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MADRID SYSTEM DATABASE OF ACCEPTABLE INDICATIONS
OF GOODS AND SERVICES

Document prepared by the International Bureau

I. INTRODUCTION

1. The purpose of this document is to present to the Assembly a proposal for the implementation of a project aimed at accelerating the pace of the construction of a database of acceptable indications of goods and services for the purposes of the Madrid system procedures (hereinafter referred to as the “Madrid system *g&s* database”).

2. The document gives the background on the work undertaken so far by the International Bureau to build the Madrid system *g&s* database in the three working languages of the Madrid system, namely English, French and Spanish. The document elaborates on the objectives of building such a database and on the benefits expected to result therefrom for trademark owners, Offices of Contracting Parties¹ and the International Bureau. It further elaborates on the need to accelerate the pace of construction of that database and on the additional benefits of making it available also in other languages. It finally contains a proposal for the International Bureau to undertake a project to that effect in cooperation with interested Offices of Contracting Parties.

¹ Contracting Parties to the Madrid Agreement Concerning the International Registration of Marks and/or to the Protocol Relating to that Agreement.

II. PROJECT BACKGROUND AND JUSTIFICATION

The Madrid system g&s database

3. Five years ago, in the context of the administration of the Madrid System for the International Registration of Marks, the International Bureau began to build the Madrid system g&s database in order to increase productivity, consistency and quality with respect to the processing of international applications. The objective was to create a database of indications of goods and services that are acceptable to the International Bureau according to Rule 13 of the Common Regulations² and that are correctly classified according to the latest edition of the International Classification of Goods and Services for the Purposes of the Registration of Marks (hereinafter referred to as “the Nice Classification”). The database would be available in the three working languages of the Madrid system (namely, English, French and Spanish) and would serve to assist examiners and translators in their work at the International Bureau.

4. Given the heavy workload of the International Bureau in the examination and translation areas over the last few years, the examiners (classification experts) and translators who were assigned to this task could only work on it part-time. Furthermore, the information technology (IT) resources needed for the development of the corresponding IT infrastructure were not always available. Consequently, progress in building this database has been sporadic and slow. It is clear that adequate resources need to be dedicated to this project on a full-time basis if its initial objective is to be reached within a reasonable period of time.

5. At present, the Madrid system g&s database contains only some 13,700 indications of goods and services acceptable to the International Bureau, correctly classified and available in the three working languages. These include: (i) 7,700 indications extracted from the alphabetical list and class headings of the ninth edition of the Nice Classification; and, (ii) some 6,000 other indications from various sources, including the Trilateral and USPTO lists of acceptable indications, as well as frequently used indications extracted from international registrations. Annex I gives an idea of the current contents of the database for each class of the Nice Classification.

6. The database has now been integrated into the Madrid Agreement and Protocol System (MAPS), the IT platform that supports the administration of the Madrid system. It can be accessed by examiners, and to a lesser extent by translators, who can check whether the goods and services contained in any given international application are in the correct class (in which case they appear in green), are in an incorrect class (in which case they appear in red) or do not appear in the database at all (in which case they appear in orange).

7. However, while integrated into MAPS, the database has not yet been fully deployed for operational purposes. This is due to the fact that the number of indications that has so far been validated is still relatively small. When fully deployed, in due course, the database will be available for use both by the examiners and as part of an automated translation process.

² Rule 13 of the Common Regulations under the Madrid Agreement and Protocol provides that the International Bureau shall notify an irregularity whenever it considers that any of the goods or services in an international application is indicated by a term that is too vague for the purposes of classification or is incomprehensible or is linguistically incorrect.

Plans to make the Madrid system *g&s* database publicly available

8. As noted earlier, the initial objective of building the Madrid system *g&s* database was to increase productivity, consistency and quality with respect to the processing of international applications by the International Bureau. However, from the beginning it was clear that such a database, if made public, could also provide significant benefits to trademark owners interested in filing international applications.

9. Before filing an international application, trademark owners would be able to access the Madrid system *g&s* database and to select correctly classified (Nice Classification) indications of goods or services that would be acceptable to the International Bureau. This would operate in a way similar to that in which the so called “pick lists” or “manuals” that have been created by a number of trademark offices currently operate. The absence of a particular indication in the Madrid system *g&s* database would not necessarily mean that it would be rejected by the International Bureau if included in an international application. It would simply mean that the indication would need to be examined to verify whether it were acceptable and correctly classified and to be translated into the other two working languages of the Madrid system. Moreover, if the indication were acceptable and correctly classified, it is likely that it would be added to the database after further validation steps by senior examiners and senior translators.

10. However, in order for the Madrid system *g&s* database to provide a truly useful service to trademark owners, it should be comprehensive enough to assist in the composition of lists of goods and services in international applications and have a user-friendly interface. With this in mind, the International Bureau embarked in early 2009 upon the development of such a user interface (the so called “Madrid Filing Assistant”, described below) and is now proposing to undertake a project, in close cooperation with interested Offices of Contracting Parties, to increase the size of the Madrid system *g&s* database.

The Madrid Filing Assistant

11. In 2009, the International Bureau began to develop an electronic search and classification tool that, when made publicly available on the WIPO website, would allow user-friendly access to the Madrid system *g&s* database. The development of that tool was initiated within the context of the ongoing Information Technology Modernization Program for the Madrid and Hague Systems (document MM/A/42/2). This tool was named the “Madrid Filing Assistant”.

12. The Madrid Filing Assistant is aimed at helping applicants in the task of composing the lists of goods and services to be submitted within international applications by providing several functions. Using the Madrid Filing Assistant, users of the Madrid system will be able to:

- select indications of goods and services from a pick-list of validated indications from the Madrid system *g&s* database with the guarantee that no irregularity notice will be issued in respect of those indications if included in an international application;
- if not using the pick list, check the acceptance status for each indication of an already prepared list of classified goods and services;

- get classification proposals for unclassified indications through a search facility that will return all acceptable terms from the database which best match an input description;
- get an automatic translation of a list of goods and services into the other working languages for all accepted indications of a list.

13. In May 2009, the International Bureau began testing a prototype of the Madrid Filing Assistant. It was demonstrated at the seventh session of the Working Group on the Legal Development of the Madrid System, held in Geneva from July 7 to 10, 2009. Both the Madrid Filing Assistant and the Madrid system *g&s* database were very well received by the members of the Working Group.

Possible areas of cooperation with the Offices of Contracting Parties

14. As described above, the Madrid system *g&s* database and the Madrid Filing Assistant will undoubtedly benefit trademark owners who file international applications via the Madrid system. However, the full potential of these resources can be achieved only in close cooperation between the International Bureau and the Offices of Contracting Parties. In this respect, there are several possible areas of cooperation.

15. Firstly, the International Bureau will be ready to make available the contents of the Madrid system *g&s* database to the Office of any interested Contracting Party willing, in turn, to make it available to trademark owners wishing to file international applications with that Office.

16. Secondly, to those interested Offices that are equipped with electronic filing systems, the International Bureau would propose to also make available the Madrid Filing Assistant, along with the Madrid System *g&s* database. This would be with a view to the exploitation by those Offices of the functionalities of the Madrid Filing Assistant, in conjunction with the Madrid System *g&s* database, within their systems for the electronic filing of international applications.

17. Furthermore, and of interest to those Offices that do not have an electronic filing system at this time, the International Bureau could develop a standard/model web application and interface that would allow for the electronic filing of international applications in interested Offices of origin. Such application and interface would contain a number of checks and safeguards in order to streamline as fully as possible the filing of international trademark applications through the Madrid system and, of course, it would incorporate the functionalities of the Madrid Filing Assistant and allow access to the Madrid system *g&s* database. The International Bureau would undertake to cooperate with any Office that might be interested in having such a system adapted for use by it.

18. In order to further develop the Madrid system *g&s* database, those Offices of Contracting Parties that have developed their own databases or pick lists of acceptable indications of goods and services may wish to consider allowing the International Bureau to integrate them into the Madrid system *g&s* database. This would create a centralized source for such data and might facilitate harmonization with respect thereto.

19. Additionally, in the overall framework of the development of the Madrid System *g&s* database, the Offices of interested Contracting Parties may be disposed to cooperate with the International Bureau for the purpose of enabling international applicants to ascertain the acceptability of any given indication at the national level, in the context of an intended designation of such Contracting Party. This would diminish the risk of an international application meeting with a notification of provisional refusal.

20. A more ambitious project would be for all interested Offices and the International Bureau (hereinafter known as the “participating Offices”) to cooperate in the creation of a single database that would amount to a consolidation of the lists of all participating Offices, thereby allowing the applicant of a national, regional or international application to determine which goods and services are acceptable to one or more participating Offices. This would have obvious and positive implications within the context of the Madrid system, similar to those indicated in the preceding paragraph, concerning the ability to avoid refusals by designated Contracting Parties which relate to the acceptability of goods and services. To maximize such benefits, interested Offices would need to regularly send updates of their lists, if any, to the International Bureau and to regularly review updates of the database from any participating Office in order to indicate which they would accept and which they would reject.

Relationship with the proposal to consider the introduction of additional filing languages in the Madrid system

21. There is a link between the development of the Madrid system *g&s* database, as considered in this document, and the possibility of introducing additional filing languages in the Madrid system, as considered in document MM/A/42/1, also submitted to the current session of the Assembly.

22. In this respect, it is recalled that, in 2008, the Madrid Union Assembly agreed that the International Bureau should conduct a study on the implications, consequences and advantages of including languages other than English, French and Spanish (working languages of the Madrid system) as additional filing languages (languages in which applicants could file international applications).

23. A preliminary version of the study, conducted by the International Bureau in the first half of 2009, was submitted to the seventh session of the Working Group held in Geneva in July 2009. An updated version of that study has been submitted for consideration by the Assembly in document MM/A/42/1.

24. The study focuses on a proposal that would allow, under certain conditions, for the filing of international applications in interested Offices of Contracting Parties in any of a number of non-working languages of the Madrid system that would qualify as additional filing languages.

25. In general, the study identifies three pre-requisites that would have to be met before international applications could be filed in a non-working language:

(a) the Madrid system *g&s* database would have to be fully operational;

(b) an “electronic communications agreement” between the Office of the Contracting Party concerned and the International Bureau would have to be signed and the electronic communications described therein would need to be fully operational with respect to the transmission of international applications; and

(c) a “filing language agreement” between the Office of the Contracting Party concerned and the International Bureau would have to be signed and provide, *inter alia*, for the parties to cooperate in the translation of the Madrid system *g&s* database into the domestic (non-working) language concerned.

26. The study also identifies possible areas of cooperation between the International Bureau and the Offices of interested Contracting Parties aimed at facilitating the filing of international applications in those Offices in their domestic (non-working) language.

27. Following a recommendation by the Working Group, the International Bureau is seeking a mandate from the Assembly to undertake a pilot project with a view to verifying the feasibility of the proposal to introduce new filing languages (see document MM/A/42/1). Participation in the pilot project would be open to any Office of a Contracting Party that processes trademark applications in any of the languages qualifying as an additional filing language. The pilot project would be implemented in two phases. Phase I would involve cooperation between the International Bureau and each interested Office in: (i) the translation of the Madrid system *g&s* database into the relevant language; and (ii) exploring the possibility of developing an interface for the purposes of the filing of international applications in the relevant language.

28. Because of the close relationship between the activities envisaged in Phase I of the pilot project on filing languages and the initiative to accelerate the construction of the Madrid system *g&s* database as discussed in this document, it has been proposed that Phase I of that pilot project be implemented within the context of the project proposal described below.

III. PROJECT PROPOSAL

Project objectives

29. Based on the background given above, the International Bureau proposes to undertake a project aimed at: (a) accelerating the pace of the construction and deployment (internal and external) of the Madrid system *g&s* database, in cooperation with interested Contracting Parties; and (b) setting the ground for and initiating the implementation of Phase I of the pilot project proposed in document MM/A/42/1 relating to the feasibility of introducing additional filing languages in the Madrid system.

Project deliverables and tentative timetable:

30. The main deliverables of the project and a tentative timetable are outlined below:

(i) 16,300 new indications of goods and services, as validated by the International Bureau in the three working languages (English, French and Spanish) of the Madrid system, added to the Madrid system *g&s* database by October 2010 (thus bringing the contents of the database up to 30,000 such indications).

(ii) Full deployment of the Madrid system *g&s* database within the International Bureau for regular use by examiners and translators by the time the number of indications in the database reaches 30,000.

(iii) The Madrid Filing Assistant brought on-line on the WIPO website for use by interested applicants by the time the number of indications in the Madrid system *g&s* database reaches 30,000.

(iv) A prototype or model IT application and interface for the electronic filing of international trademark applications that incorporates the functionalities of the Madrid Filing Assistant and permits access to the Madrid system *g&s* database, made available to the Offices of interested Contracting Parties, along with the necessary advice concerning its exploitation or adaptation.

(v) 10,000 new indications of goods and services, as validated by the International Bureau in the three working languages of the Madrid system, added to the Madrid system *g&s* database by Spring 2011 (thus bringing the contents of the database up to at least 40,000 indications).

(vi) Translation of the Madrid system *g&s* database (40,000 acceptable indications) into Arabic, Chinese, Dutch, German, Italian, Japanese, Portuguese and Russian, made available to the Offices of interested Contracting Parties, upon request.

Implementation strategy

31. The initial targets for the addition of new indications to the Madrid system *g&s* database involve reaching 30,000 indications by October 2010, at which point the database will have been fully deployed within the International Bureau for use by examiners and translators and made public on the WIPO website via the Madrid Filing Assistant; and 40,000 indications by the spring of 2011. In both cases the new indications will have been validated in English, French and Spanish. Obviously, validation work would continue thereafter on an on-going basis in order to add even more indications to the Madrid system *g&s* database.

32. Accelerating the pace of development and full internal and external deployment of the Madrid system *g&s* database will require devoting specific resources to that end. To reach the target of 40,000 indications in the database, it will be necessary to validate an additional 26,300 indications over those already available (13,700). This will require the work of two senior examiners devoting 100% of their time to the project for a period of 18 months each. Presumably, this validation work will be undertaken mostly in English as the source or base language. The work of at least two senior translators will be required to ensure that each indication is appropriately translated into the other two working languages of the Madrid System (French and Spanish).
33. Some Offices of Contracting Parties may wish to contribute to the effort of building the Madrid system *g&s* database, including by making their own lists of acceptable indications of goods and services, and any translations thereof, available to the International Bureau for possible inclusion in the database³.
34. Preparation for the internal and external deployment of the database by October 2010 will require work to be undertaken by an information technology consultant (web developer), with appropriate skills (Java, Oracle, Lucene), to further develop the Madrid Filing Assistant and take care of its internal deployment within the International Bureau and external deployment on the web. The consultant would also be required to develop new functions relating to the Madrid Filing Assistant (import, export, managing lists by client account, saving lists, retrieving pre-defined lists, etc.) and expand the number of languages to be integrated in the database. The services of this consultant will be needed for a period estimated at 14 months.
35. A second information technology consultant (web service developer), with appropriate skills (Java, SOA, web services, Oracle), will be required to develop the proposed e-filing prototype or model and to provide related advice and support to interested Offices of Contracting Parties. Such prototype or model shall incorporate the functionalities of the Madrid Filing Assistant and include a number of e-filing functions including checking and validation as per the Madrid Common Regulations. The consultant would further be available to provide advice to interested Offices on the development of web services to access the Madrid system *g&s* database and to use the Madrid Filing Assistant functions. The services of this consultant will be required for a period estimated at 24 months.
36. In the context of the implementation of Phase I of the pilot project on the possible introduction of additional filing languages in the Madrid system (paragraphs 27 and 28, above), the current project envisages translating the contents of the Madrid system *g&s* database (up to 40,000 indications) into the languages qualifying as possible additional filing

³ For example, as indicated in paragraph 5, above, and in Annex I, the Office of the United States of America (USPTO) has made available to the International Bureau its own list of acceptable indications, which includes a number of indications also acceptable to the other Trilateral Offices. At the Working Group session held in July 2009, the Delegation of the European Community expressed the readiness of its Office (OHIM) to cooperate with the development of the Madrid system *g&s* database, while referring as well to the efforts being undertaken by OHIM and other trademark offices in Europe to build a harmonized database of acceptable goods and services in the context of the EuroClass project. The International Bureau and OHIM are in contact with a view to exploring possible cooperation in these areas.

languages (Arabic, Chinese, Dutch, German, Italian, Japanese, Portuguese and Russian), upon request from any interested Office of a Contracting Party. That translation work could start at any time as from the beginning of the project and would be outsourced by the International Bureau. The resulting translations would require validation. Such validation work would be the responsibility of each interested Office.

37. In this respect, the project may benefit from the offer of Offices having already translated a number of indications of goods and services into languages other than English, French or Spanish, in which case the translation costs of the project may be reduced⁴.

Project costs

38. The overall cost of the project outlined above is estimated at 1.2 million Swiss francs. A breakdown of project costs, along with explanatory notes, is given in Annex II of this document.

Proposed financing

39. Taking into account the benefits that would result from the timely implementation of the above mentioned project for the overall functioning of the Madrid system and the need to allocate specific resources to that end, it is hereby proposed that the amount of 1.2 million Swiss francs be appropriated from the Madrid Union Reserve Fund and made available as necessary during the implementation of the project (document WO/PBC/14/8).

Reporting mechanism

40. A detailed progress report on the implementation of the project shall be presented for consideration of the Assembly at the Assembly session planned for September 2010.

⁴ For example, the project could possibly benefit from the already existing translation into other European languages of terms contained both in the Madrid system *g&s* database and in EuroClass. That type of collaboration would certainly contribute to reducing some of the translation costs under the project.

41. *The Assembly is invited to:*

(i) *consider the project proposed in this document;*

(ii) *approve the allocation of an amount of 1.2 million Swiss francs from the Madrid Union Reserve Fund for the implementation of the project;*

(iii) *invite the International Bureau to report to the Assembly in 2010 on the status of implementation of the project.*

[Annex I follows]

ANNEX I

Madrid System G&S Database
(Number of Indications per Class as of the end of July 2009)

Class	Nice 9th Classification	Other sources		TOTAL
	Integrated without inversions	Trilateral / USPTO	Frequently used terms	
1	631			631
2	115			115
3	200			200
4	96			96
5	386	698		1084
6	410	492		902
7	505			505
8	241			241
9	659		1391	2050
10	206			206
11	309			309
12	241			241
13	70			70
14	87	155		242
15	88			88
16	330			330
17	113			113
18	108	205		313
19	236	419		655
20	263	519		782
21	317			317
22	98	173		271
23	21	83		104
24	110	167		277
25	154	471	330	955
26	112			112
27	16	54		70
28	186			186
29	153			153
30	190			190
31	144			144
32	44			44
33	30			30
34	36			36
35	88		842	930
36	69			69
37	117			117
38	36			36
39	89			89
40	111			111
41	105			105
42	62			62
43	26			26
44	54			54
45	39			39
TOTAL	7'701	3'436	2'563	13'700

[Annex II follows]

ANNEX II

Project Budget Estimated Costs, Breakdown and Explanatory Notes

Budget Summary		
Validation of acceptance and correct classification	318'000	See details below
Translation	401'616	See details below
Information technology	380'000	See details below
Project coordination and support	80'000	See details below
Miscellaneous	20'384	
Total	1'200'000	

Database: figures and goals				
<i>Average words per indication</i>	4.5			
	Indications	Words	To be translated into French and Spanish	To be translated into non-working languages
Current database	13'700	61'650	0	61'650
Target for going live and deploying internally	30'000	135'000	73'350	135'000
Final target of the proposed project	40'000	180'000	118'350	180'000

Validation of acceptance and correct classification		
	Indications	
Target for going live and deploying internally	16'300	
Additional target (by end of the proposed project)	10'000	
Total	26'300	
Estimated resources and costs (in Sfr.)	2 examiners, 18 months each = 36 months	318'000

Translation				
Target Database	Words to be translated	Translation (rate per source word in Sfr.)	Revision	Cost per language (in Sfr.)
English--> French	118'350	0.24	0.24	56'808
English--> Spanish	118'350	0.24	0.24	56'808
English--> Arabic, Chinese, Dutch, German, Italian, Japanese, Portuguese, Russian (180,000 words x 8)	1'440'000	0.20	Interested offices	288'000
Total				401'616

IT developments				
	Consultant	Months	Monthly cost	Total (in Sfr.)
Development and deployment of Madrid Filing Assistant	1	14	10'000	140'000
Development of e-filing model; cooperation with interested Offices	1	24	10'000	240'000
Total				380'000

Project coordination and support		
	Number	Total in Sfr.
Programming and coordination missions	6	24'000
Advisory and support missions	10	56'000
Total		80'000

Explanatory notes

Validation of acceptance and correct classification. The estimated cost of the work to be undertaken to validate the acceptance and correct classification of new indications to be included in the database, has been calculated on the basis of the temporary replacement of two senior examiners by two short-term employees, at the usual WIPO rates for such types of contracts.

Translation. The translation workload has been calculated based on an average of 4.5 words per indication (English being the source language). The estimated cost for translation into the other two working languages (French and Spanish) has been calculated on the basis of the temporary replacement of two senior translators by external translators working under Special Service Agreements (SSA) both for the translation and revision work to be undertaken. For translation into the other languages, costs have been calculated on the basis of market quotations for outsourced translation. Revision of these translations would be the responsibility of the interested Offices.

IT Developments. Information technology development costs have been calculated on the basis of the usual rates for short term consultants working for WIPO.

Project coordination and support. Project management and technical coordination will be the responsibility of staff from the International Bureau specifically assigned to the project and funded from the WIPO regular budget. Project funds for coordination and support are intended to contribute to finance the programming, coordination, advisory and support missions required for project implementation (including, in particular, those to be undertaken by the IT consultants).

[End of Annex II and of document]