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## **STANDING COMMITTEE ON THE LAW OF TRADEMARKS, INDUSTRIAL DESIGNS AND GEOGRAPHICAL INDICATIONS**

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**DRAFT PROVISIONS ON THE  
PROTECTION OF WELL-KNOWN MARKS**

*prepared by the International Bureau*

## INTRODUCTION

1. The present document contains draft provisions dealing with the protection of well-known marks, and accompanying notes. Previous drafts of the provisions have been considered by the WIPO Committee of Experts on Well-Known Marks (hereinafter referred to as the “Committee of Experts”), which has so far met in three sessions, from November 13 to 16, 1995 (see documents WKM/CE/I/2 and 3), from October 28 to 31, 1996 (see documents WKM/CE/II/2 and 3) and from October 20 to 23, 1997 (see documents WKM/CE/III/2 and 3), and by the WIPO Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) at its first session (July 13 to 17, 1998) (see documents SCT/1/3 and 6). Differences between the text of the draft provisions submitted to the first session of the SCT (document SCT/1/3 and document SCT/1/6, Annex I) and the text of the draft provisions contained in the present document have been highlighted as follows: (i) words which did not appear in documents SCT/1/3 and SCT/1/6, Annex I, but appear in the present document are underlined, and (ii) the omission of words which appeared in documents SCT/1/3 and SCT/1/6, Annex I, from the present document is indicated by strikethrough. Notes which appear between square brackets are of a purely editorial nature and will not appear in any final version of the document. Changes in the Notes are not marked.

2. Following the decision of the SCT taken at its first session, the draft provisions have been redrafted in the form of a resolution of the General Assembly of WIPO. The wording of the draft provisions has been amended accordingly. However, this does not exclude the possibility of inclusion of the provisions into a future treaty.

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*Resolution*

R.1 The Resolution is intended to be adopted by the General Assembly of WIPO, and is addressed to the Member States of WIPO. In order for the Resolution to have the widest possible coverage, it is suggested that it also mention intergovernmental organizations having competence in the area of trademarks. [The first paragraph of the Resolution is taken from the previous draft (see note 2.1, below.)]

Resolution

The General Assembly of the World Intellectual Property Organization (WIPO).

*Recognizing* that protection for well-known marks must be provided, under the Paris Convention for the Protection of Industrial Property and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), by ~~Parties~~ Member States that are bound to apply the relevant provisions of those treaties,

*Recommends*, to each Member State of WIPO [and, where Member States of WIPO are members of intergovernmental organizations which have competence in the area of trademarks, to such organizations], to protect well-known marks in accordance with the provisions contained herein.

*Notes on Article 1*

1.1 *Items (i) and (ii)*. These items are self-explanatory.

1.2 *Item (iii)*. [In several instances, the draft provisions mention the "competent authority" of a Member State (for example, Article 2(1)).] The legal nature of the "competent authority" will depend on the national system of a given Member State. The definition has been drafted broadly in order to accommodate all systems that exist in Member States.

1.3 *Item (iv)* has been drafted along the lines of Article 2(vi) of the Treaty on Intellectual Property in Respect of Integrated Circuits, adopted at Washington on May 26, 1989.

*Article 1*

*Definitions*

For the purposes of these Provisions:

(i) ~~“Party” means a State, or an intergovernmental organization which maintains an Office in which marks may be registered with effect in the territory of that organization;~~

(i) “Member State” means a State party to the Convention Establishing the World Intellectual Property Organization (1967), as amended in 1979;

(ii) “Office” means any agency entrusted by a ~~Party~~ Member State with the registration of marks;

(iii) “competent authority” means an administrative, judicial or quasi-judicial authority of a Member State which is responsible for determining whether a mark is a well-known mark, or for enforcing the protection of well-known marks;

(~~iii~~ iv) “territory” means, in the case of a State, the territory of that State, and in the case of an intergovernmental organization, the territory in which the constituting treaty of that intergovernmental organization applies;

[Notes on Article 1, continued]

1.4 *Item (v)*. Business identifiers are signs which identify businesses as such, and not the products or services offered by the business, the latter feature constituting a pure trademark function. Signs that may constitute business identifiers are, for example, trade names, business symbols, emblems or logos. Some confusion as regards the functions of marks and business identifiers stems from the fact that, sometimes, the name of a company, i.e., its business identifier, is identical with one of the company's trademarks.

1.5 *Item (vi)*. Internet domain names can be described as user-friendly substitutes for numerical Internet addresses. A numerical Internet address (also referred to as "Internet Protocol address" or "IP address") is a numeric code which enables identification of a given computer connected to the Internet. The domain name is a mnemonic substitute for such an address which, if typed into the computer, is automatically converted into the numeric address. [An example of a domain name is the domain name for the WIPO home page: "wipo.int".]



(~~v~~ v) “business identifier” means any sign used ~~intended~~ to identify a business, ~~such as a trade name, business symbol, emblem or logo~~ of a natural person, a legal person, an organization or an association;

(~~v~~ vi) “domain name” means an alphanumeric string that corresponds to a numerical address on the Internet.

*Notes on Article 2*

[2.1 The substance of the introductory paragraph of Article 2 has been moved to the Resolution.]

2.2 *Paragraph 1(a)*. [The work which so far has been undertaken on the draft provisions showed that any attempt to draw up an exhaustive list of criteria for determining whether or not a particular mark is well known in a given territory would be illusory. Rather, it was decided to define a number of criteria which can be used in order to make such a determination.] The owner of a mark, who intends to prove that the mark is well known, is free to use any evidence that may support such a claim. Consequently, paragraph 1(a) requires that a competent authority take into consideration any circumstances that are put forward in order to show that a mark is well known.

2.3 *Paragraph 1(b)*. By way of example, paragraph 1(b) lists a number of criteria which, if submitted, must be considered by a competent authority. An authority is not allowed to insist on the presentation of any particular criteria; the choice as to what kind of evidence is forwarded is left to the party requesting protection. The non-fulfillment of any particular criteria cannot in itself lead to the conclusion that a given mark is not well known.

2.4 *No. 1*. The degree of knowledge or recognition of a mark can be determined through consumer surveys and opinion polls. The point under consideration recognizes such methods, without setting any standards for methods to be used or quantitative results to be obtained.

2.5 *No. 2*. The duration, extent and geographical area of any use of the mark are highly relevant indicators as to the determination whether or not a mark is well known by the relevant sector of the public. Attention is drawn to Article 2(3)(a)(i), providing that actual use of a mark in the territory in which it is to be protected as a well-known mark cannot be required. However, use of the mark in neighboring territories, in territories in which the same language or languages are spoken, in territories which are covered by the same media (television or printed press) or in territories which have close trade relations may be relevant for establishing the knowledge of that mark in a given territory.

2.6 The term “use” is not defined. On the national or regional level, the question of what constitutes “use” of a mark usually arises in the context of acquisition of trademark rights through use, the invalidation of registrations for non-use, or the acquisition of distinctive character of a mark through use. However, for the purpose of the draft provisions, the term “use” should cover use of a mark on the Internet.

PART 1

DETERMINATION OF WELL-KNOWN MARKS

*Article 2*

*Determination of Whether a Mark is a*

*Well-Known Mark in the Territory of a ~~Party~~ Member State*

(~~2~~1) [*Factors for Consideration*] (a) In determining whether a mark is a well-known mark, the competent authority shall take into account all any circumstances from which it may be inferred that the mark is well known ~~shall be taken into account.~~

(b) In particular, ~~The~~ the competent authority ~~of the Party~~ shall consider information submitted to it with respect to factors from which it may be inferred that the mark is, or is not, well known, including, but not limited to, information concerning ~~the factors listed in Annex I.~~

~~—The factors referred to in Article 2(2)(b) include, but are not limited to,~~ the following:

1. the degree of knowledge or recognition of the mark in the relevant sector of the public;
2. the duration, extent and geographical area of any use of the mark;

[Notes on Article 2(1)(b), continued]

2.7 *No. 3.* Although “promotion of a mark” may well be considered to constitute use, it is included as a separate criterion for determining whether a mark is well known. This is mainly done in order to avoid any argument as to whether or not promotion of a mark can be considered to be use of the mark. Where an ever increasing number of competing goods and/or services are on the market, knowledge among the public of a given mark, especially as regards new goods and/or services, could be primarily due to the promotion of that mark. Advertising, for example, in print or electronic media (including the Internet), is one form of promotion. Another example of promotion would be the exhibiting of goods and/or services at fairs or exhibitions. Because the visitors at an exhibition may come from different countries (even if the access for exhibitors is limited to nationals from one country, for example, in the case of a national fair or exhibition), “promotion” in the sense of item (ii) is not limited to international fairs or exhibitions.

2.8 *No. 4.* The number of registrations of a mark obtained worldwide and the duration of those registrations may be an indicator as to whether such a mark can be considered to be well known. Where the number of registrations obtained worldwide is held relevant, it should not be required that those registrations are in the name of the same person, since in many cases a mark is owned in different countries by different companies belonging to the same group. Registrations are relevant only to the extent that they reflect use or recognition of the mark, for example, if the mark is actually used in the territory for which it was registered, or was registered with a *bona fide* intention of using it.

2.9 *No. 5.* Due to the principle of territoriality, well-known marks are enforced on a national basis. Evidence of successful enforcement of the right to a well-known mark or of the recognition of a given mark as being well known, for example, in neighboring territories, may serve as an indicator as to whether a mark is well known in a particular territory. Enforcement is intended to be construed broadly, also covering opposition procedures in which the owner of a well-known mark has prevented the registration of a conflicting mark.

2.10 *No. 6.* There exist a considerable variety of methods for trademark evaluation. This criterion does not suggest the use of any particular method. It merely recognizes that the value associated with a mark may be an indicator as to whether or not that mark is well known.

2.11 *Paragraph (1)(c)* makes it clear that the criteria listed under paragraph (b) do not constitute an exhaustive list, and that compliance or non-compliance with any of those factors cannot in itself be conclusive as to whether or not a given mark is well known.

3. the duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies;

4. the duration and geographical area of any registrations, and/or any applications for registration, of the mark, to the extent that they reflect use or recognition of the mark;

5. the record of successful enforcement of rights in the mark, in particular, the extent to which the mark was recognized as well known by ~~courts or other~~ competent authorities;

6. the value associated with the mark.

(c) The above factors ~~in Annex I~~, which are guidelines to assist the competent authority ~~of the Party~~ to determine whether the mark is a well-known mark in its territory, are not pre-conditions for reaching that determination. Rather, the ~~decision~~ determination in each case will depend upon the particular circumstances of that case. In some cases all of the factors may be relevant; in other cases some of the factors may be relevant; in still other cases none of the factors may be relevant. Additional factors that are not listed in ~~the Annex~~ sub-paragraph (b), above may be relevant, alone, or in combination with one or more of the factors listed in ~~the Annex~~ sub-paragraph (b), above.

[Notes on Article 2, continued]

2.12 *Paragraph (2)(a)*. [Due to a re-organization of Article 2, the substance of what was contained in the first sentence of paragraph (2)(a) has been moved to paragraph (2)(b).] This sub-paragraph recognizes that, as regards the knowledge of a given mark in the public, there may exist several relevant sectors. By way of example, three relevant sectors are described in items (i) to (iii).

2.13 *Item (i)*. The expression “consumer” is to be understood in the wide sense of the term, and should not be restricted to those persons who actually and physically consume the product. In that respect, reference can be made to the term “consumer protection” which covers all parts of the consuming public. Because the nature of the goods or services to which a mark is applied can vary considerably, actual and/or potential consumers can be different in each case. Groups of actual and/or potential consumers may be identified with the help of parameters such as the target group for the goods and services in relation to which the mark is used or the group of actual purchasers.

2.14 *Item (ii)* Depending on the nature of the goods and services, the channels of distribution may differ considerably. Certain goods are sold in supermarkets and are easily obtainable for consumers. Other goods are distributed through accredited dealers or through sales agents direct to a consumer’s business or home. This means, for example, that a survey among consumers who exclusively shop in supermarkets may not be a good indication for establishing the relevant sector of the public in relation to a mark which is used exclusively on goods sold by mail order.

2.15 *Item (iii)*. The business circles which deal with the goods and/or services to which a mark applies are in general constituted by importers, wholesalers, licensees or franchisees interested and prepared to deal in the goods or services to which the mark applies.

2.16 *Paragraph (2)(b)*. In order for a mark to be considered to be a well-known mark, it is sufficient that the mark is well known *in at least one relevant sector of the public*. It is not permitted to apply a more stringent test such as, for example, that the mark be well known by the public at large. The reason for this is that marks are often used in relation to goods or services which are directed to certain sectors of the public such as, for example, customers belonging to a certain group of income, age or sex. An extensive definition of the sector of the public which should have knowledge of the mark would not further the purpose of international protection of well-known marks, i.e., to prohibit use or registration of such marks by unauthorized parties with the intention of either passing off their goods or services as those of the real owner of the mark, or selling the right to the owner of the well-known mark.

(12) [*Relevant Sector of the Public*] (a) Relevant sectors of the public shall include, but shall not necessarily be limited to:

(i) actual and/or potential consumers of the type of goods and/or services to which the mark applies;

(ii) persons involved in channels of distribution of the type of goods and/or services to which the mark applies;

(iii) business circles dealing with the type of goods and/or services to which the mark applies.

(b) Where a mark is determined to be well known in at least one relevant sector of the public in the territory of a Member State, the mark shall be considered by the Member State to be a well-known mark. ~~It shall be sufficient, for a mark to be considered to be a well-known mark in the territory of the Party, if that mark is well known in a relevant sector of the public in that territory.~~

[Notes on Article 2(2), continued]

2.17 *Paragraph 2(c)*. Paragraph (2)(b) establishes that Member States must protect marks which are well known in at least one relevant sector of their public. Paragraph 2(c) introduces, on an optional basis, the possibility for Member States to also protect marks which are merely known by a relevant sector of the public. [The inclusion of this provision is based on an intervention of the Delegation of the United States of America at the first session of the SCT].

2.18 *Paragraph 2(d)* clarifies that paragraph (2)(b) and, where applicable, (c) set a minimum standard of protection, and that Member States are free to afford protection to marks that are, for example, well known or known only outside the territory in which protection is sought.

2.19 *Paragraph (3)(a)* sets out certain conditions, the fulfillment of which cannot be required when determining whether a mark is well known.



[(c) Where a mark is determined to be known in at least one relevant sector of the public in the territory of a Member State, the mark may be considered by the Member State to be a well-known mark.]

(d) Notwithstanding sub-paragraph (a), a Party A Member State may ~~shall be free to~~ determine that a mark is ~~considered to be~~ a well-known mark ~~in its territory~~, even if it ~~the mark~~ is not well known [or, if the Member States applies subparagraph (c), known] in a any relevant sector of the public in its territory.

(3) *[Factors Which Shall Not Be Required]* (a) A ~~Party~~ Member State shall not require, as a condition for determining whether a mark is a well-known mark:

(i) that the mark has been used, or that the mark be has been registered or ~~used~~ that an application for registration of the mark has been filed in, or in respect of, the territory of the ~~Party~~ Member State;

(ii) that the mark ~~be~~ is well known in, or that the mark has been registered or that an application for registration of the mark has been filed in or in respect of, any territory other than the territory of the ~~Party~~ Member State; or

(iii) that the mark ~~be~~ is well known by the public at large in the territory of the ~~Party~~ Member State.

[Notes on Article 2(3), continued]

2.20 *Paragraph 3(b)*. If it is possible to protect a mark in a Member State on the ground that it is well known outside its territory, this paragraph permits a Member State, in derogation of paragraph (3)(a)(ii), to request evidence in support of this fact.

(b) Notwithstanding sub-paragraph (a)(ii), a ~~Party shall be free to determine that a~~  
~~mark which is not well known in its territory is nevertheless considered to be a well-known~~  
~~mark in its territory, on the grounds that the mark is well known in one or more other~~  
~~territories~~ Member State may, for the purpose of applying paragraph (2)(d), require that the  
mark be well known in one or more territories other than the territory of the Member State.

*Notes on Article 3*

3.1 *Paragraph (1)*. Under this paragraph, a well-known mark is entitled to protection by a Member State at least as of the time when the mark has become well known in its territory. This means that a Member State is not obliged to protect an “internationally” known mark if that mark is not well known on its territory, or the mark is known albeit not well known. However, as expressed by the words "at least," protection may be granted before a mark has become well known.

3.2 *Paragraph (2)*. Cases involving the protection of a well-known mark very often involve an element of bad faith. Paragraph (2) takes account of this fact by stating in general terms that bad faith should be considered in balancing the interests of the parties involved in cases concerning the enforcement of well-known marks.

PART II

SCOPE OF PROTECTION

Article 3

Protection of Well-Known Marks; Bad Faith

(1) [Protection of Well-Known Marks] A Member State shall protect a well-known mark against conflicting marks, business identifiers and domain names, at least with effect from the time when the mark has become well known in its territory.

(2) [Consideration of Bad Faith] Bad faith may be considered as one factor among others in assessing competing interests in applying this Part.

*Notes on Article 4*

4.1 Paragraph (1)(a) *defines the conditions under which a mark is deemed to be in conflict with a well-known mark in respect of identical or similar goods and/or services. If the conditions of this subparagraph are met, the remedies provided for in paragraphs (2) to (5) are applicable.*

4.2 *Subparagraph (b) is applicable irrespective of the nature of the goods and/or services to which the conflicting mark applies. The remedies provided for in paragraphs (3) to (5) are only available if at least one of the conditions set out in item (i) to (iii) is met. Where protection is to be granted against the registration of, for example, a conflicting mark which has not yet been used, the conditions of items (i) to (iii) have to be applied as if the conflicting mark had been used, as indicated by the words “would” and “is likely to be.”*

4.3 *Item (i). Under this item, a connection between a well-known mark and a third party’s goods or services may be indicated, for example, if the impression is created that the owner of the well-known mark is involved in the production of the those goods, or the offering of those services, or that such production or offering was licensed or sponsored by him. The interests of the owner of the well*

*Article 4*

~~*Protection of Well-Known Marks Against Conflicting Marks*~~

(1) [~~*Conflicting with Marks*~~] (a) ~~A well-known mark shall be protected against any mark which is in conflict with it. A Party shall protect a well-known mark at least with effect from the time when the mark has become well-known in its territory.~~ (b) A mark shall be deemed to be in conflict with a well-known mark where that mark, or an essential part thereof, constitutes a reproduction, an imitation, a translation, or a transliteration, liable to create confusion, of the well-known mark, if the mark, or an essential part thereof, is used, or is the subject of an application for registration, or is registered, in respect of goods and/or services which are identical or similar to the goods and/or services to which the well-known mark applies.

(b) Irrespective of the goods and/or services for which a mark is used, is the subject of an application for registration, or is registered, that mark shall be deemed to be in conflict with a well-known mark where the mark, or an essential part thereof, constitutes a reproduction, an imitation, a translation or a transliteration, ~~liable to create confusion~~ of the well-known mark, and where at least one of the following conditions is fulfilled:

(i) the use of that mark would indicate a connection between the goods and/or services for which the mark is used, is the subject of an application for registration, or is registered, and the owner of the well-known mark, and would be likely to damage his interests;

[Notes on Article 4(1)(b), continued]

4.4 *Item (ii)*. This item would apply, for example, if the use of a conflicting mark is likely to impair or dilute in an unfair manner the unique position of a well-known mark in the market. A further example of dilution is where the conflicting mark is used on goods or services which are of an inferior quality or of an immoral or obscene nature. The meaning of the words “in an unfair manner” implies that third-party use of a well-known mark which is not contrary to honest commercial practice (e.g., reference to a well-known mark for review or parody) does not constitute dilution.

4.5 *Item (iii)*. The case referred to in this item differs from the cases covered by items (i) and (ii) in that no wrong connection concerning the real source of the goods and/or services is indicated (as in item (i)), and the value of the well-known mark has not diminished in the eyes of the public (as in item (ii)), but rather the use in question would, for example, amount to a free ride on the goodwill of the well-known mark for the person who uses a conflicting mark. The reference to “unfair advantage” in this item is intended to give Member States flexibility in the application of this criterion. For example, reference to a well-known mark for commercially justifiable reasons, such as the sale of spare parts, is not unfair and, thus, should be allowed.

4.6 *Paragraph 1(c)* clarifies that rights which were acquired prior to the moment when the mark has become well known in the territory of a Member State would not be considered to be in conflict with the well-known mark. However, there is one important derogation from that rule, namely, when a mark was used or registered, or the application for its registration was filed, in bad faith.

4.7 *Paragraph (2)*. The objective of this paragraph is to ensure that, where procedures for opposing the registration of a mark exist, owners of well-known marks would be entitled to oppose the registration of a mark which would be in conflict with their well-known mark. The possibility of oppositions against the registration of marks based on a conflict with a well-known mark gives an early opportunity for owners of well-known marks to defend their marks. The reference to paragraph (1)(a) limits opposition procedures to cases involving confusion. Consequently, cases of alleged dilution do not have to be dealt with in opposition procedures.

4.8 *Paragraph (3)(a)*. Under this paragraph, the date of publication (rather than the date of registration) is included for the purposes of calculating the period during which invalidation procedures have to be accepted, because it is the earliest date on which the owner of a well-known mark can be expected to have received official notice of the registration of a conflicting mark.



(ii) the use of that mark is likely to impair or dilute in an unfair manner the distinctive character of the well-known mark;

(iii) the use of that mark would take unfair advantage of the distinctive character of the well-known mark.

(c) A ~~Party~~ Member State shall not be required to consider a mark to be in conflict with a well-known mark, if that mark was used or registered, or an application for its registration was filed, in or in respect of its territory [~~in good faith~~], before the well-known mark became well known in its territory, except where the mark was used or registered, or the

[Notes on Article 4(3), continued]

4.9 *Paragraph (3)(b)*. If procedures for the invalidation of the registration of a mark can be initiated *ex officio* by an office or a court, it is considered to be reasonable that a conflict with a well-known mark also be treated as a ground for invalidation.

4.10 *Paragraph (4)* provides the owner of a well-known mark with a further remedy, namely, the right to request an order from a competent authority to prohibit the use of a conflicting mark. Similar to the right to request invalidation procedures under paragraph (3), the right to request an order to prohibit the use of a conflicting mark is subject to a time limit of at least five years. However, in the case of use of a conflicting mark, the time period of at least five years must be calculated from the moment from which the owner of the well-known mark had knowledge of the conflicting use. It follows that there is no obligation to prohibit the use of a mark which is in conflict with a well-known mark where the owner of the well-known mark has knowingly tolerated such use during at least five years.

4.11 *Paragraph (5)* provides that any time limit which, under paragraphs (3) and (4), may be applicable in connection with the invalidation of a registration or with the prohibition of use cannot be applied if a mark was either registered (irrespective of whether it was registered in good faith or in bad faith) but never used, or registered or used in bad faith. As far as the former situation is concerned, this problem will, in most cases, be taken care of by provisions under national or regional laws stipulating that the registration of a mark which has not been used for a certain period of time becomes liable for cancellation. However, if a use requirement does not exist, a situation is conceivable in which a mark conflicting with a well-known mark had been registered in good faith but had never been used and had therefore not attracted the attention of the owner of the well-known mark. Paragraph (5) aims at avoiding the situation where the owner of the well-known mark is prevented from defending his rights by the time limits applicable under paragraph (3) or (4).

4.12 In order to remedy cases of willful misappropriation of well-known marks, paragraph (5) also provides that any time limit that may be applicable under paragraph (3) or (4) does not apply in cases of bad faith. The second phrase of paragraph (5) sets out, for the purposes of applying that paragraph, the applicable test for determining whether a mark was registered or used in bad faith. As this provision is silent as to who bears the burden of proof for showing bad faith, this question is left to the applicable law. However, the mere fact that the defendant acted in bad faith does not necessarily mean that the mark in question is in conflict with the well-known mark, or that the latter mark is actually well known in the territory concerned. The only effect of the presence of bad faith under this paragraph is that any time limit which otherwise could be applicable under paragraphs (3) and (4) may not apply.

(b) If the registration of a mark may be invalidated *ex officio* by an Office or a court, a conflict with a well-known mark shall, during a period which shall not be less than five years from the date on which the registration was published by the Office, be a ground for *ex officio* invalidation of the said registration.

(4) [*Prohibition of Use*] The owner of a well-known mark shall be entitled to request the prohibition, by a decision of ~~a court or of any other~~ the competent authority ~~empowered by the applicable law to take such decisions~~, of the use of a mark which is in conflict with the well-known mark. Such request shall be admissible for a period which shall not be less than five years from the time the owner of the well-known mark had knowledge of the use of the conflicting mark.

(5) [*No Time Limit in Case of Registration Without Use or of Bad Faith*]  
Notwithstanding paragraphs (3) and (4), a ~~Party~~ Member State may not prescribe any time limit for requesting the invalidation of the registration or the prohibition of the use of a mark which is in conflict with a well-known mark if the conflicting mark was registered but not used, or if it was registered or used in bad faith. In determining bad faith for the purposes of this paragraph, the competent authority shall consider whether ~~A~~ the person who obtained the registration of or used a the mark which is in conflict with a well-known mark ~~shall not be deemed to be in bad faith, unless it is shown that~~ had, at the time of the registration or use of the conflicting mark, ~~this person had~~ knowledge of, or ~~had~~ reason to know of, the well-known mark.

*Notes on Article 5*

5.1 *General.* Article 5 sets out the remedies which Member States have to make available if a well-known mark is in conflict with a business identifier. This Article essentially consists of the same provisions as Article 4, but takes account of the special nature of business identifiers. The main differences between marks and business identifiers are that (i) marks distinguish goods and/or services, whereas business identifiers distinguish businesses, and (ii) the registration of marks is effected by national or regional authorities (trademark offices in most cases), whereas business identifiers may be registered by administrations which may vary from country to country, or not be registered at all.

5.2 As regards those parts of Article 5 which are identical with Article 4, reference is made to the notes on Article 4.

Article 5

*Protection of Well-Known Marks Against Conflicting Business Identifiers*

(1) [~~Conflicting with Business Identifiers~~] (a) ~~A well-known mark shall be protected against any business identifier which is in conflict with it. A Party shall protect a well-known mark at least with effect from the time when the mark has become well known in its territory.~~ (b) A business identifier shall be deemed to be in conflict with a well-known mark where that business identifier, or an essential part thereof, constitutes a reproduction, an imitation, a translation, or a transliteration of the well-known mark, ~~liable to create confusion,~~ and where at least one of the following conditions is fulfilled:

(i) the use of the business identifier would indicate a connection between the business for which it is used and the owner of the well-known mark, and would be likely to damage his interests;

(ii) the use of the business identifier is likely to impair or dilute in an unfair manner the distinctive character of the well-known mark;

(iii) the use of the business identifier would take unfair advantage of the distinctive character of the well-known mark.

[Notes on Article 5, continued]

5.3 *Paragraph (2)*

(b) A ~~Party~~ Member State shall not be required to consider a business identifier to be in conflict with a well-known mark, if that business identifier was used or registered, or an application for its registration was filed, in or in respect of its territory ~~[in good faith]~~, before the well-known mark became well known in or in respect of its territory, except where the business identifier was used or registered, or the application for its registration was filed, in bad faith.

(2) [*Cancellation*] (a) Where a conflicting business identifier is the subject of a registration, the owner of a well-known mark shall be entitled to request, during a period which shall not be less than five years from the date on which the registration of that business identifier was published, the cancellation, by a decision of ~~a court or any other~~ the competent authority empowered by the applicable law to take such decisions, of that registration.

(b) If the registration of a business identifier may be canceled *ex officio*, a conflict with a well-known mark shall, during a period which shall not be less than five years from the date on which the registration of the conflicting business identifier was published, be a ground for *ex officio* cancellation of the said registration.

(3) [*Prohibition of Use*] The owner of a well-known mark shall be entitled to request the prohibition, by a decision of ~~a court or of any other~~ the competent authority empowered by the applicable law to take such decisions, of the use of a business identifier which is in conflict with the well-known mark. Such request shall be admissible for a period which shall not be less than five years from the time the owner of the well-known mark had knowledge of the use of the conflicting business identifier.





(4) *[No Time Limit in Case of Registration Without Use or of Bad Faith]*

Notwithstanding paragraphs (2) and (3), a ~~Party~~ Member State may not prescribe any time limit for requesting the cancellation of the registration or the prohibition of the use of a business identifier which is in conflict with a well-known mark if the conflicting business identifier was registered but not used, or it was registered or used in bad faith. In determining bad faith for the purposes of this paragraph, the competent authority shall consider whether A the person who obtained the registration of or used a the business identifier which is in conflict with a well-known mark ~~shall not be deemed to be in bad faith, unless it is shown that~~ had, at the time of the registration or use of the conflicting business identifier, ~~this person had~~ knowledge of, or ~~had~~ reason to know of, the well-known mark.

*Notes on Article 6*

[6.1 *General.* The provisions concerning conflicts between well-known marks and Internet domain names were included in the previous draft (document SCT/1/3, Article 6), but were not discussed at the last session of the SCT. Since that session, the Member States of WIPO

[Article 6]

*Protection of Well-Known Marks Against Conflicting Domain Names*

(1) [~~Conflicting with Domain Names~~] (a) ~~A well-known mark shall be protected against any domain name which is in conflict with it. A Party shall protect a well-known mark at least with effect from the time when the mark has become well known in its territory.~~ (b) A domain name shall be deemed to be in conflict with a well-known mark where that domain name, or an essential part thereof, constitutes a reproduction, an imitation, a translation, or a transliteration, ~~liable to create confusion,~~ of the well-known mark, and where at least one of the following conditions is fulfilled:

(i) the use of the domain name would indicate a connection between the holder of the domain name and the owner of the well-known mark, and would be likely to damage his interests;

(ii) the use of the domain name is likely to impair or dilute in an unfair manner the distinctive character of the well-known mark, in particular, where that domain name has been registered with the primary intention of selling it to the owner of the well-known mark;

(iii) the use of the domain name would take unfair advantage of the distinctive character of the well-known mark.

[Notes on Article 6, continued]

6.6 *Paragraph (2)*. The remedies provided for in paragraph (2) are those which are the most appropriate in the situation at hand, namely the transfer or the cancellation of the infringing domain name. Following the relevant provisions in Articles 4 and 5, a request for cancellation or transfer must be made within a period which shall not be less than five years from the date of registration of the domain name.

6.7 *Paragraph (3)* stipulates an exemption to the time limit applicable under paragraph (2) in cases where a domain name was registered in bad faith.]

(b) A ~~Party~~ Member State shall not be required to consider a domain name to be in conflict with a well-known mark if that domain name was registered ~~[in good faith]~~ before the well-known mark became well known in its territory, except where the domain name was registered in bad faith.

(2) [*Cancellation; Transfer*] The owner of a well-known mark shall be entitled to request, during a period which shall not be less than five years from the date on which the conflicting domain name was registered, the cancellation or the transfer, by a decision of a ~~court or any other~~ the competent authority empowered by the applicable law to take such decisions, of the domain name.

(3) [*No Time Limit in Case of Bad Faith*] Notwithstanding paragraph (2), a ~~Party~~ Member State may not prescribe any time limit for requesting the cancellation or the transfer of a domain name which is in conflict with a well-known mark if the conflicting domain name was registered in bad faith. In determining bad faith for the purposes of this paragraph, the competent authority shall consider whether ~~A~~ the person who obtained the registration of a ~~the~~ domain name which is in conflict with a well-known mark shall be deemed to be in bad faith, if that person has had, at the time of the registration of the conflicting domain name, knowledge of, or reason to know of, the well-known mark, or obtained the registration of the conflicting domain name with the primary intention of selling it to the owner of the well-known mark.]

