GLOBAL REGISTRATION—WHERE ARE WE NOW?

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I. INTRODUCTION

Two points should be made at the outset. First, a basic premise remains true. Trade mark rights are territorial. Traders wishing to protect their trade marks globally must do so in each jurisdiction of interest. Second, there is no “world” trade mark. The closest we have come to “international registration” is a centralised filing, renewal, and recordal system at the World Intellectual Property Organisation (WIPO), Geneva, Switzerland, under the Madrid Treaties.

Nevertheless, especially from a European perspective, two events stand out for comment as milestones in the quest for global registration: (i) the introduction of the Community trade mark (CTM) on 1 April 1996;¹ and (ii) the coming into operation of the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (Madrid Protocol) on the same date.²

II. THE COMMUNITY TRADE MARK

On 4 October 2010, António Campinos, Portugal, took over in person as the third president of the Office for Harmonisation in the
Internal Market (Trade Marks and Designs) (OHIM).\(^3\) OHIM administers the CTM and latterly the Community registered design.\(^4\) OHIM has over 700 staff and an annual turnover of more than 190 million euro. By the time Mr. Campinos assumed office, around 898,000 CTM applications had been filed, 674,000 CTMs registered, and 88,000 CTMs renewed. The popularity of the CTM had led to accumulated revenue surpluses at OHIM, in turn resulting in a substantial reduction of application fees\(^5\) and a European Commission—spearheaded review of the entire European trade marks system.\(^6\) An important issue for OHIM is its future governance, which is presently seen as being too tightly controlled by the national offices of Member States.\(^7\)

The CTM is a unitary right\(^8\) covering 27 countries,\(^9\) with a total population of around 500 million people.\(^10\) As consequences of that unitary character, a CTM can be assigned only for the whole of the Community and destroyed by a pre-existing right in any one Member State.\(^11\) On the other hand, a CTM may be enforced throughout the Community by obtaining relief through a single Member State’s CTM court.\(^12\) A controversial issue is the so-called rule that use of a trade mark by the proprietor or with his consent

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3. He succeeded Wubbo de Boer, Netherlands, as of 1 October 2010. Mr. Campinos was formerly IP Commissioner and President of INPI, Portugal.


6. The Commission issued an invitation to tender on 22 July 2007—“Study on the overall functioning of the trade mark system in Europe.” Available at http://ec.europa.eu/internal_market/indprop/docs/tm/090722_tender_en.pdf. The study was awarded to the Max Planck Institute, Munich, which was due to provide the Commission with a final report in November 2010 but is still analysing the results of its consultations. INTA has made several contributions to the study through its Steering and other Committees.


9. The current Member States of the EU are Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom.


11. Supra note 8.

in one European Union (EU) country (Malta is commonly cited as an example) is sufficient to keep a CTM alive.\textsuperscript{13} It contrasts first with the principle that acquired distinctiveness must be proved for the whole Community\textsuperscript{14} and second with the principle that to qualify for extended protection a trade mark with reputation must be known to a significant part of the relevant public in a substantial part of the Community.\textsuperscript{15} The European Commission recently displayed its hand in a debate before the European Parliament by opposing the notion that a CTM should genuinely be used in more than one EU country.\textsuperscript{16}

A central tenet of the European trade marks system is the coexistence of the CTM with national trade mark laws of Member States. This caters to the needs of small and medium enterprises wishing to trade locally not only by providing the choice of national or regional registration in the EU but also by ensuring that prior local right holders can protect their territories from encroachment by CTMs.\textsuperscript{17} Substantive harmonisation is achieved through aligning the trade marks laws of Member States with each other and the CTM\textsuperscript{18} and making both subject to interpretation by the supervising Courts in Luxembourg.\textsuperscript{19} A pre-condition of EU membership is that a newcomer bring its national trade mark law into conformity, and on joining the EU, existing CTMs are extended to cover a new Member State subject to transitional

\textsuperscript{13} Joint statement on Article 15 by the Council and the Commission of the European Communities entered in the minutes of the Council meeting, at which the Regulation on the Community trade mark was adopted on 20 December 1993. At the beginning of 2010, the Benelux and Hungarian IPOs refused to apply the rule in the cases of ONEL/OMEL, Decision No. 2004448, and C CITY HOTEL, Case No. M0900377, respectively. The Court of Justice of the European Union will now consider the issue on a referral for a ruling from the Court of Appeal in the Hague on an appeal in the ONEL/OMEL case (December 2010).

\textsuperscript{14} See, e.g., Case T-378/07, CNH Global NV v. OHIM, 29 September 2010.


\textsuperscript{16} European Parliament debate “Use of Community trade marks in the internal market,” 21 September 2010.

\textsuperscript{17} Council Regulation (EC) No. 207/2009, supra note 1, at Articles 110 and 111, the so-called “Emmental cheese” characteristic of the CTM. Sidney Diamond, The Next 100 Years—What will it be like in 2078 AD? 68 TMR 622, 630 (1978), reprinted supra p. 77 (cf. the Scottish haggis maker and local Italian pasta maker).


\textsuperscript{19} The Court of Justice and the General Court of the Court of Justice of the European Union.
provisions to safeguard earlier rights obtained in good faith. Procedural approximation is a desired outcome of the present study and review. OHIM performs an increasing harmonisation role through, for example, common classification and search strategies, and educating EU judges in trade marks and enforcement issues.

The CTM provides a model for a world trade mark system. However, it is another matter whether the political, economic, and social drivers could be replicated by 2078.

III. THE MADRID SYSTEM

On the other hand, there is a real possibility of global domination by the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks.

The Protocol was adopted as free standing treaty in 1989 to ameliorate certain features of the Madrid Agreement that made it unattractive to widespread membership. Innovations included: (i) the ability to transform an international mark lost through central attack on the home mark into national applications in designated contracting parties without any loss of priority; (ii) the option for participating intellectual property offices (IPOs) to charge individual fees for protection in their jurisdictions approximating national filing/renewal fees; (iii) a longer eighteen-month plus period to accommodate IPOs’ substantive examination of applications and oppositions; (iv) freedom of choice to base an international application on either a basic application for or registration of the mark in any territory with which the applicant has establishment, domicile, or nationality.

With the CTM in mind, the Protocol also allowed for Madrid Union membership by intergovernmental organisations where at
least one Member State is a party to the Paris Convention and the organisation has a regional office for the purposes of registering trade marks with effect in its territory. The EU qualified for membership in 1996 and became a party to the Protocol in 2004, from whence an international applicant could in one fell swoop gain a designation covering 27 countries along with other designations in individual countries of its choice. By this time the United States had also joined, and with Kazakhstan becoming the newest addition, Protocol membership totalled 83 contracting parties at the end of 2010. The addition of Spanish as an official language is expected to extend the territorial reach of the Protocol in particular to South America. The number of international registrations already exceeds the one million mark.

The Madrid Agreement was originally safeguarded for its members by providing in Article 9 of the Protocol that in relations between contracting parties who were members of both treaties, the Agreement would prevail. The safeguard clause was repealed with effect from 1 September 2008 so that such international marks could benefit from the Protocol innovations, especially the valuable right of transformation.

Of course, international registration is not what it seems. Whilst registration, renewal, and recordals of changes in a registration can be obtained through single applications with WIPO, examination, cancellation, and enforcement are conducted on a national or regional level. The significant savings in time and cost that can be achieved through centralisation may be eroded if local agents need to be appointed, but that would be the case anyway if a national/regional route were followed.


29. Note that the Benelux is not an intergovernmental organisation for this purpose. The Benelux States have unified their domestic laws on marks and have notified a common office under Article 9quarter, but it is the respective States that are members of the Agreement and Protocol.


31. As of 1 September 2008.


33. However, the standard time limit of one year for the notification of a provisional refusal and the payment of standard fees continue to apply between contracting parties to both the Agreement and Protocol. Protocol, Article 9sexies(1)(b).
IV. CONCLUSION

Sidney Diamond predicted in 1978\textsuperscript{34} that we would have a true supranational world trade mark system—one registration with worldwide effect—by 2078. On the one hundredth anniversary of \textit{The Trademark Reporter}, it is appropriate to ask: how far have we come? The CTM with unitary character covering 27 Member States and capable of expanding with the EU is a true success but was over 20 years in gestation. The Madrid Protocol has fulfilled its promise of extending the territorial reach of international registration and can confidently be predicted to continue doing so. The collaboration of OHIM and WIPO, two strong multicultural and multilingual offices, over classification and, in the future, over other issues, including databases and intellectual property education, will further international harmonisation to the benefit of users.\textsuperscript{35} Will there be a world trade mark in 2078? The writers do not think so.

\textsuperscript{34} Diamond, \textit{supra} note 17, at 630, reprinted \textit{supra} p. 77.

\textsuperscript{35} OHIM and WIPO look at expanded cooperation, http://oami.europa.eu/ows/rw/news/item1647.en.do