Practical Guidance

International Trademark Filing Systems

A Practical Guidance® Practice Note by Daniel Englander, Kilpatrick Townsend & Stockton LLP

Daniel Englander
Kilpatrick Townsend & Stockton LLP

This practice note provides an overview of international trademark filing systems, including the Madrid Protocol (which can allow for designations of protection in a large number of countries), the European Union Trademark or EUTM (which covers the European Union), filings in the Benelux region, and filings in Africa via the African Intellectual Property Organization (OAPI) and African Regional Intellectual Property Organization (ARIPO). This note is a high-level overview, and it is important to engage with counsel who is well versed in these issues to help create a global strategy for an applicant's filing program, likely with input from trusted counsel in local jurisdictions.

In general, trademark rights are territorial, meaning that they are limited to the jurisdictions where those rights are obtained. Further, most countries outside of the United States have a "first to file" system, meaning that rights are established by obtaining registration, and priority of rights are based on filing dates, regardless of use in that country or elsewhere.

Given the territorial nature of trademark rights, owners typically must file in all countries of interest individually, though various developments have helped harmonize trademark filing practice, providing streamlined channels for registration. Of particular note, several multinational filing systems are available to help reduce costs and administrative burdens on filers. These systems include the Madrid Protocol, administered by the World Intellectual Property Organization (WIPO); the EUTM system (formerly called the Community Trademark or CTM); and other regional systems in Benelux countries (Belgium, the Netherlands, and Luxembourg) and in Africa (through the African Intellectual Property Organization (OAPI) and African Regional Intellectual Property Organization (ARIPO)). Outside of these systems, national applications would be required. Further, even where the Madrid system or a regional filing is available, an applicant should also consider reasons why a national trademark filing is advantageous or preferable. See National Trademark Applications below.

For more information on the Madrid Protocol, see Madrid International Trademark System and Gilson on Trademarks § 10.06[4]. For more information on the EUTM, see European Union Trademark Registration (EUTM): Searches and Application and European Union Trademark Registration (EUTM): Opposition, Registration, Renewal, and Cancellation. For guidance on specific countries' laws and procedures, see, e.g., Application to Register a UK Trademark, Trademark Application Process (Canada), Protecting Trademarks (China), and Trademarks in International Jurisdictions.

Madrid Protocol

For companies seeking trademark protection outside of the United States, it can be cost effective to seek extension of protection via the Madrid Protocol. This is an international treaty that created a multinational trademark filing and registration system. There are certain advantages and disadvantages to using the Madrid system other than cost savings, however, as discussed below.

Under the Madrid system, Applicants who own an application and/or registration in one member state (such as the United States) may "extend" trademark rights, with one filing, to multiple countries. A list of the contracting parties to the Madrid Protocol can be found on the WIPO website here. At present, more than 100 jurisdictions (including the EU and ARIPO) are members of the Madrid Protocol. Notably, many Latin American and Caribbean jurisdictions are not parties to the Madrid Protocol.

The Madrid Protocol is limited to applicants who are: (1) nationals of a country that is a member of the Protocol; (2) domiciled in a member country; or (3) have a real and effective industrial or commercial establishment in a member country. To obtain protection under the Madrid Protocol, an applicant must first file a trademark application or own a trademark registration in its home country. Then, the applicant must apply, through WIPO, for an International Registration (IR) and designate extensions to one or more countries based on its home country application and/or registration. The IR does not itself create trademark rights in any country. Rather, it is simply a basis for the applicant to attempt to extend its rights to various member countries through a central procedure.

The application is usually filed in the applicant's home country trademark office (the U.S. Patent and Trademark Office (USPTO) for a U.S. applicant) and is then forwarded electronically to WIPO in Switzerland for processing. The application must request an extension to at least one member country and include the appropriate fees (there is a fee for the IR itself and an additional fee for each country to which extension is requested). WIPO then reviews the IR application for procedural irregularities, and then transmits the application to the designated trademark offices. IRs can be extended to additional member countries at any time after registration.

The trademark offices of the extension countries then evaluate the extensions (usually, but not always) in the same manner as they would a national application within a set period (either 12 or 18 months). If a national application would be subject to opposition, then the IR extension would be subject to opposition as well.

The designated trademark offices in each country would advise WIPO for any provisional refusals that are issued as they examine the extensions, which WIPO then sends to the applicant and the trademark office in the applicant's home country. The applicant would typically then appoint local counsel in the designated jurisdiction to respond to the refusal.

If the extension country accepts the extension, the resulting registration is equivalent to a national registration, meaning that it is afforded all rights and protections as if it were filed separately and independently with the national trademark office of that country.

A U.S. company or individual can apply for an IR, and extensions, based on a U.S. application simultaneously with the U.S. application or at any time after the U.S. application is filed (and also after the U.S. registration issues). If the application for the IR and extensions is filed simultaneously or within six months of the U.S. application filing date, and is the first application for that mark by that applicant, then the extension(s) could also incorporate a priority claim, that is, have the same effective filing date in the extension countries as the U.S. application filing date. For any U.S. application filed where an applicant wishes to seek protection in foreign jurisdictions, it is important to docket the six-month deadline after the filing date to make sure that the priority claim will be timely filed.

Advantages and Disadvantages of Madrid Protocol

The primary advantage in filing an IR and extensions is the potential cost savings. Unless a provisional refusal is issued in a designated country, typically no local agent is required in order to designate and secure protection in any given member state. Further, assignments and title changes for IR designations may be done centrally through WIPO via a single form. Contrast this with a filing program made up of national applications, all of which would need to be updated individually through local agents in the event that an assignment or address change is required. The Madrid system also includes various other procedural benefits, including no translation requirements, no power of attorney requirements, no document legalization formalities, and a single renewal date for the IR and its associated designations.

There are also some disadvantages of obtaining an IR and extensions through the Madrid Protocol as opposed to filing national applications in individual countries. These disadvantages include:

- The applied-for mark in the IR application must be identical to the mark in the home application/registration.
- The goods/services listed in the IR application must be the same or narrower than those listed in the home application/registration. This can be a disadvantage for U.S. applicants. U.S. applications/registrations must include only the goods/services with which the applicant has used or intends to use the mark. This often means that U.S. applications have a narrower scope of goods/services than applications filed in foreign jurisdictions, which typically do not have the same use / intent-to-use requirements, and which may accept broader language in specifications than the USPTO does. Therefore, an IR based on a U.S. application may be narrower than one based on a foreign application/registration.

- The IR is dependent upon the home application/registration for five years after the IR issues. Thus, if the home filing lapses or never even issues to registration, the IR also lapses. The Madrid Protocol may not be advisable if there is a concern that the home country application will not register, e.g. because a mark in a U.S. application may not be used within the allowance period, or because of a third-party mark that poses a risk of citation or objection. If a home country application is used as the basis of an IR and then fails, this would significantly affect the applicant's trademark portfolio and not just the underlying rights
- The mark covered by the IR and the extensions cannot be amended (while marks in national applications or registrations often can be amended slightly, such as when a logo is updated).
- The IR and the extensions can only be assigned to a party that can claim origin in a Madrid Protocol member state (while marks in national registrations usually can be assigned to anyone). Some tax shelter jurisdictions, which large trademark owners may prefer to use as home countries for their IP holding companies, would not qualify.

Transformation

The Madrid Protocol provides that if the basic (home country) application or registration lapses within the first five years after the issuance of the IR, and the IR lapses, the owner can preserve its rights by "transforming" some or all of the invalidated extensions of protection into national applications. Transforming preserves the filing date (and, if applicable, the priority date) of the invalidated IR, but this procedure is expensive. Thus, a U.S. applicant should use the Madrid Protocol to register abroad only if the basic U.S. application is likely to mature to registration or has already matured to registration.

Extensions into the United States

Foreign trademark owners can also use the Madrid Protocol to extend their IRs to the United States, instead of filing U.S. national applications. Note, however, that the United States is an exception to the usual rule that IRs and extensions to particular countries are renewed centrally by a single filing in WIPO every 10 years, with no local formalities required.

Rather, in order to place equal burdens on Madrid Protocol owners and owners of U.S. national registrations, U.S. law has imposed a dual maintenance system on owners of U.S. extensions of IRs, as follows:

- The renewal of the IR, and of the extension to the United States, must be filed centrally in WIPO.
- A declaration of continued use (under Section 71 of the Lanham Act) must be filed **in the USPTO** during the sixth year of the term of the U.S. extension and every 10 years after the registration date of the U.S. extension (**not** the IR registration date).

For additional guidance on maintenance and renewal requirements, see Trademark Registrations: Maintenance and Renewal — Madrid Protocol-Based Registrations.

European Union Trademark (EUTM)

In the European Union, applicants can seek protection in all 27 member states with a single application filed at the European Union Intellectual Property Office. If such an application is successful, an EUTM registration will issue and will provide protection in all member states of the EU. This is a cost-saver for filers with interest in multiple countries within the EU, though filers should be careful to note key European jurisdictions that do not fall within the EU, namely the United Kingdom, Switzerland, Norway, and Iceland. Applicants that want to protect their marks in those jurisdictions will need to file national applications directly with the trademark offices of those countries or designate extensions of protection of an IR, as discussed in the Madrid Protocol section above.

In addition to cost savings, a further advantage to the EUTM system is that the EUIPO does not examine applications on relative grounds, which means the Office will not cite prior marks owned by third parties as bars to registration. The EU system puts the burden to object to new applications on the owners of the prior marks, who may lodge opposition procedures against new filings. If no oppositions are filed, the EUIPO tends to examine and process applications for registration relatively quickly compared to other trademark offices, which is a further benefit for applicants.

A U.S. company can obtain an IR under the Madrid Protocol based on its U.S. application or registration, and then extend that IR to the EUTM system. However, because U.S. identifications of goods/services are narrow compared to what may be claimed in EUTM applications (due to the United States' use or intent-to-use requirement), many U.S. companies prefer to file EUTM applications directly. By filing directly, the U.S. owners can claim these broader identifications.

There are some downsides to the EUTM process that filers should be aware of. First, a single national trademark registration (or prior application) can be used as the basis to oppose an EUTM application. In this situation, the applicant can convert its EUTM application into national applications to individual countries instead of allowing the entire EUTM application to lapse. For example, if a Spanish registration is used as the basis to oppose an EUTM filing, the applicant could convert the application to various national applications within the EU outside of Spain, where the prior registration will not block the new national filings. Costs of conversion to multiple countries would usually be substantially higher than the original EU filing, however.

Benelux

Applicants who seek protection in either Belgium, the Netherlands, or Luxembourg must file a regional application covering all three jurisdictions, with The Benelux Office for Intellectual Property. Registration covers all three Benelux countries.

African Intellectual Property Organization (OAPI) and African Regional Intellectual Property Organization (ARIPO)

The OAPI is a regional framework that covers various Francophone African countries, and works in a similar way as the EUTM system in the EU. National applications are actually not available in these countries, and the regional application is the only option for registration. One registration covers all countries, and use in one country constitutes use in all the countries for purposes of defending registrations against potential non-use challenge. The countries in the OAPI are Benin, Burkina Faso, Cameroon, the Central African Republic, Chad, the Comoros, the Congo, Côte d'Ivoire, Equatorial Guinea, Gabon, Guinea, Guinea-Bissau, Mali, Mauritania, the Niger, Senegal, and Togo.

Under ARIPO, which covers various mostly English-speaking African nations, protection is extended as a collection of national rights (like the Madrid Protocol). Unlike OAPI, ARIPO it is not well recognized or well administered. Because certain ARIPO member countries have not yet passed implementing legislation, the ARIPO system may be an inviable option for trademark protection, and national trademark applications still offer the soundest mechanism for protection in ARIPO member countries. Unlike OAPI, separate national registrations may be obtained in each country that is a party to ARIPO. The countries that are current members of ARIPO are Botswana, Eswatini, Gambia, Ghana, Kenya, Lesotho, Liberia, Malawi, Mozambique, Namibia, Rwanda, Sao Tome and Principe, Sierra Leone, Somalia, the Sudan, the United Republic of Tanzania, Uganda, Zambia, and Zimbabwe.

National Trademark Applications

The filing systems discussed above include many of the commercially-significant countries of the world. However, there are some notable exceptions, such as Argentina, Chile, Nigeria, South Africa, and Taiwan. Additionally, due to some of the disadvantages and limitations of the Madrid Protocol system (including restrictions on the identified mark and/or goods and services), applicants may prefer to file national applications in certain countries of interest, which are not subject to such limitations.

Where a trademark owner seeks protection in countries that are not members of the Madrid Protocol or is interested in filing separate applications in each desired country for strategic reasons, it must file individual national applications in the trademark offices of the countries concerned. This usually requires engaging local attorneys or agents to file and prosecute the applications. Many U.S. owners find it helpful to engage a U.S. trademark firm with international prosecution expertise, along with a network of reliable foreign agents and attorneys, to file and monitor national applications.

Trademark offices typically examine applications on "absolute" grounds, which involves making a determination under local law as to whether the mark is eligible for registration. Absolute grounds examination typically looks at issues such as whether the mark is distinctive or descriptive, whether the mark is deceiving or misdescriptive, whether the mark is in a protected category such as a state emblem, and whether the mark is offensive or immoral. Most, but not all, foreign trademark offices also examine applications on "relative" grounds, which analyzes whether prior third-party marks serve as bars to registration based on likelihood of confusion or other similar concerns.

Costs of applications in foreign countries differ considerably by country but are rarely less than several thousand dollars per country. Similarly, the costs for renewing and maintaining registrations through required maintenance filings can differ significantly as well. Filers who engage with a firm that manages the global portfolio would typically rely on that single firm for docketing purposes to track the examination and maintenance requirements of the portfolio once filed.

Significantly, many foreign countries are considered first-to-file jurisdictions, meaning that registration is required in order to obtain rights in a mark. Failure to register a mark in a country of interest may permit another party to obtain registration in that country and block a planned launch of a product under that mark in that country. There are some ways to mitigate or avoid these kinds of risks. To clear prior-mark obstacles, an applicant could consider seeking to acquire a prior mark from a local registrant, or seek to pay the registrant for consent to register the mark. Neither strategy is guaranteed to succeed, as it is up to the prior registrant to negotiate in good faith, and the prior owner may not want to acquiesce or coexist. For a more detailed discussion on first-to-file jurisdictions, see Trademark Applications: Pre-filing Considerations — United States vs. Foreign Jurisdictions (First-to-use vs. First-to-file).

Though the Paris Convention for the Protection of Industrial Property is not an international filing system per se, it is a useful tool for applicants that are instructing numerous applications in different jurisdictions. Filers can lodge applications in any member state of the Paris Convention, and then within six months of the filing date, file further applications for the same mark for the same goods and services in any other member states, while retaining the first filing date as the effective filing date for the new applications. This allows a filer to get an application on the books and then finalize its filing strategy elsewhere within those six months. This is especially useful for marks used for products and services that are still in development or other scenarios where the brand owner is not sure how much to invest in a filing program at the outset.

Daniel Englander, Senior Associate, Kilpatrick Townsend & Stockton LLP

Dan provides international and domestic trademark portfolio management, brand strategy, dispute management, and counseling services to a leading consumer device and home automation company. He serves as a direct point of contact to the general counsel of a global hotel brand on day-to-day trademark portfolio and dispute issues and directly supervises 1000+ new trademark applications per year.