



中国国际贸易促进委员会

CHINA COUNCIL FOR THE PROMOTION
OF INTERNATIONAL TRADE

**CCPIT Position Paper on the Introduction
of the Arabic, Chinese and Russian languages into the Madrid System
for the International Registration of Marks**

Since 2018, the Working Group on the Legal Development of the Madrid System for the International Registration of Marks (hereinafter referred to as “the Working Group”) has held discussions on the language issue of the Madrid System in meetings for four consecutive years, where full discussions and in-depth analyses have been made on the topic of introduction of the Chinese language, the Russian language and the Arabic language into the Madrid System. Multilingual policy is an established policy of WIPO. The introduction of Chinese, Russian and Arabic into the Madrid System as the official languages of the United Nations conforms to WIPO's multilingual policy.

As a permanent observer of the World Intellectual Property Organization (WIPO), China Council for the Promotion of International Trade (CCPIT) would like to express our high appreciation for the efforts made by the Working Group in promoting this issue, our strong support for the introduction of the Chinese language into the Madrid System for International Registration of Marks as one of the working languages , and our strong aspiration that the Madrid System can benefit more market entities and individuals.

I. The potential is huge for the Madrid System for International Registration of Marks in the Chinese market.

According to the statistics from WIPO, the Madrid trademark applications filed by applicant from China amounted to 6,900, 6,339, 7,075 and 5,272 respectively from 2018 to 2021, ranking third in the world following the U.S. and Germany, while the numbers of designations made in the Madrid applications were 59,624, 58,866, 66,728 and 62,591 respectively, ranking second in the world, second only to the U.S. and followed by Germany. Despite ups and downs in numbers, there is no denying that China has become an important source of Madrid applications. It benefits from China's high level of opening up, and also shows that Chinese enterprises are increasingly willing to "go global".

The applications abroad for trademarks can be filed via the Madrid route or the direct application route. To assess the state and potential for growth of the use of the Madrid

application route by applicants of a specific country, an analysis may be conducted on the proportion of the number of Madrid applications in the total number of all applications abroad filed thereby, measured by "application number count" or "class count". No matter which measure is used for analysis, the proportion of the number of Madrid applications in the total number of all applications abroad filed by Chinese applicants was not much different from that by applicants domiciled in the U.S., but was lower, to a certain extent, than that by German applicants.

It is worth noting that the total number of applications abroad by Chinese applicants has been growing rapidly in recent years, reaching 201,000, 225,000 and 356,000 respectively from 2018 to 2020, ranking first in the world in both 2019 and 2020. This demonstrates the strong demand for filing applications abroad for trademarks of Chinese applicants with large room for growth, which furnishes the foundation and possibility for promoting the corresponding increase in the number of Madrid applications. From the perspective of development, compared with the proportion (over 50%) of the number of Madrid applications from Germany, considerable room for growth still exists for China. Our estimation is that, if the proportion of the Madrid applications from China could rise to 40%, it would be likely for the number of Madrid applications originated from China to grow to about 10,000 to 12,000, and if the proportion could further rise to 50% (equivalent to that for Germany), the number of Madrid applications originated from China is likely to grow to about 16,000. This betokens a huge potential in the Chinese market.

II. Introduction of the Chinese language into the Madrid System will enormously improve the user experience of the Madrid System for Chinese applicants and increase the number of Madrid applications filed by Chinese applicants.

As mentioned above, in each of the past four years, the number of all applications abroad for trademarks, the number of Madrid applications and the corresponding numbers of designations by Chinese applicants have all ranked among the top three in the world. These data demonstrate that the current level of activity of Chinese applicants in filing trademark applications abroad remains relatively high compared to many other countries, and the time has come to introduce the Chinese language into the Madrid System as one of the working languages. After years of promotion, more and more Chinese enterprises tend to choose the Madrid system, among which small and medium-sized enterprises (SMEs) account for the majority of the total number of applicants and constitute the main force for future growth in the number of Madrid applications. In China, the SMEs amount to over 40 million with an enormous potential.

In 2021, CCPIT and China Trademark Association conducted a survey on the experience of the Madrid System among Chinese users. The data showed that 64.38% of enterprises had the demand for filing applications abroad for trademarks in the future, and 78.43% of enterprises were interested in the use of the Madrid System. However, due to reasons

such as the inconvenience in terms of the language and the inability to afford high translation fees, price-sensitive SMEs were kept away from using the Madrid System. More than 80% of the enterprises gave the feedback that the use of Chinese would render the Madrid System more time-saving, more cost-effective, more precisely informative and easier for management, and 95.1% of the enterprises expressed the opinion that the use of the Chinese language would make the Madrid System more convenient.

On September 20, 2022, the event for promotion of the Madrid System for the International Registration of Marks (Zhejiang), jointly organized by CCPIT and WIPO was successfully held online. Among the on-spot participants, the number of SMEs based in Zhejiang Province alone reached more than 480. Besides, more than 300,000 audience nationwide watched the live broadcast of the event. China's SMEs have a strong willingness to get more informed of and make full use of the Madrid System, thus the event for promotion of the Madrid System has gained wide attention and received warm welcome.

We are convinced that, the introduction of the Chinese language into the Madrid System will considerably improve the user experience thereof for Chinese applicants, provide convenience for Chinese applicants in filing Madrid applications, and reduce extra expenses resulting from their use of foreign languages, thereby facilitating and encouraging Chinese applicants to file more trademark applications via the Madrid System.

III. Introduction of new languages will better embody the value pursuit of WIPO, which is inclusive, balanced and empowering the SMEs.

Upon assuming his functions as WIPO's Director General, Mr. Daren Tang said that WIPO's work will be channeled toward the construction of an inclusive, balanced, vibrant and forward-looking global IP ecosystem that serves the interests of all countries and their stakeholders. In 2021, WIPO passed a revised language policy. Language diversity is one of the core values held by WIPO. In contrast to the PCT - The International Patent System, in which requests for filing can be submitted in ten languages of publication, the inclusiveness in terms of language of the Madrid System is much needed for improvement, which has, to some extent, hindered the introduction of information and services provided by WIPO to a wider audience worldwide.

We believe it necessary to introduce Chinese, Russian and Arabic into the Madrid system as they are the official languages of the United Nations. This initiative will better embody the value pursuit of inclusiveness and balance of WIPO and will further facilitate the development of the SMEs through IP empowerment, which is not only an effective measure to implement WIPO's Medium-Term Strategic Plan (MTSP) 2022-2026, but also an intrinsic part of WIPO's work as an agency of the United Nations. It is our hope that the Madrid System may, taking the introduction of new languages as an opportunity,

adopt the perspective of long-term development and hold the spirit of reform with keen determination to develop the Madrid system to be a more inclusive, convenient and efficient system, so that it can eventually become the top choice for Chinese enterprises and enterprises worldwide in filing international applications for trademarks.

Finally, we would like to reiterate that CCPIT strongly supports the introduction of the Chinese language, the Russian language and the Arabic language into the Madrid System for International Registration of Marks as one of the working languages, and we hope that the Working Group will introduce the new languages into the Madrid system as soon as possible, so as to benefit more enterprises and individuals. Again, many thanks to the Working Group for the hard work and great support!