

Amended

INTA Statement during the Nice Committee of Experts – Business Segment – Nice Classification related issues

April 22, 2024, at around 10:15 a.m. Geneva Time (GMT +1).

Good morning,

I am Rafael Garutti, Chair of the International Classification Subcommittee of the Harmonization of Trademark Law and Practice Committee at the International Trademark Association (INTA).

First of all, we would like to thank WIPO for inviting us. INTA is a global association of brand owners and professionals dedicated to supporting trademarks to foster consumer trust, economic growth, and innovation. Our subcommittee supports that objective by advocating for the adoption of the Nice Classification, promoting the efforts of WIPO to synchronize the initiatives of international classification, encompassing taxonomy structures, class scopes, classification items and tools, including the description of new goods and services.

Last year, our subcommittee was invited to make a statement to the Nice Committee of Experts outlining possible solutions to address the increasing size of Class 9. In response, the International Bureau announced that it would consider a new project on this subject. We would like to kindly highlight the importance of this matter by reminding this Committee of the solutions already proposed.

Class 9 has already become a “mega-class” so large and frequently listed that it risks undermining the basic function of the Classification system. Our INTA subcommittee has drafted a paper evaluating the scale of that issue and found that Class 9 is one of the most frequently listed classes in the world’s largest markets. Already extremely broad, widely listed, and constantly growing, Class 9 faces further expansion due to the recent popularity of virtual goods and AI-related terms in trademark applications.

To address these challenges, we proposed several possible solutions focused on the following four solutions, whether individually or in combination: Option 1. Dividing Class 9; Option 2. Transferring goods from Class 9 to different existing classes; Option 3. Transferring goods from Class 9 into newly created classes; and Option 4. The possibility of not requiring registration for mere virtual versions of tangible goods.

The first option – dividing Class 9 – would draw on work already performed by WIPO in cooperation with EUIPO and the national trademark offices of the European Union regarding the development of a taxonomy or hierarchy of similar goods and services from most general to most

specific within each class of the Nice Classification. This option involves dividing out multiple branches of this hierarchy into sub-divisions of Class 9, such as Classes 9A, 9B and so on or Classes 9.1, 9.2 and so on. Subdivision could integrate seamlessly with existing fee structures since the divisional classes could continue to be treated as Class 9. In addition, this would ensure continuity with the structure of and current scope of protection for existing trademark registrations including Class 9. Of course, this option will entail all the difficulties associated with creating new classes, such as potential inconsistent practices among offices in choosing the most appropriate subdivision for each good, and also raises the question if such a change should be applied only for future filings or should also cover old registrations.

The second option – moving some goods from Class 9 into other, already existing classes – would involve identifying goods currently listed in Class 9 which are similar to goods in other classes. Those goods would be moved to the similar classes. For example, this might involve moving safety clothing from Class 9 into Class 25, where other types of clothing are already grouped. Alternatively, this could involve combining two or more seldom-used classes and moving goods from Class 9 to whichever of the combined classes is now empty. This option would preserve the current number of total classes. For example, in an article published in *World Trademark Review*, Clarivate’s Robert Reading explained that, in 2021, the USPTO received 82 thousand applications in Class 9, but only 503 in Class 23 (yarns and threads). He proposed combining Class 23 with Class 22 (ropes, canvas and padding materials) into a “single – still small – class, freeing up Class 23 entirely.” A subset of Class 9 goods could then be moved to this revamped Class 23.

The third option would involve moving certain goods from Class 9 into entirely new classes. This option has historical precedent: 20 years ago, Classes 43, 44, and 45 were created to absorb services from Class 42.

Finally, the fourth option could be studying the possibility of not requiring registration for mere virtual versions of tangible goods.

Our International Classification Subcommittee is committed to continuing its research on this issue and to collaborating with all stakeholders, including the WIPO Member States, to propose a solution that is the most viable and the least burdensome for offices, practitioners and brand owners, but which also could help overcome the current shortcomings of class 09.

Over our subcommittee’s current two-year term, we will speak with stakeholders to answer open questions. For example, how can switching costs be mitigated for legacy registrations? Are national offices well-equipped to use 2-digit sub-division numbers? What are the costs for national offices to implement these potential solutions?

We welcome the feedback of this Committee so that we might answer these questions and, with respect to the ongoing work of the meeting starting today, we thank all involved parties for taking all the above into consideration when discussing and deciding on the proposals involving class 09.

Thank you.
