

The Madrid System as an Important Tool for Business in a Global Market

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TOKYO

Junko SAITO

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Topics

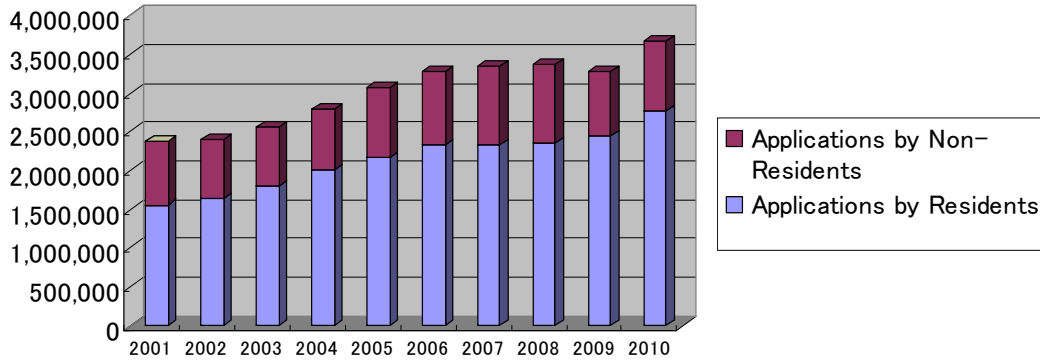
- **Background**
- **Madrid System**
- **Japan's Experience**
(from users'/attorneys' perspectives)
 - International applications originating from Japan
 - International registrations designating Japan
- **Conclusion**

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Background

- Globalization of corporate activities and rising need for trademark protection in the world

Total Trademark Applications in the World



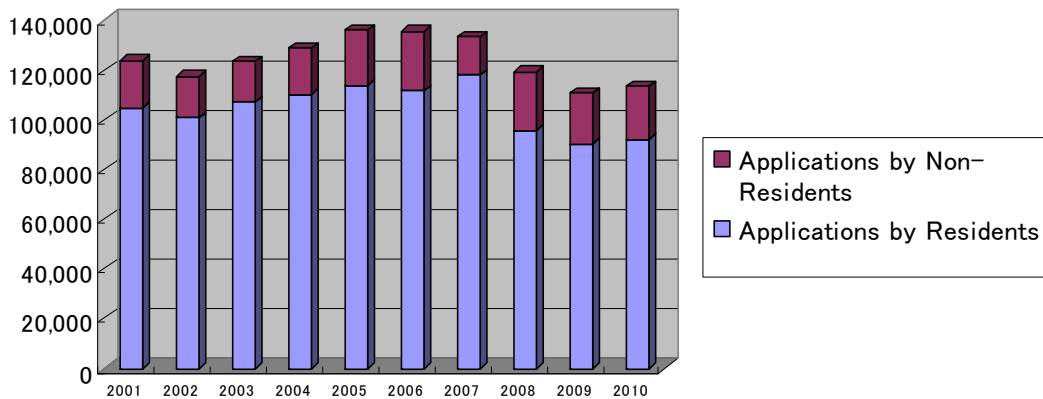
	2006	2007	2008	2009	2010
Total Applications	3,283,580	3,351,913	3,364,553	3,277,279	3,664,576
Applications by Non-Residents	941,065	1,010,392	1,001,362	830,436	884,345

Source :WIPO

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Background

Total Trademark Applications in Japan



	2006	2007	2008	2009	2010
Total Applications	135,865	143,236	119,448	110,622	113,519
Applications by Non-Residents	24,111	25,106	23,790	20,159	21,356

Source :JPO

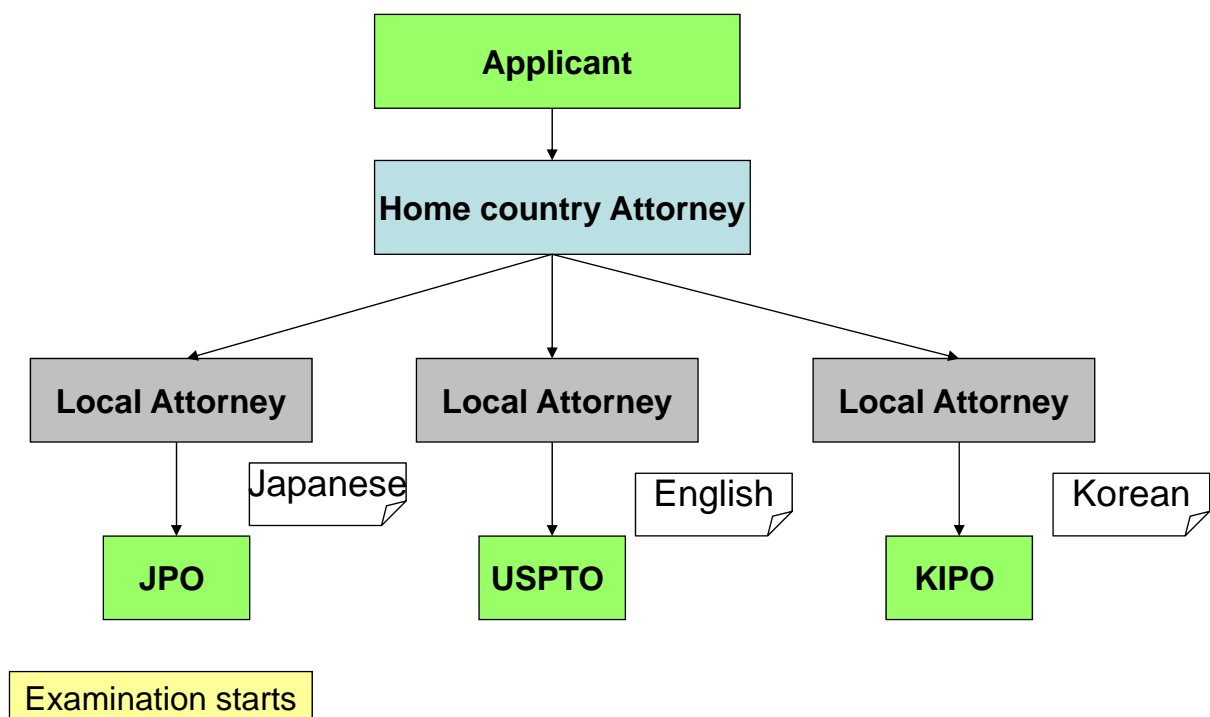
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Options for obtaining trademark registrations abroad

- Applications through the national route
- Applications through the Madrid Protocol

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Applications through the national route



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Applications through the national route

- Procedures: Applications filed with each country
- Language: Local languages
- Official Fee: Local currency
- Local Attorneys: Mostly required
- Term to receive first Action: Unpredictable
- Renewal: Requests filed with each country

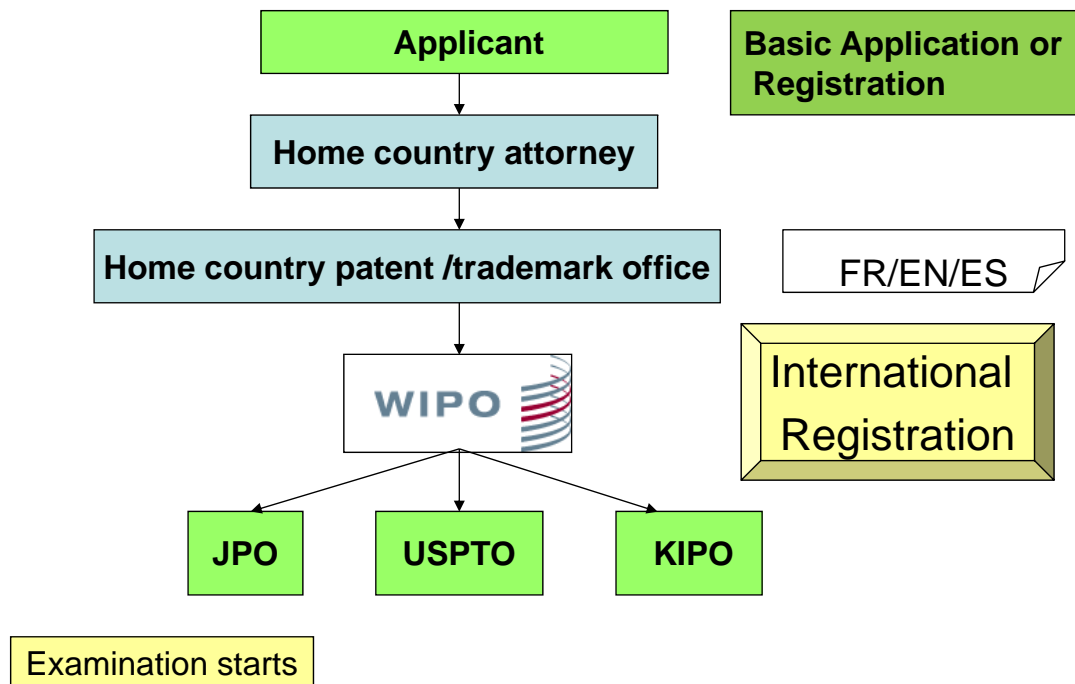
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Applications through the Madrid Protocol

- The Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks
 - Entered into force in 1995
 - 84 contracting parties (as of January 2012)
 - Came into effect in Japan on March 14, 2000

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Applications through the Madrid Protocol



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Applications through the Madrid Protocol

- Procedures: One Application to the home country office
- Language: French, English, or Spanish
- Official Fee: Swiss francs
- Term to receive a Notice of Refusal: 12 or 18 months
- Renewal: One request

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User Advantages of the Madrid Protocol

1. Simple
2. Quick
3. Easy
4. Less expensive

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User Advantages of the Madrid Protocol

1. Simple procedure/Easy preparation

- | | |
|---------------|----------------------------|
| One request: | MM Forms |
| One language: | French, English or Spanish |
| One currency: | Swiss francs |

No power of attorney is required.

No priority certificate is necessary.

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User Advantages of the Madrid Protocol

2. Quick results

All issues must be raised by the designated office within either 12 or 18 months from the notice of designation.

No news is good news.

ROMARIN: Database containing information on all international marks recorded under the Madrid System

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User Advantages of the Madrid Protocol

3. Easy maintenance

- One international registration is recorded in the International Register of the WIPO.

Renewal, assignment, changes of names, etc. can be made with a single request to the WIPO.

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User Advantages of the Madrid Protocol

4. Less expensive

- One set of fee is paid to the WIPO.
- No local attorney's fee is necessary at the application and renewal stages.
- No cost for translation into the local language is needed.

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User Disadvantages of the Madrid Protocol

1. Dependency on a basic application or registration
 - Possibility exists of Central Attack.
2. Requirements of basic application or registration
 - Applied mark must be identical with that in the basic application or registration.
 - Designated goods/services must be within scope of those in the basic application or registration

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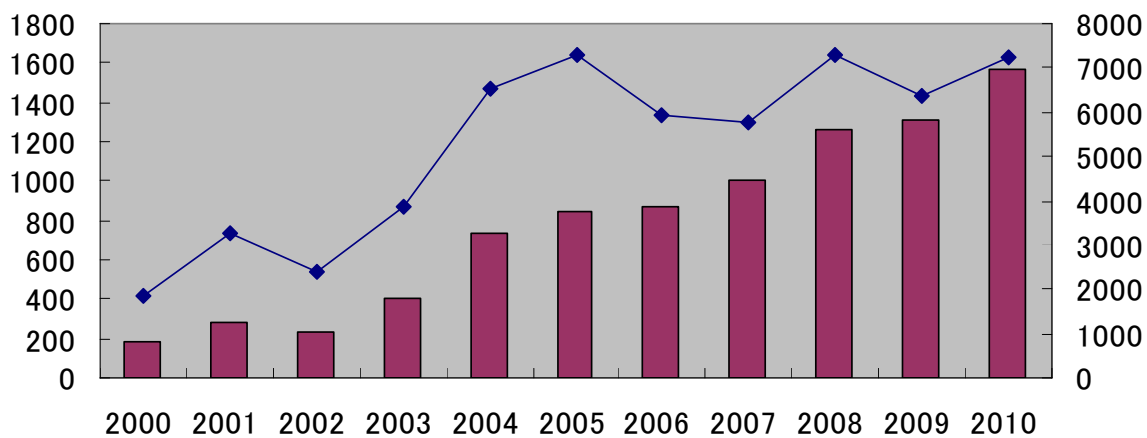
User Disadvantages of the Madrid Protocol

3. Protection is extended only to the contracting parties.
4. Official languages are limited to French, English, and Spanish.

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Japan's Experience

International applications originating from Japan



Total	187	280	237	402	734	839	875	1005	1265	1310	1567
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■ Number of international applications
◆ Number of countries designated

Source :JPO

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Japan's Experience

International applications originating from Japan

Problems for Japanese users

1. Only eight Asian countries are members of the Madrid system as of January 2012.
2. Mark in the basic application/registration often contains Japanese characters and syllabary.

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Japan's Experience

International applications originating from Japan

Problems for Japanese users (continued)

3. Possibility exists of Central Attack.
JPO examiners conduct substantive examination, including examining relative grounds as well as absolute grounds for refusal.
4. Request forms (MM2, etc.,) must be completed in English.

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Japan's Experience

International applications originating from Japan

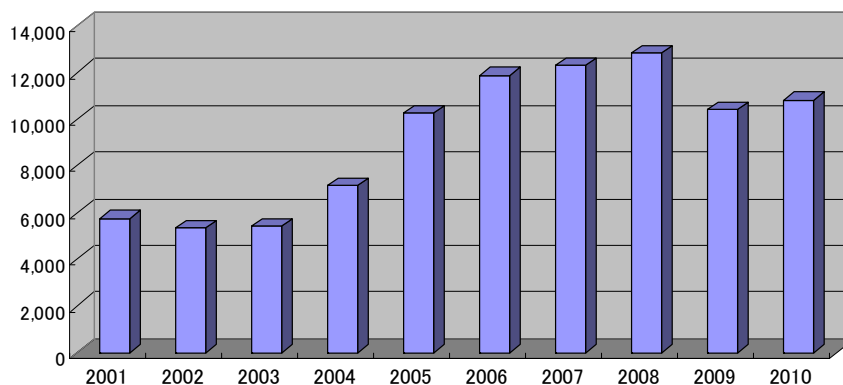
Problems for Japanese users in the designated party

- Unexpected reasons for refusal could be raised by the examiner of the office of the designated party.
- Different standards for description of goods/services.
- Different concepts of the designated goods/services.

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Japan's experience

International registrations designating Japan



2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
5,742	5,335	5,402	7,168	10,243	11,882	12,310	12,849	10,422	10,825

Source: WIPO

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Japan's Experience

International registrations designating Japan

Issues for non-Japanese users

- Unexpected reasons for refusal could be raised.

Popular reasons for refusal in Japan:

- Unclear description of goods/services
- No intent to use
- Lack of distinctiveness
- Conflict with prior rights

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Japan's Experience

International registrations designating Japan

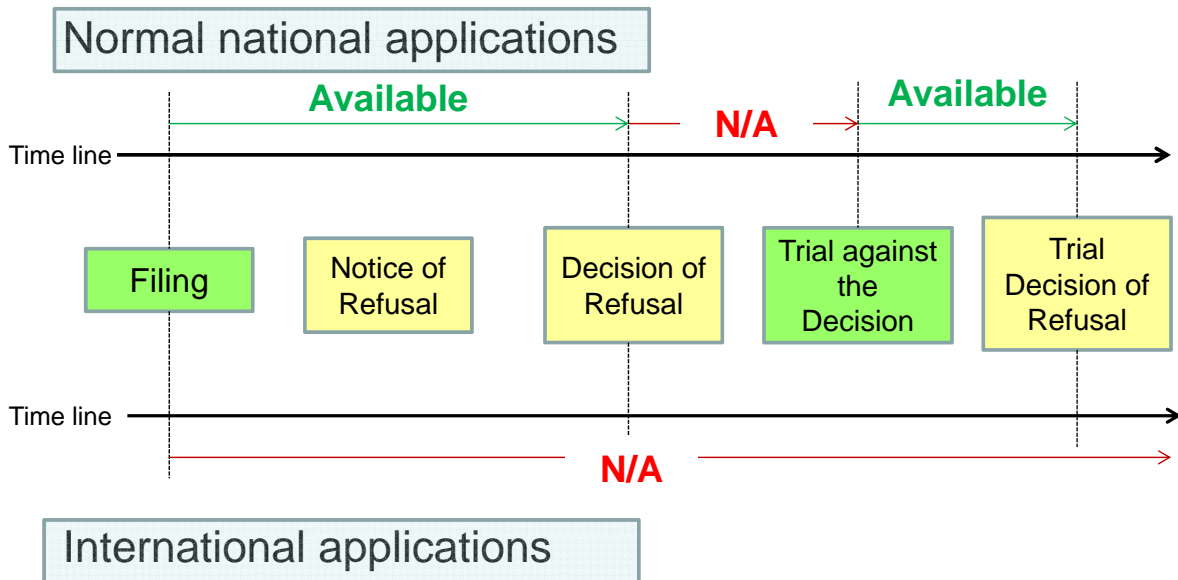
Issues for non-Japanese users (continued)

- No division of application is allowed.
- Period for making amendments is limited.

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International registrations designating Japan

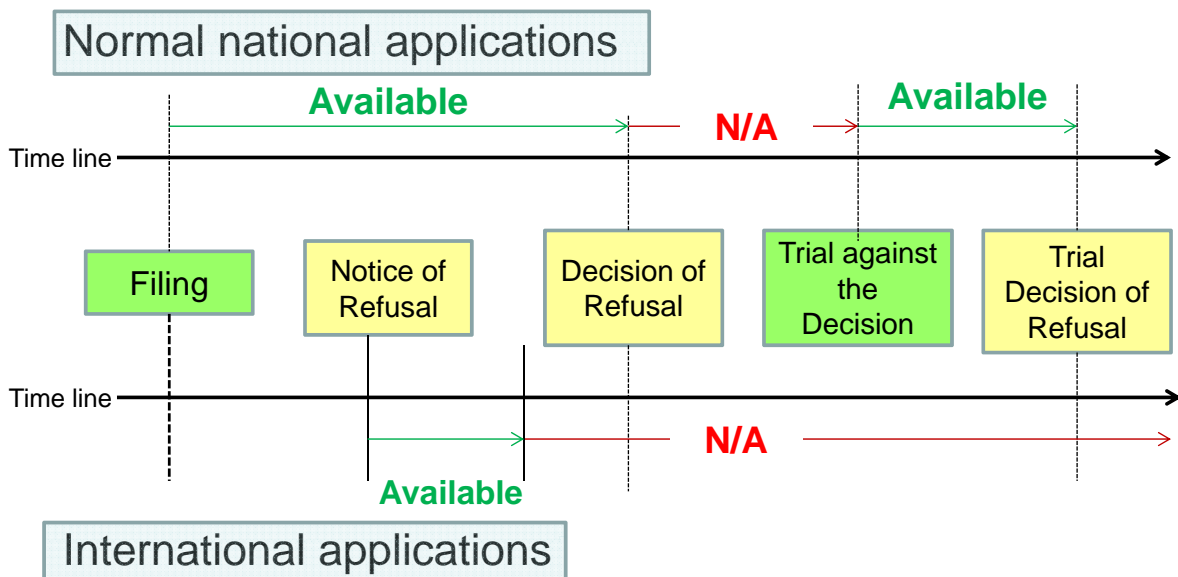
Division of application in Japan



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International registrations designating Japan

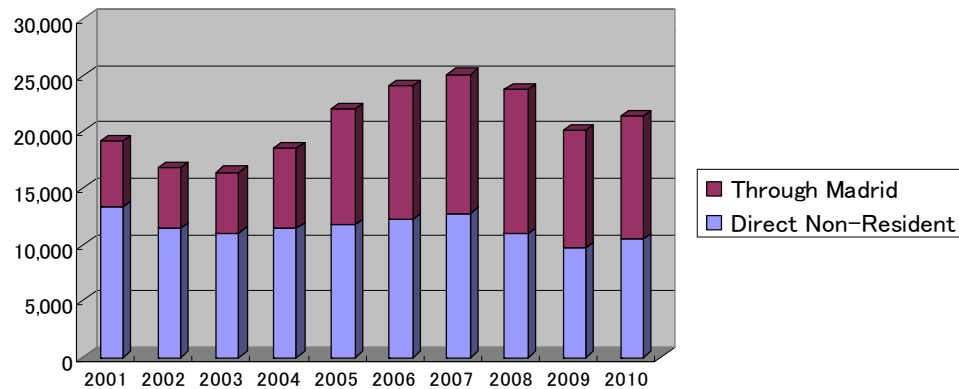
Period for amendments in Japan



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Possible problems for local attorneys

Incoming applications in Japan



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Direct Non-resident	13,391	11,492	11,034	11,413	11,792	12,229	12,796	10,941	9,737	10,529
Through Madrid	5,742	5,335	5,402	7,168	10,243	11,882	12,310	12,849	10,422	10,825

Source: WIPO

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Possible problems for local attorneys

- The number of applications directly received from abroad may decrease.

However, when a provisional refusal is issued, a local attorney must be appointed to advocate the case before the patent /trademark office in most contracting parties.

Further, when the number of International applications increases, the opportunities for home country attorneys to be involved in international applications may increase.

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Conclusion

- The Madrid system provides easy entry for global protection of trademarks.
- The Madrid system is a useful tool for raising corporate brand value in a global market.

The more countries that join the Madrid system, the more useful the system becomes.

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Thank you for your attention.

Junko SAITO
jsaito@ishidapo.com

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