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**WORLD INTELLECTUAL PROPERTY ORGANIZATION**  
GENEVA

**WORKING GROUP ON THE MODIFICATION OF THE COMMON  
REGULATIONS UNDER THE MADRID AGREEMENT  
CONCERNING THE INTERNATIONAL REGISTRATION OF  
MARKS AND THE PROTOCOL RELATING TO THAT  
AGREEMENT**

**Geneva, October 9 to 13, 2000**

NOTES CONCERNING PROPOSALS FOR THE MODIFICATION OF THE COMMON  
REGULATIONS UNDER THE MADRID AGREEMENT AND PROTOCOL

*Document prepared by the International Bureau*

## I. GENERAL INTRODUCTION

1. The Common Regulations under the Madrid Agreement and Protocol were adopted by the Assembly of the Madrid Union in January 1996 and came into force on April 1, 1996. As their title indicates, the Common Regulations govern procedures under both the Agreement and the Protocol and their entry into force marked the coming into operation of the Protocol. They resulted from the discussions in the framework of the Working Group on the Application of the Madrid Protocol, which met six times between 1990 and 1994. A number of minor amendments to the Regulations were adopted by the Assembly in September 1997 and came into force on January 1, 1998. A further proposal for amendment is being submitted to the 32<sup>nd</sup> session of the Assembly of the Madrid Union in September-October 2000 (see document MM/A/32/1). There has however been no general review of the Regulations since they entered into force over four years ago.

2. By and large, the Common Regulations are working well. Nonetheless, experience has shown that some of the provisions merit substantive revision and that others would benefit from clarification and simplification. It is therefore opportune for the International Bureau to consider, in cooperation with the Offices of the Members of the Madrid Union and taking account of the views of organizations representing users of the Madrid system as well as observers from Offices of potential Contracting Parties, what changes should be made.

3. Specific proposals of the International Bureau for modification of the Common Regulations are contained in document MM/WG/1/3. The reasons for these proposals are set out in the paragraphs below, supplemented by explanation and commentary in the footnotes appended to the text in document MM/WG/1/3. Of course, Offices and users may also have suggestions to make, based on their own experience with the Common Regulations.

4. In addition, some problems concerning the application of the Rules relating to notification of refusal of protection are described in document MM/WG/1/4 though without, at this stage, specific proposals for amendment of the Regulations.

## II. PRESENTATION OF REQUESTS AND OTHER COMMUNICATIONS TO THE INTERNATIONAL BUREAU: "INTERESTED OFFICE"

### Introduction

5. The Common Regulations under the Madrid Agreement and Protocol provide for certain requests and other communications to be presented to the International Bureau through an interested Office. The expression "interested Office" is explained in the introduction to Part B.III of the Guide to the International Registration of Marks in the following terms:

"Where there has been a change in the ownership of an international registration and, if the Contracting Party through which the new owner (otherwise referred to as the transferee) claims the connection (through nationality, domicile or establishment)

necessary to own an international registration is not the Contracting Party whose Office is the Office of origin, various requests which would otherwise be presented through the Office of origin may instead be presented through the Office of the Contracting Party of the new owner; such an Office is referred to as “another interested Office”.”

The expression “interested Office” is not however defined in the Common Regulations, and this has led to misunderstandings by both users and Offices as to which is the Office that may or must present a given request or communication to the International Bureau. The International Bureau has therefore reviewed all the references in the Regulations to “interested office”, with the aim of clarifying the Regulations. At the same time, the opportunity has been taken to review the policy behind the provisions concerning the presentation of requests to the International Bureau.

### Historical Background

6. In order to understand the provisions of the Madrid Agreement which relate to the presentation of requests to the International Bureau, it is necessary to consider briefly the development of the Agreement. Before the Nice Act, which was adopted in 1957 and came into force in 1966, an international registration was considered to be an extension of the registration of the mark registered in the country of origin. A change (such as a change in ownership) of the basic registration or any cancellation thereof therefore had an automatic corresponding effect on the international registration. Under the original (1891) version of the Agreement, the first paragraph of Article 9 read:

*The Administration of the country of origin shall notify the International Bureau of annulments, cancellations, renunciations, transfers and other changes that may occur regarding the ownership of the mark.*

7. This dependency on the basic registration continued for as long as the international registration existed. Following the Washington Act (1911), an international registration could be transferred to a new owner in another contracting country. In that case however, the new owner had to have a national registration of the mark in that country, on which the international registration became dependent.<sup>1</sup> This country was then regarded as the country of origin for the application of the provisions of the Agreement and its Regulations.

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<sup>1</sup> In order to implement this requirement, Article 9bis(1) required the International Bureau to seek the consent of the Office of the country of the new proprietor before recording the change in ownership. See however footnote 5.

8. The London Act (1934) of the Agreement loosened the dependency by making it possible to effect a partial transfer of the international registration. Accordingly, in the London Act, Article 9(1) was modified to read:

*The Office of the country of origin shall likewise notify the International Bureau of all<sup>2</sup> annulments, cancellations, renunciations, transfers and other changes made in the entry of the mark in the national register, if such changes affect the international registration. (emphasis added)*

9. The Nice Act (which is the most recent revision of the substantive provisions of the Madrid Agreement<sup>3</sup>) drastically reduced the dependency of an international registration on the basic registration. Firstly, in Article 6(2), it limited the duration of the dependency to five years from the date of the international registration<sup>4</sup>. Secondly, in Article 6(3) and (4), it restricted the effect of dependency to the case where the national mark registered in the country of origin ceases to enjoy legal protection in that country. Except where these conditions apply therefore, changes in the national register no longer have any impact on the international registration. Moreover, before the Nice Act, “country of origin” meant the country of the recorded owner, and therefore changed when a transfer to a person established in another country was recorded. Since the Nice Act however, “country of origin” means simply the country through whose Office the international application was originally filed; the country of origin therefore does not change with the ownership of the international registration. In particular, even where the international registration is transferred to a person in a country other than the country of origin, it continues to be dependent (for the remainder of the five-year period) on the original basic registration and not on a registration in the country of the new holder.<sup>5</sup>

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<sup>2</sup> The English translation of “les annulations, radiations, etc.”, in Article 9 of the 1891 Act was “annulments, cancellations, etc”. However, following the Washington Act (1911), this provision was translated as “*all* annulments, cancellations, etc”, even though the French text still read “les annulations, radiations, etc.”; this is still the case.

<sup>3</sup> The Act of the Madrid Agreement which is currently in force is the Stockholm Act (1967). However the amendments made in the Stockholm Conference were confined to those consequential on the establishment of WIPO; the provisions of the Stockholm Act which relate to international registration are therefore the same as those which were adopted in Nice in 1957.

<sup>4</sup> It is interesting to note that in no Act of the Agreement was it ever stated that the international registration of a mark is *dependent* on the basic registration. Instead, it was stated in Article 6(2) of the Nice Act (and therefore of the Stockholm Act) that, after five years, it becomes *independent*. This illustrates that, in the framework of the Agreement, such dependency was simply considered axiomatic.

<sup>5</sup> It is therefore no longer appropriate (even during the dependency period) for the International Bureau to seek the consent of the Office of the country of the new owner before recording a change in ownership. For this reason, the Assembly of the Madrid Union agreed in 1995 that the International Bureau should not implement the final sentence of Article 9*bis*(1).

10. The Nice Conference made a number of amendments to the Agreement in order to take account of this fundamental change in the nature of an international registration. Unfortunately however, those amendments did not take account of all the consequences of the change. For example, Article 9(1), cited in paragraph 8, above, was simply amended by replacing “country of origin” by “country of the person in whose name the international registration stands”, so that it now reads:

*The Office of the country of the person in whose name the international registration stands shall likewise notify the International Bureau of all annulments, cancellations, renunciations, transfers and other changes made in the entry of the mark in the national register, if such changes affect the international registration. (emphasis added)*

This takes account of the fact that the country of origin no longer changes when there is a cross-border transfer. It does not however take account of the fact that changes in the national register (whether of the country of origin or the country of the new holder) no longer affect the international registration<sup>6</sup>; in other words, on a literal reading, there are no circumstances in which Article 9(1) has any effect. In fact, what is lacking in the text of the Agreement is a provision, corresponding to Article 9bis of the Protocol, dealing with the normal case of a request by the holder to record a change in the international registration.

11. Another provision where it may be thought that the Nice Conference did not take full account of the implications of the change is Article 3ter(2). This requires that a request for territorial extension made subsequently to the international registration must be presented “through the intermediary of the Office of the country of origin”. As mentioned in paragraph 9, above, although the country of origin had previously corresponded to the country of the current recorded owner, since the Nice Act this is no longer the case. Taken literally, Article 3ter(2) requires that, even in the case where there has been a cross-border transfer, possibly several decades previously, a subsequent designation must nonetheless be presented by the Office through which the international application was originally filed, even where the present holder has no link with that Office and the international registration has long since ceased to be dependent on the registration effected with that Office.

12. It is unlikely that this was the intention. It seems more likely that the Nice Conference, when adopting Article 3ter(2), failed to take account of the change in meaning of “country of origin”. This was the pragmatic view taken in the Regulations under the Nice Act (and subsequently under the Stockholm Act) of the Agreement. In the version of the Regulations which was in force before April 1, 1996 (that is, immediately before the Common Regulations came into force), Rule 20(1) provided that requests for the recording of changes, including subsequent designations, “shall be presented in a single copy, dated and signed by the Office

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<sup>6</sup> Other than where the mark ceases to be protected in the country of origin during the dependency period. That is however dealt with by Article 6(3) and (4) and is not relevant to Article 9.

of the country of the owner”<sup>7</sup>. In other words, notwithstanding the terms of Article 3ter(2), following a cross-border transfer, a subsequent designation was to be presented through the Office of the country of the new owner, not through the Office of origin (with which the new owner had no connection).

### Presentation of Requests Under the Common Regulations

13. In contrast, as already mentioned, the Common Regulations provide for various requests and communications to be presented through the Office of origin or another interested Office. The expression “interested office” is not used at all in the Agreement; it appeared for the first time in Article 9 of the Protocol, which provides that

“At the request of the person in whose name the international registration stands, or at the request of an interested office made ex officio or at the request of an interested person, the International Bureau shall record in the International Register any change in the ownership of the international registration...”.

The Common Regulations do not define the expression “interested office”, although it had been envisaged at the time of the Madrid Conference that this would be done.

### Proposals for Amendment of the Common Regulations

14. While consideration has been given to including such a definition, a difficulty is that which Office is “interested” varies from case to case. The approach followed in document MM/WG/1/3 is therefore that, instead of using the expression “interested office”, each relevant provision in the Common Regulations specifies through which Office a given request or communication may or must be presented. For this purpose, it is proposed to use the expression “the Contracting Party of the holder” and to include a corresponding definition in Rule 1.

15. At the same time, the opportunity has been taken to re-examine the policy behind the references in the Regulations to the role of the Office of origin. The approach that has been followed can be summarized as follows: Firstly, it is proposed that users of the system should have the greatest possible freedom to decide whether to communicate directly with the International Bureau or to send communications via an Office; the Regulations should therefore preclude the direct route only where the provisions of the Agreement or the Protocol

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<sup>7</sup> “Country of the owner” was defined in Rule 1(1)(xiv) as “the contracting country in which the owner of an international registration has his industrial or commercial establishment or, failing that, his domicile or, failing that, the country of which he is a national”. That is, the so-called cascade, which determines the country of origin of an international application in accordance with Article 1(3) of the Agreement, was applied also to determine the country of the owner where there had been a change of ownership. Since the coming into force of the Common Regulations on April 1, 1996, the cascade is no longer applied to events subsequent to the filing of the international application.

make it inevitable that communication be made through an Office. Secondly, an Office should not be expected to act as a channel for communication where the holder of the international registration concerned no longer has any connection with that Office, for example, where the mark has been transferred to a person having no link, though nationality, domicile or establishment, with the Contracting Party whose Office is the Office of origin.

16. It has to be mentioned that the Nice Conference considered whether to provide for the holder to address notifications concerning changes in the international registration directly to the International Bureau but decided not to do so. It observed that certain of these notifications would necessitate verification, which the national Offices, but not the International Bureau, were perfectly qualified to perform. However, given that it is more than 40 years since the above-mentioned consideration by the Nice Conference, it seems appropriate for the Working Group to re-examine the question.

17. Although the Office of the country of the holder was uniquely qualified to verify changes affecting the international registration *when these resulted from changes in the national register*, there is no reason why this should be so when the change requested is independent of the national registration. It is sometimes suggested that a request to record a change of ownership in particular should be presented through an Office because the Office is able to check, before forwarding the request to the International Bureau, that the change in the ownership of the international registration has in fact taken place. It is doubtful however whether this is generally in fact the case. Even if the Office asks for supporting documentation, such as an extract from the relevant contract, few if any Offices have the expertise or the resources to pronounce on the validity of the transfer, especially having regard to the fact that they are not entitled to charge a fee for forwarding a request to the International Bureau. Moreover, under Article 11 of the Trademark Law Treaty (TLT), which currently binds 26 States, including 19 members of the Madrid Union, Offices are not allowed to require a copy of the contract or extract from the contract in order to record a change in ownership in the national register. Although the person requesting the recording of the change may submit a copy of the contract or extract if he so wishes, he may instead submit an uncertificated certificate of transfer or transfer document whose content is in accordance with Model International Form No. 5 or 6 as contained in the Regulations under the TLT and which is signed by the holder and the new owner. In this connection, it should be noted that Rule 25(1)(c) of the Common Regulations already requires that, where a request is presented directly to the International Bureau, it shall be signed by the holder. It may therefore be felt that this is sufficient safeguard in the case of a change of ownership of an international registration.

18. The provisions of the Protocol pose no obstacle to allowing all requests to be presented directly to the International Bureau. As far as the Agreement is concerned, as mentioned in paragraph 10, above, while Article 9(1) of the Agreement provides for changes to be notified to the International Bureau by an Office, it deals only with changes which result from changes in the national register and does not mention changes affecting only the international registration. From the policy point of view, there is no reason to differentiate between changes of ownership which affect designations under the Agreement and those which concern designations under the Protocol.

19. Turning to requests to record a limitation or a cancellation, Article 9(3) of the Agreement states that "A similar procedure shall be followed where the person in whose name the international registration stands requests a reduction in the list of goods or services

to which the registration applies.” It is not clear whether “a similar procedure” is intended to refer simply to the procedure mentioned in paragraph (2) concerning the recording, notification and publication of the change by the International Bureau, or whether it is intended to include also notification to the International Bureau by the national Office in accordance with paragraph (1). Since however, as noted in paragraph 18, above, paragraph (1) is concerned only with changes which result from changes in the national register (about which the Office would be qualified to give information) and not with changes made at the request of the holder, there is justification for the view that Article 9(3) relates only to the procedure to be followed by the International Bureau. As regards renunciation, Article 8*bis* of the Agreement provides for the request to be presented through the Office of the country of the holder. On policy grounds however, there is even less reason than in the case of a change of ownership why an Office should be required to have a role in requesting the recording of a limitation, renunciation or cancellation of the international registration, because there is simply nothing for it to verify.

20. Liberalizing the rule on presentation of requests to record a change in ownership would have the greatest impact in terms of greater freedom of action for users. The International Bureau currently receives around 5,000 such requests annually, as compared with around 300 each for limitation, renunciation and cancellation. Since most of the international registrations concerned are “mixed” (that is, they contain designations under the Agreement and designations under the Protocol), these requests must at present be submitted through an Office, resulting in inconvenience for users, a burden on the Offices and arguments as to whether or not an Office is “interested”.

21. Proposals to amend the Common Regulations in order to give effect to the changes described in the foregoing paragraphs, as well as related changes, are indicated in document MM/WG/1/3 in respect of the following provisions: Rules 1(*xxvibis*), 3(2)(b), 7(1), 16(2), 17(5), 18(1)(c), 19(2), 24(2)(a), 25(1)(b), 27(1) and (3), 34(1) and (5)(b) and 35(1). Explanations of some of the proposals are given in footnotes in that document. In the case of Rule 25(1)(c), several alternatives are proposed.

### III. THE TREATY GOVERNING A GIVEN DESIGNATION

22. Paragraphs (xvii) and (xviii) of Rule 1 respectively define “Contracting Party designated under the Agreement” and “Contracting Party designated under the Protocol”. These definitions specify whether a given Contracting Party is designated under the Agreement or under the Protocol *at the time when the designation is made*, whether in the international application or subsequently. They do not however take account of the fact that the treaty governing a given designation may change as a result of a change in the ownership of the international registration. Consider, for example, an international application for which the Office of origin is that of Germany (party to both the Agreement and the Protocol) and which designates China, Sweden, Switzerland and Turkey. China and Switzerland are designated under the Agreement and Sweden and Turkey under the Protocol. If the resulting international registration is subsequently transferred to a company established in the United Kingdom (party only to the Protocol), the transfer is nevertheless able to be recorded as far as the designations of China and Switzerland are concerned because those countries are also party to the Protocol. In the view of the International Bureau, these designations must henceforth be regarded as governed by the Protocol.



23. It is therefore proposed to supplement the definitions in Rule 1(xvii) and (xviii) by definitions of “Contracting Party whose designation is governed by the Agreement” and “Contracting Party whose designation is governed by the Protocol” (see Rule 1(xvii*bis*) and (xviii*bis*)). These definitions would be relevant to determine whether or not a request to record a change or cancellation may be notified directly to the International Bureau in accordance with Rule 25(1) (depending on whether and how Rule 25(1) is amended—see paragraphs 15 to 21, above). They would also be relevant in order to determine whether or not an individual fee has to be paid on renewal. For instance, in the example cited in the preceding paragraph, the designations of China and Switzerland were initially effected under the Agreement and were therefore not subject to the payment of an individual fee. Following the transfer to a British company however, these designations are now governed by the Protocol so that, on renewal, individual fees will have to be paid in respect of these two countries. (The converse would apply if this international registration had originally been made in the name of a British company and then transferred to a German company.)<sup>8</sup>

#### IV. ADMINISTRATIVE INSTRUCTIONS

24. The Regulations under other registration treaties administered by WIPO are supplemented by Administrative Instructions. This is the case for the Patent Cooperation Treaty (PCT) and for the current Regulations under the Hague Agreement. Provision for Administrative Instructions is made also in the Regulations under the Geneva Act of the Hague Agreement (not yet in force). In each case, the respective Regulations contain a Rule giving authority for the Director General to establish Administrative Instructions and to amend them after consultation with the interested Offices and specifying that, in the event of conflict between the Administrative Instructions and the treaty or its Regulations, the latter shall prevail.

25. Such Administrative Instructions typically deal with matters which need to be specified in the interests of transparency and legal certainty but which are too detailed and not sufficiently substantive to warrant inclusion in the Regulations themselves. Moreover, given the nature of the matters treated in Administrative Instructions, it is convenient and appropriate to be able to amend the provisions on the initiative of the International Bureau without the need for formal submission to the Assembly. However, the Assembly is empowered to invite the Director General to modify any provision of the Administrative Instructions and the Director General is required to act accordingly.

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<sup>8</sup> This pragmatic view concerning the circumstances in which an individual fee is payable when an international registration is renewed was put forward by the International Bureau in a document containing comments on the Common Regulations which was circulated to the members of the Assembly before it adopted the Regulations (see document GT/PM/VI/10, paragraph 43). In the same document, it was also suggested that, in order to determine whether, in respect of a given designated Contracting Party, the period allowed for the Office to issue a refusal and the fees due in respect of the initial period of protection were those applicable under the Agreement or under the Protocol, reference should be made to the conditions at the time of filing the international application and that these matters were not affected by a subsequent change of ownership; therefore Rule 18(1) and (2) continue to refer to a Contracting Party designated under the Agreement or under the Protocol. The views put forward in the document cited above have never been called into question.

26. There is no provision at present for Administrative Instructions to supplement the Common Regulations under the Madrid Agreement and Protocol. This means that the Regulations are encumbered by matters of detail which, in the other cases mentioned, are relegated to such Instructions. A typical example is the detailed indication in Rule 9(4)(a)(i), (ii) and (iii) of how to cite the name and address of the applicant or representative. Other examples where provision might be more appropriate in Administrative Instructions rather than Regulations are the greater part of Rule 2 (Communications with the International Bureau) and requirements concerning the numbering of international registrations or the form and distribution of the Gazette, currently in Rules 27 and 32.

27. Establishing Administrative Instructions would have the advantages of allowing the text of the Common Regulations to be simplified while at the same time making it easier for these essentially non-substantive provisions to be amended when appropriate. It is accordingly proposed to add a new Rule, Rule 41, for this purpose. At the same time, a corresponding provision would be added to the definitions in Rule 1 (see Rule 1(xxxi)).

## V. APPOINTMENT OF A REPRESENTATIVE

28. Rule 3(2)(b) states that the appointment of a representative may be made in a separate communication which may relate to one or more specified international applications or international registrations, *or to all future international applications or international registrations*, of the same applicant or holder. The words quoted in italics however give a misleading impression; although the International Bureau may receive a communication stating that the representative is appointed for all future international applications or registrations in the name of a particular applicant or holder, it is unable to take any action in response to it, since there is nothing against which the appointment can be noted in the International Register or in the electronic database maintained by the International Bureau. Moreover the filing of such a communication does not avoid the need to give the details of the appointed representative in each international application, in accordance with Rule 9(4)(a)(iii).

29. A facility to communicate a general appointment with regard to future applications would be of benefit to users if, in the absence of such an appointment, it were necessary for a representative to provide in respect of each application a power of attorney or similar document signed by the applicant. This is however not the case; all that is required is that the name and address of the representative being appointed be given in the international application. It is accordingly proposed that the reference to all future international applications or international registrations be omitted from Rule 3(2)(b).

## VI. REQUIREMENTS CONCERNING THE INTERNATIONAL APPLICATION

### General

30. Rule 9 (Requirements Concerning the International Application) is the longest Rule in the Common Regulations. One reason for this is that, as already mentioned in paragraph 26, it contains a considerable amount of detail which could better be provided for in Administrative Instructions. Another reason is that the Rule contains much duplication, as a result of including separate provisions for international applications governed exclusively by

the Agreement, exclusively by the Protocol and by both the Agreement and the Protocol. However, the requirements do not differ greatly as between the different kinds of international application. The main difference concerns the indication of the applicant's entitlement to file the international application since, in the case of an application governed (exclusively or in part) by the Agreement, the cascade operates to determine the Office of origin, while in the case of an application governed exclusively by the Protocol, the applicant who has a connection with several Contracting Parties is free to choose his Office of origin. A proposal for a clearer and more concise version of Rule 9 is given in document MM/WG/1/3.

### Claim to Color as a Distinctive Feature of the Mark

31. At present, Rule 9(4)(a)(vii) provides for an applicant to claim color as a distinctive feature of the mark, in accordance with Article 3(3) of the Agreement and the Protocol. According to Rule 9(5)(b)(v) and (6)(b)(v), where the international application contains such a claim, the Office of origin must certify that the claim is the same as in the basic application or basic registration. This means that, on the one hand, the applicant may choose not to claim color as a distinctive feature of the mark that is the subject of the international registration, even though such a claim was made in respect of the basic mark; on the other hand, the applicant is prevented from making such a claim in the international registration if it was not made in respect of the basic mark.

32. However, a statement that color is a distinctive feature of the mark is generally regarded as a limitation on the protection conferred by the registration. For example, if the mark consists of a gold crown on a blue background, without any claim that the colors are a distinctive feature, the holder may argue that it is infringed by the use of a silver crown on a green background. If however he has claimed that the fact that the crown is gold and the background blue contributes to the distinctiveness of the mark, he would effectively be estopped from making that argument. It follows that, if the claim is made in respect of the basic mark but not in respect of the international mark, the latter would enjoy a broader protection. Conversely, the holder may not have found it necessary to make such a claim in the country of origin (where perhaps the mark has already become distinctive through use) but may wish to do so in the international registration in order to forestall objections of lack of distinctiveness in the designated Contracting Parties; there appears to be no policy reason why he should be prevented from so doing. Besides, the legislation of the country of origin, while allowing the mark to be filed in color, may not provide for a color claim to be made.

33. Accordingly, it is proposed that Rule 9(4)(a)(v) be amended so that an international application *must* contain a claim to color if such a claim was included in the basic application or basic registration and *may* contain such a claim, at the option of the applicant, even where no such claim was made with respect to the basic mark, provided that the mark in the basic application or basic registration was in fact in the color(s) claimed in the international application. The provision relating to the declaration by the Office of origin would also be amended so that the Office would certify that, where the basic application or basic registration contained such a claim, the same claim is included in the international application or that, where color is claimed in the international application without having been claimed in the basic application or basic registration, the mark was in fact in the colors so claimed<sup>9</sup>.

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<sup>9</sup> In the proposed revised version of Rule 9, the relevant provision is paragraph (5)(d)(v).

34. A similar proposal was put forward to the Madrid Assembly at its session in September 1997. It was withdrawn following an objection from the Delegation of Germany, which stated that, according to its jurisprudence, a claim to color resulted in a broader protection. However, time did not permit the Delegation to explain its objection or allow the Assembly to discuss the merits of the proposal; the Working Group is now invited to do so.

#### Description of the Mark

35. Under the current text of Rule 9(4)(a)(xi), where the basic application or the basic registration contains a description of the mark by words, the same description must be contained in the international application.

36. Where the description contains information which is not apparent from the reproduction of the mark, its inclusion in the international application may be indispensable. Where however the description simply describes the reproduction of the mark, and was included in the basic application or basic registration for the sole reason that this is a formal requirement in the Office of origin, the applicant may take the view that the description would serve no useful purpose with regard to the international registration if none of the designated Offices requires such a description. In that case, the inclusion of a description in the international application only results in unnecessary extra costs, in terms of translation and publication, for the International Bureau and ultimately for the users of the system.

37. It is therefore proposed that Rule 9(4)(a)(xi) be amended to allow the applicant to choose whether or not to include a description of the mark in the international application. Where however the applicant chooses to include such a description in the international application, it will continue to be obligatory for the Office of origin to certify that the same description appears also in the basic registration or basic application.

38. A similar proposal was put forward to the Madrid Assembly at its session in September 1997. It was withdrawn following an objection from the Delegation of France. Time did not however permit the Assembly to discuss the merits of the proposal; the Working Group is now invited to do so.

#### VII. DATE OF THE INTERNATIONAL REGISTRATION IN SPECIAL CASES

39. Rule 15(1)(a) lists seven elements whose absence may result in postponement of the date of the international registration. Such postponement of course adversely affects the rights of the applicant and may in particular result in loss of a priority date. This can be an unduly harsh result for failure to comply with a formal requirement, especially since the omission may result from an error by the Office of origin which was outside the control of the applicant. Moreover the requirements of this provision are more extensive than those permitted to an Office under Article 5(1) of the TLT. It is therefore proposed that only four of these elements should be treated as essential for establishing the registration date, namely indications allowing the identity of the applicant to be established and sufficient to contact the applicant or his representative, the designated Contracting Parties, a reproduction of the mark and the list of goods and services. This is sufficient to establish from the outset what is the extent of the right being sought and who is seeking it. There seems however no reason why the other elements currently specified in Rule 15(1)(a) (indication of the applicant's

entitlement to file, information concerning the basic mark and the declaration of the Office of origin) should not be provided later, in accordance with Rule 11(4), without the date being affected. (Of course, if such missing elements are not provided within the period of three months referred to in that provision, the international application will be considered abandoned.)

40. At the same time, it is proposed to simplify the text of Rule 15. The purpose of paragraphs (1)(b) and (2) in the present text is to make clear that the date of the international registration is not affected by any irregularity other than the absence of an element mentioned in paragraph (1)(a). However, the references in the present text to whether or not such other irregularities have been corrected in time are not relevant and are confusing. If the irregularities are not corrected in time, the international application is considered abandoned; the question of its date therefore does not arise. The proposed new paragraph (2) is intended to state the position more clearly and concisely. The title of Rule 15 would be changed to simply "Date of the International Registration".

### VIII. RESTRICTION OF THE HOLDER'S RIGHT OF DISPOSAL

41. Rule 20(1) provides that the Office of a designated Contracting Party may inform the International Bureau that the holder's right of disposal has been restricted in respect of the international registration in the territory of that Contracting Party. This restriction may, for example, result from the fact that the extension of the international registration in that Contracting Party has been given as security, or is the subject of a right *in rem*, or there has been a court order (for example, relating to bankruptcy) concerning the disposal of the holder's assets.

42. From time to time, the International Bureau receives requests to record in the International Register restrictions concerning the holder's right of disposal of the international registration *per se*, arising out of legal proceedings or an agreement with a third party in the country of origin. At present, the International Bureau has no power to record such a matter. However, even though the international registration has no effect in that country, it is an asset of a person based in that country. It seems reasonable that, for the information of the public, it should be possible to record in the International Register a restriction on the holder's right to dispose of the international registration as such. Accordingly, it is proposed that Rule 20(1) should be amended to allow the Office of the Contracting Party of the holder to submit such information to the International Bureau.

43. A similar proposal was put forward to the Madrid Assembly at its session in September 1997. It was withdrawn following an objection from the Delegation of Italy. Time did not however permit the Assembly to discuss the merits of the proposal; the Working Group is now invited to do so.

44. At the same meeting, the Delegation of Italy suggested that paragraph (4) of Rule 20 be deleted, in order to permit licenses to be recorded in respect of international registrations. The Working Group is accordingly invited to consider whether it should be made possible to record licenses and, if so, what data should be so recorded and what should be published. (Naturally, the extent of the recording and publication would affect the fee charged for recording a license.) Such discussion should take account of the proposed joint recommendation concerning trademark licenses which has been drawn up in the framework of

the Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications for submission to the Paris Union Assembly and the WIPO General Assembly and which contains provisions dealing *inter alia* with the content of a request to record a license and the consequences of not recording a license.<sup>10</sup> It should also be borne in mind that providing for the recording of licenses would only make sense to the extent that Contracting Parties that require it are prepared to accept the recording in the International Register as sufficient for the purposes of their national law.

#### IX. MERGER OF THE BASIC APPLICATIONS OR BASIC REGISTRATIONS

45. Rule 23 provides for the Office of origin to notify the International Bureau where the basic application or basic registration is divided during the five-year dependency period. This information, which may be of interest to a third party contemplating a “central attack” on the international registration, is recorded in the International Register and published in the Gazette.

46. It is also possible that two or more applications or registrations on which an international registration is based may be merged. (This is particularly likely where the Office of origin has changed from a system of single-class registration to multi-class registration.) Accordingly it is proposed to amend Rule 23 to provide for this information to be notified and recorded (and therefore published).

#### X. SUBSEQUENT DESIGNATIONS

47. It is proposed to take advantage of the inclusion of a definition of “Contracting Party of the holder” (see paragraph 14) in order to simplify Rule 24(1)(b) and (c). The proposed new text states concisely the circumstances in which a subsequent designation of a given Contracting Party may be made and whether that designation will be effected under the Agreement or under the Protocol (taking account of the safeguard clause).

48. Subparagraph (a) has also been amended; the references therein to the holder being entitled, under Articles 1(2) and 2 of the Agreement and Article 2 of the Protocol, to designate a given Contracting Party are not appropriate, since those provisions are concerned only with entitlement to file an international application rather than the right to effect a particular designation. In consequence, the reference to Article 9*sexies* of the Protocol becomes redundant and has been deleted.

49. The final sentence of the present Rule 24(1)(c), which provides that a subsequent designation may not be effected under the Agreement unless the basic mark has been registered, has not been retained. It is considered that this point is adequately covered by Rule 24(3)(d). This latter provision has been amended to specify that this restriction applies only when the subsequent designation is made under the Agreement.

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<sup>10</sup> The latest draft of the proposed joint recommendation is in document SCT/5/4.

## XI. MERGER OF INTERNATIONAL REGISTRATIONS

50. Rule 27(3) provides for the merger of two or more international registrations to be recorded in the International Register. It is anomalous however that this information is not required to be notified to the designated Contracting Parties concerned or to be published. It is therefore proposed to amend Rule 27(3) and Rule 32(1)(a)(xi) in order to provide for this.

## XII. DECLARATION THAT A LIMITATION OR A CANCELLATION HAS NO EFFECT

51. A limitation of the list of goods and services or a cancellation in respect of only some of the goods and services may be expressed in such a way that certain goods or services are omitted from the list; in that case, it is clear that the scope of protection of the mark is reduced. On the other hand, the limitation or partial cancellation may be expressed by stating that certain terms in the list of goods or services are replaced by other terms; in that case, in principle, the new terms should be narrower in scope than the ones which they replace. It is not however for the International Bureau to determine whether or not this is in fact the case.

52. From time to time, Offices of designated Contracting Parties inform the International Bureau that, in their opinion, the list of goods and services which results from a limitation or partial cancellation is broader than the original list. There is however no mechanism whereby they can give effect to that objection. It is accordingly proposed to amend Rule 27(4), which at present provides for the Office of a designated Contracting Party to declare that a change of ownership has no effect in that Contracting Party, to allow an Office to make a similar declaration in respect of a limitation or a partial cancellation. Where the objection applies in respect of some only of the terms introduced by the alleged limitation or partial cancellation, this should be stated in the declaration. The declaration will be recorded in the International Register, notified to the holder and published in the Gazette. If, following representations by the holder, the declaration is subsequently overturned in a final decision, that decision shall be notified to the International Bureau by the Office concerned and will likewise be recorded and published.

53. The same point may arise in connection with a partial cancellation requested by the Office of origin in accordance with Rule 22 following a partial ceasing of effect of the basic registration or partial refusal of the basic application. That is, while in the view of an Office of origin the amendments proposed to the list of goods and services have the effect of restricting that list, the Office of a designated Contracting Party may take a different view. No proposal for amending Rule 22 is made at this time. However, the Working Group is invited to consider whether such amendment would be appropriate.

## XIII. CORRECTIONS IN THE INTERNATIONAL REGISTER

54. Under Rule 23 of the Regulations that were in force under the Madrid Agreement before April 1, 1996, an error in the International Register which was attributable to a national Office and which would have a substantial effect on the rights deriving from the international

registration could be corrected only if requested within six months of the publication of the error. There is no such restriction in Rule 28 of the Common Regulations. From time to time however, corrections are requested and made long after the error was made and this has led to complaints by Offices of Contracting Parties in which the correction has effect.

55. The rationale for the time limit in the previous Regulations was apparently that it was incumbent on holders and their representatives to check that what is recorded in the International Register and published in the Gazette corresponded to what was requested and that six months is an adequate time for doing this. While no proposal is made at the present time to amend Rule 28 in order to reintroduce such a time limit, the Working Group may wish to consider whether such amendment would be appropriate.

#### XIV. THE GAZETTE

56. Rule 32(2)(v) requires the International Bureau to publish in the Gazette such information as it has received concerning the days on which Offices of the Contracting Parties are not scheduled to be open to the public. It is doubtful if this information, whose collection and maintenance entails much work, is particularly useful. It is accordingly proposed to delete this requirement.

57. Rule 32(3) requires the International Bureau to publish an annual index to the Gazette indicating, in alphabetical order, the names of holders in respect of whose international registrations an entry has been made in the International Register during the previous year. Since the beginning of 1999 however, the Gazette has been published on CD-ROM as well as on paper. The CD-ROM edition is both cumulative and searchable, enabling all entries made in the current year with respect to a given international registration, or to all international registrations in the name of a given holder, to be readily found. This renders a separate annual index superfluous. The paper edition of the index, which was not practical to use and whose production required a lot of resources, is no longer published; instead, subscribers to the paper edition of the Gazette receive, as part of their subscription and together with the last issue of the paper edition for a given year, a copy of the last (cumulative) CD-ROM for that year. It is proposed therefore to amend paragraph (3) in order to leave the form of publication of the Gazette to be regulated in Administrative Instructions.

58. Rule 32(4) sets out the number of free or half-price copies of the Gazette that an Office is entitled to receive. It is proposed that this provision be omitted and the matter be dealt with in Administrative Instructions.

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