

Client Advisory

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United States to Join Madrid Protocol

□ *Membership Makes New International Trademark Application Mechanism Available*

The United States will become an official member of the Madrid Protocol on November 2, 2003. The Madrid Protocol is an international trademark application filing treaty. Trademark holders in its member countries are able to file for trademark protection in other member countries through one application, which is then examined according to each country's national procedures. For example, this will permit a U.S. applicant to make a filing in the U.S. Patent and Trademark Office that initially covers other designated Madrid Protocol member countries. The members of the Madrid Protocol include most European countries, China, Cuba, Japan, North and South Korea, Iceland, Turkey, and some African countries, among others. Among the countries not included in the Madrid Protocol are Canada and Mexico, as well as most of Central and South America.

1. *What is the Madrid Protocol, and how does it differ from other registration approaches/systems?*

The Madrid Protocol is a mechanism for securing international trademark registration. Under the Madrid Protocol, a U.S. applicant will have the option of applying for registration of a mark in all member countries of the Protocol by filing a single application in the U.S. Patent and Trademark Office ("PTO") based on a U.S. application or registration for the same mark.

This differs from other international filing practices in that a single application filed in the U.S. can make of record a claim to rights in a mark in several countries, at the same time in a single filing. Initially, it will not be necessary to engage foreign counsel on a country-by-country basis to effect a filing in such countries. It is important to note, however, that as with conventional filing practices, applications filed under the Madrid Protocol are still subject to review by individual national trademark offices.

2. *What are the principal advantages of making Madrid Protocol filings?*

The principal advantage of filing a Protocol application is the simplicity of making a single filing covering several countries (as opposed to multiple individual filings) and the related cost savings.

3. *What are the primary disadvantages or potential issues relating to Madrid Protocol filings?*

The international registration resulting from a Protocol application is dependent on the basic application or registration for five years from the international registration date. For example, if the U.S. basic application or registration is rejected or cancelled during these years, the international

registration would need to be converted into multiple individual national applications in order to maintain international protection. The fees associated with this conversion could outbalance any fees saved during the initial Protocol application process. Also, any local objections to the international registration would require obtaining local counsel, thus negating the primary advantage of the Protocol over filing individual national applications. In addition, a single application may also be the subject of a “central attack,” which could challenge filings in all countries with less effort and cost to the opposing party than filing individual objections. Finally, the Madrid System has yet to accept applications in Spanish, and therefore many Spanish-speaking countries have remained uninterested in membership.

4. *How will my searching and trademark clearance efforts need to be adjusted?*

With the implementation of the Madrid Protocol filing system, even a mark searched for use in only the United States will require a more comprehensive search. The search must now include the WIPO database and other country databases to determine if a foreign company may have filed a Madrid Protocol application in its home country that also seeks to obtain priority rights in the United States. Therefore, trademark searches will necessarily become more extensive, costly and time consuming. Moreover, greater expertise will be necessary in conducting and interpreting these more extensive searches.

5. *What are some of the new issues that need to be taken into consideration when reviewing a search, including the potential impact on cost, efficiency, and risks?*

If the search reveals potential conflicts in several countries, these conflicts could result in objections or oppositions in those countries and may ultimately result in the need to obtain local counsel. In such a case, the applicant may decide against the Protocol filing in favor of individual applications, since the cost savings associated with a Protocol filing would be minimal. Prior to filing, an applicant should assess with counsel the potential vulnerability of the International Registration by evaluating the likelihood that the basic application or registration would fail.

Although International Registrations resulting from Protocol applications may be extended to other Protocol countries not in the original application, this approach might not have significant financial advantages over conventional country-by-country filings. Therefore, if an applicant intends to slowly expand the protection of its mark, the Protocol may not be the best approach. Thus, business strategies with regard to a mark should be evaluated with counsel prior to the international filing(s).

Due to international variations in the specificity required of the descriptions of goods or services covered by the mark, broader protection may be available in other countries than in the U.S. Therefore, an applicant might prefer to file applications on an individual basis rather than basing international protection on the narrow U.S. description.

6. *Once a Madrid Protocol filing is made, what are some of the issues that may be involved in effecting proper docketing and follow-ups, including prosecution and maintenance?*

International Registrations under the Madrid Protocol are valid for ten years from the date of registration. This date should be docketed for renewal. It is also important to docket the date five years after the international application when the dependency of the International Registration on the basic application or registration ends. In the event the basic application or registration fails, the date three months later should be docketed as a reminder that all conversions to national application must occur within that period. Furthermore, many countries require the filing of declarations of use at

various points in the life of a trademark, and these dates should be docketed for the countries in the original application and for any countries added subsequent to the initial application.

7. *What is the best way to approach and address the foregoing?*

The advantages and disadvantages of a Madrid Protocol application may vary, depending upon the maturity and history of the mark and the intended nature and scope of its use. Under some circumstances, it may still be more cost-effective, to take more conventional steps such as, for example, European priority filings under the Community Trademark System (CTM) based upon a U.S. Priority filings.

We Can Help

Please contact Karen Artz Ash, Esq. (karen.ash@kmzr.com), (212) 940-8554, or any of the attorneys in Katten Muchin Zavis Rosenman's Intellectual Property Department, if you have questions about the Madrid Protocol.

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