

TRADEMARK LAW SEMINAR

INTERNATIONAL CONVENTIONS

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Paris Convention, 1883

TRIPS Agreement, 1994

Madrid Agreement, 1991

Madrid Protocol, 1989

Nice Classification Convention, 1957

Community Trademark Regulation, 1994/2009

PARIS CONVENTION 1883

Basic principles

- **National Treatment**
- **Convention Priority**
- **Protection of Well Known Trademarks**
- **Telle Quelle**
- **Protection against Unfair Competition**
- **Territoriality**

National Treatment (non-discrimination) - Art. 2, 3

Each country (member to the Union) should provide to nationals of other countries (members to the Union) the same level of protection that provides to its own nationals (Non-discrimination).

Each country (member to the Union) should provide to its own nationals (and hence to nationals of other countries) at least the level of protection provided for in the Convention, for otherwise a foreign country would protect foreigners more than nationals.

National treatment is granted to nationals of non-member states who are domiciled or have a real and effective industrial or commercial establishment in a member state.

Member states cannot require domicile or establishment in their own jurisdiction as a condition to grant legal protection.

Member states cannot require reciprocity as a condition for granting legal protection.

National treatment is provided without prejudice to any rights granted by the Convention itself.

Exception: National treatment does not prevent member states to impose on foreigners requirement of a procedural nature, like i.e., appointing a local agent to receive service of process.

National Treatment

1. Target country – member state
2. Applicant :
 - (a) national,
 - (b) domicile,
 - (c) real and effective industrial or commercial establishment in a member state
3. National treatment – Non discrimination
4. Reciprocity
5. No domicile / No establishment in target country
6. Procedural requirements – local agent

Provided that the country where legal protection is sought is a member state to the Convention,

the applicant will enjoy at the target country the same level of legal treatment and protection that the nationals of the target country enjoy (non-discrimination).

The applicant will enjoy such national treatment and non-discrimination provided that:

- he is a national of a Convention member state
- he is domiciled in a member state
- he has a real and effective industrial or commercial establishment in a member state.

The applicant will not be required to prove reciprocity, or to have domicile or establishment in the target country.

There may be requirements of a procedural nature, like appointing a local agent to receive service of process.

Convention Priority - Art. 4

On the basis of an application for an IP right (i.e. a trademark) in one member state,

the applicant enjoys a grace period (for TMs 6 months) within which he can proceed with applications in other member states for the same IP right and

such later applications will enjoy a constructive, “convention”, priority dating back on the date of filing of the first, basic, application.

As a result later applications are treated as if filed when the first application was filed.

The Convention priority system deals with practical difficulties of making multiple applications to different countries for the same IP right.

Later applications must refer to the same subject-matter as the first basic application, i.e. same mark and same goods/services.

The first, basic, application must be a regular, “duly filed” application.

The first, basic, application can be a CTM application or a Madrid Protocol application.

Withdrawal, abandonment, or rejection of the first application does not affect later applications.

- 1. Basic application in any member state**
- 2. Grace period: 6 months**
- 3. Identical marks / goods / services**
- 4. Regular & duly filed**
- 5. Basic / target : CTM – Madrid Protocol**
- 6. Rejection of basic application shall have no effect**

1. The applicant can invoke Convention Priority on the basis of a national TM application in any member state.
2. If the application in the target country is filed within six (6) months from the date of filing of this basic application, it will enjoy priority as from the earlier date of filing of the basic application.
3. The application in the target country and the basic application must relate to identical marks and identical goods/services.
4. The basic application must be “regular” and “duly filed”.
5. The basic application can be a CTM or a Madrid Protocol application.
6. The target application can be a CTM or a Madrid Protocol application.
7. Rejection, withdrawal, or abandonment of the basic application will have no effect on the target application.

WELL KNOWN MARKS – Art. 6 bis

If the target application relates to a Well Known mark in the target country,

and this mark has already been registered in the name of a third party,

the applicant will be able to request the cancellation of the registration so that he can proceed with his own registration.

- The Convention provides protection to well-known marks on the basis of their reputation alone, that is, even if not registered. Member states are obliged to refuse registration or cancel registration of a mark that causes likelihood of confusion with a well-known trademark.
- The well-known mark has to be well known in the respective country in which protection is sought, although it is not necessary to be registered in that country.
- The protection granted is based on likelihood of confusion and NOT on dilution (i.e. in connection to identical or similar goods only).
- The reasons justifying protection of well-known marks, even if not registered, is that their use by third parties would deceive the public and would qualify as unfair competition in most countries as contrary to honest practices.

The obligations imposed on member states in connection to well known marks are:

- refuse an application for a conflicting mark,
- cancel a registration of a conflicting mark, allowing at least a 5 years period as from registration to request cancellation,
- prohibit the use of a conflicting mark,
- if bad faith is established, the time limit to request cancellation is endless.

TELLE QUELLE (As Is)

- **If the basic application has already been registered, the applicant can invoke the Telle Quell (As Is) principle.**
- **Telle Quell is subject to exceptions.**

One of the major problems that the Convention had to solve was that national laws were different as to which types of marks were acceptable for trademark registration. To solve this problem the Convention provides that if a trademark is already registered in one member state, other member states need to accept it for registration also and on an “as is” (telle quelle) basis, that is, as already registered in the origin member state.

The justification for this is that it is to the benefit of both trademark owners and consumers that the same mark be used for the same products in all countries.

The “telle quelle” principle is an attempt to grant “quasi” extraterritorial effects to a national registration.

There is a long, but exhaustive list of exceptions from the principle, which includes:

- conflicting earlier national rights
- the mark being non distinctive, descriptive, or generic,
- the mark being contrary to morality, public order, or deceptive,
- registration would result to unfair competition,
- the mark being used by its owner in a form essentially different from that registered.

UNFAIR COMPETITION

The Convention obliges member states to provide protection against unfair competition, although it does not specify the manner in which such protection should be granted.

It defines unfair competition to include acts contrary to honest practices and provides a non-exhaustive list of such acts.

The list includes:

- acts causing confusion,
- false and discrediting allegations about competitors,
- misleading allegations that can deceive the public.

Territoriality - Art. 6

TM applications will be treated according to national law only, regardless of the origin of the mark.

Obtaining and maintaining registration in a member state cannot be made dependent on the application, registration or renewal for the same mark in the country of origin.

A registration in a member state will be independent of registrations for the same mark in other countries, including the origin country. So, the status of other registrations in other countries does not affect the status of the registration in the country in question.

PARIS CONVENTION & TRIPS AGREEMENT

Art. 2 of TRIPS obliges TRIPS member states to comply with most of the substantive law provisions of the Paris Convention.

So, in effect, the TRIPS Agreement and the WTO resulted to the extension of the Paris Convention to more States.

PARIS CONVENTION

Advantages

1. National treatment – non discrimination
2. Convention priority
3. No need to prove reciprocity
4. Well known trademarks (protection)

Disadvantages

1. No central registration; multiple filing still needed
2. Telle Quelle subject to many exceptions
3. Well known marks protection does not extend to dis-similar goods
4. No straight forwards solution as to difference regarding types of marks that are registrable
5. Does not refer to enforcement, remedies, evidence, border measures

MADRID AGREEMENT, 1891

MADRID PROTOCOL, 1989

Madrid Agreement - What is it ?

A centralized TM application system.

A single application processed through the Int'l Bureau of WIPO.

Based on a national registration, leading to an international registration and then to a bundle of national registrations in designated countries.

Leads to protection in as many designated member states.

Not a truly international registration.

A bundle of national rights obtained through a centralized process.

Central registration + renewal + assignment + change of name.

Madrid Agreement Disadvantages

National Registration. It is based on a national registration not a national application.

Central Attack. If the basic national registration is cancelled during the first 5 years as from the IR date, then the international registration and the national registrations in designated countries also fail.

Short Refusal Period for National Offices. National registries have a short (1 year) period to refuse protection. This is inconvenient to those national registries that provide for a full examination of the applications.

Madrid Protocol Innovations.

The Madrid Protocol shares many features of the Madrid Agreement, but incorporate the following innovations:

National application. It is based on a national application (not registration).

Conversion with filing date reservation. If the basic application is refused, or cancelled after becoming a registration, the Madrid Protocol application can be converted to national applications reserving filing date.

Longer Refusal Period. Refusal period is 18 months, and in case of an opposition filed within the 18 months the period is even longer.

Participation by international organizations administering an int'l tm registry. Not only States, but Int'l Organizations also can become contracting parties. The EU is a contracting party to the Protocol (not to the Agreement).

Transformation of an international registration to national applications with a filing and priority date of the international registration.

WHO CAN APPLY - *Madrid Agreement*

The applicant must have a **registration** in a “country of origin” that is a contracting party.

The “country of origin” is where the applicant has a “real and effective commercial or industrial establishment”.

If he does not, the “country of origin” is where the applicant has his domicile.

If he has no domicile in a contracting party, the “country of origin” is the country of which he is a national.

So, there are strict rules determining which is the “country of origin”.

The justification of the strict rules is to prevent forum shopping, in the sense that the Agreement requires a registration which usually takes longer to be obtained and the applicant should not be able to select a convenient “country of origin”.

The basic registration must be in a Member State where:

- the applicant has a real and effective industrial or commercial establishment, or
- (in the absence of real and effective industrial or commercial establishment in a member state) his domicile, or
- (in the absence of domicile in a member state) of which he is a national.

This sequence is obligatory and binding.

The basic registration can NOT be a CTM.

The target application must be in a member state.

WHO CAN APPLY - Madrid Protocol

The rules as to the country of origin are more relaxed.

➤ In case the basic application is a national one:

The country of origin can be the country of which the applicant is a national, or the country where the applicant has a real and effective commercial or industrial establishment.

➤ In case the basic application is with an international organization:

The country of origin can be the country of which the applicant is a national, or has a domicile, or a “real and effective commercial or industrial establishment”, provide it is a country member to the respective int’l organization.

The basic application must be in country where the applicant is either:

- a national, or
 - has a real and effective industrial or commercial establishment, or
 - has domicile.
- The sequence is not binding.
 - The basic application can be with an international organization administering a TM registry, like the CMT.
 - The basic application can be a CTM
 - If the basic application is with a country which is party to **both the Agreement and the Protocol**, it is the Agreement rules that apply.

DESIGNATED COUNTRIES - Which countries can be designated?

➤ Basic application with a Madrid Agreement country

Designated countries must be members to the Agreement.

CTM / EU can NOT be designated.

➤ Basic application with a Madrid Protocol country

Designated countries must be members to the Protocol.

CTM / EU can NOT be designated.

➤ Basic application with a country member to both the Agreement and the Protocol

Designated countries can be members of either the Agreement, or the Protocol.

However, when both the country of origin and the designated country are parties to both the Agreement and the Protocol, the designation is governed by the Agreement (safeguard clause in favor of the Agreement).

Procedure

- The Int'l application is filed in the country of origin.
- The country of origin certifies that the int'l application corresponds to the respective national basic application or registration.
- The int'l application must be for the same identical mark as the basic national application / registration.
- The int'l application must be only for goods/ services mentioned in the basic national application / registration.
- Priority can be claimed either from the basic national application/registration, or from an earlier filing, provided the claim is made within 6 months as from the later.

- The language can be French, English, or Spanish.
- The int'l application designates the contracting countries to which protection is sought. More countries can be designated at a later stage also, through the process of “extension”, which is similar to a new int'l application in terms of procedure.
- The Int'l Bureau proceeds with a registration without carrying on an in depth examination, other than classification discrepancies and administrative irregularities.
- The Int'l Registration date is the date of filing with the country of origin, if the Int'l Bureau receives it within 2 months as of filing; if more than 2 months lapse, the date of the Int'l Registration is the date the Int'l Bureau receives it.

Refusal

Under the Agreement: 12 months

Under the Protocol: 18 months or longer if opposition is filed.

Refusal in one designated country does not affect other designated countries.

Extension: more designated countries can be added at a later stage, although through a process similar to a new int'l app.

Central Attack

If within 5 years as from the date of the Int'l Registration the basic application/registration is refused, cancelled or abandoned, this affects the int'l registration and all designated countries.

After this 5 years period the Int'l Registration becomes independent.

Transformation – under the Protocol only

Under the Protocol only,
if the basic registration fails,
the owner may proceed within 3 months to register the same
mark in the designated countries and thus “transform”
territorial designations into national registrations.

The “transformation” process is not applicable in case of a
basic application which is refused. So, although it is
convenient to use a national application as a basis for an
international application, it is quite risky also.

Replacement

If in a designated country an international registration coexist with an identical in all terms national registration, the international registration is deemed to replace the national. This is convenient in terms of lower renewal expenses, but it is not prudent to relinquish an earlier national right during the dependency period.

Protocol & CTM

The EU can be a designated territory in an Int'l Application under the Protocol.

A CTM application can be the basic application of an int'l application under the Protocol, although this is risky, because CTM applications receive a lot of oppositions.

MADRID PROTOCOL – Advantages

- 1. Cost savings
- 2. Central filing with multi-national effects
- 3. Selection of countries of interest
- 4. Ability to subsequently expand to additional countries
- 5. Reasonable refusal period (18 months)
- 6. Single fee for renewals, assignments, etc.
- 7. IR priority from basic application

MADRID PROTOCOL - Disadvantages

- 1. Objections arise on a country by country basis
- 2. Central attack
- 3. Assignment restrictions; assignment only to member states
- 4. Not unitary character; only a bundle of national rights
- 5. Basic application required
- 6. Canada, Latin America not parties

TRIPS AGREEMENT, 1994

- A multilateral convention.
- All I.P. rights covered.
- *National treatment* = member states must offer to nationals of other member states the treatment and protection provided for in the Agreement
- *MFN* – most favored nation
- Obligation to apply the *Paris Convention*
- Neutral on *Exhaustion* of Rights
- Does not derogate from Paris Convention
- *No direct effect* without implementation into national law, but the EU has also adhered as an int'l organization and national law will be interpreted in view of TRIPS
- *Enforcement, remedies, border measures.*

TRIPS on Trademarks

- acquisition and maintenance procedures to be reasonable
- a list of types of marks that must be acceptable for registration
- combinations of colors expressly included in the list
- service marks to be protected
- non visual marks not included
- use cannot be made a requirement for the application, but registration can be conditioned upon use
- publication before registration
- third party opposition and cancellation to be possible

Paris Convention: TRIPS is based on Paris Convention principles and in addition to this it incorporate Paris Convention by reference; it requires member states to comply with Arts. 1-12 and 19 of the Paris Convention.

Infringement is based upon likelihood of confusion

Well-Known marks. Protection is broader than in the Paris Convention (Art. 6bis).

It includes service marks.

It includes non-similar goods/services.

Reputation can be acquired not only through use, but through promotional activities also.

Cancellation for non-use: 3 years of non-use at least; licensing = use.

Assignment: without goodwill

Compulsory licensing: NOT possible.

Enforcement – Remedies: they must be effective, not unnecessarily long, not complicated, not costly. Emphasis is on evidence and injunctions (right to information).

Cooperation WIPO – WTO: TRIPS provide for such cooperation.

COMMUNITY TRADEMARK, 1994

COMMUNITY TRADEMARK

- CTM is a regional, centralized filing & registry system.
- CTM is of unitary character.
- Single filing leading to an int'l unitary right.
- CTM can be applied by any party irrespective of nationality, domicile, establishment, etc.
- Filing is central with OHIM.
- CTM applies to all member states of the EU.
- Not possible to selectively designate some member states only.

Priority can be claimed on the basis of a (not more than 6 months old) earlier national application in any TRIPS or Paris Convention country.

On the basis of a CTM application priority can be claimed in other countries under the Paris Convention or the Madrid Protocol.

Seniority can be claimed from national TM rights in EU member states. Seniority means that the owner of a CTM registration can allow earlier national registrations in EU member states to lapse without renewal and still retain his rights in those countries consolidated in his CTM registration.

The application is published without examination on relative grounds. Examination is on absolute grounds only.

Earlier rights in any EU member state can oppose to a CTM application. The time limit for oppositions is 3 months as from publication.

Conversion. If the CTM application / registration fails for any reason, the applicant / owner can request its conversion to national applications / registrations within 3 months as from relevant notice from OHIM. Conversion secures the priority of the CTM that failed.

Conversion is not possible, if failure is due to non-use.

Division. CTM applications / registrations can be divided to more separate applications / registrations.

CTM

- Earlier rights are not taken into account ex officio

Advantages

- 1. Cost savings
- 2. Unitary character
- 3. Single fee for renewal, assignment, etc.
- 4. Seniority; priority of national trademarks can be retained even if
 - abandoned
- 5. Conversion
- 6. No basic application/registration required

CTM – Disadvantages

- 1. Objection in one country can extinguish CTM; yet conversion
- 2. Not to be treated on a country by country basis
- 3. Not possible to choose countries on application
- 4. Less countries than IR

Madrid Protocol & CTM – Comparison

Madrid Protocol Advantages	CTM
Results to a bundle of national rights	Results to a unitary right
Can select designated countries	No selection of countries
Refusal in one country does not affect the others	A successful objection in one territory will lead to collapse of the whole CTM application, save for conversion
Assigned per country	Assigned as a unitary right
Cancellation in one country does not affect the others	Cancelled as a unitary right

• **Madrid Protocol Disadvantages**

- **CTM**

Basic application required -

No basic application is required

Use in each country required
to prevent cancellation -

use in one country prevents
cancellation

Central attack possible -

central attack possible

PARTICIPATION OF MAJOR COUNTRIES TO MAJOR INTERNATIONAL TREATIES

	USA	UK	EU
Paris	YES	YES	NO but member states YES
TRIPS	YES	YES	YES
Madrid Agreement	NO	NO	NO
Madrid Protocol	YES	YES	YES
Nice Classification	YES	YES	CTM applies it