

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

**Nineteenth Session**  
**Geneva, November 15 to 19, 2021**

QUESTIONS CONCERNING DOCUMENT MM/LD/WG/19/7 “REVISED STUDY OF THE COST IMPLICATIONS AND TECHNICAL FEASIBILITY OF THE GRADUAL INTRODUCTION OF THE ARABIC, CHINESE AND RUSSIAN LANGUAGES INTO THE MADRID SYSTEM AND OTHER RELEVANT INFORMATION”

*Document prepared by the Secretariat*

### **I. INTRODUCTION**

1. During the nineteenth session of the Working Group on the Legal Development of the Madrid System for the International Registration of Marks, several delegations and representatives from organizations representing users raised a number of questions and concerns regarding document MM/LD/WG/19/7 “*Revised Study of the Cost Implications and Technical Feasibility of the Gradual Introduction of the Arabic, Chinese and Russian Languages into the Madrid System and Other Relevant Information*”, to which the Secretariat provided answers.

2. A number of delegations requested that the Secretariat publish the said answers on the website of the session for ease of reference. Consequently, this information document presents both the above-mentioned questions and concerns as well as the corresponding answers provided by the Secretariat.

## II. COST-SAVINGS FROM ENRICHING THE TERMINOLOGY DATABASE

*The Delegation of Singapore asked how the combination approach would present savings in the long term, with regards to investments into the WIPO terminology database.*

3. Assuming the highest possible investment required to enrich the Terminology Database, about 4.81 million Swiss francs, the International Bureau estimates that it would take less than two years to recuperate that investment because the Terminology Database would have a significant impact on the annual operating costs.

4. Taking into account the transaction volume in 2020, the annual increase in operating costs resulting from the introduction of the proposed new languages under the current translation practice, without having made the investment to enrich the Terminology Database and, consequently, assuming a 25 per cent automatic translation rate, would be between 5.17 and 6.36 million Swiss francs.

5. The above estimations are not presented in document MM/LD/WG/19/7 because, as indicated in paragraph 63, the estimates in that document assume that the International Bureau has made the necessary up-front investment to translate the Terminology Database and, consequently, it has achieved no less than 65 per cent automatic translation rate in the new languages.

6. As indicated in the first row of column (h) of the table that appears in page 16 of document MM/LD/WG/19/7, the said annual increase in 2020, under the current translation practice and assuming a 65 per cent automatic translation rate as a result of the above-mentioned investment, would be between 2.41 and 2.97 million Swiss francs.

## III. INCREASE IN PROCESSING DELAYS

*The Delegations of Georgia, Japan, the United Kingdom and the Representatives of The Chartered Institute of Trade Mark Attorneys (CITMA), Japan Trademark Association (JTA) and Japan Intellectual Property Association (JIPA) expressed concerns about possible increase in processing delays.*

7. The International Bureau estimates that the introduction of the proposed new languages under an indirect translation practice could increase the processing time of international applications and other requests for recording by a few days. The introduction of a differentiated translation practice would limit this possible increase to those transactions for which post-editing is necessary to notify the Office of a designated Contracting Party in one of the newly introduced languages.

## IV. INCREASE IN THE AMOUNTS OF THE FEES

*The Delegations of Brazil, Canada, the European Union, France, speaking on behalf of Group B, Georgia, Japan, the United Kingdom and the Representatives of CITMA and JTA expressed concerns about the possible impact of the introduction of new languages on the amount of fees.*

8. As indicated in paragraph 36 of document MM/LD/WG/19/7, the objective is to find ways to facilitate the introduction of the new languages “in a manner that adds value, is sustainable and does not entail undue costs and complications for the users of the System.” In other words, in a manner that does not entail an increase in the amounts of the fees.

## V. PREVIOUSLY DISCUSSED OPTIONS

*The Delegations of Switzerland and the United States of America asked about the possible options for the introduction of the new languages that the Working Group discussed in previous sessions.*

9. As indicated in paragraph 37 of document MM/LD/WG/19/7, “[t]he informal consultations confirmed that none of the several options for the introduction of the proposed new languages outlined by the Secretariat and previously discussed by the Working Group had garnered consensus support.”

10. The implementation of the six elements described in the above-mentioned document would form the basis of a new formula, different from the currently existing working language formula, because, under the latter, there is no differentiated translation practice and not all decisions are translated.

## VI. DECREASE IN QUALITY – INCREASE IN ERRORS

*The Delegations of France, on behalf of Group B, Germany, Japan, the United States of America and the Representatives of CITMA, JTA and MARQUES expressed concerns about a possible decrease in the quality of translation or increase in errors.*

11. The International Bureau will not introduce new languages in a manner that compromises the quality of its translations. The elements described in document MM/LD/WG/19/7, in particular, enriching the Terminology Database, securing the best-performing machine-translation tools and the application of targeted post-editing under a differentiated practice, seek to ensure that the translation quality is not compromised.

*The Representative of CITMA wondered how to correct mistakes in translation.*

12. Errors made by the International Bureau can be corrected, *ex officio* or at the request of the holder or an Office, in accordance with Rule 28(1) of the Regulations.

## VII. RETURN ON INVESTMENT – INCREASE IN INTERNATIONAL APPLICATIONS

*The Delegation of Brazil indicated that it would be useful to have a return on investment analysis.*

13. The International Bureau considers that the *demandeurs* are in the best position to give a sense of what would happen in terms of increase in international applications after the introduction of the new languages. The International Bureau could collaborate with the *demandeurs* to estimate the possible impact on filings that could result from the introduction of the proposed new languages.

## VIII. TECHNICAL QUESTIONS

*The United States of America requested further information on the following issues: About enriching the Terminology Database of indications, please clarify what is meant by “indications.” Is this a database of translations of goods and services only, similar to the Madrid Goods and Services Manager (MGS) but only larger? Or, is this a database of general terms for translating documents, such as provisional refusals, irregularities and corrections?*

14. The Terminology Database consists only of indications of goods and services in English, French and Spanish. These are indications that are regularly used in international applications and requests for recording, have been consistently translated and the translation has been reviewed by an internal translation expert.

15. MGS is a classification database that contains indications of goods or services properly drafted and classified by an internal classification expert. These indications come from various sources, such as international applications or classification databases in national or regional Offices, and in several languages. Not all indications in MGS are available in all the 17 MGS languages. MGS may offer a translation only into the languages in which the indication is available.

16. There are synergies between the Terminology Database and MGS because indications added to the Terminology Database may be added later to MGS and *vice versa*.

*About enhancing WIPO Translate, please explain if it would work in conjunction with the Terminology Database and whether, without the Terminology Database, WIPO Translate would be of limited use.*

17. WIPO Translate is an AI-based translation tool. The Terminology Database works in conjunction with WIPO Translate. Indications of goods and services that are not translated automatically through the Terminology Database are machine-translated using WIPO Translate, as indicated in paragraph 46 of document MM/LD/WG/19/7.

18. The data in the enriched Terminology Database would serve to “train” WIPO Translate in the new languages. Without that data, the accuracy and effectiveness of WIPO Translate in the new languages would be limited.

*Please also explain whether having machine translation services provided by external providers is a stand-alone option, or would it still require updating the Terminology Database and WIPO Translate.*

19. The Terminology Database would allow the International Bureau to achieve a 65 per cent automatic translation rate. The remaining 35 per cent would be translated using WIPO Translate or external machine-translation services, or both. The International Bureau would review both possibilities and make a decision, per language pair, based on the quality of the output.

*Please explain how the Terminology Database and WIPO Translate work, how they are used and the types of documents they translate. Perhaps at the next session, a demonstration could be provided to show these tools in action.*

20. The Terminology Database contains indications of goods and services in the three working languages. The International Bureau uses a system that searches through the Terminology Database and, where it finds a perfect match, takes the corresponding translations. This is automatic translation and requires no further intervention. At present, the system finds a perfect match for 79 per cent of indications of goods and services in international applications, requests for recording and decisions from the designated Offices.

21. The current translation practice of the International Bureau is described in paragraphs 30 to 33 in document MM/LD/17/7 Rev.

*We do request the Secretariat provide a supplemental document or report on expanding the use of these existing resources and other AI-based tools and their costs for adding languages.*

22. The scope of the new document would require further clarification, in particular on the additional information that is sought.

*On using modern machine translation technologies to translate all decisions from the designated offices, and aside from the examples of provisional refusals and final decisions, please identify other communications that qualify as “decisions” that would be translated.*

23. In addition to notifications of provisional refusal and statements of final decisions, “decisions” may also concern statements of further decisions, notifications of invalidation and declarations that a given license, limitation or change in ownership have no effect.

*We note that the electronic storage capacity and costs associated with adding three languages are not addressed and recommended to be included.*

24. The additional data volume would not be significant, in relative terms, and the operating budget of the Organization would cover additional data storage costs, if any.

25. WIPO Translate would require a new server to process the additional transactions, which would cost some 10,000 Swiss francs, as indicated in paragraph 48 of document MM/LD/WG/19/7.

*Lastly, regarding the financing for adding the proposed languages, the revised study states that the one-time investment may be funded from the Madrid Union Reserves and the annual recurring expenditures absorbed by the Madrid Union. It is not clear how adding languages would not affect fees and not necessitate raising fees, to maintain the system in the same financial posture.*

26. As indicated in paragraph 67 of document MM/LD/WG/19/7, “[t]he one-time investment may be financed from the Madrid reserves in accordance with the Reserves policy of the Organization. [...] Regarding recurring expenditure, the Secretariat considers that, based on the current growth projections until 2024 from the Chief Economist, the estimated level of expenditure for the differentiated translation practice can be absorbed by the Madrid Union.”

27. Under the Reserves policies of the Organization, a proposal concerning the investment required to enrich the Terminology Database would have to be presented for the consideration of the Program and Budget Committee.

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