

## Madrid Protocol - Overview

By the end of 2003, the United States is expected to implement the Madrid Protocol, a treaty that will allow U.S. trademark owners to have access to an international trademark filing and registration system. This centralized system offers a process to obtain multi-national trademark protection and maintain international trademark rights.

### When Will the System Be Available?

While the exact implementation date is uncertain, the United States Patent and Trademark Office (USPTO) has set a target date of November 2, 2003.

### Who Administers the System?

The Madrid Protocol is administered by the International Bureau of the World Intellectual Property Organization (WIPO) based in Geneva, Switzerland.

### "Basic" Application/Registration Required

A U.S. trademark owner filing an application under the Madrid Protocol with the USPTO, must base the International Application on an existing U.S. application or registration for the identical mark for the same goods/services, owned by the same applicant. This national application or registration is called the "basic" application or registration.

### How Will it Work?

A U.S. trademark owner files a single application with the USPTO based on its basic application or registration and designates the member countries where registration is sought, paying a single filing fee based on the number of classes and countries included in the International Application. The USPTO forwards the International Application to WIPO.

WIPO reviews the application for compliance with basic filing requirements, registers the mark, publishes the mark in the *WIPO Gazette*, and forwards the registration information to the trademark registries of the designated countries.

Each country then has 12-18 months to examine the International Registration according to national trademark laws and procedures, and forward any

objections to WIPO. WIPO will communicate directly with the applicant or designated agent.

If an objection is raised, it will likely be necessary to designate a local attorney or agent for further correspondence with the national office. If a country does not reject the International Registration within 12-18 months, the mark is considered protected/registered in that country.

### Effect and Duration

The extent of protection in a designated country is the same as that provided by a national registration. An International Registration is valid for 10 years and may be renewed for further 10-year terms.

### Extension of International Registration

An application for extension of the International Registration to additional member countries may be filed at any time after registration for an additional fee. If registration in a newly-designated country is not refused within the 12-18 month examination period, the International Registration will be effective in that country from the date WIPO records the application for extension, and will be valid for the remaining term of the International Registration.

### Dependence and Central Attack

The International Registration is dependent on the basic application or registration for the first 5 years of registration. During this period, the International Registration will be cancelled or restricted to the same extent as the basic application/registration. For example, if the identification of goods or services of the basic application/registration is limited, the International Registration is similarly limited.

This dependency allows for "central attack" whereby the International Registration is cancelled, for all countries, by means of a single invalidation action against the basic application or registration. Thus, if the basic application is refused registration in the U.S. or if a successful third-party challenge to the basic application/registration is commenced during the first 5 years of registration, the International Registration is destroyed.

To address this harsh provision, the Madrid Protocol provides for "transformation" of a failed International Registration into individual national applications which are accorded the same filing date as the International Registration. In order to take advantage of this process, the owner of a failed International Registration files new national applications in the designated countries within 3 months after the International Registration is cancelled. While this may involve significant filing costs, the priority of the International Registration is preserved.

### What Countries Are Members?

As of October 15, 2002, 56 countries were members of the Madrid Protocol, namely,

Antigua and Barbuda	Greece	Poland
Armenia	Hungary	Portugal
Australia	Iceland	Romania
Austria	Ireland	Russian Federation
Belarus	Italy	Serbia and Montenegro (Yugoslavia)
Belgium	Japan	Sierra Leone
Bhutan	Kenya	Singapore
Bulgaria	Latvia	Slovakia
China	Liechtenstein	Slovenia
Cuba	Lithuania	Spain
Czech Republic	Luxembourg	Swaziland
Democratic People's Republic of Korea	Macedonia	Sweden
Denmark	Moldova	Switzerland
Estonia	Monaco	Turkey
Finland	Mongolia	Turkmenistan
France	Morocco	Ukraine
Georgia	Mozambique	United Kingdom
Germany	Netherlands	Zambia
	Norway	

Canada and the European Community are expected to join the Madrid Protocol.

### Cost

The current WIPO filing fee is 653 Swiss francs (apx. \$480 U.S.) for up to three classes of goods/services, with a per country fee of either 73 Swiss francs (apx. \$54 U.S.) or an amount specified by each member country. These fees do not include processing charges or charges that may be incurred during prosecution. An overall cost comparison with individual national filings, taking into consideration the countries of interest and the scope of protection desired, will be necessary in order to determine whether an overall cost savings will result. There will be significant cost savings for recording name/address changes, assignments, etc. as a single document may be filed with WIPO for a fee of 150-177 Swiss francs (apx. \$110-\$130 U.S.).

## Potential Advantages to U.S. Trademark Owners

- One application filed for several countries
- One International Registration provides protection for all designated countries
- One filing for renewals, recordation of assignments, and name/address changes
- Potential cost reduction
- International Application may be filed in English
- Limited time (12-18 months) to refuse registration
- Extension to additional countries is possible

## Disadvantages

- Dependent on basic application or registration and possibility of “central attack” for the first 5 years
- Goods/services in the International Application are limited by the basic application/registration

## Additional Considerations

- Each country will examine the International Registration under its own laws
- International Registration is subject to each country’s publication/opposition process
- Need to hire local counsel/agent if the International Registration is refused or opposed in any country
- Canada and Mexico are not currently members of the Madrid Protocol
- Designation of the U.S. by foreign applicants may result in increased U.S. filings and more difficulty in clearing marks in the U.S.
- U.S. trademark owners may see an increase in potentially infringing marks on U.S. register
- Designating countries of future interest may provide relatively inexpensive insight into whether a mark may be available outside the U.S. before investing in the mark

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A New Option in Global Trademark Protection for U.S. Trademark Owners

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