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GENEVA

AD HOC WORKING GROUP ON THE LEGAL DEVELOPMENT OF THE MADRID SYSTEM FOR THE INTERNATIONAL REGISTRATION OF MARKS

Second Session
Geneva, June 12 to 16, 2006

PROPOSAL BY NORWAY

Document prepared by the International Bureau

1. In a communication dated May 15, 2006, the International Bureau received a proposal from Norway relating to a number of aspects of the Madrid system for consideration by the *ad hoc* Working Group on the Legal Development of the Madrid System for the International Registration of Marks, at its second session to be held in Geneva from June 12 to 16, 2006. Norway has requested that the proposal be translated and circulated as part of the documents for that session.

2. The said proposal is annexed to this document.

3. The ad hoc Working Group is invited to note the contents of the attached proposal by Norway.

[Annex follows]

ANNEX

Proposal by Norway
to the *Ad Hoc* Working Group on the Legal Development of the Madrid System for the International Registration Of Marks

1. The Norwegian Patent Office would like to engage the Working Group in a discussion about the future of the Madrid System. How would we like the Madrid System to be in the future – in five, ten or twenty years? What will the world be like, and will the users find the provisions of the Madrid System to be user-friendly and efficient? Will we want to have two treaties, or will we only want to have one (the Madrid Protocol)?

2. We know that when discussing future possible changes to the Madrid System we are talking about a long-term time perspective, perhaps seven to ten or even more years from now. We feel that this is a very important discussion, and one we believe should start as soon as possible.

3. The ideas or proposals we put forward in Part II are not meant to have any impact on the proposal regarding the review of the safeguard-clause.

PART I

4. This meeting in June 2006 is the second of only two planned meetings for this Working Group. We believe that there are still very important issues to be discussed (see for example proposals in Part II), and we feel that this group needs more time to do so. Our first proposal is therefore that this Working Group recommends to the General Assembly to prolong the mandate for this group into 2007. We hope that meetings in 2007 will give the Working Group time to thoroughly discuss future aspects of the Madrid System, to the benefits of the applicants and holders, national Offices and WIPO. Emphasis should be on making the system more attractive in the future to applicants and Member States, user-friendlier and more efficient.

Proposal I.1:

5. The Working Group recommends that the General Assembly prolong the mandate for the Working Group into 2007, with at least two more meetings.

PART II

6. With this second part of the document, we would like to draw your attention to areas where we believe the Madrid System would benefit from some changes and hopefully attract more applicants. We hope that these proposals can be a basis for discussions already at the coming meeting in June.

II.1 Basic Application – Basic Registration

7. The Madrid System is founded on the requirement of a basic national or regional registration or application for registration. Under the Agreement, an applicant for the international registration of a mark must have already obtained registration of the mark in the Office of Origin (basic registration). Under the Protocol, an international application may be based on either a registration with the Office of Origin (basic registration) or on an application for registration filed with that Office (basic application). The international application may relate to only goods and services covered by the basic application or registration.

8. For a period of five years from the date of the international registration, the protection resulting from the international registration remains dependent on the mark registered or whose registration has been applied for with the Office of Origin. When the basic application, the registration resulting there from or the basic registration has ceased to have effect within that said period, the protection of the international registration is restricted accordingly. See Article 6(2)-(3).

Proposal II.1:

9. We propose that the Working Group engage in a discussion of the need for upholding the system of requiring a prior national application/registration when filing an international trademark application. See the Madrid Protocol Article 2 and Common Regulations Rules 8 and 9(5)(a). We propose that the Madrid System no longer require such basic application/registration.

As we see it, there are several consequences regarding this proposal:

10. **Designating his country of origin**: An alternative can be to adopt the system of the Geneva Act under the Hague System (designs), which would allow the applicant to designate his country of origin. This will be helpful for the trademark holder, who in the end can focus on only one registration – his international registration.

11. **Changing the wording in the requirement of "Entitlement to file"**?
A deletion of the requirement of a basic national application/registration may also call for a change of the provisions regarding entitlement to file. This is regulated in Article 2 and in Rule 9(5)(b) in the Madrid Protocol.

12. If we delete the requirement of having a basic application/registration, it will mean harmonization with the Geneva Act. Since the Geneva Act also has a provision regarding entitlement to file, and this provision is of later date than the equivalent provision in the Madrid system, we would like to propose that we adopt the wording of Article 3 of the Geneva Act. This provision seems to be somewhat more liberal, since it has, in addition to the requirement of the applicant either being a national, domiciled, or has a real and effective industrial or commercial establishment in the territory of a Contracting Party, also states that the applicant can have a *habitual residence* in the territory of the Contracting Party.

13. **Deleting the five years dependency provision (Article 6)**:
A deletion of the requirement of a basic application/registration benefits the applicant in such a way to remove the long lingering doubt whether the international registration can stand on its own and not depend on circumstances in the country of origin.

14. **Transformation (Article 9*quinquies*)**:
A deletion of the requirement for a basic national application/registration will also imply that the provision regarding transformation of an international registration to a national application/registration ceases to have effect.

15. **Overall advantages of this proposal**:
We believe that these proposed changes would imply a more efficient system for all parties concerned.

16. **For the Office of Origin**:
The Office of Origin would have less case handling if it does not need to handle the basic and the international application. It would be highly cost effective for the Office of Origin to hand over the case handling procedure to the International Bureau (IB) as the mandatory compliancy check no longer would apply.

17. With no more five years dependency provision, this change would also be an advantage since it no longer needs to have a system to follow up the various basic cases. Such deletion might also attract new applicants or Member States that have been skeptical to the five-year period.

18. **For WIPO**
WIPO would receive the international application and can, in case of any irregularities go directly to the applicant or his representative.

19. Even though the workload might be heavier, WIPO already has all the routines and procedures in place, and will benefit from their cost-efficient systems. We understand that more work and service provided by WIPO may indicate higher fees in the future.

20. **For the applicant**
The applicant can file directly with the International Bureau (IB) and does not need to file a national application with his Office of Origin as well. Applying directly to the IB also has the benefit of ridding of the double case handling, as well as giving the applicant the possibility of designating his Office of Origin.

21. The applicant may also benefit from this economically as there would be no fee to pay the Office of Origin for a mandatory compliancy check. We would however propose that if an applicant would like his Office of Origin to forward his international application to the IB, the Office of Origin may charge a transmittal fee, as also set in the Geneva Act Article 4(2).

II.2 Change of the Time Limits

22. The time limits for a designated country to refuse an international registration to have effect in that country are set in Article 5(2)(a)-(c) and Common Regulations Rule 18(2). The Madrid Agreement has a time limit of 12 months and the Madrid Protocol gives an option of choosing 12 or 18 months. Norway has in consistency with Article 5(2)(b) of the Madrid Protocol, 18 months to notify the IB of a refusal of protection in Norway. Our proposal is not intended to have any impact on the possibility of filing late oppositions (see Article 5(2)(c)).

Proposal II.2:

23. (a) We would like to propose that the Working Group engage in a discussion of the possibility of choosing shorter time limits. An alternative is that the time limits in Article 5(2)(a) and (b) be 12 months. This will indicate the same time limit whether the member state is a member of the Madrid Agreement or the Madrid Protocol.

24. (b) Another alternative is to choose shorter time limits of for example respectively 9 or 12 months, and that the member state can choose which time limit to follow.

25. (c) We would also like to discuss the possibility of transferring the provisions regulating these time limits to the Common Regulations or the Administrative Instructions, so that future changes can be more easily made.

Advantages of these proposals:

26. We believe that shorter time limits will make the Madrid System much more attractive and will imply more filings and designations, and perhaps also new member states.

27. Shorter time limits will make the case handling in the Offices concerned much more efficient. This will in turn make the system user-friendlier as the international holders will receive a quicker response from their designated countries.

28. When it comes to information to the international holders (as mentioned above), we see that it may be possible to reach this effect in a variety of ways, one way being that Contracting Parties issue and send out statement of grant of protections when they have completed their procedures before the Office (see Rule 17(6)).

29. We do recognize the fact that implementing shorter time limits may for some Member States cause difficulties, and one way to overcome these may be to open up for allowing said Member States a transitional period of for example three years to comply with the new time limits.

II.3 Designation of the holder's Office of Origin within the frames of today's system

30. Even if we keep the system as it is today concerning the requirement for a basic application /registration, it may be for the benefit of the holder to have only one international registration which also includes the basic registration/application. A solution will be to allow holders to designate their Office of Origin after the expiry of the five years dependency period.

Proposal II.3:

31. We would like to propose that the Working Group engage in a discussion of the possibility of establishing a right for a holder to designate his Office of Origin in an international registration.

[End of Annex and of document]