

# **International Trademark Practice for Paralegals**

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**International Trademark  
Practice for Paralegals**

**TABLE OF CONTENTS**

**OVERVIEW OF INTERNATIONAL AGREEMENTS  
PROTECTING TRADEMARKS**

**By Kevin R. Casey**

**SECTION I**

Introduction.....	I-1
International Convention .....	I-1
The European Community Trademark .....	I-2
The Registration System .....	I-2
Costs .....	I-3
Enforcement .....	I-4
The Madrid Agreement.....	I-4
The Madrid Protocol.....	I-5
Trademark Registration Treaty .....	I-6
Trademark Law Treaty .....	I-7
Trade-Related Aspects of Intellectual Property Rights (TRIPS).....	I-8
Other Treaties.....	I-9

**SEARCHING AND CLEARANCE IN FOREIGN COUNTRIES**

**By Timothy D. Pecsénye**

**SECTION II**

Material to be Distributed at the Seminar.

**INTERNATIONAL TRADEMARKS INCLUDING COMMUNITY  
TRADEMARK (CTM) REGISTRATION**

**By Andrew L. Ney**

**SECTION III**

Nature of Trademarks .....	III-1
Similarities and Differences Around the World .....	III-1
Case History.....	III-3
What Is to Be Protected and How.....	III-4
Community Trademark.....	III-6
Effective Throughout European Union .....	III-6
Procedure.....	III-7
Term – 10 Years from Filing Date of Application.....	III-9
Renewal.....	III-9
Transfer of Rights.....	III-9

Infringement .....	III-10
Marking .....	III-10
Use .....	III-11
Revocation.....	III-11
Advantages .....	III-11
Disadvantages.....	III-12

**REGISTRATION UNDER THE MADRID AGREEMENT/  
PROTOCOL**

**By John J. O'Malley**

**SECTION IV**

Introduction.....	IV-1
Background .....	IV-1
The Madrid Agreement .....	IV-1
The Madrid Protocol .....	IV-2
The United States Implementation of the Madrid Protocol .....	IV-3
Effect of the Madrid Protocol on Existing U.S. Trademark Application Requirements.....	IV-4
Impact of the Madrid Protocol on U.S. Trademark Holders .....	IV-5
Advantages.....	IV-5
Disadvantages .....	IV-6
Procedures for Filing an Application and Maintaining a Registration .....	IV-8
Conclusion .....	IV-8
Advantages and Disadvantages.....	IV-9
Appendix	
A – Madrid Agreement Concerning the International Registration of Marks ....	IV-10
B – Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks .....	IV-30
C - Madrid Agreement Concerning the International Registration of Marks And Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks .....	IV-46
D – Schedule of Fees Prescribed by the Common Regulations Under the Madrid Agreement and the Madrid Protocol.....	IV-49
E – Lanham Act Provisions Added by Madrid Protocol Implementation Act....	IV-56
F – Federal Register/Vol. 68, No. 60/Proposed Rules .....	IV-69
G – WIPO Forms.....	IV-89

## **Section I**

# **OVERVIEW OF INTERNATIONAL AGREEMENTS PROTECTING TRADEMARKS**

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## OVERVIEW OF INTERNATIONAL TRADEMARK AGREEMENTS

### I. Introduction

The United States is a “use” country for registration; the applicant must use the mark in the United States either before an application is filed (for a “use-based” application) or once the application is allowed (for an “intent-to-use” application). Some foreign countries require use for registration, like the United States does. Others do not require use for registration but require use for renewal or mandate that non-use renders the registration subject to cancellation. The differences between the trademark laws of the various countries (with respect to what can be protected, the requirements of registration, and how to maintain and enforce trademarks) are important because each country’s trademark law generally has only territorial application. Absent an international agreement providing assistance, therefore, an applicant must file a separate application in each country in which trademark protection is desired. Fortunately, a number of such agreements exist.

### II. International Convention

The Paris Convention for the Protection of Industrial Property is the principal international treaty governing patents, trademarks, and unfair competition. The members of the Paris Convention form the “Paris Union”; over one-hundred and fifty nations, including the United States and almost all of the developed countries, are members. The World Intellectual Property Organization (“WIPO”) in Geneva, Switzerland serves as administrator.

The three main points of the Paris Convention are national treatment, a minimum level of protection, and Convention priority. Each country promises to give the same protection to nationals of countries that are members of the Convention as it gives to its own citizens. Each country promises to grant a certain defined, minimum level of protection for certain rights--e.g., against unfair competition. Finally, once a trademark application is filed in a member country, the applicant has six months to apply for protection in other member countries--with the later applications given priority as of the date of the first filing.

To see the text of the Paris Convention as well as the relevant regulations, practice guides, forms, and other information, see the WIPO website at [www.wipo.org](http://www.wipo.org).

### III. The European Community Trademark

In 1996, it became possible with one application to obtain, after a single examination and opposition procedure, a unitary trademark (or service mark) registration valid and enforceable in certain member countries of the European Union. This trademark is known as the European Community Trademark (or "ECT"). Although more countries are expected to join those already covered by the ECT, the following fifteen countries are now included: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, The Netherlands, Portugal, Spain, Sweden, and the United Kingdom.

#### A. *The Registration System*

The European Community Trademark Office has adopted a registration-based trademark system. (Contrast this system with the United States system in which trademark rights are acquired through use of a mark.) Thus, applicants can obtain a registered ECT without using a mark. Registration is subject to cancellation, however, if use of the mark does not begin in at least one member country within five years after the registration date. Applications must be filed in the Office for Harmonization of the Internal Markets (OHIM) in Alicante, Spain. (Although applications may be filed with the Central Industrial Property Office of any ECT member country, this is not recommended because those Offices must transmit the application to the OHIM within one month and failure to comply with that deadline causes the application to be deemed withdrawn.) Nationals of countries that are members of the Paris Convention, like the United States, can file the application in English, without translations. In most cases, registration of a mark, alone, will determine ownership.

ECT applications can claim priority of an application already filed in another country which is a member of the Paris Convention, including a European country or the United States, so long as the claim for priority is made within six months of the first-filed application. A special type of priority called "seniority" can be claimed based upon a trademark registration that already exists in any ECT member country. This provides a way to expand trademark rights existing in one or more countries into all member countries as a ECT. Trademark owners may also consider consolidating existing protection by replacing national registrations with ECT's, thus lowering maintenance costs and obviating the need to file national use declarations.



The examination process includes a search and examination for technical compliance with the laws and regulations of the Community Trademark Office. Applications are not rejected, however, based upon a likelihood of confusion with another mark. To raise the likelihood of confusion issue, a third party must take independent action, for example, by instituting a proceeding like an opposition proceeding in the United States. (Marks accepted for registration are published in an ECT Bulletin, an official publication of the OHIM.) An opposition proceeding must be filed within a period of three months, which cannot be extended, after publication of the ECT application in the ECT Bulletin. Such proceedings may be based upon prior use by another in merely one of the member countries (or even in a part of one country) and could be expensive if contested. Therefore, an opposition might prompt the applicant to convert the application to separate applications for individual ECT countries where registration seems likely, without loss of priority or seniority filing dates.

The loser in third-party proceedings such as oppositions, cancellations, and the like must pay the costs of the winner--including attorney fees. This rule will affect the strategy of both the applicant and the potential opposer. Any interested third party may also submit an "observation" to the OHIM explaining why the OHIM should have refused the application during examination.

#### B. *Costs*

The costs associated with obtaining a ECT are not insubstantial. The costs may be considered modest, however, given the number of countries covered by the ECT and the procedural advantages associated with securing a ECT. Specifically, based on current official fees of the Community Trademark Office and our associates' typical representation fees, we expect the total charges for filing an application in up to three classes to be about \$2,750. (By comparison, this estimate is nearly equivalent to the cost to file an application in three ECT member countries.) Because applications are not examined for likelihood of confusion, high prosecution costs are atypical. Upon allowance, the total charge can be expected of another \$2,750, including all official and associate fees. These estimates are based on the latest available official fees and may vary, up or down, as fees are readjusted and with variations in exchange rates. Moreover, as indicated above, the cost could be considerably greater if an opposition proceeding is filed and lost.

### C. *Enforcement*

The resultant registration is valid in all member countries for ten years from the date of filing--unless challenged by a third party in a procedure analogous to a United States cancellation proceeding. Registrations may be renewed indefinitely every ten years, with a single renewal procedure, as long as use can be shown in one member country. A registered ECT has priority against any subsequently filed applications or registered trademarks in any individual member country.

Trademark registration is generally the only way to obtain protection in Europe. Enforcement of a ECT against alleged infringers is the province of specifically designated courts of particular sovereign countries in which the acts of infringement occur. These courts are governed by the rules and court procedures of the Brussels Convention. The determination of which court should be selected, i.e., in which country a proceeding is to be brought, is governed by a series of rules roughly similar to federal court venue rules in the United States. Another advantage of the ECT is that the OHIM will notify ECT owners of subsequent ECT applications, making it easier to police for infringement.

For more information, including relevant regulations, practice guides, and forms, see the OHIM website at [www.oami.eu.int](http://www.oami.eu.int).

### IV. The Madrid Agreement

Established in 1891 and also called the International Registration of Marks Agreement, the Madrid Agreement includes fifty-two countries (as of April 30, 2003) who are members of the Madrid Union. The United States is not a member. Member countries include Albania, Algeria, Armenia, Austria, Azerbaijan, Belarus, Belgium, Bhutan, Bosnia-Herzegovina, Bulgaria, China, Croatia, Cuba, Czech Republic, Egypt, France, Germany, Hungary, Italy, Kazakhstan, Kenya, Korea (North), Kyrgyzstan, Latvia, Lesotho, Liberia, Liechtenstein, Luxembourg, Macedonia, Moldova, Monaco, Mongolia, Morocco, Mozambique, The Netherlands, Poland, Portugal, Romania, Russian Federation, San Marino, Serbia and Montenegro, Sierra Leone, Slovakia, Slovenia, Spain, Sudan, Swaziland, Switzerland, Tajikistan, Ukraine, Uzbekistan, and Vietnam.

The Madrid Agreement is a filing system. A single "home" application will result, if successful, in registration of a mark in one member country. That *registration* is then filed in French (one language) in one, central office (WIPO). Each of the member countries designated by the applicant have one year to reject

the registration using their own criteria. If not rejected, the mark is registered in each of the designated countries with a uniform duration of twenty years. Under the rule of "central attack," if the home registration is limited or cancelled during the first five years, the international application and all consequent national registrations are similarly limited or cancelled. Only after five years does the international registration become truly independent.

A key restriction on use of the advantages of the Madrid Agreement is the domicile requirement: an applicant must have a domicile in a member country. Thus, registration by a U.S. company may be possible only if that company has a subsidiary in a member country. The Madrid Agreement affects international searches. An applicant must search the International Register as well as a country's register because a relevant mark may not yet be on the register of the individual country of interest.

To see the text of the Madrid Agreement as well as the relevant regulations, practice guides, forms, and other information, see the WIPO website at [www.wipo.org](http://www.wipo.org).

#### V. The Madrid Protocol

International negotiators in 1989 concluded a protocol supplementing the 100-year old Madrid Agreement for international registration of trademarks. Its provisions parallel the Madrid Agreement, but the Madrid Protocol is a separate agreement intended to supplement rather than to replace the Madrid Agreement. The Madrid Protocol became effective on December 1, 1995. As of April 30, 2003, fifty-eight countries had deposited their instruments of ratification or accession with WIPO and had become parties to the Madrid Protocol: Albania, Antigua and Barbuda, Armenia, Australia, Austria, Belarus, Belgium, Bhutan, Bulgaria, China, Cuba, Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Kenya, Korea (North), Korea (South), Latvia, Lesotho, Liechtenstein, Lithuania, Luxembourg, Macedonia, Moldova, Monaco, Mongolia, Morocco, Mozambique, The Netherlands, Norway, Poland, Portugal, Romania, Russian Federation, Serbia and Montenegro, Sierra Leone, Singapore, Slovakia, Slovenia, Spain, Swaziland, Sweden, Switzerland, Turkey, Turkmenistan, Ukraine, United Kingdom, and Zambia.

President Bush signed into law the implementing legislation for the Madrid Protocol on November 2, 2002. The government now has until at least November 2, 2003 to promulgate implementing rules and to deposit an instrument of accession with WIPO. On March 28, 2003, the U.S. Patent and Trademark

Office (PTO) proposed regulations to establish a process of international trademark registration under the Madrid Protocol Implementation Act. *See Patent, Trademark & Copyright J.*, Vol. 65, No. 1616, p. 525 (BNA April 4, 2003). Upon completion of these actions, registration under the Protocol will permit a U.S. company to file an intent-to-use application in the U.S. and then to file in the PTO, in English, using U.S. currency, an application for registration of the mark in any of the member countries. Thereafter, the appropriate trademark offices in each of the designated countries will examine the application under their domestic law. Each of the member countries designated by the applicant will have at most 18 months to reject the registration using their own criteria.

This streamlined process reduces to a considerable extent the foreign trademark registration expenses of a U.S. company. Savings of 50% or more may be realized to file for foreign trademark protection. The single Madrid Protocol registration in one language is enforceable in each designated country. Renewal is accomplished through a single filing with WIPO or the PTO. Other post-registration procedures, such as assignments and changes of name, can also be completed through a single filing and payment of fees to WIPO.

The registration period under the Protocol is ten years. Unlike the Madrid Agreement, which requires a home *registration*, the Protocol permits an international registration based on a home country *application* or registration. One disadvantage of the Protocol is the “central attack” rule of the Madrid Agreement. Thus, under the Protocol, foreign registrations are contingent on the validity of the home application or registration for five years. Trademark owners may “transform” Madrid Protocol rights that fail on the basis of central attack, however, into corresponding national rights. Another limitation on use of the Protocol is that the scope of coverage of an International Registration under the Protocol is tied to the scope of the home application or registration at least for the first five years. Because U.S. trademark law requires that the identification of goods and services recited in an application be relatively specific, the scope of the corresponding International Registration will likewise be limited.

To see the text of the Madrid Protocol as well as the relevant regulations, practice guides, forms, and other information, see the WIPO website at [www.wipo.org](http://www.wipo.org).

## VI. Trademark Registration Treaty

The Trademark Registration Treaty (“TRT”) was finalized in 1973 and took effect in 1980. Also administered by WIPO, the TRT is a filing treaty. An applicant files one application with WIPO and the international application has

the same effect as if filed in all designated countries. The TRT does not yield an "international trademark"; the applicant must still prosecute the application in each designated country. Although the United States signed the TRT, along with a handful of other countries, the United States has never ratified the treaty. The TRT's focus has been largely consumed by the Madrid Protocol and WIPO has reportedly suspended operations under the TRT.

#### VII. Trademark Law Treaty

As of April 15, 2003, thirty-four countries had signed the International Trademark Law Treaty ("TLT"). The TLT entered into force on August 1, 1996, three months after the deposit by the fifth country of ratification. As of April 15, 2003, thirty-one countries had ratified the treaty, including Australia, Cyprus, Czech Republic, Denmark, Egypt, Estonia, Hungary, Indonesia, Ireland, Japan, Kazakhstan, Korea (South), Kyrgyzstan, Latvia, Liechtenstein, Lithuania, Moldova, Monaco, Romania, Russian Federation, Serbia and Montenegro, Slovakia, Slovenia, Spain, Sri Lanka, Switzerland, Trinidad and Tobago, Ukraine, United Kingdom, *United States* (effective Aug. 12, 2000), and Uzbekistan. For an updated list of countries, see [www.wipo.org](http://www.wipo.org). WIPO administers the TLT.

The treaty covers the administration of trademarks and service marks--but not holograms, sound marks, olfactory marks, collective marks, certification marks, or guarantee marks. Moreover, the TLT does not address substantive law. The primary purpose of the TLT is to harmonize trademark practice in the countries that are members of the TLT to reduce the cost and time required to obtain and maintain trademark registrations in those countries. For example, the TLT prohibits the requirement of certain technical formalities such as the need to notarize or otherwise legalize signatures in most instances.

The new treaty allows countries to maintain certain features of their national trademark procedures for six years (developed countries) or eight years (developing countries) after the TLT came into force on August 1, 1996. All laws of signatory countries must conform with the TLT, however, by October 28, 2004. On October 30, 1998, President Clinton signed the Trademark Law Treaty Implementation Act, Public Law No. 105-330, implementing legislation for the TLT in the United States. The TLTIA became effective on October 31, 1999. Although the changes to U.S. trademark law made by the TLTIA and prompted by ratification of the TLT are relatively minor, the procedural improvements and predictability that result from adoption of the TLT by other countries inure to the benefit of U.S. companies.

Among the changes in U.S. trademark law prompted by the TLT are: (1) affidavits of use (Section 8 affidavits) must be filed in the year before the end of each registration term, as well as during the sixth year; (2) revival of abandoned applications is easier, under an "unintentional" standard rather than the more rigorous "unavoidable" standard; (3) requirements to receive an application filing date are minimized to include only the name of the applicant, the name and address for correspondence, a drawing of the mark, a list of goods and services, and the filing fee for at least one class; (4) applications and other formal papers may be signed by the applicant, a person with legal authority to bind the applicant, or a person with knowledge and actual or implied authority to bind the applicant (e.g., the applicant's attorney or VP of Marketing); (5) a statement of "method of use or intended use of a mark" is no longer required; (6) assignments and changes of name will be recorded even if they are not an original document or a "true copy" of the original; (7) both use and intent-to-use bases can be included in the same application; and (8) the old "color lining chart" used to designate color in a drawing was replaced by a written description of how a mark is colored or submission of a color drawing.

#### VIII. Trade-Related Aspects of Intellectual Property Rights (TRIPS)

The initial world trade accord called the General Agreement on Tariffs and Trade (GATT) was completed in Geneva in 1947. The Uruguay Round of GATT began in Uruguay in 1986 and was completed in Geneva in 1993. On April 15, 1994, the United States and 107 other countries became signatories to the agreement, which included TRIPS, effective on July 1, 1995. The World Trade Organization (WTO) was created by the Uruguay Round of negotiations; became effective on January 1, 1995; is located in Geneva, Switzerland; and, as of April 4, 2003, included 146 countries. A WTO Council for TRIPS monitors the operation of the agreement and governments' compliance with it.

TRIPS recognizes that widely varying standards in the protection and enforcement of intellectual property rights and the lack of a multilateral framework of principles, rules, and disciplines addressing international trade in counterfeit goods had been a growing source of tension in international economic relations. Rules and disciplines were needed to cope with these tensions. To that end, TRIPS addresses the applicability of basic GATT principles and those of relevant international intellectual property agreements; the provision of adequate intellectual property rights; the provision of effective enforcement measures for those rights; multilateral dispute settlement; and transitional arrangements.

Part I of TRIPS sets out general provisions and basic principles, notably a national-treatment commitment under which the nationals of other members must be given treatment no less favorable than that accorded a member's own nationals with regard to the protection of intellectual property. TRIPS also contains a most-favored-nation clause, a novelty in an international intellectual property agreement, under which any advantage a member gives to the nationals of another country must be extended immediately and unconditionally to the nationals of all other members, even if such treatment is more favorable than that which it gives to its own nationals.

Part II addresses each intellectual property right in succession. The trademark portion of TRIPS is Section 2 of Part II. Highlights include: (1) the requirement that members must register service marks in addition to trademarks; (2) definition of the types of designations that must be eligible for protection as a trademark or service mark; (3) definition of the minimum rights (e.g., term of protection) conferred on owners of marks; (4) enhanced protection for internationally well-known (i.e., famous) marks; (5) a general prohibition against the mandatory linking of trademarks which typically requires that foreign marks be used in conjunction with local marks; and (6) prohibition against the compulsory licensing of marks.

With respect to geographic designations, TRIPS requires that all members must prevent the use of any designation which misleads the consumer as to the origin of goods. An even higher level of protection is provided for geographic designations for wines and spirits. Note the amendments to Section 2 of the Lanham Act: primarily geographically deceptively misdescriptive designations under Section 2(e) could be registered upon acquisition of distinctiveness under Section 2(f) until 1993—but no longer.

Part III of TRIPS outlines the obligations of member governments to provide procedures and remedies under their domestic law to ensure that intellectual property rights can be effectively enforced, by foreign rights holders as well as by their own nationals.

To see the text of TRIPS as well as the relevant regulations, practice guides, forms, and other information, see the WTO website at [www.wto.org](http://www.wto.org).

#### IX. Other Treaties

The United States is also a party to the Inter-American Convention for Trademark and Commercial Protection with several Latin-American countries (namely, Columbia, Cuba, Guatemala, Haiti, Honduras, Nicaragua, Panama, Paraguay, and Peru). Brazil and the Dominican Republic are parties to the earlier

Pan-American Trademark Convention of 1923. In addition, the United States has entered into bilateral treaties providing for the reciprocal treatment of persons with rights in trademarks. Such treaties include China (1948), 63 Stat. 1299; Ethiopia (1953), 4 UST 2134; Germany (1956), TIAS 3593; Greece (1954), 5 UST 1829; Ireland (1950), 1 UST 785; Israel (1954), 5 UST 550; Italy (1949), 63 Stat. 2255; and Japan (1953), 4 UST 2063.