ACCOMPANYING REPORT
to INTA Board Resolution On The Support For The Hague Agreement On Industrial Designs
By the International Design Harmonization Subcommittee of the Designs Committee

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Introduction to the Hague Agreement

A. Treaties

The Hague Agreement consists of three independent Acts:

- The London (1934) Act (frozen since January 2010; and to be terminated on 18 October 2016);
- The Hague (1960) Act (in decrease);

B. Members

Membership of the Hague Agreement (and more specifically the Geneva Act) is open to countries and intergovernmental organizations. The EU and OAPI are members, and qualifying rights owners within the territories of those unions can file under the Hague Agreement, whether or not their country is also a member. For example, the EU is a member, but Portugal is not. Rights owners domiciled in Portugal may file under the Hague Agreement, including for protection in the EU, but not for protection just in Portugal.

The Contracting Parties are, as of November 15, 2016:

African Intellectual Property Organization (OAPI), Albania, Armenia, Azerbaijan, Belgium, Belize, Benin, Bosnia and Herzegovina, Botswana, Brunei Darussalam, Bulgaria, Côte d'Ivoire, Croatia, Democratic People's Republic of Korea (North Korea), Denmark, Egypt, Estonia, European Union, Finland, France, Gabon, Georgia, Germany, Ghana, Greece, Hungary, Iceland, Italy, Japan, Kyrgyzstan, Latvia, Liechtenstein, Lithuania, Luxembourg, Mali, Monaco, Mongolia, Montenegro, Morocco, Namibia, Netherlands, Niger, Norway, Oman, Poland, Republic of Korea (South Korea), Republic of Moldova, Romania, Rwanda, Sao Tome and Principe, Senegal, Serbia, Singapore, Slovenia, Spain, Suriname, Switzerland, Syrian Arab Republic, Tajikistan, The former Yugoslav Republic of Macedonia, Tunisia, Turkey, Turkmenistan, Ukraine and United States of America.

C. Procedure

Under the Hague Agreement, a single international application can be registered across the member countries or intergovernmental organizations that have signed on to the Agreement (referred to as “Contracting Parties”).


To file an international application under the Hague Agreement, applicants must be natural persons or legal entities having a real and effective industrial or commercial establishment, or a domicile, in at least one of the Contracting Parties to the Hague Agreement, or be a national of one of these Contracting Parties, or of a member State of an intergovernmental organization that is a Contracting Party. In addition, under the 1999 Act, an international application may be filed on the basis of habitual residence in a Contracting Party.

Unlike the Madrid Agreement for Trademarks, an international application under the Hague Agreement does not require any prior national application or registration. Applicants can thus file a single application directly with the International Bureau of the World Intellectual Property Organization (WIPO), or through a Contracting Party’s Office. However, for applicants of Contracting Parties under the 1960 Act only, the application must be filed through its national office in paper form only; this is now used infrequently.

Formalities including changes in ownership and applicant information are also simplified via one filing with the International Bureau of WIPO that has effect in all designated Contracting Parties. A portfolio of international registrations is thus considerably easier to manage than multiple filings in the various member states.

When the international application is filed, the applicant must designate the Contracting Parties in which they wish to seek protection. The single international application form can be filed in English, French or Spanish of the applicant’s choosing, without requiring any translation for multiple countries. The application also has a convenient online e-filing service on the WIPO website.

D. Multiple designs & Presentation of Reproductions

The application must include one or more photographs or other graphic representations of the design, and designation of the article(s) intended to incorporate the design. The application may include up to 100 different designs. However, all designs must belong to the same class of the International Classification of Industrial Designs (the Locarno Classification).

E. Formal Examination

The application is deemed to be registered when filed, unless it fails to comply with the formal filing requirements. Upon receipt of an international application, the International Bureau of WIPO checks that it complies with the prescribed formal requirements, such as those relating to the quality of the reproductions of the design and the payment of the required fees. The applicant is informed of any issues, which must be corrected within three months, failing which the international application is considered abandoned.

It must be stressed that the International Bureau of WIPO does not appraise or concern itself with the novelty of the design and it is therefore not entitled to reject an international application on this or any other substantive grounds. Substantive examination falls within the exclusive competence of the Office of each designated Contracting Party.

F. Substantive Examination

Upon publication of the International Designs Bulletin on the WIPO website, each Contracting Party Office must identify the international registrations in which it has been designated, in order to proceed with the substantive examination, if any, provided for by its own legislation. As a result of that examination, the Office may notify the International Bureau of a refusal of protection for its territory. However, an international registration may not be refused on grounds of non-compliance with formal requirements, since such requirements must be considered satisfied following the examination carried out by the International Bureau.

A refusal of protection, if any, must be notified to the International Bureau within six months from the date of publication of the international registration on the WIPO web site. Under the 1999 Act,
however, any Contracting Party whose Office is an Examining Office, or whose law provides for the possibility of opposition to the grant of protection, may declare that the refusal period of six months is replaced by a period of 12 months.

In the event of notification of a refusal, the holder has the same remedies as they would have if they had filed the application in question directly with the national Office concerned.

**G. Fees and calculator**

An international application must be accompanied by the prescribed fees. These fees are paid by the applicant and then transferred by the International Bureau of WIPO to the Contracting Party (i.e. the country or intergovernmental organization) in respect of which those fees were paid.

Fees can only be paid in Swiss Francs (CHF) and bank charges are borne by the applicant.

The WIPO website offers the Hague System Fee Calculator, a quick tool for determining application fees to be paid to WIPO. The online calculator allows the applicant to select the relevant entries from various dropdown lists (e.g. the type of application, the applicant’s state of origin and Contracting Party, the number of industrial designs and reproductions, and so on) and provides an estimate of the application or renewal fees in CHF. The calculator can be found at the following link: [http://www.wipo.int/hague/en/fees/calculator.jsp](http://www.wipo.int/hague/en/fees/calculator.jsp).

For example, by entering the relevant details in the calculator, an international application pursuant to the Geneva (1999) Act to register one industrial design with one image in France, Japan and the U.S. is estimated to cost a total of 1771 CHF.

**H. Publication, Deferment and the Hague Express Database**

The International Bureau of WIPO is responsible for publishing an international registration, in principle 6 months after the date of the international application (i.e. the filing date). Once published, it is deemed published in all the relevant Contracting Parties and no other publication is required. The International Bureau then sends copies of the publication to each designated Office for the protection of industrial designs of the relevant Contracting Parties. Up until publication, any international application and registration remains confidential.

An international application may contain a request by the applicant for deferment of publication. Depending on the country in which the applicant resides, the publication may be deferred for a period of up to 12 months (under the Hague (1960) Act) or 30 months (under the Geneva (1999) Act) from the filing date or the priority date, if priority was claimed. Under the Geneva (1999) Act, Contracting Parties are allowed to make declarations for shorter periods of deferment, or to prohibit deferment altogether.

As part of its online offering, WIPO has also created the Hague Express Database, a weekly updated database which includes “bibliographical data and, as far as international registrations governed exclusively or partly by the [Geneva and Hague Acts] are concerned, reproductions of industrial designs relating to international registrations that have been recorded in the International Register and published in the International Designs Bulletin as of issue No. 1/1999.”. In other words, the Hague Express search portal enables users to search through the industrial designs that have been registered under the Hague System, thus allowing free access to publication data and to the current status of international applications and registrations. The Hague Express Database allows searches by the following categories: ‘Design’, ‘Names’ (holder/creator/representative), ‘Registration Numbers’, ‘Dates’ (filing date/registration/publication/priority) and ‘Country’ (designation/entitlement/applicant’s Contracting Party).

I. Term of protection

The term of protection of an international registration is 5 years from the date of the international application (i.e. the filing date). An international registration may be renewed for one or more additional terms of 5 years in respect of each designated Contracting Party, up to the expiry of the total term of protection allowed under the national laws of those Contracting Parties.

For example, the maximum term of protection for industrial designs in the U.S. is 15 years, meaning that a registration in respect of the U.S. as the Contracting Party can only be renewed twice.

A list of the maximum protection periods for each Contracting Party is available here: http://www.wipo.int/hague/en/declarations/declarations.html

J. Change in ownership, etc. of the international registration (Assignments)

A change in ownership, or in the name or address of the holder, can be recorded in the international register and have effect in all the designated Contracting Parties, by means of one simple procedural step, using the corresponding official form, and paying the corresponding fees:

- Change in ownership of an international registration (form DM/2);
- Change in the name and/or address of the holder (form DM/6);
- Renunciation of the international registration in respect of any or all of the designated Contracting Parties (form DM/5);
- Limitation, in respect of any or all of the designated Contracting Parties, to one or some of the industrial designs that are the subject of the international registration (form DM/3).

The official forms can be accessed here: http://www.wipo.int/hague/en/forms/
The corresponding fees can be accessed here (Part V): http://www.wipo.int/hague/en/fees/sched.htm

Relationship between the Hague agreement and the draft Design Law Treaty

Since 2005, the WIPO Standing Committee on the Law of Trademarks, Industrial Designs and Geographical Indications (SCT) has conducted discussions on designs. There are now efforts to negotiate a Design Law Treaty (DLT), which would seek to harmonize procedural requirements, so as to reduce discrepancies among future Contracting Parties.

The draft DLT provides, in particular:

- A maximum set of requirements for applications for registration or grant of protection of designs, as well as for requests for recording of licenses and changes;
- A maximum list of filing-date requirements;
- A grace period for filing further to a disclosure of the industrial design;
- A mechanism of amendment or division of an application that includes two or more designs;
- Mechanisms to avoid the unintentional loss of rights as a result of failure to comply with time limits.

The Hague Agreement and the draft DLT are two independent instruments, and there is currently no formal link between the two, as detailed by the Secretariat of WIPO in their document of May 2013. However, in the future, there will be major influences between those documents, and INTA will have to be active on the future developments of the draft DLT.

At the time of writing, the SCT has failed to reach a consensus on technical assistance and disclosure requirements relating to traditional knowledge. Consequently, the preparatory session to a Diplomatic Conference on Designs for 2017 was cancelled. The General Assembly of WIPO looks set to reconsider the issue at its next meeting in October 2017.
Pros and cons of the Hague Agreement

As with every system, the Hague Agreement has both advantages and disadvantages for owners, representatives, attorneys, and national and regional offices.

The major advantage of the system is to standardize formal requirements and centralize all administrative issues for international design applications: ONE single application, in ONE language (English, French or Spanish), with ONE fee in ONE currency resulting in ONE registration with ONE number, covering ONE OR MORE countries. The consequence and major advantage is that the Hague system lowers transaction costs for design registrations. However, the benefit of the system is limited to the current 64 members, and their respective laws.

An international application does not require a prior national application or registration, which provides greater flexibility to the owner for the management of their portfolios of designs.

International registrations are published in the International Designs Bulletin six months after their date of application, but applicants can request an immediate publication or a deferral of publication. The publication of international registrations can be deferred for up to 12 months under the Hague Act, or up to 30 months under the Geneva Act. Many countries have a deferment procedure, which entitles the applicants to provisional rights and makes designs quickly profitable and valuable. Applicants have to be cautious, though, as the Hague system allows each country to set its own policy on deferment.

A single application may include up to 100 different designs, but all must belong to the same Locarno Class. When designating the United States of America in an international application including more than one design, the applicant could, however, face a notification of refusal and be forced to file divisional applications, which could change the economic advantage of the proceeding.

The Hague system does not implement uniform drawing standards between member countries and potentially allows design representations in the form of photographs or other graphic representations with unclaimed subject matter to be indicated by dotted or broken lines or coloring. However, the requirements for the number, type of drawing figures, and written description can vary widely among the jurisdictions of member territories, and the applicants should be very cautious when designating certain countries if they want to avoid refusals and additional costs.

Some Contracting Parties have so far failed to “domesticate” the Hague Agreement, such that WIPO issues a certificate but the Contracting Party does not have in place national laws on design protection or enforcement. WIPO is working with these Contracting Parties to ensure that the design rights granted are meaningful. WIPO also ensures that new Contracting Parties have adequate design laws in place prior to adherence to the Hague Agreement.

Conclusion

Opponents of the Hague system often forget that it is not an agreement on harmonization of design laws, but rather on simplification of international proceedings, which it does efficiently. With the recent accession of South Korea, the United States and Japan, the Hague system is becoming a very important tool to obtain international protection. With its recent growth and future development potential, and considering the many different national and intergovernmental legislations involved, the Hague system more than ever needs the support of the intellectual property community.

INTA believes that the protection of registered designs is a key challenge of today’s economy. It therefore strongly supports the Hague system and will actively participate in its development in the future. INTA will advocate for countries and intergovernmental organizations to join the Hague Agreement, including where their citizens may already be covered (for example, Portugal is not a member but the EU is). INTA will advocate for Contracting Parties to implement effective design law. INTA will also assist the users of the system to find ways to simplify and harmonize procedures for industrial design registrations.