

Madrid Yearly Review 2021 – Executive Summary

International Registration of Marks



This executive brief identifies key trends in the use of the WIPO-administered Madrid System. For fuller statistics, see the *Madrid Yearly Review 2021* – available in English at: www.wipo.int/ipstats

Key numbers for 2020

63,800 (−0.6%)

Madrid international applications¹

449,215 (+2.1%)

Designations in international applications

62,062 (−3.2%)

Madrid international registrations

55,200 (−3.2%)

Subsequent designations in international registrations

32,998 (+11.6%)

Renewals of international registrations

777,158 (+4%)

Active (in force) international registrations

6,421,100 (+2.8%)

Designations in active international registrations

107 (+1 member)

Contracting Parties (Madrid members)

123 (+1 country)

Countries covered

1 Due to the time lag in transmittal of applications from offices of origin to the International Bureau (IB) of WIPO, total Madrid applications are estimated.

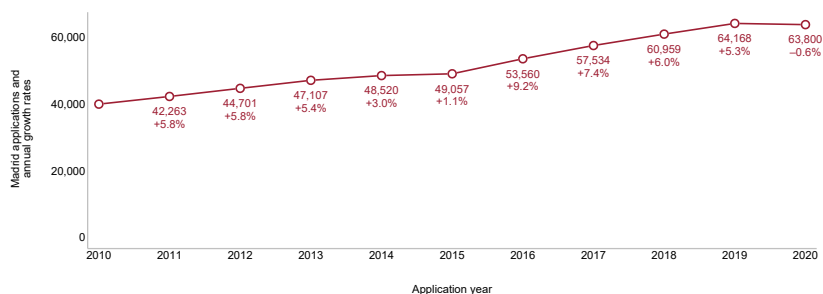
Statistics on Madrid international applications

International trademark applications filed via the Madrid System dipped slightly by 0.6% in 2020 – the first decline since the global financial crisis of 2008–2009

Use of the international trademark system dipped, but only slightly. This was to be expected given that trademarks tend to represent the introduction of new brands, the expansion of products and services, as well as brand evolution – all of which slowed as a result of the pandemic. International trademark applications filed via the World Intellectual Property Organization (WIPO)'s Madrid System for the International Registration of Marks decreased by 0.6% to 63,800 in 2020, representing the first decline in over a decade (figure 1).

Trademark holders filed an estimated 63,800 Madrid applications in 2020, only about 370 fewer than in the previous year, resulting in an annual decrease of 0.6% and representing the first dip in applications since 2009 during the global financial crisis.

Figure 1 – Trend in international applications, 2010–2020



Note: Data for 2020 are WIPO estimates.

Source: WIPO Statistics Database, March 2021.

The Madrid System further expanded its global coverage by welcoming new member Trinidad and Tobago

Trinidad and Tobago joined the Madrid System in 2020, bringing the total number of members to 107 as of December 31, 2020, and thereby expanding the System in the Latin America and the Caribbean (LAC) region. The addition of Trinidad and Tobago brought the number of LAC countries covered by the System to six, up from three in 2012. With the addition of Trinidad and Tobago, the Madrid System now offers trademark holders the ability to obtain protection for their branded products and services within a geographical area covering 123 countries. Combined, Madrid members represent 64% of all countries worldwide, home to approximately 80% of the world's population, and in which about 87% of global GDP occurs, with the potential to expand further as membership grows.²

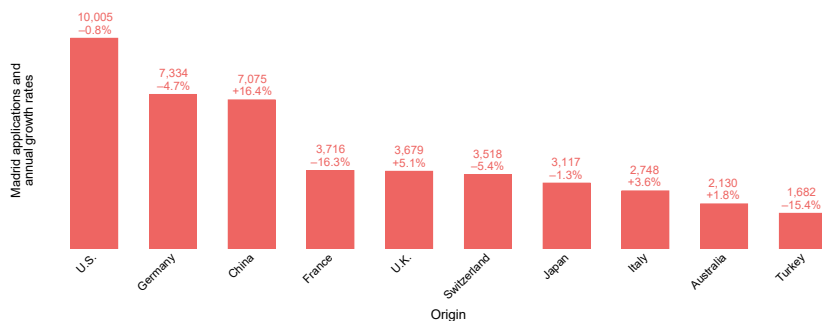
Worldwide, where were the largest users of the Madrid System located in 2020?

Despite one-year declines, applicants based in the United States of America (U.S.) (10,005) and Germany (7,334) continued to file the highest numbers of Madrid applications in 2020 (figure 2). They were followed by those located in China (7,075), France (3,716) and the United Kingdom (U.K.) (3,679). From among the top 10 origins, China (+16.4%) is the only one to have recorded double-digit growth in 2020. However, the U.K. (+5.1%) and Italy (+3.6%) also reported notable growth. In contrast, Madrid applications from France (-16.3%), Switzerland (-5.4%) and Turkey (-15.4%) saw the biggest one-year declines among the top 10 origins.

² Complete World Bank GDP and population data are available only up to 2019.

Despite recording one-year declines, applicants from the U.S. and Germany continued to rank first and second in 2020 with regard to the number of Madrid applications filed.

Figure 2 – International applications for the top 10 origins, 2020



Note: Data for 2020 are WIPO estimates.

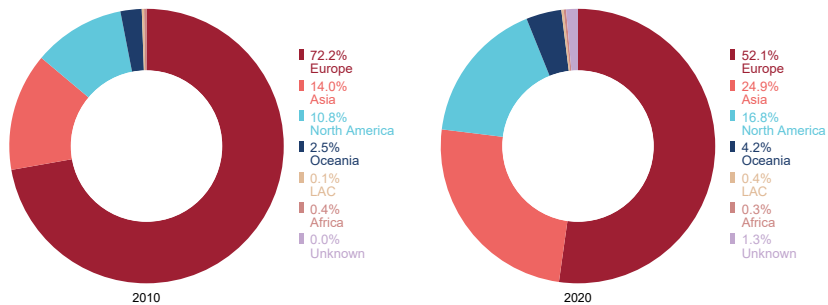
Source: WIPO Statistics Database, March 2021.

Combined, the top 10 origins of Madrid applications accounted for about 71% of the total filed in 2020, a share that has remained more or less unchanged for over a decade. The U.K.'s one-year growth coupled with Switzerland's decrease over the same period propelled it ahead of Switzerland to become the fifth largest origin of Madrid applications in 2020. Expanding the list to cover the top 20 origins, a high growth rate in applications from the Republic of Korea (+13.4%) moved it ahead of both the Netherlands and the Russian Federation to take 11th spot. Having only joined the Madrid System in 2019, Canada was already the 18th largest origin of Madrid applications filed in 2020. Whereas applications increased for the year from several top 20 origins, despite the pandemic, they declined in 12.

In 2020, applicants based in Madrid member countries in Europe continued to file the majority (52.1%) of Madrid applications; however, this is about 20 percentage points lower than their combined share of a decade earlier in 2010 (figure 3). Whereas over half of all Madrid applications originated in Europe in 2020, about a quarter (24.9%) came from Asia, which is almost 11 percentage points more than what it was 10 years before (14%).

Applicants based in Asia filed about a quarter of all Madrid applications in 2020, up from 14% a decade before.

Figure 3 – International applications by region, 2010 and 2020



Note: LAC is Latin America and the Caribbean.

Source: WIPO Statistics Database, March 2021.

Not only did U.S. applicants file the most Madrid applications in 2020, they continued to make the most designations (69,208) in Madrid applications in order to expand the geographical scope of the protection for their marks. Applicants in China (66,728), which ranked third in terms of Madrid applications in 2020, made the second highest number of designations, followed by those in Germany (44,054). China’s higher number of total designations relative to Madrid applications filed can be explained by the fact that applicants based in China designated, on average, 10 Madrid members in each application filed in 2020. This is considerably higher than the average of six designated by applicants located in Germany. The average number of designations made in Madrid applications filed by all origins combined was about seven, an average that has remained almost unaltered for over a decade.

The U.K., with an exceptionally high year-on-year growth of 18.4%, remained the fourth largest origin of designations in Madrid applications in 2020. The increase in designations from the U.K. has trended upward in recent years during the run-up to Brexit. The U.K. went from an average of 5.1 designations in 2017 to 9.5 in 2020. Among the top 10 origins of designations, the Republic of Korea also saw double-digit growth of 26.2% in 2020, with a relatively high average of 8.6 designations per application. This is in contrast to France, which had a large one-year drop of 18.4%.

Novartis AG of Switzerland with 233 Madrid applications heads the list of top filers in 2020

With 233 Madrid applications, Swiss pharmaceutical company Novartis AG was the top applicant in 2020. WIPO received 104 more applications from Novartis in 2020 than it did in 2019, elevating the company from third position to top spot. Novartis AG was followed by Huawei Technologies of China (197), Shiseido Company of Japan (130), which produces personal care products, gaming company ADP Gauselmann of Germany (123), and French personal care company L'Oréal (115). L'Oréal – the top filer in 2019 – fell to fifth position, filing 78 fewer applications in 2020.

Among the top 20 Madrid applicants, there were four personal care companies, four technology or consumer electronics companies, two pharmaceutical companies and two retailers. Thirteen of the top 20 applicants in 2020 were companies based in Europe, three more than in 2019. Four were from Asia, down from six the previous year, and three from North America, which were the technology companies Apple and Microsoft and sporting goods retailer CWI. Widening the scope to include the top approximately 100 Madrid applicants reveals that 63% were from Europe, 24% from Asia – up from 15% in 2019 – and 12% from North America. Combined, these top applicants accounted for almost 4,000 applications, which is still only 6% of all Madrid applications filed in 2020. The low share held by the most active users shows how widespread is the use of the Madrid System by many different applicants.

Companies located in almost 30 countries – including Australia, Canada, Hungary, Israel, the Russian Federation, Slovenia and the U.K., to name just a few – filed at least 18 Madrid applications in 2020 to rank among the top approximately 100 Madrid applicants. Most of the companies in the list of top applicants were based in Germany (25), followed by the U.S. (12), China (11), Japan (7), Switzerland (7), France (6) and the Republic of Korea (5).

Which goods and services attracted the most trademark protection?

Nice Classification statistics enable a ranking of the kinds of goods and services most frequently covered by Madrid international trademark applications. Over the past 15 years, Madrid applicants have specified, on average, between two and three Nice goods and services classes per application. Like Madrid applications, the total number of classes specified in applications decreased in 2020 for the first time since 2009.

Since 1985, the most specified class among a total of 45 has been goods class 9, which includes computer hardware and software and other electrical or electronic apparatus of a scientific nature. In 2020, class 9 alone accounted for slightly more than a tenth (10.6%) of all classes specified in applications filed. The other most specified classes were: class 35 (8.2% of the total), which covers services such as office functions, advertising and business management; class 42 (7.2%), which includes services provided by, for example, scientific, industrial or technological engineers and computer specialists; class 5 (5.1%), which covers pharmaceuticals and other preparations for medical purposes; class 41 (4.8%), which mainly covers services in the areas of education, training, entertainment, sporting and cultural activities; and class 3 (4.3%), which mainly covers non-medicated toiletry preparations, as well as cleaning preparations. Three of the five most specified classes are services classes. Among the top 10 classes, class 10 (+22.4%), which covers surgical, medical, dental and veterinary apparatus and instruments and class 5 (+11.6%) were the two that recorded the fastest one-year growth. In contrast, class 25 (-8.6%), relating to clothing and apparel, and class 7 (-6.6%), covering mainly machines, machine tools, motors and engines, underwent the steepest declines.

Despite seeing a slight decline in 2020, the share of services classes specified in all Madrid applications combined continues to account for over a third of all classes in applications

The first 34 of the 45 Nice classes cover goods, whereas the remaining 11 classes cover services. For the third year in a row, more than a third (34.1%) of all classes specified in Madrid applications in 2020 were services classes. This is 4.4 percentage points higher than the combined share of 29.7% recorded a decade earlier in 2010 and reflects the general growth in the global services industry. Goods and services class shares differ across origins, however. For example, among selected origins, Brazil (46.1%), Mexico (47.8%) and Singapore (48.9%) had the largest proportions of services-related classes in applications filed in 2020, in each case recording 46% or more of all classes specified in Madrid applications from these countries. Other countries with developed services sectors, such as Canada (40.4%), France (39.7%), Israel (39.9%), Morocco (43.3%) and Norway (41.5%) also recorded high shares of service-related classes in applications. Conversely, European countries Italy (23.3%) and the Russian Federation (30.1%), as well as Asian countries China (17.7%), Japan (25.8%), the Republic of Korea (26.1%) and Turkey (28.2%), had below average services class shares. Whereas in 2020 a majority of the selected origins increased their services class share compared to a decade earlier, Morocco (-0.6 percentage point), the Russian Federation (-4 percentage points) and Singapore (-2.7 percentage points) saw a decline.

The research and technology sector continues to attract the highest share of trademark protection via the Madrid System

For the purpose of statistical reporting, the 45 Nice classes are grouped into 10 industry sectors. The scientific research, information and communication technology sector (abbreviated to research and technology), which includes top Nice classes 9 and 42, among others, continued to account for the highest share (21.5%) of all classes specified in Madrid applications filed in 2020. It was followed by pharmaceuticals, health and cosmetics (abbreviated to health) (14.2% of total filing activity), agricultural products and services (agriculture) (10.7%), and business services (10.5%). As in previous years, the chemicals sector (3.4%) and transportation and logistics (6%) continued to receive the lowest shares of total filing activity.

The top three sectors indicated in Madrid applications vary across origins. Research and technology ranks in the top three industry sectors for all the top 10 origins (figure 4). For nine, it is the top sector, the exception being the Russian Federation, where the top sector is agriculture. Health ranks among the top three sectors for nine of the top origins. Like the Russian Federation, Australia, China and France counted agriculture as one of their top three sectors. Leisure and education is listed as one of the top three sectors for Germany, the U.K. and the U.S.

The research and technology sector featured as the first or second top industry sector for Madrid applications from all top 10 origins. For nine of the top origins, health was one of the top three sectors, while for four, it was the agricultural sector.

Figure 4 – International applications by top three sectors for the top 10 origins, 2020



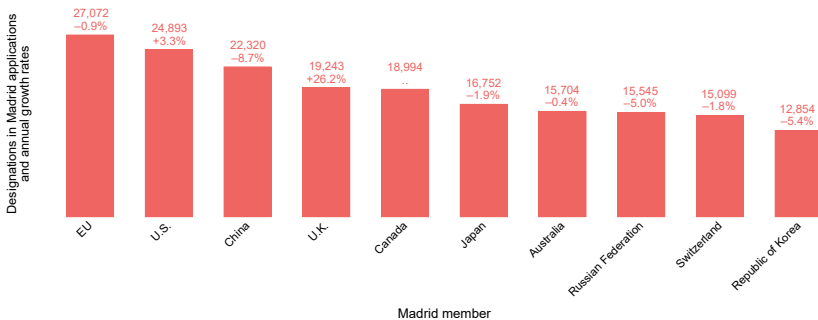
Source: WIPO Statistics Database, March 2021.

Where do Madrid applicants seek to protect their trademarks abroad?

For the fourth year in a row, the European Union (EU) (27,072) attracted the most designations in Madrid applications in 2020. It was followed by the U.S. (24,893), which surpassed China (22,320) to become the second biggest recipient of designations in applications from trademark holders abroad (figure 5). This means that Madrid applicants sought to extend protection for their marks to the 28 EU member countries in 2020 as a whole more than they did to any other Madrid member jurisdiction.

The EU was the most designated Madrid member in applications filed in 2020, followed by the U.S., which surpassed China to become the second most popular recipient of designations from trademark holders abroad.

Figure 5 – Designations in international applications for the top 10 designated Madrid members, 2020



.. indicates not available.

Source: WIPO Statistics Database, March 2021.

For a fifth consecutive year, the 20 most designated Madrid members, combined, received over 60% of all designations made in Madrid applications filed in 2020. Including China, nine of the top 20 designated Madrid members were middle-income countries, notably Brazil (9,487), India (12,157), Mexico (10,837), the Russian Federation (15,545) and Turkey (9,000). Among the top destinations for international trademark registration via the Madrid System, the U.K. saw the biggest surge in annual growth of 26.2% during the lead-up to Brexit. In fact, the U.K. jumped from the eighth most designated Madrid member in 2019 to fourth spot in 2020, ahead of top designated members Australia, Japan, the Russian Federation and Switzerland, among others. For comparison, the next highest increase in designations received was for New Zealand (+4.3%), followed by the U.S. (+3.3%). In contrast, three-quarters of the top 20 destinations for designations saw one-year decreases, with China (-8.7%), the Republic of Korea (-5.4%) and the Russian Federation (-5%) recording the steepest declines. Canada, which joined the Madrid System in 2019, became the fifth-ranked top recipient of designations in 2020. Brazil – likewise a recent member – ranked among the top 20 designated Madrid members at 14th spot.

Statistics on Madrid international registrations, renewals and active registrations

Trademark holders worldwide received just over 62,000 Madrid international registrations in 2020, 3.2% fewer than in 2019.

In 2020, the World Intellectual Property Organization (WIPO) recorded 62,062 Madrid registrations, up from about 37,500 a decade earlier. However, the total number for 2020 represents about 2,060 fewer registrations than in the previous year (figure 6). The long-term trend for Madrid registrations broadly follows that for Madrid applications; however, changes in the number of registrations from year to year can be more pronounced than for applications. Madrid registrations can fluctuate considerably from one year to the next for reasons such as the time it takes for Madrid applications to be processed at offices of origin before being sent to the International Bureau (IB) of WIPO or the processing time required at the IB itself, which includes an irregularities procedure and time limits for applicants and offices to remedy such irregularities.

In 2020, trademark holders received a total of 62,062 Madrid registrations, representing a decrease of 3.2% compared to the previous year.

Figure 6 – Trend in international registrations, 2010–2020



Source: WIPO Statistics Database, March 2021.

How has the trend in subsequent designations evolved over time?

Due in part to Madrid System accessions and the incentive for holders to extend protection to include the jurisdictions of new Madrid members in addition to those of longer standing members, the number of subsequent designations has increased from almost 36,000 in 2009 to 55,200 in 2020. Subsequent designations are requests made by trademark holders to extend protection for existing Madrid registrations to cover new markets. There were 3.2% fewer such subsequent designations made in Madrid registrations in 2020 than in 2019, marking the first drop in numbers since the declines seen in 2015 and 2016. Although most requests for subsequent designations are submitted directly by holders to the IB, fluctuations in the numbers submitted via Madrid member offices from year to year can be significant for the reasons given for international registrations. Subsequent designations underwent a gradual increase year-on-year in both 2006 and 2007. However, in 2009, at the height of the global financial crisis, they fell substantially by 18.8%, on a par with a large 20.3% drop in designations in new Madrid applications that same year.

How did trademark holders use subsequent designations to extend protection for their marks to additional export markets in 2020?

Despite a considerable drop of 13.8% compared to 2019, China (2,508) still received the highest number of subsequent designations in 2020, and has been the most subsequently designated country every year since 2004 (figure 7). It was followed by Canada (2,180), which joined the Madrid System only in 2019. The U.S. (1,788), the Russian Federation (1,589) and Mexico (1,555) followed behind China and Canada as the top countries where Madrid registration holders sought to extend protection for their marks.

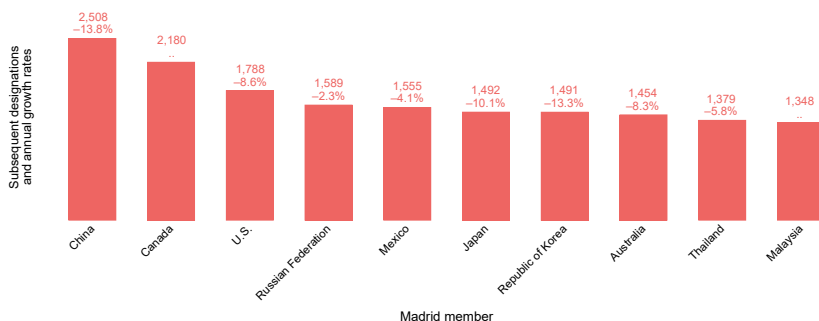
After having had an exceptionally high growth rate of 64.5% in subsequent designations received in 2019, the U.K. (1,223), as a destination country for trademark protection, underwent a substantial one-year decline of 41.3%, meaning it fell from second most designated Madrid member in 2019 down to 13th in 2020.

The 20 most designated Madrid member countries received more than half (51.8%) of all subsequent designations in 2020. Fifteen of these received fewer subsequent designations in 2020 than in 2019, compared to seven in 2019. In addition to China and the U.K., Japan (-10.1%) and the Republic of Korea (-13.3%) also saw double-digit declines. In contrast, the EU (+5.1%), India (+2.8%) and Norway (+3.2%) all saw growth in the subsequent designations received in 2020.

Nine of the top 20 subsequently designated Madrid members are middle-income countries spanning three continents, reflecting the widespread appeal of developing markets to Madrid registration holders seeking to extend protection for their marks.

China has received the highest number of subsequent designations every year since 2004, and in 2020 was followed by Canada, which had just completed its first full year as a Madrid member. The U.K. dropped to 13th spot in 2020, after ranking second in 2019 during the lead-up to Brexit.

Figure 7 – Subsequent designations in international registrations for the top 10 designated Madrid members, 2020



.. indicates not available.

Source: WIPO Statistics Database, March 2021.

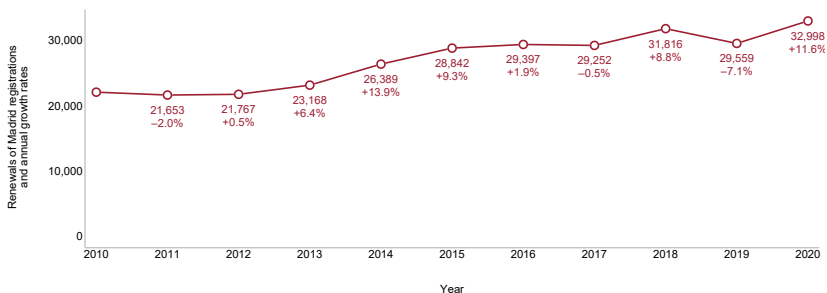
All top 15 designated Madrid members received the most subsequent designations in 2020 from either Germany or the U.S. Holders from Japan were the third top origin of subsequent designations in its Asian neighbors Indonesia, Malaysia, Singapore, Thailand and Viet Nam. Holders from Switzerland were the second top origin for the U.K. and the third top origin for China, Japan and the U.S., whereas those from Italy were the second top origin for the Russian Federation and the U.S. and the third top origin for the Republic of Korea.

Holders renewed about 33,000 Madrid international registrations in 2020

Madrid registration holders renewed 32,998 registrations in 2020, an increase of 11.6% on the previous year. The number of renewals in any given year depends both on the number of Madrid registrations and the number of renewals recorded 10 years prior; therefore the trend seen in figure 8 is only a partial reflection of the trend in registrations with a 10-year lag. Renewals in 2020 were double the number recorded fifteen years earlier in 2006 and have trended upward, despite modest declines in 2009, 2011 and 2017, and a more considerable drop of 7.1% in 2019.

In 2020, renewals of Madrid registrations increased by 11.6% to 32,998, rebounding from a drop in 2019.

Figure 8 – Trend in renewals of international registrations, 2010–2020



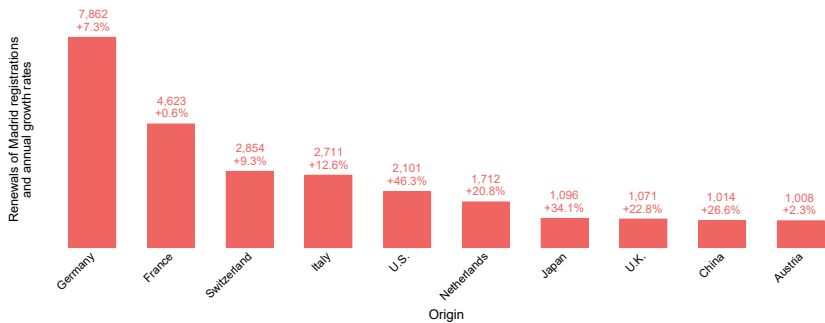
Source: WIPO Statistics Database, March 2021.

The highest numbers of renewals in 2020 were recorded by holders from Germany, France, Switzerland and Italy

Holders from Germany (7,862), France (4,623), Switzerland (2,854) and Italy (2,711) recorded the highest numbers of Madrid registration renewals in 2020 (figure 9). This reflects their long-standing membership of the Madrid System. Together, these top four origins of renewals accounted for over half (55%) of all renewals in 2020, and their holders' stocks of international registrations have often been maintained for many decades.

About 55% of all renewals in 2020 came from just four European countries – Germany, France, Italy and Switzerland – reflecting their long-standing membership of the Madrid System and holders' large stocks of existing registrations up for renewal.

Figure 9 – Renewals of international registrations for the top 10 origins, 2020



Source: WIPO Statistics Database, March 2021.

Almost half (49.6%) of all international registrations recorded since the Madrid System was established in 1891 remain active

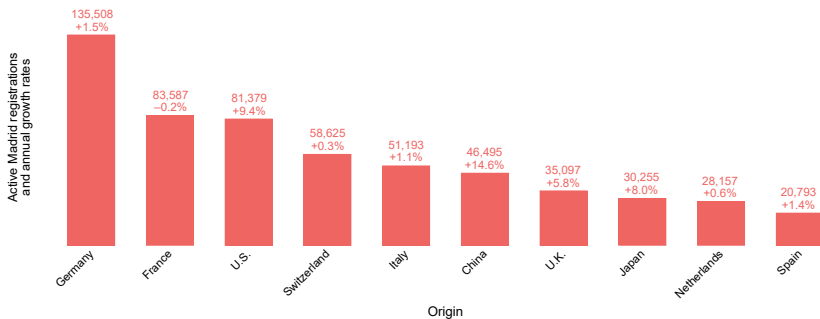
Of the 1.56 million international registrations recorded since the creation of the Madrid System, about half (777,158) remained active – that is, in force – in 2020. Totalling almost 481,000 in 2006, active Madrid registrations have increased by between about two and five percent each subsequent year. In 2020, the total number of active Madrid registrations grew by 4%.

In 2020, active Madrid registrations owned by holders from Germany totaled more than 1.6 times those owned by holders from France and the U.S., the next two highest ranked origins.

Madrid registration holders domiciled in Germany owned 135,508 active registrations in 2020, followed by holders in France (83,587) and the U.S. (81,379) (figure 10). Together, holders based in the top 20 countries of origin owned almost 90% of all active Madrid registrations in 2020. Of the top origins, holders from China (+14.6%), the Republic of Korea (+16.2%) and the U.S. (+9.4%) were the ones whose stocks of active Madrid registrations grew the most from 2019 to 2020. In contrast, active registrations from Austria (−0.1%) and France (−0.2%) declined slightly.

In 2020, active Madrid registrations owned by holders from Germany totaled more than 1.6 times those owned by holders from France and the U.S., the next two highest ranked origins.

Figure 10 – Active international registrations for the top 10 origins, 2020



Source: WIPO Statistics Database, March 2021.

Statistics on administration, revenue and fees

About 84% of Madrid international applications in 2020 were submitted to the International Bureau electronically, up from just under 80% in 2019.

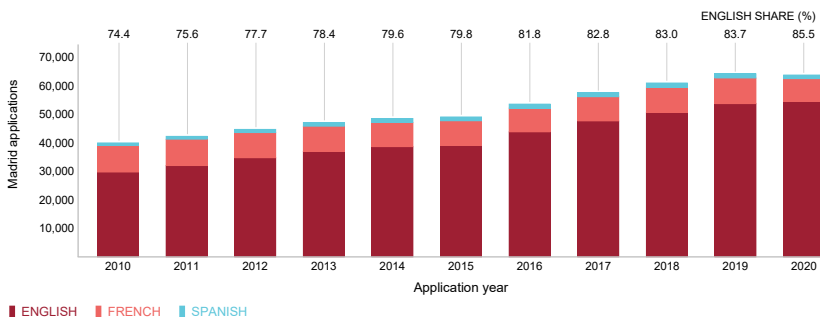
Electronic transmission was introduced in 1998, and its share of total transmissions to the International Bureau (IB) of WIPO was just 0.2% by the end of that year. Since then, the proportion of Madrid applications received electronically by the IB has grown significantly. In 2020, about 84% of all Madrid applications were submitted to the IB electronically, up from 38.2% 10 years previously.

Four out of every five Madrid applications were submitted to the IB in English

In 2020, 85.5% of Madrid applications were submitted in English, 12.5% in French and 2% in Spanish (figure 11). Every year since 2014, about four out of every five applications have been submitted in English. The reason for only a small proportion of applications having been submitted in Spanish since it was introduced as a filing language in 2004 is that, to date, the Madrid System includes only four Spanish-speaking countries (Colombia, Cuba, Mexico and Spain), of which Spain is the only one listed among the top 20 origins of Madrid applications.

Every year since 2014, around four out of every five Madrid applications have been filed in English.

Figure 11 – Trend in applications by filing language, 2010–2020



Source: WIPO Statistics Database, March 2021.

Almost 60% of all Madrid applications received by the IB in 2020 met all formal requirements

The IB considers irregular any Madrid application that fails to meet all formal requirements, including the classification of goods and services in accordance with the International Nice Classification. In such instances, the IB informs both the Madrid member's office of origin and the applicant of the irregularities. Responsibility for remedying these lies with either the office of origin or the applicant, depending on the nature of the irregularity. In 2020, 58.1% of Madrid applications met all formal requirements. This means that 41.9% of all Madrid applications contained irregularities, a considerable portion of which were classification irregularities. Every year since 2010, irregularities in Madrid applications filed have exceeded 30%.

Holders of Madrid registrations submitted over 80% of subsequent designations directly to WIPO

Holders of a Madrid registration can request subsequent designation of Madrid members via their respective office or directly with the IB itself. Since 2018, holders have submitted over 80% of requests for subsequent designation directly to the IB without going via their national or regional office. Requests by holders choosing this route have grown from just under 15% in 2006 to reach 81.2% of the total in 2020.

Recordings of changes in ownership of Madrid registrations remain relatively low

An international registration may change ownership following either assignment of a mark, the merger of one or more companies, a court decision, or for other reasons. Such a change is subject to the recording of the new owner as the new holder of the registration in the International Register, and any new holder must meet the requirements necessary for holding an international registration. These include having entitlement, that is, the required connection to a Madrid member, which means either being a national of, being domiciled in, or having a real and effective industrial or commercial establishment in a Madrid member's jurisdiction.

In 2020, the IB recorded approximately 17,400 changes in ownership of international registrations, which is about 400 or 2.3% fewer than in 2019 and represents the first drop since 2016. The proportion of active registrations changing ownership every year is small and has remained relatively stable over time. Only 2.2% of all active Madrid registrations changed ownership in 2020.



World Intellectual Property Organization
34, chemin des Colombettes
P.O. Box 18
CH-1211 Geneva 20
Switzerland

Tel: +41 22 338 91 11
Fax: +41 22 733 54 28

For contact details of WIPO's
External Offices visit:
www.wipo.int/about-wipo/en/offices

© WIPO, 2021



Attribution 3.0 IGO
(CC BY 3.0 IGO)

The CC license does not apply to
non-WIPO content in this publication.

Photo: Getty Images / polesnoy

WIPO Reference No. 940/21/ExSum/E