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**WORLD INTELLECTUAL PROPERTY ORGANIZATION**  
GENEVA

**STANDING COMMITTEE ON THE LAW OF TRADE MARKS,  
INDUSTRIAL DESIGN AND GEOGRAPHICAL INDICATIONS**

**Eighth Session**  
**Geneva, May 27 to 31, 2002**

**SUGGESTIONS FOR THE FURTHER DEVELOPMENT OF INTERNATIONAL  
TRADE MARK LAW**

*Document prepared by the Secretariat*

## INTRODUCTION

1. TherevisedProgramandBudgetfor2002 -2003includesunderSub -Program05.2, “LawofTrademarks,IndustrialDesignsandGeogra phicalIndications”,thefollowing activities(seedocumentWO/PBC/4/2,page53):

“ConveningoffourmeetingsoftheSCT(andanyWorkingGroupsetupbythis Committee)toconsidercurrentissues,including:

-therevisionoftheTrademarkLawTreaty( TLT)toaddress, *interalia*, thecreationof anAssembly,inclusionofprovisionsonelectronicfiling,andtheincorporationofthe JointRecommendationonTrademarkLicenses;[..];

-thedesirabilityandfeasibilityofharmonizingsubstantivetrademark law,includingthe protectionfornewtrademarks(sound,smell,three -dimensionalmarks,etc.),the requirementsforuseofamarkpriortoregistration,substantivegroundsforrefusal,etc.; facilitationofdiscussionintheSCTtoincorporateinthisfr ameworktheJoint Recommendationconcerningprovisionsonthe protectionofwell -knownmarks,andthe JointRecommendationonthe protectionofmarksandothers industrialpropertyrights insigns,ontheInternet.”

2. Duringthe1998 -1999and2 000-2001Biennia,theStandingCommitteeontheLawof Trademarks,IndustrialDesignsandGeographicalIndications(SCT)devoteditstimetothethe negotiationandfinalizationofprovisionsonwell -knownmarks,trademarkslicensesandthe protectionofmarks ontheInternet.Thisworkconcludedwiththeadoption atjointsessions oftheAssemblyoftheParisUnionfortheProtectionofIndustrialPropertyandtheGeneral AssemblyoftheWorldIntellectualPropertyOrganization(WIPO)ofa Joint RecommendationConcerningProvisionsontheProtectionofWell -KnownMarks(Thirty - FourthSeriesofMeetingsoftheAssembliesoftheMemberStatesofWIPO -September 20to 29,1999),aJointRecommendationConcerningTrademarkLicenses(Thirty -FifthSeriesof MeetingsoftheAssembliesoftheMemberStatesofWIPO -September25toOctober3, 2000)andaJointRecommendationConcerningtheProtectionofMarks,andOtherIndustrial PropertyRightsinSigns,ontheInternet(Thirty -SixthSeriesofMeetingsoftheAssembl ies oftheMemberStatesofWIPO -September24toOctober3,2001).

3. AtthesixthsessionoftheSCT(March2001)anditsseventhsession(December5to7, 2001),whendiscussingthefutureworkoftheCommittee,anumberofdelegationsand representativesofgovernmentalandnon -governmentalorganizationsexpressedthewishto considerissuesrelatedtosubstantiveharmonizationoflawsforthe protectionofmarks(see documentSCT/6/6paragraph222andSCT/7/4Prov.,paragraph91).

4. Thepresentdocumentgivespreliminaryindicationsofthesubstantivemattersthat couldbediscussedintheperspectiveofsubstantiveharmonizationoftrademarklaws.It containsasetofprinciplesfordiscussionwhichcouldpossiblyresultinthe draftingof specificprovisions.Thequestionsraisedinthisdocumenthavenotbeeninvestigated in-depth.Thisdocumentismerelyintendedtoserveasabasisforapreliminaryexchangeof viewsattheeighthsessionoftheSCT.Whatwilltranspire fromthatexchangeofviewswill behelpfultotheInternationalBureautopreparethedocumentsforthenextsessionofthe SCT.Proposalsforfurtherharmonizationofformalitiesandproceduresinthefieldofmarks arecontainedinDocumentSCT/8/2.

## PRINCIPLES FOR DISCUSSION

5. Definition of a mark. Provisions could be proposed to give a more complete and broader definition of a mark, for example by going beyond current definitions such as “visible signs” (Article 2(1)(a) TLT). The provisions could build on Article 15(1) of the TRIPs Agreement in providing that Members “shall” require, as a condition of registration, that signs be visually perceptible, or capable of being represented graphically, depicted or described by written notation, diagram or any other visual means. They also could expressly include hologram marks, sound marks and olfactory marks.
6. Registrability of a mark. Provisions could be proposed to provide that where signs are not inherently capable of distinguishing the relevant goods or services, the registrability of the mark may be made dependant on the acquisition of sufficient distinctiveness acquired through use, or by other means, except for signs deemed to be functional or generic.
7. Trademark Administration. In order to promote the harmonized processing of applications for the registration of marks, provisions could be proposed to, in particular:
  - (i) establish a maximum time limit for a first Office action, taking into account the existence of different procedural systems for the registration of marks;
  - (ii) require the maintenance of a system of opposition to registration of marks and fix a [minimum] [and a maximum] period counted from the date of publication, during which it is possible for any interested party to file opposition with the Office;
  - (iii) provide that the applicant must be given adequate opportunity to counter any opposition, and fix a minimum [and a maximum] period for that purpose;
  - (iv) prohibit any change to the sign registered as a mark during the validity of the registration, and any extension or enlargement of the goods or services in respect of which registration is applied for or granted, but allow at any time the deletion or limitation of any such goods or services;
  - (v) give full recognition to the renewal of registrations as a full extension in time of the initial registration and of the rights deriving therefrom, and proscribe any opposition proceedings on the occasion of the renewal of registrations.
8. Examination. A variety of systems for the substantive examination of applications for the registration of marks exists in national laws. Some laws require an examination only as to some or all of the absolute grounds of refusal; other laws require an examination both as to those grounds and the grounds referred to in paragraph 10, below (prior rights). In addition, an opportunity for opposition to the registration of marks is allowed by some laws on the basis of the said grounds, or at least on the basis of conflict with prior rights. Provisions could be proposed that do not seek to effect any change in the existing variety of examination systems, but rather to promote adherence by Contracting Parties to the same fundamental principles in the administration of trademark examination procedures. Alternatively, the provision could oblige Contracting Parties to adopt, to a greater or lesser extent, the same

kinds of examination systems (by, for example, requiring all Contracting Parties to examine *ex officio* applications to absolute grounds for refusal, or to examine *ex officio* applications to those grounds and to provide an opportunity for opposition to the registration of marks on the grounds referred to in paragraph 10(i) to (iii) below (prior rights) and even on the basis of absolute grounds of refusal).

9. Absolute Grounds for Refusal. Provisions could be proposed to seek to establish an exhaustive list of the absolute grounds for refusing registration. Those grounds could be that the sign file d for registration:

- (i) is not a mark within the meaning of the definition of a mark, as defined under paragraph 5 above;
- (ii) is devoid of any distinctive character, in the sense that it is not capable of distinguishing the goods and services of one undertaking from those of other undertakings;
- (iii) [consist exclusively of signs which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, place of origin, of the goods, or the time of production or have been customary in the current language or in the *bonafide* and established practices of the trade of the country where protection is claimed] [is totally descriptive];
- (iv) is totally generic;
- (v) is contrary to morality or public order;
- (vi) is likely to deceive the public concerning in particular the nature, the quality or the geographic origin or any other characteristic of the goods or services in respect of which it is used or is intended to be used;
- (vii) is a sign whose registration or use as a trademark is prohibited by Article 6<sup>ter</sup> of the Paris Convention, or, whose registration or use as a service mark is prohibited under these provisions.

10. Conflicts with Prior Rights. Provisions could be proposed to establish a non-exhaustive list of grounds on which a sign is not registrable as a mark because of a prior right held by a third party. Those grounds could be, in particular:

- (i) The existence of an identical mark registered or applied for by another person in respect of identical goods or services and enjoying an earlier registration or filing, or, where applicable, a priority date;
- (ii) the existence of an identical or confusingly similar mark registered or applied for by another person in respect of identical or similar goods or services and enjoying an earlier registration or filing, or, where applicable, a priority date;
- (iii) the existence of an identical or confusingly similar well-known mark owned by another person used in respect of any goods or services where such use would entail a risk of confusion or association with the well-known mark, a risk of dilution of that mark, or a risk of any other unfair prejudice to the owner of that mark;

(iv) the existence of an identical or confusingly similar trade name owned by another person where the use of the sign as a mark would entail a risk of confusion or association with the trade name, or a risk of unfair prejudice to the owner of the trade name.

11. Other optional grounds could include for example:

(i) the infringement of rights in a protected industrial design or a work protected by copyright;

(ii) the infringement of a protected appellation of origin.

12. The violation of the rules of unfair competition, personality rights and the invasion of privacy could also be considered, among the non-exhaustive list of grounds for refusal of registration.

13. The provisions could also deal with the circumstances in which the consent of the owner of any of the prior rights referred to in the preceding paragraph would serve to allow the registration of another person's mark, and the role of disclaimers submitted by an applicant in this connection.

14. Rights Conferred by Registration. Provisions could be proposed to establish the rights conferred by the registration of the mark. In particular, it could provide that registration confers on the holder of the registration:

(i) the right to prevent others from using an identical mark in respect of identical goods or services for which the mark is registered;

(ii) the right to prevent others from using an identical or a confusingly similar sign in respect of goods or services other than those for which the mark is registered if the use of such sign would be likely to create a risk of confusion or association with the mark, a risk of dilution of that mark, or a risk of any other unfair prejudice to the owner of the mark;

(iii) the right to prevent others from using an identical or a similar mark in respect of any goods or services in such a way as to jeopardize the distinctiveness of the registered mark (for example, by using the registered mark as a generic name, or by other prejudicial uses whether commercial or non-commercial).

15. For the purposes of the preceding items, provisions could be proposed that define what is to be understood by "use" of a mark by an unauthorized third party. Such definition could include not only direct use on goods or services, but also in advertising and in documents. Such use would be regarded as such, irrespective of the medium where the use takes place, and would include use on the Internet.

16. Cancellation. Provisions could be proposed to require Contracting Parties to provide for the cancellation of the registration of marks, in judicial proceedings, whether by way of an action for cancellation or by way of defense to an action for infringement, on the basis of any of the absolute grounds for refusal or any prior rights. At the same time, the provisions could allow Contracting Parties to provide for a procedure for cancellation before the industrial property office, subject to review by a judicial authority.

17. Provisions could be proposed that establish a time limit to cancel a *bonafide* registration on relative grounds. Such time limit could be, for example, five years after the date of the initial registration in the jurisdiction where the cancellation is sought. It could be established that no time limit would apply in the case of bad faith registrations.

18. Requirement of Use. Provisions could be proposed to provide that:

(i) there shall be no requirement to demonstrate actual use at the time of filing an application;

(ii) the date as of which cancellation for non-use for an uninterrupted period of [at least three years] [five years] may be requested, be computed from the date of registration of the mark in the jurisdiction where the cancellation is sought;

(iii) non-user resulting from circumstances arising independently of the will of the owner of the mark must be allowed;

(iv) procedure for cancellation of a mark includes *ex officio* procedures by the Industrial Property Office requesting the holder of the mark to demonstrate use of its mark;

(v) the use of a mark in a form differing in elements, such as lettering or layout, which do not alter the distinctive character of the mark in the form in which it was registered shall not, in itself, be a sufficient basis for cancellation on grounds of non-use.

19. Use of the mark. A great variety exists in the provisions in laws concerning the definition of what is considered as “the use of a mark”, for the purpose of determining the acquisition or maintenance of a right in a mark. Provisions could be proposed to require, as a minimum, to use the mark “as a mark” in respect of particular goods or services. Furthermore, in accordance with Article 5 of the WIPO Joint Recommendation concerning trademark licenses, use of a mark on behalf of the holders shall be considered to constitute use by the holder himself if such use is made with the holder’s consent.

20. Enforcement. The provisions could envisage additional measures that enhance the existing international standards relating to the enforcement of the rights conferred by registration. Consideration could be given for example to the need for the decisions on the merits of a case to be always in writing and to set forth the rationale for the decision. They also could require minimum remedies which would cover discovery, seizure, injunction and damages.

21. *The SCT is invited to note and consider the suggested issues related to the further development of international trademark law. The SCT is invited, in particular, to give guidance to the International Bureau as to whether and to what extent the mentioned issues or additional ones should be included in the future work of the SCT.*

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