Working Group on the Legal Development of the Madrid System for the International Registration of Marks

Seventeenth Session
Geneva, July 22 to 26, 2019

POSSIBLE OPTIONS FOR THE INTRODUCTION OF NEW LANGUAGES INTO THE MADRID SYSTEM

Document prepared by the International Bureau

I   INTRODUCTION

1.   At the sixteenth session of the Working Group on the Legal Development of the Madrid System for the International Registration of Marks (hereinafter referred to as "the Working Group" and "the Madrid System"), held in Geneva from July 2 to 6, 2018, the Delegations of China and of the Russian Federation presented proposals for the introduction of Chinese[1] and Russian[2] as working languages of the Madrid System.

2.   At that same session of the Working Group, the International Bureau presented an information paper on the language regime of the Madrid System[3]. The paper described the trilingual regime under Rule 6 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 Common Regulations" and "the Protocol"). The paper also described the language regime under the Hague System for the International Registrations of Designs and under the Patent Cooperation Treaty System (hereinafter referred to as "the Hague System" and "the PCT System").

---

[1]   See document MM/LD/WG/16/7.
[2]   See document MM/LD/WG/16/9 Rev.
[3]   See document MM/LD/WG/16/INF/2 Rev.

3.   The above-mentioned information paper stated that an in-depth study would be necessary to analyze the implications of introducing new languages in the Madrid System and suggested that the study identify various possible models for this purpose. The Working Group requested the International Bureau to prepare, for discussion at its seventeenth session, an in-depth study on the implications of the possible introduction of the Chinese and Russian languages into the Madrid System, building on the information provided in the paper presented by the International Bureau[4].

4.   This document elaborates on the implications for the Madrid System of the introduction of the Chinese and Russian languages, proposes possible criteria for introducing new languages, presents various options for such introduction, and discusses their advantages and disadvantages. The estimated translation and operational costs for each implementation option and the potential implications for the information and communication technology (ICT) systems of the International Bureau, as well as further considerations are presented in an Annex to this document.

II   POSSIBLE CRITERIA FOR INTRODUCING NEW LANGUAGES

5.   Before discussing the implementation options for introducing new languages into the Madrid System, the Working Group may consider specific criteria for that introduction. For example, the Assemblies of the PCT Union[5] and of the Madrid Union[6] have discussed possible criteria for introducing new languages for publication or filing purposes.

CURRENT FILING ACTIVITY

6.   As a first criterion, the filing activity in a given Contracting Party, both the number of outgoing applications (international applications filed under the Madrid System and direct applications filed abroad) and the number of incoming applications or designations in international registrations under the Madrid System, may be taken into account.

Number of International Applications

7.   The Working Group could take into account the number of international applications filed in a Contracting Party where a given language, other than English, French or Spanish, must be used to file domestic applications. This number would represent the potential number of international applications that could be filed in the new language because the basic mark was likely to be in this language.

8.   Where more than one language can be used to file domestic applications in a Contracting Party, the share of applications filed in each of those languages could be considered, where official information is available. For example, applications can be filed with the Office of the European Union in several languages. Information concerning the language in which those applications are filed is publicly available[7].

---

[4]   See document MM/LD/WG/16/12.
[5]   See document PCT/A/38/6, Annex III.
[6]   See document MM/A/42/1.
[7]   See *Facts & Figures Report 2017*, available at: https://euipo.europa.eu/tunnel-web/secure/webdav/guest/document_library/contentPdfs/about_euipo/annual_report/FactsAndFiguresReport_2017_en.pptx.

9.   In 2017, there were 55,831 international applications filed under the Madrid System. In the same year, taking into account the information in paragraphs 7 and 8 above, there could have been 8,866 international applications in German; 6,270 in Chinese; 2,824 in Italian; 2,501 in Japanese; 1,732 in Dutch; 1,675 in Russian; 1,316 in Turkish; 1,008 in Korean; and, 5,514 in more than 30 additional languages other than English, French or Spanish.

Number of Designations Under the Madrid System

10.   The Working Group could take into account the number of designations under the Madrid System of Contracting Parties where a language, other than English, French or Spanish, must be used to file domestic applications. This number would represent the potential number of designations that the International Bureau could have notified in a given language, if Offices of the designated Contracting Parties had the option of receiving communications in that language.

11.   Contracting Parties in which a domestic application can be filed in English, French or Spanish, such as the European Union, would not be taken into account because, in principle, those Contracting Parties would continue to be notified in one of those languages, unless they expressly chose otherwise.

12.   In 2017, there were 425,192 designations made under the Madrid System. In the same year, taking into account the information in paragraphs 10 and 11 above, the International Bureau could have notified 25,037 designations in Chinese; 22,192 in Russian; 16,775 in Japanese; 15,628 in Arabic; 14,847 in Korean; 10,170 in German; 9,660 in Turkish; 9,214 in Norwegian; and 119,004 in 40 additional languages other than English, French or Spanish.

Number of Applications Filed Abroad

13.   The Working Group could consider the class count in applications filed abroad by residents in countries where a given language, other than English, French or Spanish, is spoken. In countries where more than one language is spoken (where there, for example, is no official language), official information on the percentage of the population that speak a given language could be taken into account, where available. The participation in the Madrid System of residents in those countries where a given language is spoken could indicate the potential use of this language in the Madrid System.

14.   In 2017, there were 12.2 million classes[8] in applications filed abroad. In that year, there were 2.85 million classes in applications filed abroad by residents in countries where German is spoken; 842.74 thousand, where Chinese is spoken; 813.29 thousand, where Italian is spoken; 623.59 thousand, where Dutch is spoken; 309.94 thousand, where Swedish is spoken; 275.08 thousand, where Polish is spoken; 271.47 thousand, where Japanese is spoken; and, 171.85 thousand, where Danish is spoken.

Madrid Market Share

15.   The Madrid market share, which informs of applicants' preference for using the Madrid System when seeking protection for their marks abroad, can be deduced by comparing trademark filing activity via the Madrid System to that carried out via the direct route (Paris route).

---

[8]   This refers to equivalent class count, under which an application filed with a regional Office is counted as several national applications, one for each of the States where the regional application has effect. For example, an application with the Benelux Office for Intellectual Property (BOIP) is counted as three national applications (Belgium, Luxembourg and The Netherlands).

16.   In 2017, the overall Madrid market share was 60 per cent, which means that the applicant in 60 per cent of the situations preferred the Madrid System over direct filing. In that year, the Madrid market share in applications filed abroad by residents in China was 36 per cent; in Germany, 61 per cent; in Italy, 53 per cent; in Japan, 43 per cent; in the Republic of Korea, 25 per cent; in the Russian Federation, 88 per cent; and, in Turkey, 74 per cent.

17.   The Working Group may consider the Madrid market share in countries where a given language, other than English, French or Spanish, is spoken. A low Madrid market share in one of those countries may suggest a potential for increased use of the Madrid System, should the language concerned be introduced into this system.

OFFICIAL LANGUAGES OF THE UNITED NATIONS

18.   The Working Group may take into account that Arabic, Chinese, English, French, Russian and Spanish are the six official languages of the United Nations. Language coverage for documentation for meetings of the WIPO Main Bodies, Committees and Working Groups, as well as for core and new publications, extends to the six official languages of the United Nations, in accordance with the language policy adopted by the General Assembly of WIPO in September 2010[9]. Nevertheless, that policy does not apply to services provided under WIPO-administered treaties, such as, for example, international registration services provided under the Madrid Protocol.

INTRODUCING ONE NEW LANGUAGE AT A TIME

19.   A second criterion could be introducing new languages into the Madrid System one at a time, following an agreed upon sequence.

20.   The International Bureau would be required to either acquire or retrain human resources skilled in the new language to perform all its functions, such as, for example, data-entry, examination, translation, record-management, customer service, quality assurance, information and promotion, ICT and legal to meet users' expectations. For example, users of the Madrid System would expect that all information resources be readily available in the new language and would expect to be able to fully engage with the International Bureau in that language.

21.   One significant consequence of adding languages into the Madrid System is the need for translation. This will be dealt with in more detail in paragraphs 24 to 43, below.

22.   The introduction of a new language into the Madrid System, particularly of a language in non-Latin script, would require introducing changes to the internal and external ICT systems of the International Bureau. Those changes would be required to process, display, publish and communicate information in the new language. All ICT systems changes must be defined as detailed technical specifications, developed, either in-house or externally, and tested before they are deployed. Once in production, changes must be monitored until the ICT systems are deemed to be stable before further changes can be introduced. Moreover, processes at the International Bureau would need to be created or changed to manage the introduction of a new language.

23.   An investment must be made to populate databases that are essential for the proper administration of the Madrid System with information in the new language. For example, all standard communications and the internal classification database must be available in the new language. In addition, the internal translation database must be extensively populated before it could be deployed and make a relevant contribution towards managing the resulting translation workload.

---

[9]   Please, see document A/48/26, paragraph 250.

24.   The ICT and organizational changes described above are likely to result in a period of adjustment for the operations under the Madrid System. As a reference, it should be recalled that English was introduced into the Madrid System on April 1, 1996, and that Spanish was introduced eight years later, on April 1, 2004. A periodical report by the International Bureau to the Working Group on the progress of the introduction of a new language, with a view to deciding on the opportunity to introduce further new languages, could be envisaged.

TRANSLATION

25.   Another criterion could be that new languages should be introduced into the Madrid System under an indirect translation practice.

Direct and Indirect Translation

26.   Translation can be done from the language in which a text was created (hereinafter referred to as "the source language") directly into as many languages as it is required (hereinafter referred to as "the target languages"). For example, a text created in Chinese can be translated from Chinese directly into Arabic, English, French, Russian and Spanish. This is known as direct translation.

27.   As an alternative, translation can be done from the source language into one of the target languages and, then, from this language (hereinafter referred to as "the relay language") into the other target languages. For example, a text created in Chinese can be translated first into English and, then, from English into Arabic, French, Russian and Spanish. This is known as indirect translation.

The Translation Practice of WIPO

28.   In general, WIPO has a direct translation practice. Publications and documents to be discussed at the WIPO General Assemblies, WIPO Committees and Working Groups are translated from the source language into the official languages of the United Nations. Communications under the Madrid System received in one of the languages specified in Rule 6 of the Common Regulations are translated directly into the other two languages specified in that Rule. A similar translation practice is in place under the Hague System, which has a trilingual regime similar to that of the Madrid System.

29.   Documents under the PCT System are translated under a mixed practice that uses either direct translation into the target language or indirect translation through English as the relay language. However, while the PCT System provides for several filing and publication languages[10], the International Bureau is not required to translate all the documents it receives into all those languages. Translation under the PCT System is limited to abstracts in patent applications, which must be published in English and French, and to the search and examination reports, which must be published in English.

30.   The Madrid System has a translation database that contains more than two million indications in each of the current languages of the Madrid System. Each indication may consist of several words. Most indications in that database were extracted from the International Register and correspond to those indications for which manual translation into a given language had consistently yielded the same result. The International Bureau constantly updates this database by adding new terms.

---

[10]   The ten publication languages under the PCT are Arabic, Chinese, English, French, German, Japanese, Korean, Portuguese, Russian and Spanish.

31.   Applications and requests for recording are translated after examination has been successfully completed but before the registration or recording is made. When a communication needs to be translated, the relevant contents of the communication are contrasted against the indications in the translation database to find a match. On average, taking into account all words, in all types of transactions processed under the Madrid System and all possible language combinations, a match is found in 61 per cent of the cases.

32.   Indications that are not found in the translation database are processed through a WIPO-developed automated translation tool which provides a translation suggestion. In most transactions, a translator manually edits the translation suggestion. Most editing work is outsourced. On average, turnaround time for editing is a week. The International Bureau controls the quality of the outsourced edited work by checking a random sample of about 7 per cent of the edited work.

33.   Only a translator whose first language is the target language can translate, edit and control the quality of the translation into that language. For example, only a translator whose first language is Spanish can translate into Spanish, edit automated translation into Spanish and control the quality of the edited translation into Spanish. It is preferred that only senior translators engage in quality control.

34.   The introduction of new languages into the Madrid System could be an opportunity to review the translation practice because, while Rule 6(4) of the Common Regulations requires the International Bureau to make the necessary translations for the functioning of the Madrid System, the Rule does not require implementing a particular translation practice.

Implications of Direct and Indirect Translation Practices

Pendency Implications

35.   Under a direct translation practice, the translation into each of the target languages is processed in parallel. Moving towards an indirect translation practice would add a translation step from the source to the relay language, which could increase processing times. However, translation is now aided by sophisticated tools, which have increased productivity and decreased the time required to translate a given text. Therefore, while an indirect translation practice would increase the processing times, this increase would be reasonable.

Quality Implications

36.   A direct translation practice may result in a higher quality translation output, relative to indirect translation. Since translation is processed in parallel, poor quality in the translation into one language would not negatively affect the quality of the translation into other languages. While quality could be an issue in the translation of complex texts, indications of goods and services are, for the most part, short and simple texts, which increases the likelihood of obtaining an adequate result through an indirect translation practice. Therefore, where it concerns indications of goods and services, the quality advantage resulting from a direct translation practice may be marginal compared to the quality obtained through an indirect translation practice.

Cost Implications

37.   An indirect translation practice would lower the cost of introducing new languages. Under a direct translation practice, communications under the Madrid System would be translated from the newly introduced language directly into the current three languages of the Madrid System, and from these languages directly into the new language. In contrast, under an indirect translation practice, those communications would be translated through one of the current languages of the Madrid System, which would allow the International Bureau to leverage the existing translation infrastructure and lower the cost of introducing a new language.

38.   For example, should Chinese become a new language of the Madrid System, under an indirect translation practice, communications in Chinese would be translated into, for example, English as the relay language, and from English into French and Spanish. Similarly, communications in French and Spanish would be translated into English, and from English into Chinese.

39.   There would not be a translation database readily available for any new language to be introduced into the Madrid System and, as a result, most indications would have to be processed through the WIPO-developed translation tool and the resulting translation would have to be edited and subjected to quality control. In other words, initially, the volume of direct translation from and into the new language would be high.

40.   Under a direct translation practice, the International Bureau would have to find service providers that can deliver high-quality editing work in any possible language combination. The skills required for some language combinations are difficult to find and may be more expensive. The International Bureau would also be required to have senior translators capable to check the outsourced work in all of those combinations. In contrast, under an indirect translation practice, the International Bureau would only need to secure external services and internal resources to edit and check the translation work between the newly introduced language and the relay language.

41.   For example, should Russian become a new language of the Madrid System, under an indirect translation practice, the International Bureau would only have to secure external services and internal resources to edit and revise translation work between Russian and, for example, English as the relay language.

42.   The difference in cost implications between the two practices would vary depending on the new language to be introduced into the Madrid System and the option selected for this introduction. More information about the cost implications of both practices under each possible implementation option can be found in the Annex to this document.

Selecting a Relay Language

43.   The relay language should be the language in which most communications are received because that would decrease the overall need for relay translation. Moreover, the relay language should be one for which high-quality translation resources are readily available at a reasonable cost.

44.   Most of the communications under the Madrid System received by the International Bureau are in English. For example, for international registrations in force effected in 2018[11], in 45,542 of those registrations the language of the international application is English; in 7,985, French; and, in 1,195, Spanish[12]. The experience of the International Bureau, when translating official publications and documents, suggests that the most readily available external resources with the skills required to obtain a high-quality translation output are those where English is involved. This is particularly relevant for documents under the Madrid System due to the specialization that is required to translate those documents.

III.   POSSIBLE IMPLEMENTATION OPTIONS FOR INTRODUCING NEW LANGUAGES

45.   Possible implementation options for introducing new languages into the Madrid System are described below by order of complexity. The first option, the filing language option, is the least complex option and the option that would have the lowest operational and cost implications. Each one of the options successively described below increases in complexity, by providing for additional features, and would have increasingly higher operational and cost implications.

(A)   FILING LANGUAGE

46.   Under this option, applicants would be able to file international applications in the new language, provided the Office of origin so allows. The Office of origin would certify the international application in the new language and transmit it to the International Bureau.

47.   The International Bureau would translate the relevant information in the international application into the language chosen by the Office of origin to receive communications from the International Bureau (i.e. English, French or Spanish) and would process the international application and communicate with the Office of origin in this language. The International Bureau would also communicate with the applicant in this language, unless the applicant has indicated a language in which it wishes to receive communications.

48.   The International Bureau would make the necessary translations to register the mark in English, French and Spanish. All further communications concerning the international registration would continue to be in English, French and Spanish.

Advantages and Disadvantages

49.   Applicants would file, and Offices of origin would certify and transmit applications, in the new language. The International Bureau would translate the relevant contents of the application. In principle, there would be no further cost implications.

50.   Translation from the filing language into the language of communication chosen by the Office would increase processing times. This implementation option would result in a moderate increase in translation costs and could increase the number of translation related complaints and requests for correction.

(B)   PROCESSING LANGUAGE

51.   Under this option, applicants would be able to file international applications in the new language, provided the Office of origin so allows. The Office of origin would certify the international application in the new language and transmit it to the International Bureau.

---

[11]   International registrations with a date between January 1 and December 31, 2018, regardless of the date on which they were inscribed in the International Register.
[12]   Information available on Madrid Monitor on March 21, 2019.

52.   The International Bureau would process the international application and communicate with the Office of origin in the filing language. The International Bureau would also communicate with the applicant in this language, unless the applicant has indicated that it wishes to receive communications from the International Bureau in English, in French or in Spanish.

53.   The International Bureau would make the necessary translations to register the mark in English, French and Spanish. All further communications concerning the international registration would continue to be in English, French or Spanish only.

Advantages and Disadvantages

54.   Applicants and Offices of origin would be able to complete all steps of the international application process in the new language. Under this option, translation costs would be limited to the relevant contents of the international application.

55.   The International Bureau would be required to hire, train and retain examiners and senior translators proficient in the new language. Moreover, the introduction of a new filing language would have further implications, as explained in the Annex to this document.

(C)   TRANSMISSION LANGUAGE

56.   Under this option, applicants would be able to file international applications in the new language, provided the Office of origin so allows. The Office of origin would certify the international application and transmit it to the International Bureau.

57.   The International Bureau would process the international application and communicate with the Office of origin in the filing language. The International Bureau would also communicate with the applicant in this language, unless the applicant has indicated that it wishes to receive communications from the International Bureau in English, in French or in Spanish.

58.   For international applications filed in the new language only, the International Bureau would register the mark in this language and would make the necessary translations to register the mark in English, French and Spanish.

59.   Exceptionally, for international applications filed in the new language only, the Offices of the designated Contracting Parties could opt to communicate with the International Bureau in this language (i.e. receive and send communications). Offices of designated Contracting Parties that do not chose this option would continue to receive communications from the International Bureau in English, in French or in Spanish.

60.   Holders of international registrations resulting from an application filed in the new language would be able to send communications to the International Bureau in this language (i.e. present subsequent designations and requests for recording).

61.   All communications concerning international registrations that result from an application filed in English, French or Spanish would continue to be in those languages only.

Advantages and Disadvantages

62.   Applicants and Offices of origin would be able to complete all steps of the international application process in the new language. When the international application has been filed in the new language, Offices of designated Contracting Parties and holders would have the choice to communicate in this language throughout the lifecycle of the international registration.

63.   For applications filed in English, French or Spanish, applicants, holders and Offices would not be able to communicate in the new language. In those cases, they would be required to continue communicating in one of those languages. Introducing new filing and transmission languages would have several implications, as explained in the Annex to this document.

(D)   COMMUNICATION LANGUAGE

64.   Under this option, applicants, holders and Offices would be able to send any communication to and to receive any communication from the International Bureau in the new language, in addition to English, French and Spanish. In contrast with the previous option, communications in the new language would not be limited to international applications filed in that language.

65.   The International Bureau would inscribe information in the International Register in the language in which the corresponding communication was received and would continue to make the necessary translations to inscribe this information in English, French and Spanish. However, the International Bureau would only translate information into the new language where a communication to the applicant, holder or to an Office must be sent in this language.

Advantages and Disadvantages

66.   Applicants, holders and Offices would be able to communicate under the Madrid System in the new language, without any restriction, while the translation cost would be contained. Decisions in the new language may be easier to enforce in designated Contracting Parties where this language is used.

67.   Users may find the Madrid System more complex with the introduction of new communication languages. The introduction of a new communication language would have several implications, as explained in the Annex to this document.

(E)   WORKING LANGUAGE

68.   Under this option, the regime currently envisaged in Rule 6 of the Common Regulations would also apply to the newly introduced language. In other words, in contrast with the previous option, the International Bureau would be required to translate into the new language all information to be inscribed it in the International Register into this new language, in addition to English, French and Spanish.

Advantages and Disadvantages

69.   Information inscribed in the International Register would be available in all languages, whether it is needed for communication purposes or not, at a high cost for the Madrid Union. The implications of introducing a new working language are explained in the Annex to this document.

70.   The introduction of any new language into the Madrid System would heavily rely on automated translation, edited by internal or external translators, and be subject to quality control by an internal senior translator. The quality of the translation output that results from the automated translation tools currently available would not allow the International Bureau to dispense with internal and external translation human resources. The cost of these translation human resources increases with each of the options described above, with the working language option resulting in the highest cost implications. Accordingly, at present, it would not seem advisable to introduce new languages into the Madrid System as working languages.

71.   The development of an internal translation database, coupled with advances on automated translation, may allow the International Bureau to dispense with some of the above-mentioned internal and external resources in the not so distant future. When that happens, the Working Group could consider introducing new languages into the Madrid System as working languages. However, this option should only be discussed when it has been established, to the satisfaction of the Working Group, that automated translation produces the required quality.

IV   POSSIBLE REVIEW OF THE CURRENT LANGUAGE REGIME

72.   Developing the Madrid System by introducing new languages may be inevitable due to the geographical expansion of the system but also desirable because it brings the system closer to all its users.

73.   Introducing several new languages under the current language regime envisaged in Rule 6 of the Common Regulations would not be possible without placing a heavy financial and administrative burden on the Madrid Union, which could threaten the long-term sustainability of the Madrid System.

74.   The objective of having a linguistically diverse Madrid System serving the needs of its global user base can be achieved only after the introduction of a translation regime that balances the interests of all its stakeholders. With that objective in mind, the Working Group may wish to consider whether a comprehensive review of the current language regime of the Madrid System should be undertaken.

75.   The Working Group is requested to take into account the information provided in this document and to indicate:

> *(i)   its preferred criterion for the introduction of new languages into the Madrid System;*
>
> *(ii)   its preferred implementation option for introducing a new language amongst those set out in paragraphs 44 to 71; and,*
>
> *(iii)   whether it would undertake a comprehensive review of the current language regime of the Madrid System, and if so, provide guidance on how to proceed with such review.*

[Annex follows]

OPTIONS FOR INTRODUCING NEW LANGUAGES INTO THE MADRID SYSTEM

I.   IMPLEMENTATION OPTIONS

(A)   FILING LANGUAGE

–   The applicant files an international application in the new language.

–   Before examination, the international application is translated by the International Bureau into the working language chosen by the Office of origin[1] (English) for examination and for exchanging communications with the applicant or that Office.

–   After examination has been completed, the International Bureau translates the international application into the other two working languages (French and Spanish) for registration, publication and notification to designated Offices.

–   All further transactions would be in English, French and Spanish only.

PROS	CONS
– Office of origin certifies application in the new language. – Translation done by the International Bureau. – New translation costs limited to the international application. – No new examination costs for the International Bureau.	– Moderate translation costs for the International Bureau. – Possible increase in translation related complaints. – Possible problems and confusion due to irregularities notices for international applications not being in the filing language. – Increase in processing delay due to the introduction of a new pre-examination translation step in the examination workflow.

---

[1]   English, for practical purposes, as the two Offices concerned (the Offices of China and of the Russian Federation) have chosen English as the language in which they wish to receive communications from the International Bureau.

Filing Language Translation[2] and Examination Costs[3] Estimate[4]

Direct Translation[5]

(a) Chinese Only				(b) Russian Only			
	Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners		Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners
2019	207,547	18	0.00	2019	1,631,834	112	0.00
2020	206,952	18	0.00	2020	1,620,202	111	0.00
2021	206,144	18	0.00	2021	1,606,979	110	0.00
2022	205,111	18	0.00	2022	1,592,093	109	0.00
2023	203,841	18	0.00	2023	1,575,469	108	0.00
2024	202,320	17	0.00	2024	1,557,031	106	0.00
2025	200,535	17	0.00	2025	1,536,697	105	0.00
2026	198,472	17	0.00	2026	1,514,385	104	0.00
2027	196,116	17	0.00	2027	1,490,010	102	0.00
2028	193,451	17	0.00	2028	1,463,481	100	0.00
2029	190,462	16	0.00	2029	1,434,708	98	0.00
TOTAL	2,210,951	191	0.00	TOTAL	17,022,890	1,164	0.00

---

[2]   The Office of China is the only Office likely to present international applications in Chinese. Offices of the following Contracting Parties are likely to present international applications in Russian: Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Republic of Moldova, Russian Federation and Uzbekistan.

[3]   The cost estimate is based on forecast from the Economic and Statistics Division and take into account the expected growth rates and number of words in international applications from the Contracting Parties concerned. The following assumptions are made:
- 20 per cent automated translation in 2019, increasing 2.5 per cent each year;
- fee per word from Chinese to English is CHF 0.157; to French, 0.25; to Spanish, 0.25; and,
- fee per word from Russian to English is CHF 0.23; to French, 0.3; and to Spanish, 0.3.

[4]   The cost of introducing Chinese is lower than the cost of introducing Russian because, historically, almost all international applications from China are single-class and have shorter lists of goods and services.

[5]   Quality control consists of revising a random sample of about 7 per cent of the edited work. A senior translator whose first language is the target language should conduct quality control. Accordingly, three senior translators would be required for direct translation from the new language (Chinese or Russian) into English, French and Spanish.

Indirect Translation Through English[6]

(a) Chinese Only				(b) Russian Only			
	Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners		Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners
2019	49,596	6	0.00	2019	452,195	37	0.00
2020	49,454	6	0.00	2020	448,972	37	0.00
2021	49,261	6	0.00	2021	445,307	37	0.00
2022	49,014	6	0.00	2022	441,182	36	0.00
2023	48,711	6	0.00	2023	436,576	36	0.00
2024	48,347	6	0.00	2024	431,466	35	0.00
2025	47,921	6	0.00	2025	425,832	35	0.00
2026	47,428	6	0.00	2026	419,649	35	0.00
2027	46,865	6	0.00	2027	412,894	34	0.00
2028	46,228	6	0.00	2028	405,543	33	0.00
2029	45,514	5	0.00	2029	397,570	33	0.00
TOTAL	528,340	64	0.00	TOTAL	4,717,186	388	0.00

---

[6]   A senior translator whose first language is the target language should conduct quality control. Accordingly, one senior translator is required for indirect translation from the new language (Chinese or Russian) through English.

(B)   PROCESSING LANGUAGE

–   The applicant files the international application in the new language and the International Bureau examines the international application in this language.

–   After examination has been completed, the International Bureau translates the international application into English, French and Spanish for registration, publication and notification to designated Offices.

–   All further transactions would be in English, French and Spanish only.

PROS	CONS
– Office of origin and applicant work in the new language.	– Implementation, operating and translation costs for the International Bureau (see "II. Further Considerations").
– Translation done by the International Bureau.	– Costs for the International Bureau to acquire, train and retain staff to examine international application in new language.
– New translation and examination costs limited to the international application.	
– No additional processing delays.	

Processing Language[7] Translation and Examination Costs Estimate[8]

Direct Translation

(a) Chinese Only				(b) Russian Only			
	Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners		Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners
2019	207,547	18	1.00	2019	1,631,834	112	1.00
2020	206,952	18	1.11	2020	1,620,202	111	1.14
2021	206,144	18	1.22	2021	1,606,979	110	1.29
2022	205,111	18	1.35	2022	1,592,093	109	1.47
2023	203,841	18	1.50	2023	1,575,469	108	1.67
2024	202,320	17	1.66	2024	1,557,031	106	1.89
2025	200,535	17	1.83	2025	1,536,697	105	2.15
2026	198,472	17	2.02	2026	1,514,385	104	2.44
2027	196,116	17	2.24	2027	1,490,010	102	2.77
2028	193,451	17	2.48	2028	1,463,481	100	3.15
2029	190,462	16	2.74	2029	1,434,708	98	3.58
TOTAL	2,210,951	191	2.74	TOTAL	17,022,890	1,164	3.58

---

[7]   The cost of outsourcing the translation editing work and the resources required for controlling the quality of this work are the same as in the filing language option. However, in this option, resources fluent in the new language are required to process applications filed in this language.

[8]   With the exception of the filing language option, which requires no examiners, the estimated number of examiners required for each of the other options remains constant because that number is a function of transaction volume, regardless of which of those implementation options is chosen.

Indirect Translation Through English

	(a) Chinese Only				(b) Russian Only		
	Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners		Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners
2019	49,596	6	1.00	2019	452,195	37	1.00
2020	49,454	6	1.11	2020	448,972	37	1.14
2021	49,261	6	1.22	2021	445,307	37	1.29
2022	49,014	6	1.35	2022	441,182	36	1.47
2023	48,711	6	1.50	2023	436,576	36	1.67
2024	48,347	6	1.66	2024	431,466	35	1.89
2025	47,921	6	1.83	2025	425,832	35	2.15
2026	47,428	6	2.02	2026	419,649	35	2.44
2027	46,865	6	2.24	2027	412,894	34	2.77
2028	46,228	6	2.48	2028	405,543	33	3.15
2029	45,514	5	2.74	2029	397,570	33	3.58
TOTAL	528,340	64	2.74	TOTAL	4,717,186	388	3.58

(C)   TRANSMISSION LANGUAGE

–   The applicant files the international application in the new language and the International Bureau examines the international application in this language.

–   After examination has been completed, the International Bureau translates the international application into English, French and Spanish for registration, publication and notification to designated Offices.

–   The mark is also registered in the new language.

–   Exceptionally, for international applications filed in the new language only:

–   Designated Offices can request to be notified and be allowed to send decisions (e.g. refusals, grants of protection) to the International Bureau in the new language; for all other international applications (i.e. those filed in English, French or Spanish), decisions must be sent in English, French or Spanish.

–   The holder can file requests with the International Bureau in the new language (e.g. limitations, renewals); for all other international applications, holders must file requests in English, French or Spanish.

–   In this option, the exchange of communications in the new language is limited to transactions relating to international applications filed in that language.

PROS	CONS
– Office of origin and applicant work in the new language.	– Implementation, operating and translation costs for the International Bureau.
– Translation done by the International Bureau.	– Costs for the International Bureau to acquire, train and retain staff to examine the international application and related communications in new language.
– Designated Offices process designations and holders file requests in the new language when the international application is filed in this language (this option is attractive when several members use the new language; for example, 16 per cent of the designations of Belarus are made in Russian speaking members).	– Designated Offices must still process in English, French and Spanish for applications not filed in the new language.
– New translation and examination costs limited to the international application filed in the new language and to related communications.	
– No additional processing delays.	

Transmission Language Translation[9] and Examination Cost Estimates

Direct Translation[10]

	(a) Chinese Only				(b) Russian Only		
	Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners		Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners
2019	208,814	18	1.00	2019	1,752,024	120	1.00
2020	208,216	18	1.11	2020	1,739,535	119	1.14
2021	207,403	18	1.22	2021	1,725,338	118	1.29
2022	206,364	18	1.35	2022	1,709,356	117	1.47
2023	205,086	18	1.50	2023	1,691,508	116	1.67
2024	203,556	18	1.66	2024	1,671,711	115	1.89
2025	201,760	17	1.83	2025	1,649,880	113	2.15
2026	199,684	17	2.02	2026	1,625,925	111	2.44
2027	197,314	17	2.24	2027	1,599,754	110	2.77
2028	194,633	17	2.48	2028	1,571,272	108	3.15
2029	191,625	17	2.74	2029	1,540,379	106	3.58
TOTAL	2,224,454	192	2.74	TOTAL	18,276,681	1,253	3.58

---

[9]   The cost estimate for Chinese remains low because it is unlikely applications filed elsewhere designating China would be filed in this language. Therefore, the Office would be required to continue sending its decisions in English. Moreover, while Chinese holders could benefit by filing modification requests in Chinese, they historically file few of those requests. This option would benefit Offices where Russian is spoken because there are a significant number of cross-designations among those Offices.

[10]   Under a direct translation practice, no fewer than four senior translators are required to control the quality of the outsourced work from the new language (Chinese or Russian) into English, French and Spanish and from these languages into the new language (Chinese or Russian). This also applies for the transmission language, communication language and working language options.

Indirect Translation Through English[11]

	(a) Chinese Only				(b) Russian Only		
	Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners		Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners
2019	49,899	6	1.00	2019	486,812	40	1.00
2020	49,756	6	1.11	2020	483,342	40	1.14
2021	49,562	6	1.22	2021	479,397	39	1.29
2022	49,314	6	1.35	2022	474,957	39	1.47
2023	49,008	6	1.50	2023	469,997	39	1.67
2024	48,643	6	1.66	2024	464,497	38	1.89
2025	48,214	6	1.83	2025	458,431	38	2.15
2026	47,718	6	2.02	2026	451,775	37	2.44
2027	47,151	6	2.24	2027	444,503	37	2.77
2028	46,510	6	2.48	2028	436,589	36	3.15
2029	45,792	6	2.74	2029	428,005	35	3.58
TOTAL	531,567	64	2.74	TOTAL	5,078,304	418	3.58

---

[11]   Under and indirect translation practice, no fewer than two senior translators are required to control the quality of the outsource work from the new language (Chinese or Russian) into English, French and Spanish and from these languages into the new language (Chinese or Russian). This also applies for the transmission language, communication language and working language options.

(D)   COMMUNICATION LANGUAGE

–   Applicants, holders and Offices are allowed to send any communication to the International Bureau (e.g. international applications, requests, decisions) and to receive any communication from the International Bureau in any language (including the new language).

–   The International Bureau translates into the new language only when this is required to communicate with applicants, holders and Offices, rationalizing the translation costs.

–   In contrast with the previous option, the exchange of communications in the new language is not limited to international applications filed in this language.

PROS	CONS
– Offices, applicants and holders conduct all operations in the new language. – Required translations done by the International Bureau. – New translation costs are rationalized (i.e. done when required only). – Decisions sent in the new language will be easier to enforce in the designated Contracting Party. – No processing delays.	– Implementation, operating and translation costs for the International Bureau (see below). – Costs for the International Bureau to acquire, train and retain staff to examine international application and related communications in the new language. – Higher complexity for holders because original documents with further details (e.g. provisional refusals) can be in the new language.

Communication Language Translation and Examination Cost Estimates

Direct Translation

(a) Chinese Only				(b) Russian Only			
	Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners		Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners
2019	1,666,047	408	1.00	2019	3,194,807	364	1.00
2020	1,650,485	407	1.11	2020	3,178,966	363	1.14
2021	1,633,721	406	1.22	2021	3,159,962	362	1.29
2022	1,615,676	404	1.35	2022	3,137,630	360	1.47
2023	1,596,268	401	1.50	2023	3,111,801	358	1.67
2024	1,575,410	398	1.66	2024	3,082,298	356	1.89
2025	1,553,012	395	1.83	2025	3,048,934	353	2.15
2026	1,528,979	391	2.02	2026	3,011,518	349	2.44
2027	1,503,211	387	2.24	2027	2,969,849	345	2.77
2028	1,475,604	382	2.48	2028	2,923,719	341	3.15
2029	1,446,049	376	2.74	2029	2,872,910	336	3.58
TOTAL	17,244,462	4,355	2.74	TOTAL	33,692,393	3,888	3.58

Indirect Translation Through English

(a) Chinese Only				(b) Russian Only			
	Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners		Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners
2019	1,129,504	136	1.00	2019	1,475,550	121	1.00
2020	1,126,198	136	1.11	2020	1,471,964	121	1.14
2021	1,121,852	135	1.22	2021	1,466,891	121	1.29
2022	1,116,399	135	1.35	2022	1,460,243	120	1.47
2023	1,109,764	134	1.50	2023	1,451,928	119	1.67
2024	1,101,871	133	1.66	2024	1,441,851	119	1.89
2025	1,092,640	132	1.83	2025	1,429,910	118	2.15
2026	1,081,988	130	2.02	2026	1,416,001	116	2.44
2027	1,069,825	129	2.24	2027	1,400,014	115	2.77
2028	1,056,059	127	2.48	2028	1,381,833	114	3.15
2029	1,040,593	125	2.74	2029	1,361,339	112	3.58
TOTAL	12,046,690	1,452	2.74	TOTAL	15,757,525	1,296	3.58

(E)   WORKING LANGUAGE

–   Applicants, holders and Offices are allowed to send communications to the International Bureau and choose to receive communications from the International Bureau in any working language (including the new language).

–   International registration and all ensuing recordings are routinely translated into all working languages (including the new language) for inscription and publication, as it is currently the case for English, French and Spanish.

–   In contrast with the previous option, the International Bureau translates into the new language every single document received, whether this is required to communicate with applicants, holders and Offices or not.

PROS	CONS
– Offices, applicants and holders conduct all operations in the new language.	– Implementation, operating and translation costs for the International Bureau.
– International Register is maintained in all working languages.	– Costs for the International Bureau to acquire, train and retain staff to examine the international application and related communications in the new language.
– Registrations and recordings are published in all working languages.	
– The International Bureau translates every single document received into all working languages (including the new language).	– Higher complexity for holders because original documents with further details (e.g. provisional refusals) can be in the new language.
	– New translation costs are not rationalized.

Working Language Translation[12] and Examination Cost Estimates

Direct Translation

(a) Chinese Only				(b) Russian Only			
	Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners		Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners
2019	4,281,302	1,354	1.00	2019	7,205,209	1,354	1.00
2020	4,267,267	1,353	1.11	2020	7,190,347	1,353	1.14
2021	4,249,323	1,351	1.22	2021	7,168,323	1,351	1.29
2022	4,227,212	1,348	1.35	2022	7,138,693	1,348	1.47
2023	4,200,661	1,343	1.50	2023	7,100,994	1,343	1.67
2024	4,169,384	1,336	1.66	2024	7,054,741	1,336	1.89
2025	4,133,081	1,328	1.83	2025	6,999,425	1,328	2.15
2026	4,091,437	1,317	2.02	2026	6,934,514	1,317	2.44
2027	4,044,123	1,305	2.24	2027	6,859,449	1,305	2.77
2028	3,990,792	1,291	2.48	2028	6,773,648	1,291	3.15
2029	3,931,082	1,275	2.74	2029	6,676,500	1,275	3.58
TOTAL	45,585,665	14,601	2.74	TOTAL	77,101,845	14,601	3.58

---

[12]   The additional translation workload resulting from the introduction of Chinese as a working language is practically the same as the translation workload that would result from the introduction of Russian as a working language. Accordingly, the resources required to conduct quality control are the same. However, the cost of outsourced translation is different due to the different rates for editing machine translation suggestions to and from those languages.

Indirect Translation Through English

(a) Chinese Only			
	Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners
2019	3,744,759	451	1.00
2020	3,742,979	451	1.11
2021	3,737,455	450	1.22
2022	3,727,935	449	1.35
2023	3,714,157	448	1.50
2024	3,695,845	445	1.66
2025	3,672,709	443	1.83
2026	3,644,446	439	2.02
2027	3,610,737	435	2.24
2028	3,571,247	430	2.48
2029	3,525,626	425	2.74
TOTAL	40,387,893	4,867	2.74

(b) Russian Only			
	Outsourced Translation Editing (CHF)	Translation Quality Control (Work Days)	Number of Examiners
2019	5,485,952	451	1.00
2020	5,483,345	451	1.14
2021	5,475,252	450	1.29
2022	5,461,306	449	1.47
2023	5,441,121	448	1.67
2024	5,414,295	445	1.89
2025	5,380,402	443	2.15
2026	5,338,997	439	2.44
2027	5,289,614	435	2.77
2028	5,231,763	430	3.15
2029	5,164,930	425	3.58
TOTAL	59,166,977	4,867	3.58

II. FURTHER CONSIDERATIONS

INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) DEVELOPMENTS

The introduction of new languages will require several changes to the ICT systems of the Madrid Registry (see "III. Madrid System ICT Required Developments for Introducing New Languages" for further details). At this time, we have not estimated the resources required for those changes.

OTHER HUMAN RESOURCES IMPLICATIONS

As indicated above, all options will require additional human resources in the Madrid Operations Division, with the sole exception of the filing language option. However, the introduction of a new language would affect all other areas of the Madrid Registry, where resources proficient in the new languages will also be required.

USER BEHAVIOR

The number of international applications under the Madrid System filed in China has increased significantly in the past couple of years. The estimates presented above could be underestimating the impact of introducing Chinese if this trend continues. Historically, international applications filed in China are single-class and have short lists of goods and services. On the other hand, most international applications filed in the Russian Federation contain indications from the Madrid Goods and Services Database (MGS Database), which makes them easier to translate. The introduction of Chinese and Russian is likely to change this user behavior, potentially leading to higher costs for the International Bureau.

III. MADRID SYSTEM ICT REQUIRED DEVELOPMENTS FOR INTRODUCING NEW LANGUAGES

(A) FOR FILING LANGUAGE

Possible update of Madrid E-Filing and the Madrid Electronic CommunicAtion service (MECA) to allow filing in new languages, depending of which Offices are using them; new pre-translation step in application workflow; update of the enquiry systems to display the new language; and, update of publication systems to ignore new languages.

(B) FOR PROCESSING LANGUAGE

Possible update of Madrid E-Filing and MECA to allow filing in new languages, depending of which Offices are using them; update of application examination and enquiry systems to display the new language; update of internal classification tool ("Christmas tree") to support the new language; translation into the new language of all application irregularity letters and testing; rework of the translation processes to add a step to translate from the new language to English, French and Spanish, and *vice versa*; and, update of the publication systems to ignore new languages.

(C)   FOR ALL OTHER OPTIONS

Possible update of Madrid E-Filing and MECA to allow filing in new languages, depending of which Offices are using them; update of all examination and enquiry systems to display the new language; update of internal classification tool ("Christmas tree") to support the new language; translation of all irregularity letters for all transactions into the new language and testing; rework the translation processes to add a step to translate from the new language to English, French and Spanish, and *vice versa*; update of publication systems to process new languages; and, update of web tools to process the new language and to validate when it can be used.

[End of Annex and of document]