

Working Group on the Legal Development of the Hague System for the International Registration of Industrial Designs

Seventh Session
Geneva, July 16 to 18, 2018

ISSUES SURROUNDING THE PUBLIC AVAILABILITY OF NOTIFICATIONS OF REFUSAL

Document prepared by the International Bureau

I. BACKGROUND

PDF COPIES OF NOTIFICATIONS AVAILABLE ON THE WIPO WEBSITE

1. Article 14(2)(c) of the Geneva (1999) Act of the Hague Agreement (hereinafter referred to as the “1999 Act”) provides that the effect given to the international registration under Article 14(1), (2)(a) and (b) shall apply to the industrial designs as received from the International Bureau by the Office of a designated Contracting Party or, where applicable, “as amended in the procedure before that Office”. Mindful of the above provision, the Assembly of the Hague Union, meeting in its thirty-fourth (15th extraordinary) session held in September 2014, adopted modifications to Rules 18(4), 18*bis*(1) and (2) of the Common Regulations Under the 1999 Act and the 1960 Act of the Hague Agreement (hereinafter referred to as the “Common Regulations”)¹.

2. The adopted modifications introduced a mechanism for ensuring that any amendment made to the industrial design in a procedure before the Office of a designated Contracting Party is communicated to the International Bureau through a statement of grant of protection under Rule 18*bis*(1) or (2) or a notification of withdrawal of refusal under Rule 18(4). Pursuant to Rules 18(5), 18*bis*(3) and 26(1)(ii), and as described in document H/A/34/2, paragraph 15, submitted to the above session of the Assembly of the Hague Union, the International Bureau shall make the information pertaining to such amendments publicly available through the *International Designs Bulletin* (hereinafter referred to as the “Bulletin”), by uploading a copy of the notification or statement as received from the Office.

¹ Refer to document H/A/34/2, paragraphs 12 to 31.

3. The modified provisions came into effect on January 1, 2015. Pursuant to these provisions, PDF copies of notifications of withdrawal of refusal, and statements of grant of protection received on and after the above date are made available in the Bulletin, as well as in the Hague Express database to enhance access to the information. Since then, a PDF copy of the notification of refusal has also been made available to present the file history or background information pertinent to the amendments made to the industrial design².

4. The purpose of this document is to open a discussion as to whether the International Bureau's practice of making notifications of refusals openly available should be reviewed.

II. ISSUE

PROS AND CONS OF OPEN ACCESS TO GROUNDS FOR REFUSAL

5. Upon publication in the Bulletin, information on any international registration becomes available from the International Bureau to third parties against payment of a fee, pursuant to Rule 32(1)(ii) or (iii)³. Such available information includes a copy of the international application as filed and any notification received from any designated Contracting Party.

6. Facilitating access to a notification of refusal could greatly help users of the Hague System to analyze substantive requirements, particularly those pertaining to the level of disclosure of the industrial design when designating certain Contracting Parties⁴. Citation of a prior design may also acquaint users with the scope of similarity in designs judged by a given Office, where applicable, with respect to each type of product.

7. However, it has occasionally been brought to the attention of the International Bureau that such open access to grounds for refusal is considered by some potential users as a deterrent to use the Hague System, since a prior design cited in a notification of refusal issued by one Office becomes known to competitors and may be used as a potential ground for invalidation in other jurisdictions.

III. ANALYSES

NATURE AND VALUE OF INFORMATION

8. The uploading of a PDF copy of a notification of refusal to the WIPO website follows a precedent set under the Madrid System⁵.

9. However, novelty is not required for the protection of a trademark. Any conflict with a prior trademark, registered or not, may be examined *ex officio* or based on an opposition, or judged in a court proceeding, taking into account the similarity in both trademarks, the scope of the list of goods and/or services, their actual use in commerce, and/or well-knownness in the locality. Accordingly, a ground for refusal applicable in one jurisdiction may not be affirmed or even relevant in other jurisdictions.

² Notifications of invalidation under Rule 20(1) and notifications of refusal of the effects of correction under Rule 22(2) are also available in the same manner.

³ Copies of recordings made in the International Register or of items in the file of the international registration are available, with or without being certified (Rule 32(1)(ii) or (iii)).

⁴ It is recalled that the Working Group discussed, at its fifth session, a proposal for recommendations relating to the disclosure of an industrial design in an international application (document H/LD/WG/5/4). As a result, "Guidance on Preparing and Providing Reproductions in Order to Forestall Possible Refusals on the Ground of Insufficient Disclosure of an Industrial Design by Examining Offices" was established in August 2016.

⁵ PDF copies of various kinds of notifications received from the Office of a designated Contracting Party, including a notification of provisional refusal, have been available on the WIPO website under the Madrid System since January 2005.

10. In contrast, novelty is crucial to the validity of a design right. Most jurisdictions require worldwide novelty as a condition for the registration or patenting of a given design, regardless of whether their Offices examine applications *ex officio*. Accordingly, a prior design found and cited by any other Office would constitute much more sensitive information.

11. However, the question then boils down to the likelihood of refusal on the ground of lack of novelty. The Japan Patent Office (JPO), the Korean Intellectual Property Office (KIPO), and the United States Patent and Trademark Office (USPTO) are currently the three main Offices that issue notifications of refusal. In 2017, 1,550,⁶ 598 and 1,285 refusals were received from the JPO, KIPO and the USPTO respectively, all of which amounted to 96.1 per cent of the total number of refusals. The International Bureau reviewed notifications of refusal received from these three Offices up to December 31, 2017 (refer to the table in the Annex to this document).

12. According to these unofficial statistics, 493 and 471 designs were refused on the ground of lack of novelty by the JPO and KIPO, respectively. These figures respectively represent about 20 per cent and 14 per cent of the total number of refusal grounds raised by both Offices. However, many of the refusals actually cited the same design filed with another Office (usually, the first filing) by the same applicant (the holder of the international registration). This happens in cases where the first filing is published prior to the date of the international registration, but the right of priority is lost because the applicant failed to submit a priority document to these Offices within the prescribed time limit.

13. Similarly, the JPO and KIPO respectively refused 534 and 811 designs, citing an earlier application (including on the same filing date) or registration. These figures represent about 21.5 per cent and 24 per cent of the refusal grounds raised by these Offices. Again, the majority of these refusals cited another similar design included in the same international application or in a prior national or international application filed by the same applicant. This happens when the applicant fails to indicate a “principal design” and a “related design(s)” adequately, or if the examiner had a different opinion on the provided indications.

14. The above two cases are specific to the legislations of Japan and the Republic of Korea, meaning that the aforementioned refusal grounds do not appear to have any direct relevance to registrability or patentability in other jurisdictions. In other words, the design is not deemed to lack novelty intrinsically and the refusal can technically be overcome or avoided. This is similar to a situation where a given design is refused on the ground of insufficient disclosure, ambiguous product indication or definition of design, as these requirements vary from one jurisdiction to another.

15. As regards the United States of America, lack of novelty accounts for only one per cent of the total number of refusal grounds raised by the USPTO, while lack of compliance with the requirement of a single design being contained in the international registration is by far the most frequent and often the sole ground for refusal, accounting for 76 per cent of the total number of refusal grounds raised.

RELEVANT RULES

16. Rule 26(1) defines the content published in the Bulletin. Subparagraph (ii) refers to “refusals, with an indication as to whether there is a possibility of review or appeal, but without the grounds for refusal,...”. This phrase first appeared in the “Draft Regulations” submitted to the seventh session of the Committee of Experts on the Development of the Hague Agreement Concerning the International Deposit of Industrial Designs (hereinafter referred to as the “Committee of Experts”), held in November 1997⁷.

⁶ It should be noted that JPO issues one notification of refusal per design, if the international registration contains more than one industrial design.

⁷ Refer to document H/CE/VII/4, draft Rule 24(1)(ii).

17. This first set of draft regulations became the Draft Regulations Under the New Act of the Hague Agreement Concerning the International Registration of Industrial Designs, submitted to the Diplomatic Conference for the Adoption of a New Act of the Hague Agreement Concerning the International Deposit of Industrial Designs (Geneva Act) held from June 16 to July 6, 1999 (hereinafter referred to as the “Diplomatic Conference”)⁸. This part of the rule remains unchanged to this day.
18. There was no reason found in any document submitted to the Committee of Experts or the Diplomatic Conference as to why a notification of refusal should be published without the grounds for refusal.
19. Rule 32(1)(iii) of the Common Regulations under the Madrid Agreement Concerning the International Registration of Marks and the Protocol Relating to that Agreement (hereinafter referred to as the “Madrid Regulations”) also refers to “provisional refusals recorded under Rule 17(4),... without the grounds for refusal...” as content for publication. This part of the rule has remained unchanged from the very first (1996) version of the Madrid (Common) Regulations⁹.
20. In those days, both international trademark and design registrations under the Madrid and Hague Systems were published in paper format. As it is still the case today, the International Bureau did not “capture any text data concerning refusal grounds” contained in each notification of (provisional) refusal. Thus, there was no automated means to reproduce such data in the publication. In this regard, a prior mark or design cited as a ground for refusal could be provided by attaching a copy of the national publication which may be in a local language. Moreover, several prior marks or designs could be cited in one notification.
21. The publication of a (provisional or final) refusal is intended to announce the fact that the effect of the international registration has been refused by a given designated Contracting Party. The phrase “without the grounds for refusal” appears to be included in the Madrid Regulations to reflect not only this primary purpose of publishing a refusal, but also the technical constraint that it is extremely difficult for the International Bureau to capture and publish all information pertaining to grounds for refusal.
22. In the absence of any remarks in the documents of the Committee of Experts and the Diplomatic Conference on this point, it can be assumed that the same phrase was simply copied from the Madrid Regulations to reflect the same nuance in the (Hague) Common Regulations.

PRACTICES OF OFFICES WHICH FREQUENTLY ISSUE NOTIFICATIONS OF REFUSAL

23. As mentioned above, the JPO, KIPO and the USPTO are currently the three main Offices which issue notifications of refusal.
24. The USPTO offers the Patent Application Information Retrieval (“PAIR”) System on its website. An applicant can view the status of his/her patent applications at any time through “Private PAIR”. Furthermore, “Public PAIR” allows a third party to access relevant information, including a notification of refusal and all other exchanges between the applicant and the Office, if and after the patent is issued. Moreover, in the case of an international registration designating the United States of America, all such communications become accessible after its publication by the International Bureau and irrespective of its fate.

⁸ Refer to document H/DC/4, Basic Proposal for the Regulations under the New Act as presented to the Diplomatic Conference, draft Rule 26(1)(ii). The Regulations Under the Hague Agreement Concerning the International Deposit of Industrial Designs to implement the 1960 Act and the 1934 Act, as in force on January 1, 2002, do not have the phrase in question in relation to the publication of a notification of refusal.

⁹ The same phrase is also found in Rule 31(1) of the Madrid Regulations as in force on April 1, 1994; that is, before the coming into operation of the Madrid Protocol.

25. In contrast, the databases of the JPO (J-PRAT-PAT) and KIPO (KIPRIS) do not allow a third party to access notifications of refusal through their websites. However, in principle, all communications, including notifications of refusal, are made available upon request by a third party, if and after a given industrial design is registered.

IV. DISCUSSION

AVAILABILITY OF A NOTIFICATION OF REFUSAL ON THE WIPO WEBSITE

26. If the Working Group considers that the International Bureau should cease to upload a PDF copy of any notification of refusal received and recorded by the International Bureau on the WIPO website, it may so indicate.

AVAILABILITY OF A NOTIFICATION OF REFUSAL WHERE IT HAS NOT BEEN WITHDRAWN ON A REQUEST BASIS

27. The International Bureau will continue to make a copy of the notification of refusal available to a third party, against payment of a fee, when so requested under Rule 32(1)(ii) or (iii).

28. As stated in the previous section, under the legislations of Japan, the Republic of Korea and the United States of America, all relevant communications concerning any domestic applications are made publicly available, after the design is registered or patented, either on the website or upon request.

29. Thus, this opportunity may be seized to clarify whether the International Bureau should refrain from disclosing notifications of refusal, unless and until the refusal is withdrawn, or alternatively followed by a statement of grant of protection pursuant to Rule 18bis(2).

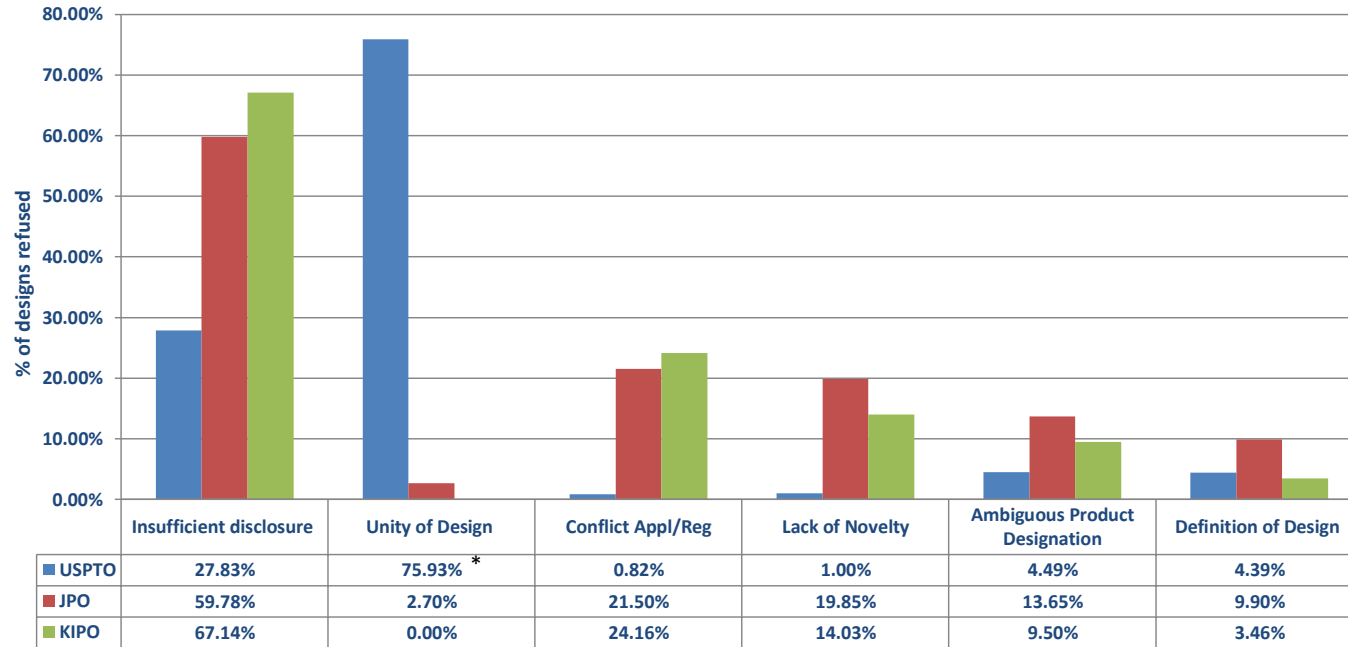
30. *The Working Group is invited to:*

(i) discuss and comment on the issue presented in this document; and

(ii) indicate whether it would recommend to the International Bureau any change in its practice regarding the public availability of notifications of refusal.

[Annex follows]

**USPTO, JPO and KIPO
Ratios of Refusal Grounds (per 100 Designs Refused)
From Day 1 to December 31, 2017**



* USPTO refusals on ground of lack of compliance with a single design requirement: 41 % of refused international registrations

Source: Internal WIPO statistics

[End of Annex and of document]