

## **Special Union for the International Registration of Marks (Madrid Union)**

### **Assembly**

**Forty-Fourth (19<sup>th</sup> Ordinary) Session  
Geneva, September 26 to October 5, 2011**

### **REPORT**

*adopted by the Assembly*

1. The Assembly was concerned with the following items of the Consolidated Agenda (document A/49/1): 1, 2, 3, 4, 5, 6, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 27, 35, 44 and 45.
2. The reports on the said items, with the exception of item 35, are contained in the General Report (document A/49/18).
3. The report on item 35 is contained in the present document.
4. Ms. Alexandra Grazioli (Switzerland), was elected Chair of the Assembly; Ms. Zhang Huan (China) and Ms. Huria Ismail (Sudan) were elected Vice-Chairs.

## ITEM 35 OF THE CONSOLIDATED AGENDA

### MADRID SYSTEM

5. Discussions were based on documents MM/A/44/1, MM/A/44/2, MM/A/44/3 and MM/A/44/4.

#### Proposals for the Simplification of the Madrid System

6. The Chair opened the meeting and welcomed all the delegations participating in the forty-fourth session of the Madrid Union Assembly.

7. In the absence of the Chair of the Working Group on the Legal Development of the Madrid System for the International Registration of Marks (hereinafter referred to as “the Working Group”), the Chair of the Madrid Union Assembly informed the Assembly of the recommendations, as contained in document MM/A/44/1. The Chair stated that three proposals were made in the framework of simplifying the Madrid system, as recommended by the Working Group in July 2011. Two of those proposals related to the translation of certain documents, with the aim of allowing for a more rational allocation of the existing resources within the International Bureau, while, at the same time, respecting the trilingual regime. The third proposal updated an outdated provision regarding the efficient publication of the *WIPO Gazette of International Marks* (hereinafter referred to as “the Gazette”).

8. The Chair further stated that it was necessary to emphasize that the proposals do not change the trilingual regime of the Madrid system. The Chair also said that the proposals were not an attempt to reduce the number of working languages of the Madrid system. The principle underlying the proposals would affect all three working languages equally.

9. The Chair said that the purpose of the trilingual regime was to ensure the availability of relevant information in three working languages. The practices endorsed by the Working Group at its ninth session were consistent with this, as all information would be available in three working languages. However, certain translations would have to be requested, but if a request for translation were submitted to the International Bureau, then the International Bureau would effect such a translation.

10. The Chair recalled that, according to the Common Regulations under the Madrid Agreement Concerning the International Registration of Marks and the Protocol Relating to that Agreement (hereinafter referred to as “the Common Regulations”), the recording in the International Register and the publication in the Gazette of international registrations or any other information recorded and published according to the Common Regulations, should be performed in the three working languages of the Madrid system, namely, English, French and Spanish. For its recording and publication, the International Bureau translates this information.

11. Referring to the first proposal in document MM/A/44/1, relating to the translation of statements of grant of protection following a provisional refusal made under Rule 18~~ter~~(2)(ii) of the Common Regulations, the Chair stated that for the reasons described in the document and as explained in detail during the course of the Working Group, the International Bureau had decided, some years ago, to introduce the practice of translation, upon request, of the notifications of such final decisions for the purpose of cost-effectiveness and as a result of the financial constraints. The Chair noted that the backlog was steadily increasing, with an increase in cost for translations and the time it would take to complete such translations. With few requests for translation received, the practice in place provided for a more cost-effective system.

12. The Chair described how the practice provided for the recording and publishing of statements in the received language, with an automatic translation into the language of the international application, if that were different. This preserved the linguistic unity of all the recordings in the international registration concerned, as the holder would have all documents related to his rights in his preferred language. All other translations regarding that final decision would be made upon request. The Working Group did not endorse an amendment to the Common Regulations but it had agreed to recommend to the Madrid Union Assembly to take note of the current practice of the International Bureau concerning translation upon request of statements of grant of protection following a provisional refusal made under Rule 18ter(2)(ii) of the Common Regulations.

13. Referring to the second proposal in document MM/A/44/1, concerning the translation of the list of goods and services affected by a limitation in an international application, subsequent designation or request for limitation, the Chair noted that such a limitation may occur in an international application, in a subsequent designation, or by the use of a special form requesting such limitation.

14. The Chair stated that the International Bureau had seen that in a significant number of cases, the request for the recording of a limitation was presented to the International Bureau in the same language as the language of communication notified by the Office concerned by the limitation. Referring to the statistics set out in the document, the Chair said that the introduction of the proposed change in practice would result in a reduction of the backlog and a saving in costs.

15. In particular, the International Bureau was proposing to introduce in the Common Regulations a more efficient approach to the translation of the indications of goods and services affected by a limitation. Where the language used in the request for the recording of a limitation was the same as the language of communication chosen by the Office concerned with the said limitation, the proposal would provide for the recording and publication of the indications affected by the limitation in this language.

16. The Chair said that in order to preserve the linguistic unity of all the recordings in an international registration concerned with a limitation, the International Bureau would automatically translate the limitation into the language of the international application, ensuring that the holder would have all documents concerning his right in his preferred language.

17. The Chair recalled that, as with the practice regarding the translation of statements of grant of protection following the notification of a provisional refusal, the Working Group had not endorsed the proposed amendment to the Common Regulations. The Working Group had recommended that the International Bureau implement a practice concerning the translation of the list of goods and services affected by a limitation in an international application, subsequent designation or request for limitation, with the inclusion of the option of translation upon request, and had agreed to recommend that the Assembly take note accordingly.

18. Referring to the third proposal in document MM/A/44/1, concerning the efficient publication of the Gazette, the Chair stated that the introduction of the publication of the Gazette in electronic format had made Rule 32(3) outdated. The International Bureau was proposing that that provision be amended, to indicate that the publication of the Gazette be effected on the WIPO web site. This proposal would align the mode of the publication of the Gazette with the standing practice of the International Bureau concerning other treaties administered by WIPO.

19. The Chair stated that the Working Group had agreed to recommend to the Assembly the adoption of the amendment to Rule 32(3) on the efficient publication of the Gazette, as proposed in the document. The proposed date of entry into force of the amendment to the Common Regulations, if adopted, would be January 1, 2012.

20. The Delegation of China thanked the Secretariat for its efforts in preparing a thorough, rich and precise summary of document MM/A/44/1, which contains three proposals. The Delegation further stated that the proposal concerning the more efficient publication of the Gazette, as a result of technological advances, would provide more convenience to users of the Madrid system and that it therefore supported the proposed amendment.

21. The Delegation of Norway stated that the task of the Working Group was to make the Madrid system operationally efficient and user-friendly for its administrators and international applicants, and to make relevant recommendations in order to improve the functional operations of the system. The Delegation said that Norway remained committed to this goal. The Delegation noted that many national Offices faced the same challenges and were required to continuously examine their systems and workflows for the purpose of improving the timely and cost-effective delivery of their services. The Delegation said that it believed that there should be a similar focus on the services provided by the International Bureau and that it therefore welcomed constructive simplification proposals to that end. The Delegation recalled that, at the last session of the Working Group, four concrete proposals had been introduced by the International Bureau, aiming at the introduction of simplification, as reflected in the document under discussion. Two of those proposals were concerned with the matter of translation. The Working Group had agreed to recommend to the Madrid Assembly pragmatic translation arrangements for certain statements and lists of goods and services affected by a limitation. The Delegation said that it fully supported that approach and the views that had been expressed by the Chair, regarding the trilingual regime of the Madrid system. The Delegation said that it believed that such a pragmatic approach would fully meet the needs of interested parties, whereby translation would be accorded upon request.

22. The Delegation of Spain indicated that it wanted to make a general statement which it considered to be highly relevant to the subject at hand. The Delegation of Spain recalled that it had not participated in the discussions concerning Agenda Item 13, as it considered that the Secretariat had fulfilled the mandate received from the Assemblies concerning the implementation of a language policy with respect to the documents produced in the various Working Groups and Committees. In view of the previous consideration, the Delegation expressed its perplexity and frustration for the contradictory treatment being given to Spanish. It further stated that, while in documents, such as the one concerning the language policy, a commitment to the introduction of multilingualism is proclaimed, in other less public decision making areas of WIPO contradictory policies are being followed. The Delegation offered, as an example of this contradictory treatment, the fact that the latest edition of the Nice Classification did not have a Spanish version, even though the two previous editions had said versions, entirely conducted and funded by WIPO. In addition, the Delegation recalled that there is no official translation into Spanish of the International Patent Classification, in spite the fact that the means to conduct it are available and that the full technical support of the Spanish Patent and Trademark Office (OEPM) has been placed at the disposal of WIPO. The Delegation asserted that the document under consideration increased its perception concerning the incongruity of the language policy followed by WIPO, to the extent that it intends that the Assembly take note of an illegal practice which breaks the trilingual regime of the Madrid system. It noted that the Assembly was being asked to give the green light to a proposal that directly infringes Rule 6 of the Common Regulations. It further indicated that the International Bureau, which is responsible for ensuring proper respect for the legal framework and for the management of the Madrid Union, was requesting that the Assembly endorse an illegality, alleging extraordinary budgetary reasons. The Delegation indicated that a proposal such as the one under discussion would have required conducting consultations with the Offices and with the affected users of the system, before submitting it to the Working Group in order to find an appropriate solution. The Delegation deplored that the Secretariat did not follow this approach. Consequently, the Delegation concluded that it could neither accept sanctioning a practice that violates the legal framework in an essential area of the mandate of the Organization, nor accept an illegality which represents a step backwards in its language policy.

23. The Delegation of Cuba wished to recall that, during the last session of the Working Group, the Delegation of Cuba, as well as other delegations, did not support the proposed amendments to the Common Regulations concerning statements sent under Rule 18*ter*(2)(ii).

24. The Delegation of Zambia said that it took note of and supported the practice of the International Bureau concerning the translation upon request of statements of grant of protection, following a provisional refusal, and the translation of the list of goods and services affected by a limitation, as had been recommended by the Working Group. The Delegation said that it also supported the proposed amendment of the Common Regulations, regarding the more efficient publication of the Gazette, with a date of entry into force of January 1, 2012.

25. The Delegation of Iceland, referring to the ever-increasing demand and need for additional services from Offices, stated that it supported the proposals for the simplification of the Madrid system. More simple and streamlined procedures and processes would make the system more effective for stakeholders. The Delegation noted, however, that in the quest for simplification, it was important to find a balance between all stakeholders. The Delegation stated its belief that the proposals under discussion would serve the purpose of simplification and did not prejudice the language regime of the Madrid system. The proposals resulted in time savings for users of the system and also ensured that holders would have full linguistic unity. The Delegation stated that the proposals were a logical solution to address the challenges faced by all and that it was clear from the document that, in making its recommendation, the Working Group had not endorsed amendments of the Common Regulations, as such.

26. The Delegation of Switzerland said that it favored the proposals for the simplification of the Madrid system. The Delegation added that it would have liked that the practice concerning translation, as suggested originally by the Secretariat, be formalized. The Delegation also stated that it fully supported the conclusions of the Working Group, which recommended that the Assembly of the Madrid Union take note of the current practice of the International Bureau concerning translation upon request of statements of grant of protection, following a provisional refusal, made under Rule 18*ter*(2)(ii). The Delegation further stated that it supported the conclusion which invited the Assembly of the Madrid Union to take note of the recommendation made by the Working Group that the International Bureau implement a practice concerning the translation of the list of goods and services affected by a limitation, in an international application, subsequent designation or request for limitation with the inclusion of the option of translation upon request. The Delegation said that it supported the adoption of the proposed amendment to Rule 32(3) of the Common Regulations, relating to the Gazette. The Delegation also considered that these proposals would allow the Madrid system to increase its efficiency while decreasing its costs.

27. The Delegation of Sweden stated that in order to respect the agreement that had been reached by the Working Group, the Delegation wished to express its support for the maintenance of the current and proposed practice of the International Bureau with regard to translations. The Delegation said that the current practice served the need for increased efficiency in the Madrid system and embodied the necessary balance between the interests of all parties involved and the preservation of the language regime. The Delegation said that it therefore accepted the recommendation made by the Working Group to the Madrid Union Assembly.

28. The Delegation of Denmark stated it wished to be aligned with the views that had been expressed by the Delegations of China, Iceland, Norway and Sweden and that it fully supported a proposal that would secure that the Madrid system could also, in the future, operate in a cost-effective manner.

29. The Chair suggested that the Assembly, for the time being, take note of the current and proposed practices of the International Bureau concerning translation, as referred to in paragraph 3 of the document under discussion. The Chair further suggested that the issue of translation be further reviewed at the next session of the Working Group.

30. The Delegation of Spain thanked the Chair for its sensitive approach, which takes into consideration all the preceding interventions, and suggested that the Secretariat provide national Offices advance notice of its proposals. It further indicated that the documents containing these proposals should be accompanied by a more substantive justification, in particular, an assessment concerning the impact of such proposals on the users of the system.

31. The Delegation of Ecuador, in its capacity as observer, supported the statement made by the Delegation of Spain. It indicated that Ecuador was conducting an analysis of the Madrid Protocol. Accordingly, it expressed its concern for the proposal at hand which, as a Spanish speaking nation, would take them further away from acceding to this treaty.

32. The Delegation of Colombia, in its capacity as observer, supported the statement made by the Delegation of Spain. It recalled that, having concluded the parliamentary process, Colombia is on the verge of acceding to the Madrid Protocol. Accordingly, Colombia has been taking, in cooperation with the International Bureau, adequate measures for its implementation. In that context, the Delegation wished to support the statements made by the Delegations of Ecuador and Spain and expressed its disagreement with the proposal under consideration. In addition, the Delegation indicated that the proposed practice, while contravening the Common Regulations, would discourage Spanish speaking countries from acceding to the Madrid Protocol. Consequently, the Delegation of Colombia invited the Contracting Parties of the Madrid system to be consistent with WIPO's language policy and to disallow the proposed practice under consideration.

33. The Delegation of Costa Rica, in its capacity as observer, supported the statement made by the Delegation of Spain. It indicated that it had started the process to accede to the Madrid Protocol and that it would support any proposal in line with the proper use of Spanish at WIPO.

34. The Delegation of Venezuela (Bolivarian Republic of), in its capacity as observer, supported the statement made by the Delegation of Spain. It considered that significance of Spanish, as an official language of the Organization, goes beyond the Madrid system.

35. The Delegation of El Salvador, in its capacity as observer, supported the statement made by the Delegation of Spain.

36. The Assembly:

- (i) adopted the proposed amendment to Rule 32(3) of the Common Regulations with a date of entry into force on January 1, 2012, as set out in the Annex attached to the document; and
- (ii) took note of the two proposals concerning translation practice, as contained in document MM/A/44/1, and, as reflected in paragraph 29 of this document.

Review of the Application of Article 9sexies(1)(b) of the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks

37. In introducing document MM/A/44/2, the Chair stated that the document aimed at assisting the Assembly of the Madrid Union to review the application of Article 9sexies(1)(b) of the Madrid Protocol and to either repeal it or restrict its scope.

38. The Delegation of Zambia stated that it had noted the contents of document MM/A/44/2 and that it was in favor of the adoption of the recommendation of the Working Group.

39. The Delegation of the Republic of Korea, noting the rapid growth in its country of filings under the Madrid system, spoke of the importance of the system and expressed its appreciation for the efforts that were being made by the International Bureau in the context of the modernization and simplification of the system. The Delegation said that it was committed to the further enhancement of the system.

40. The Delegation of Algeria wished to recall that, as it had been previously announced, Algeria would soon accede to the Madrid Protocol.

41. The Delegation of China spoke of the importance, for users, of paragraph (1)(b) of Article 9sexies of the Madrid Protocol and stated that a repeal or restriction of the scope of that paragraph could have implications, in terms of the appeal of the Madrid system. The Delegation said that the paragraph should be retained as it stood.

42. The Assembly:

- (i) took note of the content of the document; and
- (ii) adopted the recommendation made by the Working Group, as set forth in paragraph 7 of document MM/A/44/2.

Madrid System Goods and Services Database: Progress Report

43. The Chair presented document MM/A/44/3: Madrid System Goods and Services Database: Progress Report.

44. At the invitation of the Chair, the Secretariat said that document MM/A/44/3 was a comprehensive progress report on the status of the project. The Secretariat also said that, as planned, the Madrid System Goods and Services Database (hereinafter referred to as the "G&S Database") would contain over 40,000 terms in the three Madrid filing languages, and that the Madrid Goods and Service Manager (hereinafter referred to as the "G&S Manager") would be available in 11 languages by the end of 2011.

45. The Delegation of China expressed its satisfaction to have the G&S Database and stated that this would encourage Chinese applicants to use its translation capability with a view to filing error free international applications, and thus avoiding procedural irregularities. The Delegation also expressed its wish to see an online Chinese interface to the database as scheduled and stated that China agreed with the proposal to use remaining project funds beyond close-out, as described in the document.

46. The Delegation of Turkey recalled that Turkey, was one of the most effective users of the Madrid system. The Delegation stated that in 2010, its country ranked 10th as a designated Contracting Party with more than 8000 (8210) designations. The Delegation added that Turkey attached utmost importance to the international registration of marks and the enhancement of the Madrid system. The Delegation believed that, in today's global economy, international registration of marks and the Madrid system played a much more important role than in the past. In that regard, the Delegation supported the work of the Working Group, in particular, efforts on the simplification of the Madrid system, which would render the system more efficient, reliable and user friendly. In addition, the Delegation believed that there was no doubt that, the new tools such as the G&S Manager and improvements on IT tools would contribute to that aim. In that respect, the Delegation reiterated its support and commitment to work with the International Bureau for the enhancement of the Madrid system.

47. The Delegation of Switzerland stated that Switzerland had always encouraged predictability and speed of examination of goods and services in trademark applications and as a consequence had strongly supported the G&S Database initiative from the beginning. The Delegation added that such a database was equally of interest to users, offices and to the Secretariat, and that the Office of Switzerland was glad to be able to cooperate with the Secretariat in this respect. It also declared that Switzerland agreed with the proposed use of the remaining project funds beyond close-out, as described in the document.

48. The Assembly:

- (i) took note of the progress made in the implementation of the project of the G&S Database, as described in document MM/A/44/3;
- (ii) approved the use of the remaining project funds beyond project close-out to finalize the implementation of cooperation agreements established with interested members of the Madrid Union for the purposes of making the G&S Database available in the languages included in the pilot project concerning the feasibility of introducing additional languages; and
- (iii) took note of the proposal by the Secretariat to report to the Assembly in 2012 on the operational status of the implementation of the G&S Database.

#### Information Technology (IT) Modernization Program (Madrid and Hague International Registration Systems): Progress Report

49. The Secretariat presented document MM/A/44/4: Information Technology (IT) Modernization Program (Madrid and Hague International Registration Systems): Progress Report. The document outlines progress on the IT Modernization Program since the last Madrid Union Assembly. The document also serves to update Madrid Union members on any change to the overall approach to the completion of the Program, as well as to notify any change to the Program schedule.

50. In presenting the document, the Secretariat indicated that substantial progress has been achieved in Phase I sub-projects, mainly on the Service Oriented Architecture (SOA) Office Pilot, the Madrid Portfolio Manager (MPM), the Madrid Electronic Alerts (MEA), the Madrid Real-time Status (MRS) and Pre-translation. With regard to Phase II, an international



procurement procedure has been completed with the identification of a suitable implementation partner. The case will be presented to the Contract Review Committee for approval in the following days. It is expected that the implementation partner will start work on project activities in early January 2012. As result of this, Phase II of the IT Modernization Program is now scheduled for completion by end of June 2013.

51. The Assembly:

- (i) took note of the status of implementation of Phase I of the Program; and
- (ii) took note of the revised schedule for the implementation of Phase II of the Program, with an expected completion date of mid 2013.

#### ITEM 44 OF THE CONSOLIDATED AGENDA

##### ADOPTION OF THE GENERAL REPORT AND OF THE INDIVIDUAL REPORTS OF EACH GOVERNING BODY

52. Discussions were based on the present document.

53. Before opening the floor for comments, the Chair pointed out a typo in paragraph 36(ii) where it should read "as reflected in paragraph 29" instead of "as reflected in paragraph 33".

54. The Delegation of Turkey suggested some amendments in paragraph 46, which it would send in writing to the Secretariat.

55. The Delegation of Spain stated that the draft Report did not reflect the discussion that took place during the Madrid Assembly at which the Delegation, with the support of certain countries, mentioned that it could not accept certain practices which it believed were contrary to the Common Regulations. The Delegation said that, for this reason, it did not believe that in the decision paragraph the Assembly should take note of the practices. The Delegation wanted this topic to be re-discussed in the Working Group.

56. At the request of the Chair of the General Assembly, the Chair of the Madrid Union Assembly said that in her opinion, the draft Report was accurately reflecting the discussions held. She clarified that the decision referred to in the report was to continue the current practice, to implement the new practice and to refer the issue for a review to the next session of the Working Group. She recalled that it had already been decided to implement the new practice. She confirmed that it was correct to say that the Assembly had taken note of the proposals that were made in document MM/A/44/1 and that the issue be again submitted to the Working Group at its next session. She added that what was reflected in the draft Report was correct and there was no need to specify in the decision paragraph that this would be reviewed in the Working Group, since a reference was already made in paragraph 36(ii) to paragraph 29, which stated that the Assembly should take note of the proposals with regard to the practices, as contained in document MM/A/44/1 and that the issue be further reviewed at the next session of the Working Group.

57. The Delegation of China referred to their statement in paragraph 45, and requested that the word "declared" be replaced by "stated".

58. The Delegation of Spain thanked the Chair for the information provided but continued to believe that there was no support, in the decision paragraph, for taking note of the practices. The Delegation stated that, with the support of other delegations, it believed that the Assembly should not accept this decision because it was contrary to the Common Regulations. The Delegation added that a solution would have been acceptable if the Assembly had to take note

of the document but not the practices, and if this issue was to be dealt with in the Working Group. The Delegation said that the decision paragraph gave the impression that Member States were taking note of the practices and sending them back to the Working Group to be re-discussed, which did not reflect the position of its Delegation and the concern raised by other delegations concerning the practices. The Delegation made clear that it was these practices that it did not want to see repeated and which the Delegation wanted to be properly discussed in the Working Group. The Delegation concluded that it believed that the Assembly should take note of the fact that they will be re-discussed in the Working Group and not take note of the practices themselves.

59. In reply to the Delegation of Spain, the Chair of the Madrid Union Assembly recalled that she had recommended that the decision to be taken was to implement the practice straightaway. The additional element that she added with regard to the recommendations of the Working Group was to send this issue back to the next session of the Working Group for review without preventing that the current practice be continued and the new one be implemented straightaway. Such was the compromise as proposed in the meeting and for the Assembly to decide, based on the support expressed by a number of delegations.

60. The Chair of the General Assembly thanked the Chair of the Madrid Union Assembly for her explanations and gave the floor to the Delegation of Spain.

61. The Delegation of Spain reiterated its position and insisted on the fact that the discussion should not end in this manner and that it did not support the decision. The Delegation wanted to have the opportunity to reword some of the conclusions in order to reflect a real compromise. After talking with the other members of the Delegation, it confirmed that the wording, as contained in the document, did not reflect the agreement that was reached. The Delegation insisted to have that position reflected in the report.

62. In reply to the intervention made by the Delegation of Spain, the Secretariat proposed that, as suggested by the Delegation itself, its statement be reflected in the report of the Madrid Union Assembly. Moreover, as reflected and clearly indicated in the decision paragraph, this issue would be reviewed at the next session of the Working Group.

63. The Representative of the European Union asked for a repetition of the explanations given by the Secretariat on the conclusions of the Madrid Union Assembly.

64. The Secretariat repeated that the statement of the Delegation of Spain would be recorded in the report of the Madrid Union Assembly and the issue concerning translations would be reviewed in the next session of the Working Group.

65. In the absence of further comments, the Chair declared document MM/A/44/5 adopted, as it is.

[End of document]