

# JAPAN INTELLECTUAL PROPERTY ASSOCIATION

Nihombashi 3-Chome Square Bldg.  
6F, 9-1 Nihonbashi 3-chome,  
Chuo-ku, Tokyo 103-0027, JAPAN



TEL:+81-3-6262-1570  
FAX:+81-3-6262-5655  
JIPA <http://www.jipa.or.jp/>

November 04, 2022

Mr. Daren Tang  
Director General  
World Intellectual Property Organization,  
34, chemin des Colombettes  
CH-1211 Geneva 20, Switzerland

Re: POSITION PAPER on TWENTIETH SESSION OF THE MADRID  
WORKING GROUP, Geneva, November 7 to 11, 2022 (MM/LD/WG/20)

Dear Mr. Tang,

We, the Japan Intellectual Property Association or “JIPA”, is a non-profit, non-governmental organization, which has 972 members (as of October 13, 2022). It represents industries and users of the intellectual property (IP) system and provides related institutions all around the world with well-timed, suitable opinions on the improvement of their IP systems and their utilization.

For further information regarding JIPA is available at <http://www.jipa.or.jp/>.

On the 20th Session of the Madrid Working Group meeting, we would like to make the following statements according to the agenda.

**MM/LD/WG/20/2 and MM/LD/WG/20/2 Corr. Proposed Amendments to the Regulations Under the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks**

In view of the fact that the International Bureau does not examine the consistency of the standard character declaration, JIPA understands it is inevitable that the Regulations be amended as proposed to clarify that the standard character declaration is optional in nature and that it does not bind the Offices of the designated Contracting Parties in the determination of the scope of protection, in order to make the Regulations consistent with current practice of the International Bureau, the Offices of the designated Contracting Parties and the Office of origin.

JIPA expects Working Group deep care and attention about the scope of the

protection in designated Contracting Parties not to be considered reduced at the time of enforcement and non-use cancellation.

Moreover, JIPA hopes that, in the near future, the Madrid System defines the nature of the standard character marks or the implications of the standard character declaration, leads the discussions and plays an initiative role in promoting international harmonization of that definition among the Contracting Parties.

As noted in the proposal, Madrid users have been affected by the inconsistencies in judgments of each designated Contracting Party. As far as we are aware, there have been cases such as changes in capitalization, registration in unintended special typefaces, and rejection of the replacement due to very slight differences in fonts and spacing, based on the judgment of the designated Contracting Parties. Let us share 3 cases from our members. First, one of our members experienced the registration in the special typeface regardless the standard character declaration. This case is exactly what is described in the proposal. Second, there has been the case where the trademark has been changed to upper or lower case at the discretion of the Office of the designated country. It may have little impact if the trademark consists entirely of upper or lower case letters. However, as you know, some applicant intentionally arranges upper and lower case letters in a distinctive manner. JIPA concerns the aforesaid changes by the office of the designated party would be an unexpected and unintentional change of trademark that could affect the result of examination and the scope of rights.

Such unexpected refusals have resulted in disadvantages for users, and the workload of responding individually to the actual situation in each country has become a burden for users. In addition, as in the latter case, it is detrimental to the Madrid System if users are prevented from utilizing replacements, which should be one of the advantages of the Madrid System.

The international applications with the standard character declaration require no specimen of trademark. The International Bureau or the designating Contracting Parties only have to identify the trademark by text characters on the Madrid Monitor and each database systems of Contracting Parties. This would save the effort not only of the applicants but also the International Bureau or the designating Contracting Parties.

Although respecting each independent policy of the Contracting Parties for handling the standard character declaration, JIPA strongly hope that the Working Group would deepen discussions on promoting the positive use and the harmonization of standard character.

**MM/LD/WG/20/3 Provisional Refusal & MM/LD/WG/20/INF/2 Working Group on the Legal Development of the Madrid System for the International Registration of Marks**

JIPA is very supportive of the proposed amendment of Rule 17 (2)(vii), which gives the holder at least two months until filing a request for review of, or

appeal against, the ex officio provisional refusal or provisional refusal based on an opposition and, as the case may be, for filing a response to the opposition, and such time limit is calculated from the date on which the International Bureau transmits the notification to the holder. With regard to the implementation of this proposed amendment, JIPA strongly encourages the Working Group to agree to the amendment of Rule 17 (2)(vii) as proposed and the Contracting Parties to put the amended rule into practice as soon as possible, without waiting for the end of the proposed grace period of February 1, 2025.

1. The calculation of the start date

The proposed new subparagraph Rule 17 (2)(viii) provides the possibility that designated Contracting Parties calculate the time limit from the issue date of the decision by the Office of the Contracting Party. JIPA requests the International Bureau decides to adopt the unified start date of the time limit should be calculated from the date on which the International Bureau transmits the notification to the holder. According to this way to calculate, holders could clearly understand when the time limit to respond to a provisional refusal starts, and it would be easy to know that holders have at least a minimum time limit of 2 months to respond to a provisional refusal. By doing so, holders can draw a more accurate roadmap to respond to the provisional refusal. With regard to the document from the Working Group (MM/LD/WG/20/INF/2), IB proposes to attach to a cover letter written on the updated information concerning time limits and how those time limits are calculated, but IB also writes “Those time limits would need to be cross-checked with the time limits set out in the actual notification.” If the International Bureau adopts the time limit calculated from the start date of the decision by the Office, holders need to check the correct time limit of each notification from the Office. This proposal of the time limit calculated from the start date of the decision by the Office is not a benefit for holders, therefore, JIPA urges those Contracting Parties to reconsider the start date of the time limit.

2. The implementation of the proposed amendments

JIPA supports the proposal that the time limit is in favor of having a minimum time limit of 2 months to respond to a provisional refusal. If holders have more than 2 months to respond to a provisional refusal, it would be helpful to consider how to overcome the refusal with co-holders or to find and appoint a local attorney without conflict issue. Considering that the severe time constraint which is less than 2 months in some countries prevents applicants from making well-considered responses, JIPA would appreciate that the proposal from the International Bureau would be established as the rule at the earliest timing, for example, February 1, 2025, so the contents of the proposal could be put into practice in all the Contracting Parties. Equal starting date and sufficient minimum time limit would give users more motivation to use the Madrid System.

MM/LD/WG/20/4      Dependency

JIPA's basic position is that the Madrid System should be a simple, balanced and user-friendly system for all users.

The "users" here includes not only the direct users of the Madrid System but also any corporations, individuals and attorneys who are related to trademarks through trademark clearance and so on.

The reduction of dependency period from 5 years to 3 years is a consensus made at the last meeting, but considering the recent sharp increase of trademark applications worldwide, JIPA has a concern about whether simply reducing or eliminating the dependency can contribute to the better balance of the Madrid System.

Specifically, we would like to point out that strengthening the stability of international registration by weakening the dependency has some negative aspects. Namely, once the bad faith international registration is recorded and the dependency period finishes, the genuine owner is forced to cancel or invalidate them in each designated country by paying a tremendous amount of money. For now, five years dependency seems working as a deterrence to those bad faith applications. But the Working Group is now discussing to reduce or eliminate the dependency period.

Thus, in parallel to the discussion on weakening the dependency, we would also like the Working Group to consider some counterbalance to the reduction or elimination of the dependency.

Some of the JIPA members proposes to introduce some cancellation or invalidation of international registration at the International Bureau.

We expect International Bureau and Offices to takes this idea into consideration for the balanced development of the Madrid System which encourages genuine users and discourages unfair users.

MM/LD/WG/19/7      Report Following the Request in Paragraph 23(ii) and (iii) of Document MM/LD/WG/19/8 "Summary by the Chair" (Document MM/LD/WG/19/7 "Revised Study of the Cost Implications and Technical Feasibility of the Gradual Introduction of the Arabic, Chinese and Russian Languages into the Madrid System and Other Relevant Information")

JIPA appreciates that the Working Group decided to reconsider this agenda at the last session. With regard to the proposal for the introduction of Arabic, Chinese and Russian languages into the Madrid System for the international registration of Marks, JIPA welcomes to have a further discussion as we are concerned;

1.      The meaningful introduction of new languages

The Working Group provided the historic background that English and Spanish were added as working languages for the purpose of promoting the geographical expansion of the Madrid Union. We believe that the significance of the addition of new languages should be discussed again to form a consensus. The Delegations that had proposed the introduction of new languages allege that the United Nations uses these languages as their official languages. However, it only matters for the conferences or reporting documents under the United Nations and it has nothing to do with Madrid users.

Trademark system should work for the benefit of users, and consideration should be given not only from the viewpoint of applicants, including new users, but also from the viewpoint of third party users who search and monitor the earlier applications on the Madrid Monitor. Further, if the official language of a country with a large number of applications is to be added, Japanese should also be added since the number of applications by Japanese companies is also large. However, the correctness of this approach should be examined considering the purpose of the new language addition.

## 2. The burden of translation cost for users

The International Bureau provides to translate communications such as notifications of provisional refusal from the Offices of the designated Contracting Parties into the existing languages. If the new languages are introduced into the Madrid System, it is not enough just to translate the current communications from the position of the third parties who use the Madrid Monitor for clearance searches and/or monitoring. To make up for the deficiency, users from non-speaking countries of new languages will have to bear an additional cost to translate other communications than provisional refusals into English. In view of the number of non-speakers of new languages in contracting parties, it is not a reality-based policy to introduce a differentiated translation practice. If this practice is introduced, the users from non-speaking countries of new languages will incur substantial costs to translate all communications they need into English by each clearance search and/or monitoring. Therefore, JIPA does not agree with this proposal of introducing a differentiated translation practice. Allowing that new languages should be adopted, it needs to be achieved without the additional burden of translation cost for users. This would require that all communications including all notifications from the Offices of the designated Contracting Parties as well as all the responses from applicants and holders are translated into English and all the English translations shall be treated as authentic. The introduction of Arabic, Chinese and Russian into the Madrid System for the international registration of marks requires that all correspondence be provided in English and treated as authentic and that all authentic be disclosed in English on the Madrid Monitor, without delay and without an increase in the official fee to users.

## 3. The countermeasure against bad faith applications

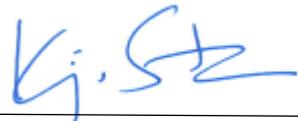
In recent years, there has been a rapid increase in cross-border bad faith applications, and applicants with unfair purposes have filed large numbers of

applications not only in their own countries but also in foreign countries. The Working Group seems to have been focusing on considering the quality and cost of translations so far, but considering the countermeasure against bad faith applications is the critical task as well. If the International Bureau expects the expansion of new users, it should be noted that such expansion could lead to the rapid increase of bad faith applications. It is necessary to thoroughly examine how to prevent bad faith applications from being made in the midst of a large number of genuine applications, as well as the effects of increasing numbers of bad faith applications. If it is not enough to prevent bad faith applications when it starts to introduce new languages, genuine users will not choose the Madrid System and it might be bound to collapse by the introduction of new languages.

JIPA would surely welcome to discuss this agenda with the Working Group.

JIPA looks forward to participating in the Madrid Working Group meeting.

Yours sincerely,



---

Koji SAITO

Managing Director of JIPA