROPERTY ORGANIZATION
GENEVA

**AD HOC WORKING GROUP ON THE LEGAL DEVELOPMENT
OF THE MADRID SYSTEM FOR THE INTERNATIONAL
REGISTRATION OF MARKS**

Fourth Session
Geneva, May 30 to June 1, 2007

SUMMARY BY THE CHAIR

1. The *ad hoc* Working Group on the Legal Development of the Madrid System (hereinafter referred to as “the Working Group”) met in Geneva from May 30 to June 1, 2007.
2. The following Contracting Parties of the Madrid Union were represented at the session: Algeria, Australia, Austria, Azerbaijan, Belgium, Bhutan, China, Croatia, Cuba, Czech Republic, Denmark, Estonia, European Community, Finland, France, Germany, Greece, Hungary, Italy, Japan, Kenya, Latvia, Lithuania, Moldova, Netherlands, Norway, Poland, Portugal, Republic of Korea, Romania, Russian Federation, Singapore, Slovakia, Slovenia, Spain, Sudan, Sweden, Switzerland, The former Yugoslav Republic of Macedonia, United Kingdom, United States of America (41).
3. The following States were represented by observers: Brazil, Colombia, Ecuador, Guinea, Zimbabwe (5).
4. Representatives of the following international intergovernmental organization (IGO) took part in the session in an observer capacity: Benelux Office for Intellectual Property (BOIP) (1).

5. Representatives of the following international non-governmental organizations (NGOs) took part in the session in an observer capacity: *Association romande de propriété intellectuelle* (AROPI), Centre for International Industrial Property Studies (CEIPI), Confederation of European Business (BUSINESSEUROPE), European Brands Association (AIM), European Communities Trade Mark Association (ECTA), German Association for the Protection of Industrial Property and Copyright Law (GRUR), International Association for the Advancement of Teaching and Research in Intellectual Property (ATRIP), International Federation of Industrial Property Attorneys (FICPI), International Trademark Association (INTA) and MARQUES (Association of European Trademark Owners) (10).
6. The list of participants is contained in document MM/LD/WG/4/INF/1.

Agenda Item 1: Opening of the session

7. Mr. Ernesto Rubio, Assistant Director General, opened the session and, on behalf of the Director General of WIPO, welcomed the participants.
8. Mr. Grégoire Bisson (WIPO) acted as Secretary to the Working Group.

Agenda Item 2: Election of a Chair and two Vice-Chairs

9. Mr. António Campinos (Portugal) was unanimously elected as Chair of the Working Group, and Mr. Chan Ken Yu Louis (Singapore) and Ms. Tatiana Zmeevskaya (Russian Federation) were elected as Vice-Chairs.

Agenda Item 3: Adoption of the Agenda

10. The Working Group adopted the Draft Agenda (document MM/LD/WG/4/1 Prov.) with a modification of agenda item 8 to read “Adoption of the Summary by the Chair”. Mr. Campinos chaired the discussions on agenda items 3 to 5. Mr. Chan chaired the discussions on agenda items 6 to 9.

Agenda Item 4: Review of Article 9*sexies* of the Madrid Protocol

11. The Working Group based its discussions on document MM/LD/WG/4/2 which contained a proposed amendment to Article 9*sexies* of the Madrid Protocol prepared by the International Bureau on the basis of the proposal for a compromise solution adopted by the Working Group at its third session.

12. Taking into account the views subsequently expressed by users' groups, the delegations from the following States 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).

13. The new compromise solution would consist of a fee increase as indicated in paragraph 16 and an amendment to Article 9*sexies* of the Protocol as follows:

– Paragraph (1)(a) of draft amended Article 9*sexies*, shall read as set forth in the Annex to document MM/LD/WG/4/2, subject only to the replacement of the words “Contracting Parties” by the words “States party”.

– Paragraph (1)(b) shall include a reference to Article 5(2)(b) and Article 5(2)(c), dealing with the refusal period, and the revised text of paragraph (1)(b) shall read, in its entirety, as follows:

“(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.”

– Paragraph (2) shall be revised to read as follows:

“(2) The Assembly shall, after the expiry of a period of three years from September 1, 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.”

14. The Delegations of Cuba and Spain expressed their preference for the original compromise solution adopted at the third session of the Working Group as reflected in document MM/LD/WG/4/2. However, the Delegation of Spain would not oppose a consensus. The Delegation of Cuba reserved its position. The Delegations of Australia and the United States of America reserved their position on the new compromise solution, to the extent that it was linked to the fee increase indicated in paragraph 16.

15. The Chair concluded that the Working Group agreed to recommend to the Madrid Union Assembly to amend Article 9*sexies* as indicated in paragraph 13, above.

16. With reservations from the Delegations of Australia and the United States of America, the Working Group further agreed to recommend to the Madrid Union Assembly that the amounts of the supplementary and complementary fees in the Schedule of Fees be set at 100 Swiss francs, along with the amendment of Article 9*sexies* of the Protocol. The Chair noted that this increase was supported by the following NGOs: AIM, AROPI, ATRIP, BUSINESSEUROPE, CEIPI, ECTA, FICPI, GRUR and INTA.

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

Agenda Item 5: Amendments to the Common Regulations

18. Discussions were based on document MM/LD/WG/4/3, as well as on a paper prepared by the Secretariat, annexed hereto, containing additional and substitute consequential amendments to the amendment of Article 9*sexies* of the Protocol as a result of the new compromise solution.

19. The Working Group agreed to recommend that the Madrid Union Assembly amend the Common Regulations as follows:

(a) by the addition of a new Rule 1*bis* and with respect to Rules 1(xvii) to (xviii), 25(1)(c) and 30(4), as provided in the draft contained in Annex I of document MM/LD/WG/4/3, with January 1, 2008, as the proposed date of entry into force;

(b) in conjunction with the amendment of Article 9*sexies* of the Protocol, and with September 1, 2008, as the proposed date of entry into force,

(i) with respect to Rules 1(viii) to (x), 11(b) and (c), 24(1)(b) and, subject to a minor revision, 24(1)(c), as provided in the draft contained in Annex I of document MM/LD/WG/4/3, and

(ii) with respect to Rules 16(1) and 18(2) and the text of items 2.4, 3.3, 3.4, 5.2, 5.3 and 6.2 to 6.4 of the Schedule of Fees, as contained in the paper referred to in paragraph 18, above.

20. As already noted in paragraph 16 under agenda item 4, the Working Group recommended that the amounts of the supplementary and complementary fees in the Schedule of Fees be set at 100 Swiss francs, along with the amendment of Article 9*sexies* of the Protocol.

Agenda Item 6: Legal development of the Madrid Protocol

21. The Chair noted that the Working Group had the following documents for consideration under this agenda item: the proposal by the Delegation of Norway contained in document MM/LD/WG/2/9, the proposal by the Delegation of Australia contained in document MM/LD/WG/4/4, the contribution by the Delegation of Japan contained in documents MM/LD/WG/4/5 and MM/LD/WG/4/5 Corr. and a proposal submitted informally by the Republic of Korea.

22. Having noted the contents of the proposal by the Delegation of Australia and agreeing on the merits there would be, for Madrid applicants as well as for the broader trademark community, in improving the accessibility of information regarding the fate of international registrations in designated Contracting Parties, the Delegations of Cuba, Denmark, Japan, Norway, Republic of Korea, United Kingdom, United States of America and the following NGOs: AIM, AROPI, ATRIP, CEIPI, ECTA, FICPI, INTA and MARQUES expressed their support to that proposal.

23. The Working Group agreed to ask the Secretariat to prepare a paper addressing the different aspects of the issue identified in paragraph 22, above, and proposing possible amendments to the Common Regulations. With a view to assisting the Secretariat in the preparation of that paper, the Working Group encouraged Contracting Parties and international non-governmental organizations to submit their contribution on this specific issue to the International Bureau by the end of 2007.

24. The Working Group recommended that the Madrid Union Assembly give it an ongoing mandate to consider issues relating to the legal development of the Madrid Protocol. In the light of this, the Working Group agreed that a first meeting be convened in the first half of 2008 to address specifically the issue described in paragraph 22, above, while the issues raised in the contributions by Japan, Norway and the Republic of Korea would be discussed in a second meeting to be convened later that same year.

Agenda Item 7: Other matters

25. No other matters were raised.

Agenda Item 8: Adoption of the Summary by the Chair

Agenda Item 9: Closing of the session

[Annex follows]

ANNEX

Additional or Substitute Consequential Changes to the Common Regulations

Chapter 4
Facts in Contracting Parties
Affecting International Registrations

Rule 16

Time Limit for Notifying Provisional Refusal Based on an Opposition

(1) *[Information Relating to Possible Oppositions]* (a) Subject to Article 9sexies(1)(b) of the Protocol, where a declaration has been made by a Contracting Party pursuant to Article 5(2)(b) and (c), first sentence, of the Protocol, the Office of that Contracting Party shall, where it has become apparent with regard to a given international registration designating that Contracting Party that the opposition period will expire too late for any provisional refusal based on an opposition to be notified to the International Bureau within the 18-month time limit referred to in Article 5(2)(b), inform the International Bureau of the number, and the name of the holder, of that international registration.

[...]

Rule 18

Irregular Notifications of Provisional Refusal

[...]

(2) *[Contracting Party Designated Under the Protocol]* (a) Paragraph (1) shall also apply in the case of a notification of provisional refusal communicated by the Office of a Contracting Party designated under the Protocol, it being understood that the time limit referred to in paragraph (1)(a)(iii) shall be the time limit applicable under Article 5(2)(a) or, subject to Article 9sexies(1)(b) of the Protocol, under Article 5(2)(b) or (c)(ii) of the Protocol.

[...]

SCHEDULE OF FEES

Swiss francs

1. *International applications governed exclusively by the Agreement*

[...]

1.2 Supplementary fee for each class of goods and services beyond three classes (Article 8(2)(b) of the Agreement)

[100]73

1.3 Complementary fee for the designation of each designated Contracting State (Article 8(2)(c) of the Agreement)

[100]73

2. *International applications governed exclusively by the Protocol*

[...]

2.2 Supplementary fee for each class of goods and services beyond three classes (Article 8(2)(ii) of the Protocol), except if only Contracting Parties in respect of which individual fees (see 2.4, below) are payable are designated (see Article 8(7)(a)(i) of the Protocol)

[100]73

2.3 Complementary fee for the designation of each designated Contracting Party (Article 8(2)(iii) of the Protocol), except if the designated Contracting Party is a Contracting Party in respect of which an individual fee is payable (see 2.4 below) (see Article 8(7)(a)(ii) of the Protocol)

[100]73

2.4 Individual fee for the designation of each designated Contracting Party in respect of which an individual fee (rather than a complementary fee) is payable (see Article 8(7)(a) of the Protocol) except where the designated Contracting Party is a State bound (also) by the Agreement and the Office of origin is the Office of a State bound (also) by the Agreement (in respect of such a Contracting Party, a complementary fee is payable): the amount of the individual fee is fixed by each Contracting Party concerned

3. *International applications governed by both the Agreement and the Protocol*

[...]

3.2 Supplementary fee for each class of goods and services beyond three classes

[100]73

3.3 Complementary fee for the designation of each designated Contracting Party in respect of which no individual fee is payable [see 3.4 below]

[100]73

3.4 Individual fee for the designation of each designated Contracting Party in respect of which an individual fee is payable (see Article 8(7)(a) of the Protocol), except where the designated ~~State~~ Contracting Party is a State bound (also) by the Agreement and the Office of origin is the Office of a State bound (also) by the Agreement (in respect of such a ~~State~~ Contracting Party, a complementary fee is payable): the amount of the individual fee is fixed by each Contracting Party concerned

[...]

5. *Designation subsequent to international registration*

The following fees shall be payable and shall cover the period between the effective date of the designation and the expiry of the then current term of the international registration:

[...]

5.2 Complementary fee for each designated Contracting Party indicated in the same request where an individual fee is not payable in respect of such designated Contracting Party (~~the fee covers the remainder of 10 years~~[see 5.3 below](#))

[100]73

5.3 Individual fee for the designation of each designated Contracting Party in respect of which an individual fee (rather than a complementary fee) is payable (see Article 8(7)(a) of the Protocol) [except where the designated Contracting Party is a State bound \(also\) by the Agreement and the Office of the Contracting Party of the holder is the Office of a State bound \(also\) by the Agreement \(in respect of such a Contracting Party, a complementary fee is payable\)](#): the amount of the individual fee is fixed by each Contracting Party concerned

6. *Renewal*

[...]

6.2 Supplementary fee, except if the renewal is made only for designated Contracting Parties in respect of which individual fees are payable [\[see 6.4 below\]](#)

[100]73

6.3 Complementary fee for each designated Contracting Party in respect of which an individual fee is not payable [\[see 6.4 below\]](#)

[100]73

6.4 Individual fee for the designation of each designated Contracting Party in respect of which an individual fee (rather than a complementary fee) is payable (see Article 8(7)(a) of the Protocol) [except where the designated Contracting Party is a State bound \(also\) by the Agreement and the Office of the Contracting Party of the holder is the Office of a State bound \(also\) by the Agreement \(in respect of such a Contracting Party, a complementary fee is payable\)](#): the amount of the individual fee is fixed by each Contracting Party concerned

[...]

[End of Annex and of document]