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**Working Group on the Legal Development of the Madrid System for the International Registration of Marks**

**Fourteenth Session**

**Geneva, June 13 to 17, 2016**

Proposed Amendments to the Common Regulations Under the Madrid Agreement Concerning the International Registration of Marks and the Protocol Relating to that Agreement

*Document prepared by the International Bureau*

# Introduction

This document contains proposals to change the Common Regulations under the Madrid Agreement Concerning the International Registration of Marks and the Protocol Relating to that Agreement (hereinafter referred to, respectively, as “the Common Regulations”, “the Agreement” and “the Protocol”) and the Administrative Instructions under the Application of the Madrid Agreement Concerning the International Registration of Marks and the Protocol Relating Thereto (hereinafter referred to as “the Administrative Instructions”).

More specifically, these proposals concern amendments to Rules 3, 4, 18*ter*, 21, 22, 27 and 32 of the Common Regulations and to Section 16 of the Administrative Instructions, and the introduction of new Rule 23*bis* of the Common Regulations. These proposals support the ongoing process of making the Madrid System for the International Registration of Marks (hereinafter referred to as “the Madrid System”) more user‑friendly and attractive to its users, Offices of Contracting Parties and interested third parties. The proposals are reproduced in the Annex to this document.

# representation before THE INTERNATIONAL BUREAU

## Background

Current Rule 3(4)(b) of the Common Regulations envisages that, where the applicant or holder appoints a new representative in a separate communication presented through an Office, the International Bureau shall notify the recording of such appointment to the applicant or holder and to the Office that presented the request.

## Proposal

There could be situations where the Office of a designated Contracting Party might be required to contact or send communications directly to the holder of an international registration who does not have local representation or a local address for service. This could be, for instance, to provide the holder information on maintenance requirements to be fulfilled directly with the Office (e.g., filing of *affidavits*) or on cancellation actions initiated by a third party. For such Offices, it may be useful to have information on the appointment of a representative that has been recorded in the International Register. It is therefore proposed to amend Rule 3(4)(b) to ensure that the Office of a designated Contracting Party be notified where the appointment of a representative has been recorded in the International Register.

# CALCULATION OF TIME LIMITS

## Background

Currently, the Common Regulations have, in Rule 4, a provision dealing with the calculation of time limits. According to Rule 4(4), where a time limit expires on a day on which the International Bureau or the Office concerned is not open to the public, the time limit will expire on the first subsequent day on which the International Bureau or that Office is open to the public. This provision covers situations where the time limit expires on a public holiday, but also where the closing of the International Bureau or the Office concerned is due to a *force majeure‑*like situation.

## Proposal

It is proposed to amend paragraph (4) of Rule 4 to make it explicit that, in addition to the situations described above, when the time limit expires on a day where ordinary mail is not delivered in the locality of the International Bureau or the Office concerned, for instance, due to a public holiday not observed by the International Bureau (e.g., Swiss National Holiday) or by the Office concerned, the time limit will expire when delivery of ordinary mail is resumed. The proposed amendment would be beneficial for users, Offices and the International Bureau, as it would clarify when the time limit concerned expires.

# FINAL DISPOSITION ON STATUS OF THE MARK IN A DESIGNATED CONTRACTING PARTY

## Background

Current Rule 18*ter* deals with statements concerning the protection of the mark that is the subject of an international registration in the designated Contracting Parties. Paragraph (4) of Rule 18*ter* provides for the sending of further statements, following the sending of a statement in accordance with either paragraph (2) or (3) of the same rule.

Under the current legal framework, when considering sending a statement under Rule 18*ter*(4), an Office needs to verify whether it has already sent a provisional refusal, followed by a statement sent under either Rule 18*ter*(2) or (3). Only where this is the case, the Office can send a statement under Rule 18*ter*(4). Where the Office has sent a statement of grant of protection under Rule 18*ter*(1) or where “tacit acceptance” has applied, any later decision affecting the scope of protection can only be notified as invalidation, under Rule 19.

## Proposal

It is proposed to amend Rule 18*ter*, to also allow for the sending of statements under paragraph (4) following a statement of grant of protection sent under paragraph (1) of the same rule, as well as where the mark is considered to be protected under the principle of tacit acceptance. When Rule 18*ter*(4) entered into force, it was thought that its usage would be marginal; however, the experience has shown that there are a number of cases in which the proposed amended rule could have been applied by Offices (e.g., cancellation due to non‑use). This proposal is not intended to increase the number of decisions affecting the scope of protection or to give Offices a possibility to notify, for example, a provisional refusal where the time limit has expired. The sole intent is to make it easier for Offices to notify to the International Bureau any later decision affecting the scope of protection, in line with their applicable law.

# REPLACEMENT

## Background

Replacement was extensively discussed during the previous session of the Working Group. A number of additional features and changes to the proposal discussed during the previous session were suggested by delegations and by the representatives of users’ organizations. A rewording of the draft provision is proposed to accommodate the suggestions raised in the aforesaid discussion.

## Proposal

Representatives of users’ organizations requested the option to present the request directly with the designated Office concerned or through the International Bureau. This choice is now offered in paragraph (1) of the proposed provision.

Proposed amended Rule 21 now foresees that an international registration might replace not only one but several national or regional registrations.

Paragraph (2)(b) establishes that the International Bureau shall, where a request is presented through the International Bureau, simply transmit the request to the Office concerned and inform the holder. In such case, the International Bureau would not examine the request or raise any irregularity.

Paragraph (3)(a) states that an Office “may” examine requests to take note of an international registration, thus making it explicit that examination by Offices is not mandatory.

An Office that has taken note in its register of an international registration shall so notify the International Bureau, including in the notification the indications required under paragraph (3)(b). Under paragraph (4), the International Bureau shall record any notification received from an Office and inform the holder accordingly.

There would be no fee payable to the International Bureau for its work under proposed amended Rule 21, but Contracting Parties might require the payment of a fee for the presentation of requests to take note in their registers.

Where the request is presented through the International Bureau, proposed new paragraph (7) would allow it to collect a fee for the presentation of a request on behalf of a Contracting Party, if so requested, and to forward it to that Contracting Party. In this case, the proposed procedure for establishing the amount of that fee would be simpler than the current procedure for establishing the amounts of individual fees. The Contracting Party concerned could communicate that amount in Swiss francs or, where this is not possible, in the currency used by the Office of that Contracting Party; in the latter situation, the International Bureau would apply Rule 35(2)(b) *mutatis mutandis*. Following this approach, the International Bureau would establish the amount in Swiss francs, based on the United Nations official exchange rate, inform that amount to the Office concerned and publish this information on the website of the World Intellectual Property Organization (WIPO).

Once the amount of the fee has been established, the International Bureau would not monitor fluctuations in the United Nations official exchange rate. Nonetheless, the Office of the Contracting Party concerned may notify a new amount to the International Bureau at any time. The new amount would enter into force as soon as it is published on the WIPO website.

The distribution of the collected fees for taking note of replacement would be made available to the Contracting Parties concerned, for example, once or twice a year.

In all likelihood, Contracting Parties would require to effect legal or administrative changes to establish the amount to be collected by the International Bureau on their behalf under proposed amended Rule 21. The International Bureau is not in a position to determine the amount of time required by each Contracting Party for those changes. Moreover, the International Bureau would need to adjust its financial process to collect, manage and distribute the proposed new fee; further analysis is needed to determine the amount of work that would be required and a possible implementation date for these adjustments.

Accordingly, it is proposed that the Working Group agree, in principle, with the proposed procedure described in paragraphs 17 to 19, but that a recommendation for the adoption of paragraph (7) of proposed amended Rule 21 be discussed by the Working Group at its next session, following an analysis and a recommendation by the International Bureau on its possible date of entry into force.

# CEASING OF EFFECT OF THE BASIC APPLICATION, OF THE REGISTRATION RESULTING THEREFROM, OR OF THE BASIC REGISTRATION

## Background

Two amendments to Rule 22 are proposed to (i) reduce uncertainty where actions that might lead to the ceasing of effect of the basic mark are initiated before the expiry of the dependency period, and, (ii) clarify the effects of the ceasing of effect of the basic mark in international registrations that have resulted from the recording of a partial change in ownership, and those resulting from their merger.

## Proposal to delete paragraph (1)(b) or to amend paragraph (1)(c) of RUle 22

Rule 22(1)(b) provides that, where a judicial action referred to in Article 6(4) of the Agreement, or a proceeding referred to in item (i), (ii) or (iii) of Article 6(3) of the Protocol, began before the expiry of the five‑year dependency period, but has not, before the expiry of that period, resulted in a final decision or in a withdrawal or renunciation, the Office of origin shall, where it is aware thereof and as soon as possible after the expiry of the said period, notify the International Bureau accordingly.

According to paragraph (2)(a) of the same rule, the International Bureau shall record such notifications in the International Register and transmit a copy to the Offices of the designated Contracting Parties and to the holder. However, there is no obligation for an Office that has sent a notification under paragraph (1)(b) to withdraw this notification when the aforesaid actions or proceedings does not result in a decision, or where such decision does not result in a ceasing of effect. Accordingly, the information remains in the International Register.

In such situation, holders of international registrations could be adversely affected and, for instance, might find it difficult to exercise their rights and transfer the international registration due to the uncertainty produced by the information recorded in the International Register, which indicates that there are ongoing proceedings which might result in the cancellation of their registrations.

In fact, while the International Bureau has recorded 431 notifications sent under paragraph (1)(b), only 164 international registrations were either totally or partially cancelled at the request of the Office of origin following this recording. Moreover, there are 221 international registrations still in force for which a notification sent under paragraph (1)(b) has been recorded but for which the Office of origin has not sent a total or partial cancellation request.

The proposal to delete paragraph (1)(b) would improve the current situation by just requiring that, in accordance with paragraphs (3) and (4) of Article 6 of the Protocol, an Office send a notification and request the cancellation of the international registration once the basic mark has ceased to have effect, following a final decision, and not before such decision has been made. This proposal might also reduce the workload of both Offices of Contracting Parties and the International Bureau, since they would not be obliged to effect notifications and recordings regarding non‑final decisions concerning the fate of the basic mark.

As an alternative, to preserve in the International Register information concerning ongoing actions that might result in the ceasing of effect of the basic mark, the Working Group may wish to maintain paragraph (1)(b). However, to mitigate the uncertainty resulting from the situation described above, paragraph (1)(c) could be modified to require that the Office of origin also send a notification when the final decision does not result in the ceasing of effect of the basic mark.

## Proposal to amend paragraph (2)(b) of Rule 22

This proposal concerns actions that the International Bureau should undertake following the recording of a notification of ceasing of effect in the International Register.

Article 6(4) of the Protocol requires that the Office of origin request the cancellation of an international registration following the ceasing of effect of its basic mark. Consequently, paragraph (2)(b) of Rule 22 requires that the International Bureau cancel the international registration.

The rule does not explicitly mention that the International Bureau should also have to cancel, to the applicable extent, any international registrations resulting from partial change in ownership recorded under the international registration mentioned in a notification of ceasing of effect sent under Rule 22(1)(a), or those resulting from their merger. Nevertheless, the creation of a new international registration is only meant to be a mechanism to manage the part of the registration that has been transferred in accordance with Article 9 of the Protocol. Therefore, a ceasing of effect of the basic mark would affect not just the parent international registration but any international registration resulting therefrom. Accordingly, it is proposed that this situation be explicitly covered by amending paragraph (2)(b) of Rule 22.

# COMMUNICATIONS BY DESIGNATED OFFICES SENT THROUGH THE INTERNATIONAL BUREAU

## Background

In the previous session of the Working Group, some delegations informed that their Offices have no available means to send certain communications to non‑resident holders who have neither indicated an address for service in their territory nor appointed a local representative.

## Proposal

A new Rule 23*bis* is proposed to enable Offices of designated Contracting Parties to request that the International Bureau transmit such communications on their behalf.

The International Bureau would simply transmit the communication to the holder or to the recorded representative. The International Bureau would not examine the contents of the communication nor inscribe it in the International Register.

The International Bureau would transmit communications to the holder within the shortest delay, using the most expeditious means available. In all likelihood, as these communications would be the subject of neither examination nor recording, its handling and transmission would be highly automated. Moreover, the effects of a communication transmitted to the holder through the International Bureau, under the proposed new rule, including the effects on possible time limits for specific actions required by the holder, would remain a matter for the applicable law of the Contracting Party concerned.

# RECORDING AND NOTIFICATION OF A CHANGE IN OWNERSHIP

## Background

Paragraph (2) of Rule 27 of the Common Regulations, which provided for the creation of a new international registration following the recording of a partial change in ownership and established the numbering of such registration, was deleted in an amendment to the Common Regulations that entered into force on April 1, 2002. It then became Section 16 of the Administrative Instructions.

While the numbering of international registrations is an issue that is better dealt with in the Administrative Instructions, provisions for the creation of new international registrations and for the merger of such registrations should be comprehensively dealt with in the Common Regulations.

## Proposal

It is proposed that paragraph (2) of Rule 27, providing for the creation of a new international registration following the recording of a partial change in ownership, be reintroduced, and that Section 16 of the Administrative Instructions be amended to deal exclusively with the numbering of international registrations.

This proposal would not entail any change in the principles, processes and practices concerning the recording of a partial change in ownership; it is only meant to address a perceived legal incongruence.

# THE GAZETTE

## Background

Current Rule 32(3) states that the *WIPO Gazette of International Marks* (“the Gazette”) shall be published on the website of the World Intellectual Property Organization (WIPO). It is anticipated that the Gazette will soon be accessible from the main WIPO website (new Madrid Monitor Database), instead of from the Madrid System website. The entire Gazette as it stands today, including its data, layout and chapters, will remain unchanged.

## Proposal

The existing format of the Gazette may change in the future and its data elements may be published in a manner that makes better use of the available technology and is more user‑friendly. To anticipate this possibility, it is proposed that Rule 32(3) be modified to simply indicate that the publications effected by the International Bureau shall be made on the WIPO website.

# DATE OF ENTRY INTO FORCE

It is suggested that the proposed amendments to the Common Regulations enter into force on November 1, 2017, with the possible exception of proposed amended Rule 21, as specified in paragraph 21 of this document.

*The Working Group is invited to:*

*(i) consider the proposals made in this document; and*

*(ii) indicate whether it would recommend to the Madrid Union Assembly some or all of the proposed amendments to the Common Regulations, as presented in the Annex to this document or in amended form, and suggest a date for their entry into force.*

[Annex follows]

# PROPOSED AMENDMENTS TO THE COMMON REGULATIONS UNDER THE MADRID AGREEMENT CONCERNING THE INTERNATIONAL REGISTRATION OF MARKS AND THE PROTOCOL RELATING TO THAT AGREEMENT

**Common Regulations under**

**the Madrid Agreement Concerning**

**the International Registration of Marks**

**and the Protocol Relating to that Agreement**

(as in force on )

[…]

**Chapter 1**

**General Provisions**

[…]

Rule 3

*Representation Before the International Bureau*

[…]

(4) *[Recording and Notification of Appointment of a Representative; Effective Date of Appointment]*

[…]

(b) The International Bureau shall notify the recording referred to in subparagraph (a) to both the applicant or holder and the representative and to the Offices of the designated Contracting Parties. Where the appointment was made in a separate communication presented through an Office, the International Bureau shall also notify the recording to that Office.

[…]

*Rule 4*

*Calculation of Time Limits*

[…]

(4) *[Expiry on a Day on Which the International Bureau or an Office Is Not Open to the Public or Ordinary Mail is not Delivered]*  If a period expires on a day on which the International Bureau or the Office concerned is not open to the public, or on a day when ordinary mail is not delivered in the locality in which the International Bureau or the Office is situated, the period shall, notwithstanding paragraphs (1) to (3), expire on the first subsequent day on which the International Bureau or the Office concerned is open to the public or on which delivery of ordinary mail is resumed.

[…]

**Chapter 4**

**Facts in Contracting Parties**

**Affecting International Registrations**

[…]

*Rule 18ter*

*Final Disposition on Status of a Mark in a Designated Contracting Party*

[…]

(4) *[Further Decision]*Where a notification of provisional refusal has not been sent within the applicable time limit under Articles 5(2) of the Agreement or of the Protocol, or, where following the sending of a statement under paragraph (1), (2) or (3), a further decision affects the protection of the mark, the Office shall, to the extent that it is aware of that decision, send to the International Bureau a further statement indicating the goods and services for which the mark is protected in the Contracting Party concerned[[1]](#footnote-2).

[…]

*Rule 21*

*Replacement of a National or Regional Registration*

*by an International Registration*

(1) *[Presentation of the Request]*The holder may, from the date of the notification of the designation, present a request for the Office of a designated Contracting Party to take note of the international registration in its Register, in accordance with Articles 4*bis*(2) of the Agreement or of the Protocol, with that Office or through the International Bureau. Where presented through the International Bureau, the request shall be effected on the relevant official form.

(2) *[Contents of a Request Presented Through the International Bureau and Transmission]*(a)The request referred to in paragraph (1), where presented through the International Bureau, shall indicate:

(i) the number of the international registration concerned,

(ii) the name of the holder,

(iii) the Contracting Party concerned,

(iv) where replacement concerns only one or some of the goods and services in the international registration, those goods and services,

(v) the filing date and number, the registration date and number, and, if any, the priority date of the national or regional registration or registrations which are deemed to be replaced by the international registration; and,

(vi) where paragraph (7) applies, the amount of the fees being paid, if any, the method of payment, or instructions to debit the required amount of fees to an account opened with the International Bureau and the identification of the party effecting the payment or giving the instructions.

(b)  The International Bureau shall transmit the request referred to in subparagraph (a) to the Office of the designated Contracting Party concerned and inform the holder accordingly.

(3) *[Examination and Notification by the Office of a Contracting Party]*  (a)  The Office of a designated Contracting Party may examine the request referred to in paragraph (1) for compliance with the conditions under Articles 4*bis*(1) of the Agreement or of the Protocol.

(b) An Office that has taken note in its Register of an international registration shall so notify the International Bureau. Such notification shall contain the indications specified in paragraph (2)(a)(i) to (v). The notification may also contain information relating to any other rights acquired by virtue of the national or regional registration or registrations concerned.

(4) *[Recording and Notification]*The International Bureau shall record in the International Register any notification received under paragraph (3) and shall inform the holder accordingly.

(5) *[Scope of Replacement]*The names of the goods and services listed in the national or regional registration or registrations shall be equivalent, but not necessarily identical, to those listed in the international registration that has replaced them.

(6) *[Effects of Replacement on the National or Regional Registration]*A national or regional registration or registrations shall not be cancelled or otherwise affected by the fact that they are deemed to be replaced by an international registration or that the Office has taken note in its Register of the latter.

[(7) *[Fees]*Where a Contracting Party requires a fee for the presentation of a request under paragraph (1), the request is presented through the International Bureau, and the Contracting Party wishes the International Bureau to collect that fee, it shall so notify the International Bureau, indicating the amount of the fee in Swiss currency or in the currency used by the Office. Rule 35(2)(b) shall apply *mutatis mutandis.*]

[…]

*Rule 22*

*Ceasing of Effect of the Basic Application,*

*of the Registration Resulting Therefrom,*

*or of the Basic Registration*

[…]

(1) *[Notification Relating to Ceasing of Effect of the Basic Application, of the Registration Resulting Therefrom, or of the Basic Registration]*

[…]

## OPTION A

(b) [Deleted]

## OPTION B

(b) Where a judicial action referred to in Article 6(4) of the Agreement, or a proceeding referred to in item (i), (ii) or (iii) of Article 6(3) of the Protocol, began before the expiry of the five-year period but has not, before the expiry of that period, resulted in the final decision referred to in Article 6(4) of the Agreement, or in the final decision referred to in the second sentence of Article 6(3) of the Protocol or in the withdrawal or renunciation referred to in the third sentence of Article 6(3) of the Protocol, the Office of origin shall, where it is aware thereof and as soon as possible after the expiry of the said period, notify the International Bureau accordingly.

(c) Once the judicial action or proceeding referred to in subparagraph (b) has resulted in the final decision referred to in Article 6(4) of the Agreement, in the final decision referred to in the second sentence of Article 6(3) of the Protocol or in the withdrawal or renunciation referred to in the third sentence of Article 6(3) of the Protocol, the Office of origin shall, where it is aware thereof, promptly notify the International Bureau accordingly and shall give the indications referred to in subparagraph (a)(i) to (iv). Where the judicial action or proceedings referred to in subparagraph (b) has been completed and has not resulted in any of the aforesaid final decisions, withdrawal or renunciation, the Office of origin shall, where it is aware thereof, promptly notify the International Bureau accordingly.

(2) *[Recording and Transmittal of the Notification; Cancellation of the International Registration]*

[…]

(b) Where any notification referred to in paragraph (1)(a) or (c) requests cancellation of the international registration and complies with the requirements of that paragraph, the International Bureau shall cancel, to the extent applicable, the international registration in the International Register. The International Bureau shall also cancel, to the same extent, international registrations resulting from partial change in ownership recorded under the international registration that has been cancelled, following the above‑mentioned notification, and those resulting from their merger.

[…]

**Chapter 5**

**Subsequent Designations; Changes**

[…]

*Rule 23bis*

*Communications from the Offices of the  
Designated Contracting Parties sent through  
the International Bureau*

(1) *[Communications from the Offices of the designated Contracting Parties not covered by these Regulations]*Where the law of a designated Contracting Party does not allow the Office to transmit a communication concerning an international registration directly to the holder, that Office may request the International Bureau to transmit that communication to the holder on its behalf.

(2) *[Format of the Communication]*The International Bureau shall establish the format in which the communication referred to in paragraph (1) shall be sent by the Office concerned.

(3) *[Transmission to the holder]*The International Bureau shall transmit the communication referred to in paragraph (1) to the holder, in the format established by the International Bureau, without examining its contents or recording it in the International Register.

[…]

*Rule 27*

*Recording and Notification of a Change or of a Cancellation;*

*Merger of International Registrations; Declaration That a Change in Ownership or a Limitation Has No Effect*

[…]

(2) *[Recording of Partial Change in Ownership]*(a)  A change in ownership of the international registration in respect of only some of the goods and services or only some of the designated Contracting Parties shall be recorded in the International Register under the number of the international registration concerned by the partial change in ownership.

(b) The part of the international registration for which a change in ownership has been recorded shall be separated from the international registration concerned and recorded as a separate international registration.

[…]

**Chapter 7**

**Gazette and Data Base**

*Rule 32*

*Gazette*

[…]

(3) The International Bureau shall effect the publications under paragraphs (1) and (2) on the website of the World Intellectual Property Organization.

[…]

**PROPOSED AMENDMENTS TO THE ADMINISTRATIVE INSTRUCTIONS FOR THE APPLICATION OF THE MADRID AGREEMENT CONCERNING THE INTERNATIONAL REGISTRATION OF MARKS AND THE PROTOCOL RELATING THERETO**

**Administrative Instructions for the Application of the**

**Madrid Agreement Concerning the International**

**Registration of Marks and the Protocol**

**Relating Thereto**

(as in force on )

[…]

**Part Six**

**Numbering of International Registrations**

*Section 16: Numbering Following Partial Change*

*in Ownership*

1. The separate international registration resulting from the recording of partial change in ownership shall bear the number of the registration of which a part has changed in ownership, followed by a capital letter.
2. [Deleted]

[End of Annex and of document]

1. 5 Interpretative statement endorsed by the Assembly of the Madrid Union:

   “The reference in Rule 18*ter*(4) to a further decision that affects the protection of the mark includes also the case where that further decision is taken by the Office, for example in the case of *restitutio in integrum*, notwithstanding the fact that the Office has already stated that the procedures before the Office have been completed.” [↑](#footnote-ref-2)