

The Madrid Protocol Guide 2007

The Madrid system provides a mechanism whereby a trademark owner who has an existing trademark application or registration (known as the 'basic application' or 'basic registration') in a member jurisdiction may obtain an "international registration" for their trademark from the World Intellectual Property Organization. The trademark owner may then extend the protection afforded to the international registration to one or more member jurisdictions, a process known as "designation." A useful feature of the Madrid system is that this protection may generally be extended to additional jurisdictions at any time, such that international trademark protection can be extended to new jurisdictions which subsequently join Madrid, or to such other jurisdictions as the trade mark owner may choose.

As of November 2003, 61 countries have joined the Madrid Protocol. These countries are called "Contracting Parties." A current list of the Contracting Parties is available online at the World Intellectual Property Organization (WIPO) website: <http://www.wipo.int/madrid/en>.

In basic terms, the primary advantage of the Madrid system is that it allows a trademark owner to obtain trademark protection in any or all member states by filing one application in one jurisdiction with one set of fees, and make any changes (e.g., changes of name or address) and renew registration across all applicable jurisdictions through a single administrative process.

One disadvantage of the Madrid system is that any refusal, withdrawal or cancellation of the basic application or basic registration within five years of the registration date of the international registration will lead to the refusal, withdrawal or cancellation of the international registration to the same extent. For example, if a basic application covers 'clothing, headgear and footwear' and 'headgear' is deleted for whatever reason, the international registration will only cover 'clothing and footwear'. The protection afforded by the international registration in each designated member jurisdiction will therefore only extend to 'clothing and footwear'. If in this example the basic application had been rejected as a whole, the international registration would also have been totally refused.

The process of attacking the basic application or basic registration for this purpose is generally known as 'central attack'. Under the Madrid Protocol, the effects of a successful central attack can be mitigated by transforming the international registration into a series of applications in each jurisdictions designated by the international registration, a process known as 'transformation'. Although transformation is an expensive option of last resort, the resulting applications will receive the registration date of the international registration as their filing date.

The United States joined the Madrid Protocol in November 2003. Any trademark owner with an application filed in or a registration issued by the USPTO and who is a national of, has a domicile in, or has a real and effective industrial or commercial establishment in the United States can submit an international application through the USPTO. Generally, overseas clients need to file Madrid applications in their home countries.

The Madrid Protocol will not eliminate many of the costs associated with obtaining trademark rights in foreign jurisdictions. There are three components to the total cost for filing a Madrid Protocol application: (1) our fee for preparing and filing the application; (2) the USPTO fee; and (3) International Fees. Our attorney fee for preparing and filing a Madrid Protocol application in the USPTO is generally \$1000 if the international application is based on a single U.S. application or registration. The USPTO charges a \$100 fee for certifying international applications and transmitting them to the International Bureau. Madrid Protocol fees (WIPO/National fees) depend on the number of designated countries and current foreign exchange rates (International Fees must be paid in Swiss Francs) and is the sum of all the separate filing fees for each designated country. Typically, an applicant should budget \$700 - \$1000 per designated country to cover the designation fee. All fees related to Madrid filings must be paid in advance.

If the basic application is not rejected, the International Bureau will register the mark and notify each country that was designated. Each designated country will then examine the application the same as it would a national application under its laws. If the application meets the requirements for registration of that country, then the country will grant protection of the mark. However, objections might be raised in one or more of those countries, which will have to be dealt with through local agents in each country. It is not possible to estimate the costs of foreign prosecution. Applicants should therefore budget a minimum of \$800 - \$1500 per country in which the application is rejected to cover any foreign agent fees required during prosecution.

An international registration lasts for ten years from the date of registration and may be renewed for additional 10-year periods by paying a renewal fee to the International Bureau. For the first 5 years, the international registration is completely dependent on the U.S. basic application or registration. This means that, during the first 5 years of the life of the international registration, if the U.S. basic application or registration is refused, withdrawn, cancelled or restricted, in whole or in part, then the International Bureau will cancel the international registration. However, after the 5-year period has ended, the international registration becomes independent of the basic application or registration. There is a procedure in which an applicant can transform its international registration into a series of applications in each jurisdiction designated by the international registration. Although transformation is an expensive option of last resort, the resulting applications will receive the registration date of the international registration as their filing date.