



# FICPI 22nd Open Forum

Madrid

25-28 September 2024



# UNVEILING THE BENEFITS AND PITFALLS OF THE MADRID & HAGUE SYSTEMS

STRENGTHENING THE PRACTICE OF THE INDEPENDENT IP ATTORNEY

[www.ficpi.org](http://www.ficpi.org)



margate



**FICPI 22nd  
Open Forum**  
Madrid  
25-28 September 2024



# Introduction

Rob S. Katz  
Banner & Witcoff, USA



margate

STRENGTHENING THE PRACTICE OF THE INDEPENDENT IP ATTORNEY

[www.ficpi.org](http://www.ficpi.org)



**Robert S. Katz**  
Banner & Witcoff (US)

[RKatz@bannerwitcoff.com](mailto:RKatz@bannerwitcoff.com)



**Lena Shen**  
Dakun IP (CN)

[lenashen@dakun-law.com](mailto:lenashen@dakun-law.com)



**Iván L. Sempere**  
Padima (ES)

[i.sempere@padima.es](mailto:i.sempere@padima.es)



**FICPI 22nd  
Open Forum**  
Madrid  
25-28 September 2024



# Overview

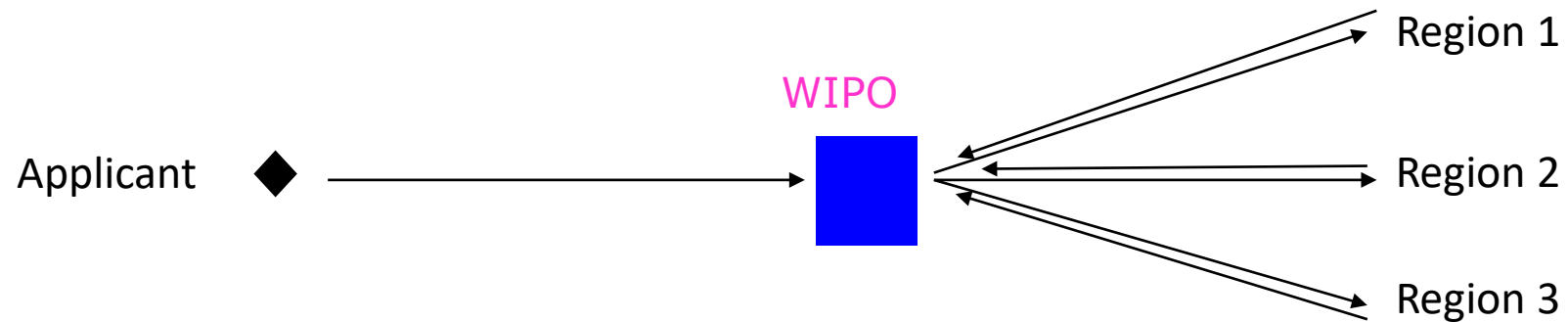
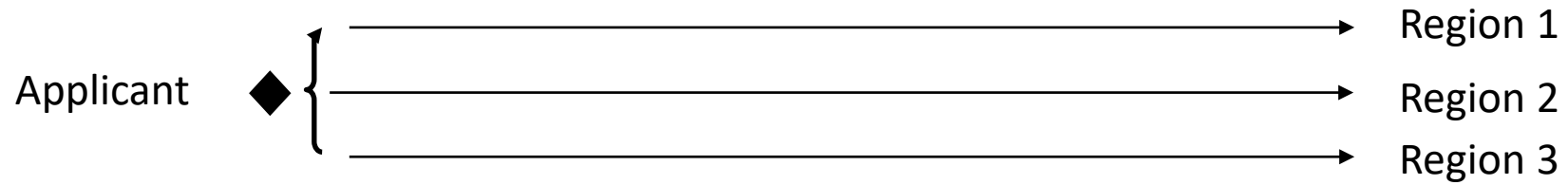
Robert Katz  
Banner Witcoff, U.S.



STRENGTHENING THE PRACTICE OF THE INDEPENDENT IP ATTORNEY

[www.ficpi.org](http://www.ficpi.org)

# General Process of these WIPO Tools – Trademarks/Design



## ***What's the Upside***

- **Money savings**
  - Bypasses local counsel
- **Administrative simplicity**
  - Not always, but usually
  - Can limit flexibility

## ***Considerations***

- Law and practices are not the same
  - Basics
  - Cutting edge opportunities
- Pitfalls and traps exist
- Don't always learn about issues early
- Bypass local counsel can come at a price
- Users should be as smart as local counsel





**FICPI 22nd  
Open Forum**  
Madrid  
25-28 September 2024



# Trademarks via Madrid

Lena Shen  
Dakun IP, P.R. China

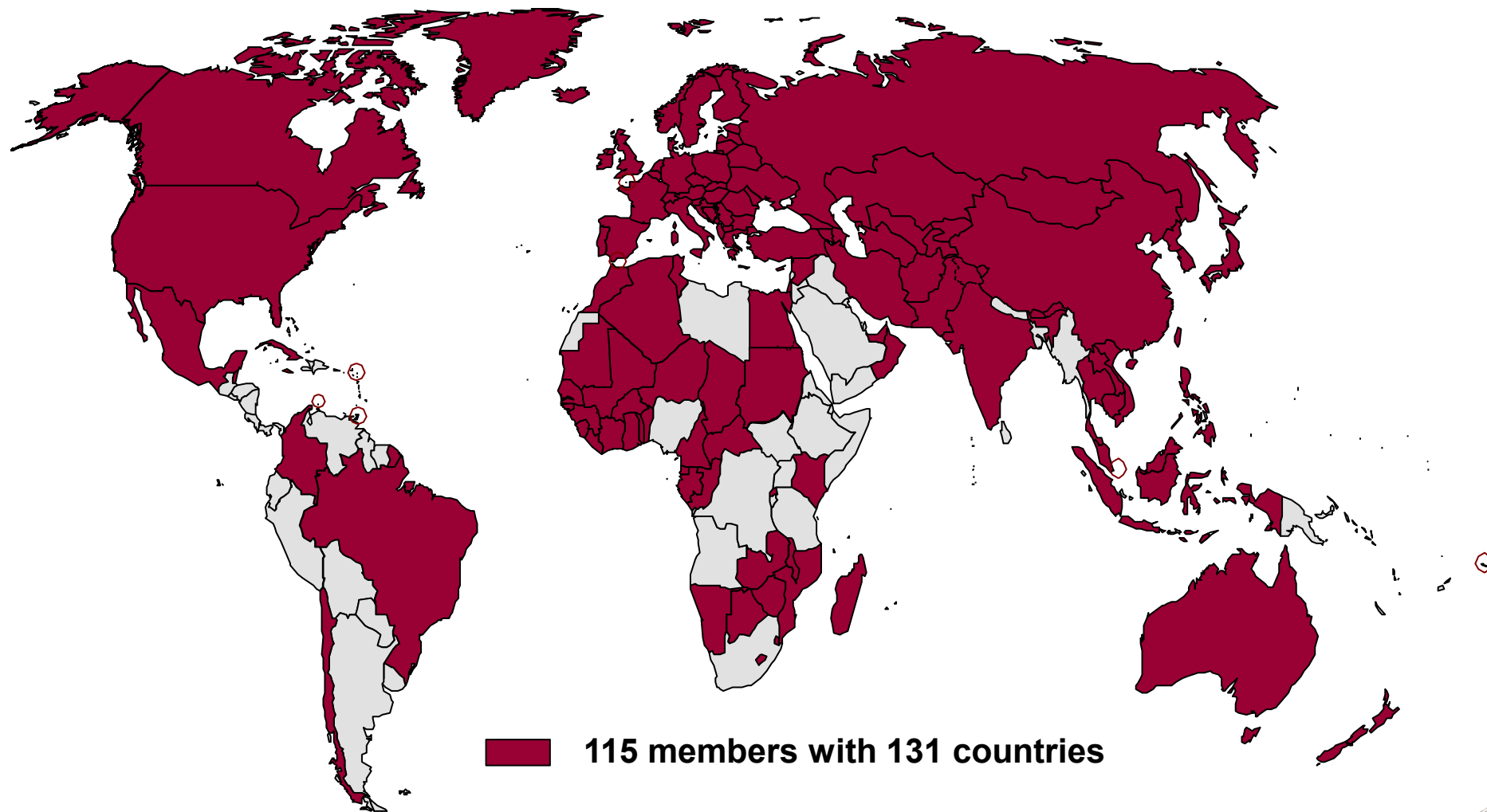


STRENGTHENING THE PRACTICE OF THE INDEPENDENT IP ATTORNEY

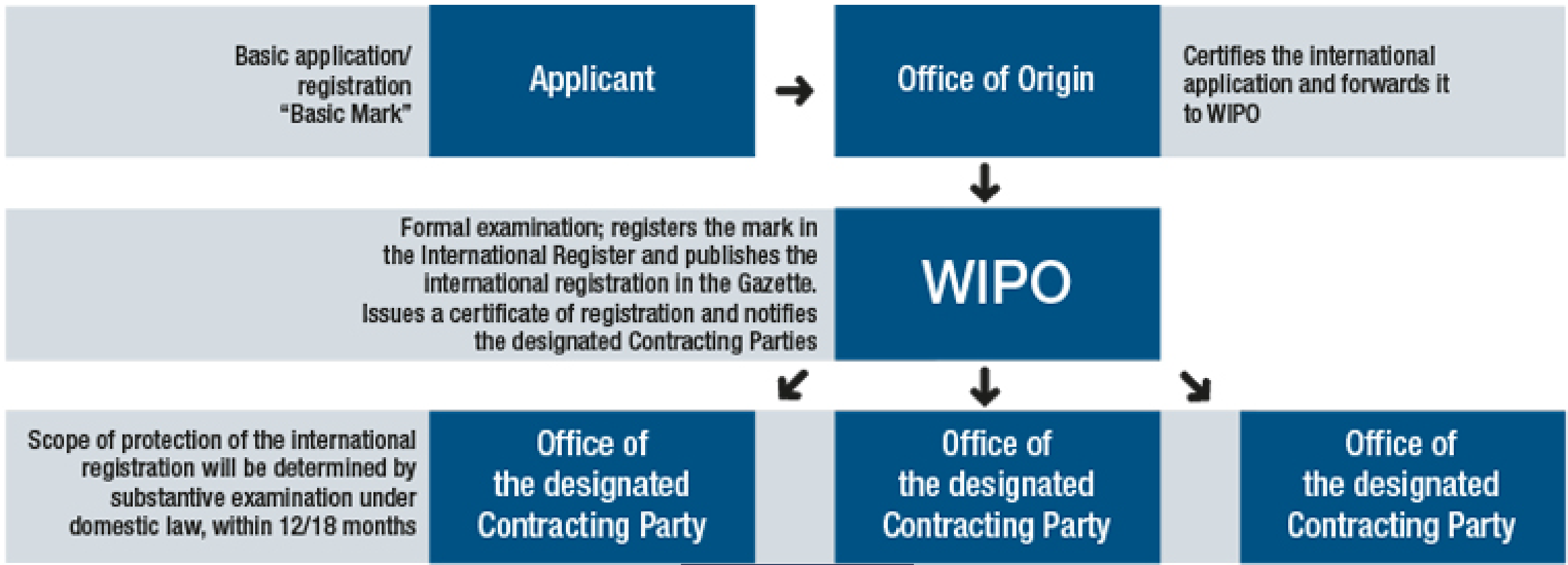
[www.ficpi.org](http://www.ficpi.org)



# Coverage of Madrid System



# Madrid registration process at a glance



## Possible Examination Outcomes

<p><b>no news by 12/18m:</b> protection is granted</p>	<p><b>statement of grant of protection:</b> protection is granted</p>	<p><b>Notification of provisional refusal:</b> local agent to involve if needed to further proceed</p>
--	---	--

# THE MADRID SYSTEM: PROTECTING TRADEMARKS ABROAD

WIPO | MADRID

The International  
Trademark System

The Madrid System is the convenient and cost-effective way to protect your brand internationally

Register and manage your trademarks in multiple countries through one system



## ONE-STOP SHOP

One application



One set of fees



One filing language



Centralized management



## GLOBAL REACH

115 members



131 countries covered



Over 80% of world trade



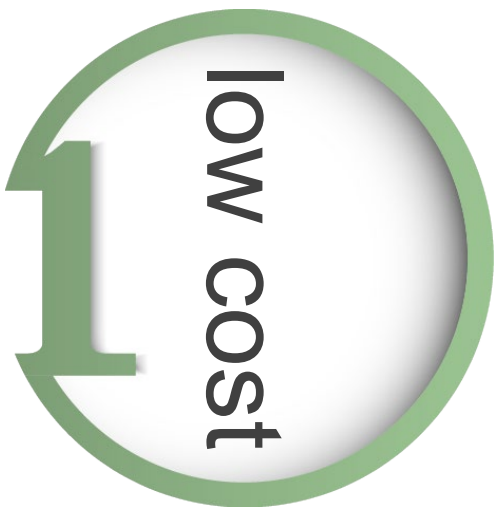
And growing



## Madrid System V. National TM

	Madrid system	National TM
<b>coverage</b>	131	200+
<b>cost</b>	generally speaking, lower 1. basic fee 2. designation fee 3. agent fee in the original country	1. official fee of each office 2. agent fee in the original country 3. agent fee of the local attorney 4. possible fees for notarization, legalization and postage
<b>examination time</b>	refusal period: 12 or 18 months	vary
<b>certificate</b>	normally no registration certificate from designated countries	yes
<b>basic TM required?</b>	yes	No
<b>legal effect</b>	The same (theoretically speaking)	
<b>valid term</b>	10 years from international registration date	vary
<b>document requirements</b>	simple	complex in some countries (even required notarized and legalized documents)
<b>priority</b>	the same (6 months)	
<b>subsequent designation</b>	possible	not available
<b>other procedures</b>	simple for renewal/change/transfer (one act to cover all designated jurisdictions)	complex (to proceed in each jurisdiction)

# Biggest advantage with Madrid



Cost estimate example: a CN applicant filing TM for 4 jurisdictions		
	Madrid (CHF)	National TMs (designation official fees & normal attorney fees)(CHF)
	Basic fee 653	--
Japan	266	850
USA	460	1200
EU	789	1200
Vietnam	100	480
<b>Total</b>	<b>2002</b>	<b>3730</b>

registration; (post registration) change, transfer, renewal

- ◆ **Madrid system:** one filing, one fee, one deadline
- ◆ **National registration:** multiple filings, separate fees and payments, different deadlines

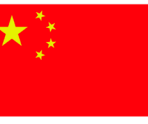
# Biggest issue and risk of using Madrid system

## basic mark requirement and central attack

Article 2 of the Madrid Protocol requires the owner of a mark to file a basic application or obtain a basic registration (basic mark) in the home country before filing an international application, and Article 6 mandates that the resulting international registration and all extensions of protection are dependent on that basic mark for five years from the date of the international registration.

## Some proposals to modernize the system

1. to maintain the basic mark requirement BUT reduce the dependency period from five to three years;
2. to eliminate the basic mark and dependency requirements.



# Madrid-Pro and Cons for CN filing and rights





# Pros and Cons for CN filing through Madrid

More tolerant in goods/service description examination

Easier and simpler in management

Cost saving

No review & simple issue turned into complex procedure

No registration certificates & slow/failure in data update

Document delivery problem

Slow in examination

Pls see examples on next slide

CNIPA very slow and even reluctant in correcting or updating its online data.

CNIPA directly mails notifications to international registrant, sometimes lost or delay in receiving which may cause the loss of the right.

IR: 12/18 months  
National: 4+3 months (maximum 9+3 months)

**Solution for no certificate:** to apply for a certified copy of registration with CNIPA

**Solution:** to involve local agency in some procedure so it will be copied for future notice




## More tolerant in goods/service description examination, **advantage or disadvantage?**

**Possible disadvantage:** more risk of being refused, more uncertain in enforcement

	Goods example in IR	Goods example in national TM
class 9 (0910, 0913, 0914, 0916...)	electrical, pneumatic, hydraulic and thermal apparatus for controlling, tuning, switching and measuring as well as accessories therefor	temperature indicator; barometer; electric regulating device; transformer (electrical); sensors; thermostat; thermal regulation device; humidity meter; temperature sensor; pressure sensor; liquid level sensor; oil level sensor
class 11 (1101, 1105~1108...)	apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes	lighting fixtures and devices; cooling equipment and devices; water cooling device; air conditioning equipment; device for wetting air device; air dryer; air cooling device; ventilation equipment and devices (air conditioning); air disinfection device; drying equipment and devices; air purifier; thermostatic valve (heating device component); electric heating device; water supply equipment; hot air flow regulator; hot air device; heat pump; gas valve for steam heating system; radiators for central heating systems;

## No review & simple issue turned into complex procedure (review of refusal)

If it is a **national TM**, some can have been solved before filing or by replying to a Notification of Amendment, cheaper & quicker.

issues	Examples	Accepted after amendment
Unacceptable goods/services	35: Retail/wholesale services	Distribution for others; providing online markets of goods and services for the sellers and buyers
	9: smart watches	smart watches (data processing)
	9: digital storage media, particularly digital collectibles, digital tokens, non-fungible tokens (NFTs) and digital art	digital storage media, particularly digital collectibles
Lack of documents	Where the applicant for extension of an IR in China requires to protect a 3-D mark, color combination mark and sound mark or requires to protect a collective or certification mark, it shall, within 3 months after the international registration, submit the relevant materials to the Trademark Office of CNIPA through a legally established Chinese trademark agency. If it fails to submit the relevant materials within the aforesaid time limit, the Trademark Office shall reject such an IR.	
Obvious refusal ground	 <b>Applicant:</b> a Sweden company <b>Refusal ground:</b> The graph, comprised in the sign, which is similar to the National Flag of the United States, shall not be used as a trademark without the permission of the United States government. "LEXINGTON" in the sign is likely to mislead the public as to the origin of the designated goods	

# FILING IR IN THE EU

## PROS



CHEAPER & EASIER



INTERESTING FOR CONVERSION  
CASES

## CONS



SLOWER PROCESS



DIFFERENT PROCEDURE STEPS



NO CERTIFICATE OF REGISTRATION



POTENTIAL EUIPO NOTIFICATIONS  
TO APPLICANTS IN OPPOSITIONS  
PROCEEDINGS

## FILING IR IN THE EU: OBJECTIONS

Objections arise almost equally, being IRs slightly in the lead for the following reasons:



Description of goods and services



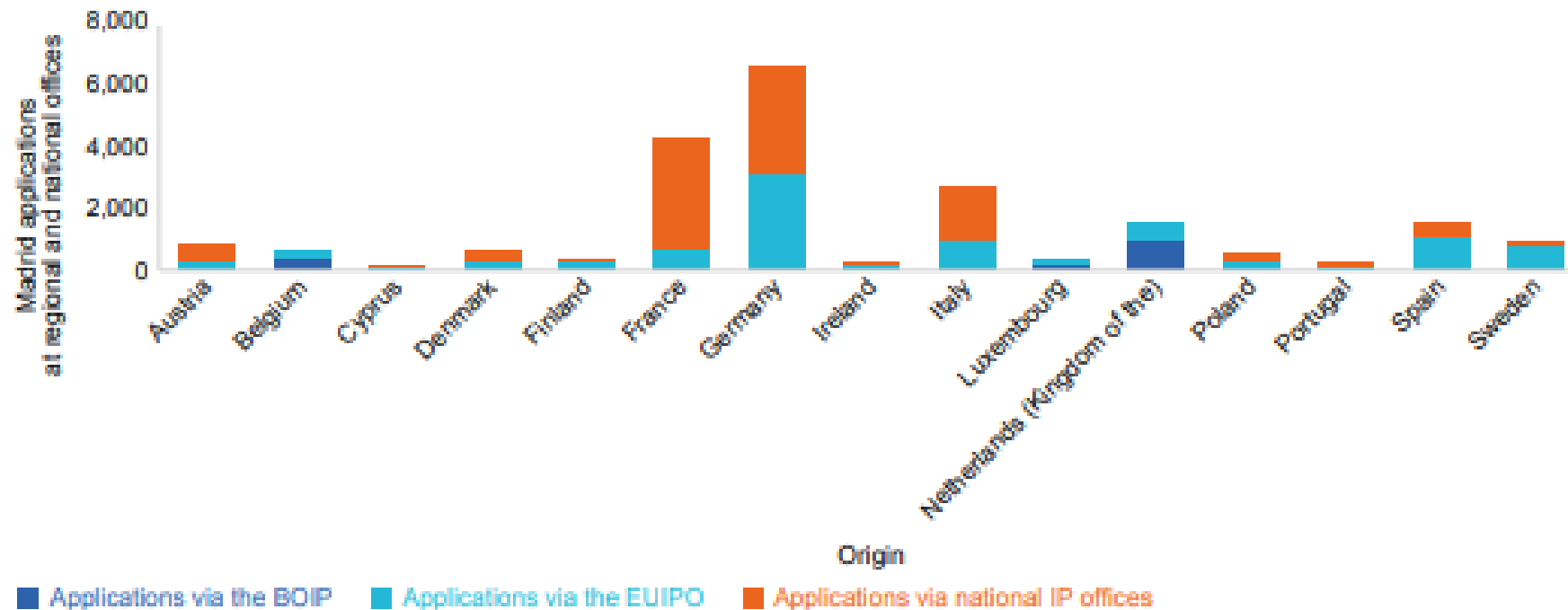
Not having selected a second language of proceeding

## FILING IR IN THE EU: USUAL CONCERNS

- ? Can an EUTM or IR designating the EU be refused or granted only for some of the EU member states?
- ? Can an EUTM or IR designating the EU be assigned partially to some of the EU member states?
- ? Does Seniority apply to an IR designating the EU?

## FILING IR IN THE EU: STATISTICS

**A11. International applications for selected European Union (EU) origins by regional and national offices, 2023**



Note: BOIP is the Benelux Office for Intellectual Property; EUIPO is the European Union Intellectual Property Office.  
 Source: WIPO Statistics Database, March 2024.

## EXTENDING EUTM THROUGH THE MADRID SYSTEM



LOW DISTINCTIVE TRADEMARKS  
FORMAL OBJECTIONS



DIFFERENT CLASIFICACION CRITERIA



## ***Observations from the United States Benefits***

- Lower price at least early in the process
  - *May be exempt from planned USPTO fee increases in 2025.*
- Administrative efficiency - One application that can cover several countries (including CTMs) that can be filed in English and in one single currency (Swiss Francs).
- Applicants can use TEAS for filing, so it is a good last minute priority filing tool.
- In some countries, Madrid applications are unofficially reviewed more leniently than national applications.
- The decision to grant or extension request must be made within 18 months of the International Registration date.

## ***Observations from the United States Drawbacks Part 1***

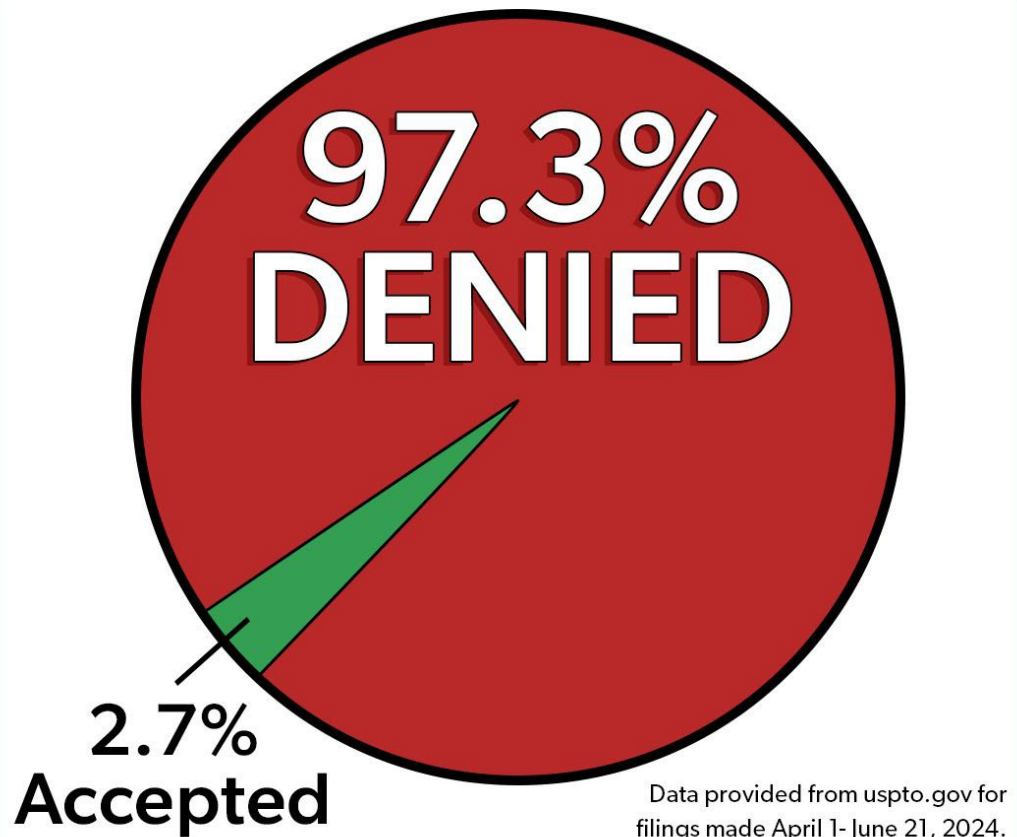
- Although cheaper at the outset, can be expensive and messy later
  - Office Actions from countries require fees and foreign associate assistance, which increases overall costs.
- For a 5-year period, the protection afforded by an International Registration is dependent upon the issuance of a registration in the trademark owner's home country. Thus, if the home registration is limited or cancelled for any reason during this 5-year period, ***all*** of the protection afforded by the International Registration will be limited or invalidated.
  - In these cases, keep in mind that you can convert a Madrid registration to a national registration; however, the process is costly in time and money.
  - Three-dimensional marks and non-traditional marks (e.g. sound marks) may have a high risk of rejection in the country of origin.

## ***Observations from the United States Drawbacks Part 2***

- Allows for a central attack by third parties
  - Creates a strategy to kill the rights everywhere by killing the base application.
  - Central attacks rose from 200 total or partial cancellations in 1996 to 7,000 cancellations in 2017.
  - Even just the threat of central attack provides leverage
- If an applicant files a Madrid application and later assigns the mark to an entity (related or unrelated to the applicant) located in a non-member country, the Madrid application or registration will be invalidated.

## ***Additional Issues We See in US Inbound Cases***

### **USPTO Denies 97.3% of Madrid Protocol Trademark Filings**



Data provided from uspto.gov for filings made April 1- June 21, 2024.

SOURCE: GERBEN IP

- Why is this number so high?
- Many are done without a proper US clearance search having been performed. A search can help identify potential conflicts with other trademarks pre-filing. This allows adjustments to be made to an application to try to avoid a refusal due to a conflict.
- Many are done without a proper understanding of USPTO rules. In most cases, the language used to describe a client's goods and/or services in the trademark application is found to be improper by the USPTO. If a US attorney was engaged to clean up the language pre-filing, such a refusal can be avoided.

## ***Additional Issues We See in US Inbound Cases***

- Cannot change classifications.
- Applications filed in the US through the Madrid Protocol cannot be amended to the Supplemental Register in U.S.
- Positive: Responses to Office Actions inbound to the US get 6 months free (i.e., an additional 3 months without EOT fees)

## ***Additional Issues We See in Outbound Madrid Cases***

- U.S. based applications are restricted to the goods/services listing required by the USPTO, which is generally narrower than other Madrid member countries.
  - Makes the designation of goods/services in a more generic category impossible when seeking protection outside the US
  - Certification/Collective Membership marks (e.g., Classes A, B, and 200) must be reclassified (because the USPTO is unique) resulting in a different and potentially less desirable right.
- Slow and often inaccurate communication between the USPTO and IB can often lead to mistakes in the Madrid registration and difficulties updating the information (such as the owner address).



**FICPI 22nd  
Open Forum**  
Madrid  
25-28 September 2024



# Designs via the Hague

Ivan Sempere Massa  
Padima, Spain



**margate**

STRENGTHENING THE PRACTICE OF THE INDEPENDENT IP ATTORNEY

[www.ficpi.org](http://www.ficpi.org)



# OVERVIEW OF THE HAGUE SYSTEM



## OVERVIEW OF THE HAGUE SYSTEM



Up to 100 designs in 97 countries



Multiple jurisdictions - Centralized operation



Adopted in 1925



Last members



## OVERVIEW OF THE HAGUE SYSTEM: THE REGISTRATION PROCESS



Online filling eHague



Formal examination



Publication

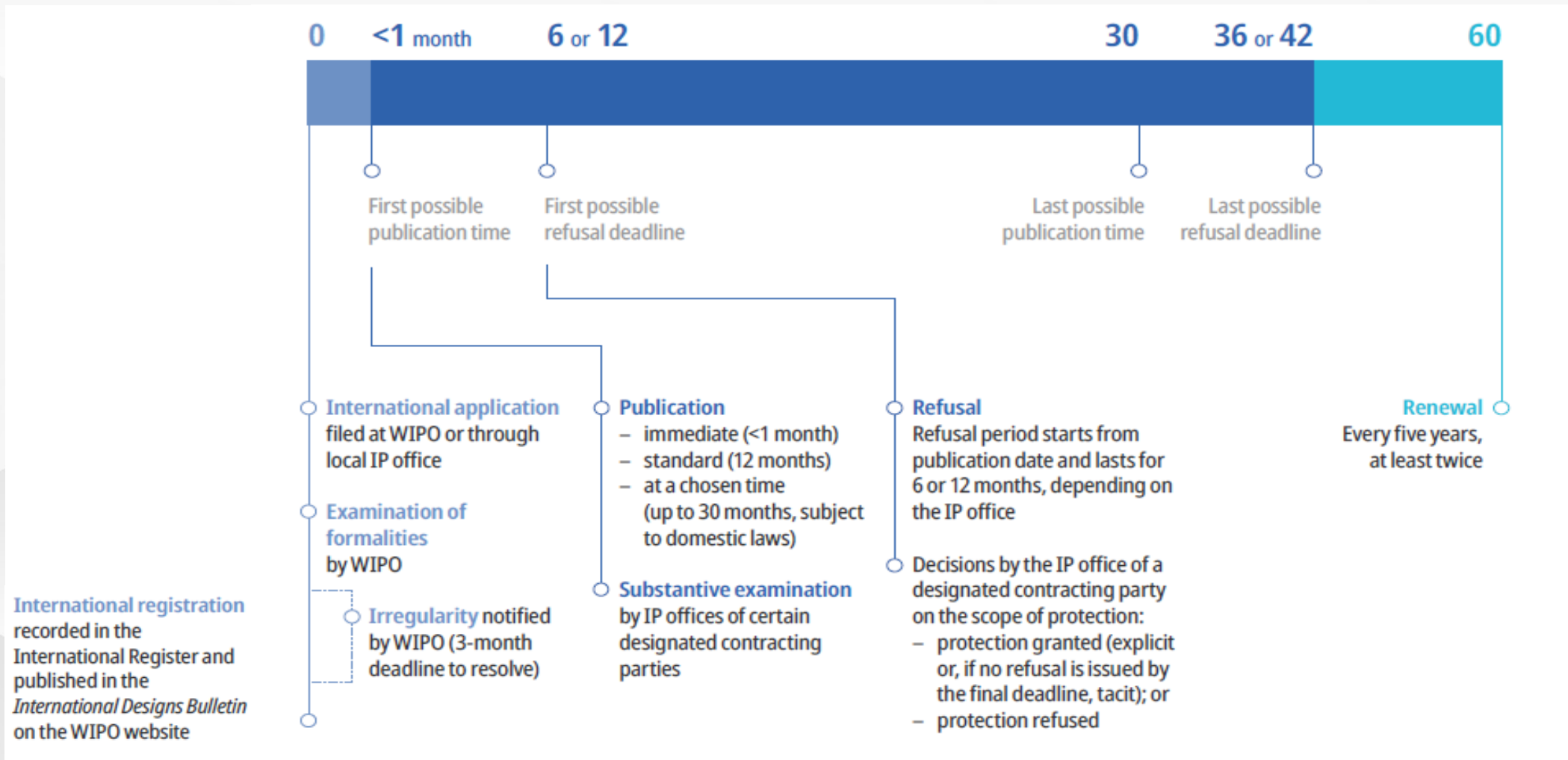


Substantive examination if contemplated in local law



5 years renewable

# OVERVIEW OF THE HAGUE SYSTEM: THE REGISTRATION PROCESS



Source: 'Hague yearly review 2024' available at [wipo.int](http://wipo.int)

## OVERVIEW OF THE HAGUE SYSTEM: PROS



One application in one language → Up to 100 designs



Fees in a single currency



Centralised through WIPO



Cheaper Renewals?



Registration may be granted for some designated territories



# HOWEVER

Not everything is rosy

## OVERVIEW OF THE HAGUE SYSTEM: CONS



Graphic representations → The scope of protection



Formal examination may take long



Publication options management



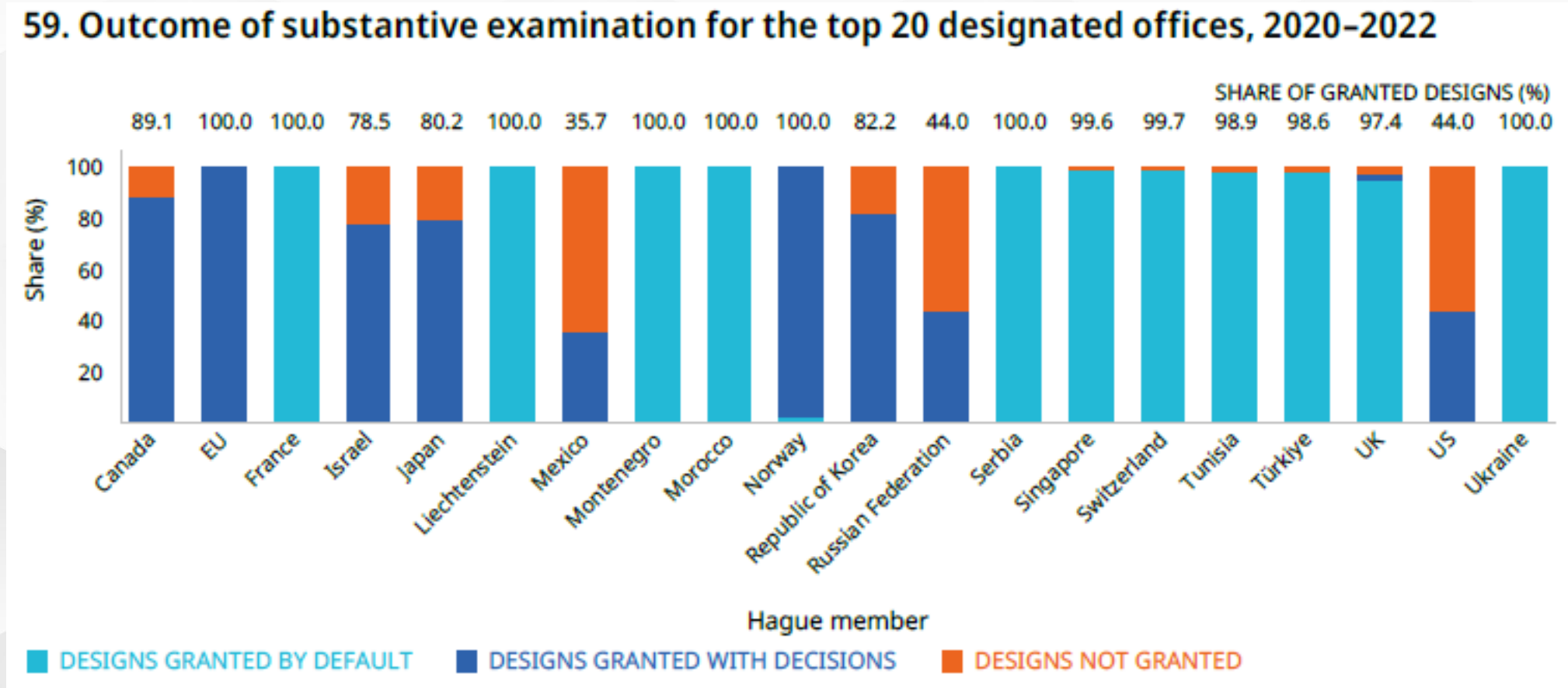
Different criteria in key jurisdictions



Hague data base is not always clear



## OVERVIEW OF THE HAGUE SYSTEM: CONS



Source: ‘Hague yearly review 2024’ available at [wipo.int](https://www.wipo.int)

# EU PERSPECTIVE

Number of designs in the same application	Total number of views (7/designs)	TOTAL FILING FEES HAGUE DESIGNATING EM (€)	TOTAL FILING FEES EUIPO (€) [2025 fees]	Hague increase vs EUIPO
1	7	539,93	350	+54%
10	70	2466,75	1475	+67%
20	140	4607,67	2725	+69%
50	350	11030,43	6600	+67%

## EU PERSPECTIVE



International Designs don't appear in EUIPO database



EUIPO platform → Smart & user friendly



Direct support through EUIPO chat

## EU PERSPECTIVE

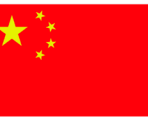
	HAGUE SYSTEM	COMMUNITY DESIGN
Maximum number of designs per application	100 Unity class requirement	Unlimited [2024] 50 [New regulation 2025, but unity class requirement abolished]
Formal examination duration	1 month	3-5 days
Publication	12 months from filing [immediate/selected publication date upon request]	3-5 days
Deferment	30 months from filing/ priority date in general, governed by domestic law of the Contracting party, <b>It must be requested for all the designs contained in the application. Not possible to lift deferment only for some of the designs, nor to publish them in different dates.</b>	30 months from filing – <b>It is possible to apply for deferment only for some of the designs contained in the application, as well as choosing the publication date for each design after filing the application.</b>

## EU PERSPECTIVE

# 2023

- 8.566 International Design Applications, 4.981 of them designating EU
- 95.926 Community designs filed

Direct filing through EUIPO is the preferred way for protecting in the EU [x20]



# Hague-Pro and Cons for CN filing and rights



# Design-Pro and Cons for CN filing and rights

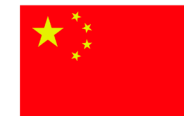
**Simple  
management**

**Cost saving?**

**Different requirement  
and possible refusal**

# Hague system cheaper?

Chinese firm's normal service fee for a Chinese national design  
filing: CHF 450-550 (first design); renewal: CHF 50-100/annuity payment



## Hague System official fee

Filing	1 design (CHF)	1 additional design (CHF)	9 additional designs (CHF)
Basic fee	397	50	50*9
Publication of each reproduction	17	17	17*9
(China) Individual designation fee	497	0	0

Renewal	(CHF)
Basic fee for renewal	200
Each additional design	17
(China) First renewal	922
(China) Second renewal	1820

## China national filing official fee

Filing	1 design (CHF)	1 additional design (CHF)	9 additional designs (CHF)
Application	60	0	0
Publication fee	0	0	0

Renewal	(CHF)
1 <sup>st</sup> -3 <sup>rd</sup> years, per annum	72
4-5 <sup>th</sup> years, per annum	108
6-8 <sup>th</sup> years, per annum	144
9-10 <sup>th</sup> years, per annum	240
11-15 <sup>th</sup> years, per annum	360

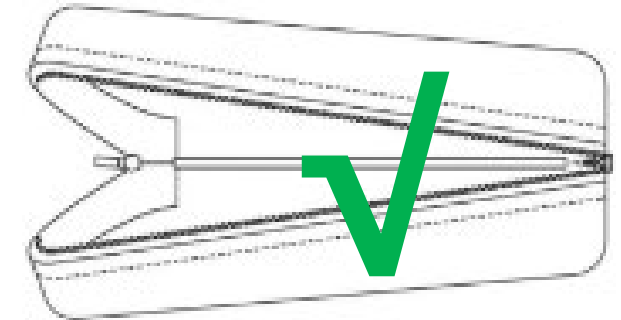
1 design filing & renewal by 5<sup>th</sup> year:  $60+72*2+108*2=420$  (CHF)  
 6-10<sup>th</sup> renewal:  $144*3+240*2=912$  (CHF)  
 11-15<sup>th</sup> renewal:  $360*5=1800$  (CHF)





# Hague System V. China National Design

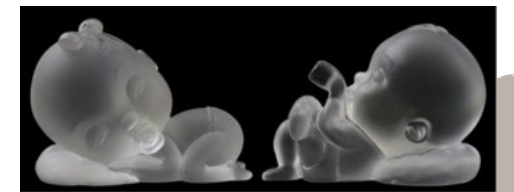
	Hague	China
<b>Maximum amount of designs in one application</b>	100	10 (shall abandon or divide for more than 10 designs)
<b>Requirements on reproduction</b>	Various in different countries	submitting sectional views or perspective views to represent relief or contours of surfaces of the product concretely is a more preferable way than providing shading, hatching, etc. in the representation.
<b>Renewal (annuity payment)</b>	every 5 years	national design, to pay annuity every year
<b>Different provisions on “unity of design” for multiple design application</b>	same class of Locarno Classification	★ similar designs of a same product; ★ designs of products in set





# Acceptability of multiple designs in a single application in China

Examples	Unity of design
(1) Different designs for different products	X
(2) Different designs for the same product	X
(3) A design for a set of articles presented in multiple views of a single design	X
(4) Difference in proportion	◎
(5) Difference in minor details	◎
(6) Identical designs with different claimed part	○
(7) Difference in color	○
(8) Difference in non-essential surface ornamentation	○
(9) Difference in quantity of repeating elements	○
(10) Designs identical in shape but in different graphic representations	○
(11) A design for a set of articles presented in multiple designs	○



Note: ◎: May be accepted ○: Depending on the case X: Refusal expected

## ***What is Good about using the Hague***

- A cost effective way to get protection of designs in many countries most applications would otherwise not
- Can have administrative benefits
- Can include many designs in a collective
- WIPO and its people have been great

## ***Not so good - Baseline***

- Hague is a one drawing set must fit all... but best practices aren't
- Different requirements in many jurisdictions
- Result in more objections
- More expensive to fix than to do it right the first go around

## ***Not so good - Best Practices***

- Hague is a one drawing set must fit all... but best practices aren't
- Best practices can vary by jurisdiction
- Important to maximize rights
- Important to minimize challenges for enforcement
- Result in design patents/registrations not in accordance with best local practices
- Impact on enforcement is a wild card and country and issue specific

## ***Examples of Differing Laws and Practices*** ***Just a few examples.....***

- Shading vs. No Shading vs. Optional
- Color and Photos
- Grace Periods (Declarations)
- Number of Views
  - Maximum
  - Minimum
- Portion Practice
- Multiple Embodiments/Unity
- Priority details
- Statement of novelty
- Description of design
- Title strategies
- Functionality and hidden-in-use
- Duty of disclosure
- Timing (expedite/defer)
- Tests for infringement & validity
- Tricks of the trade



## ***U.S. Issues We See in Inbound Cases***

- Law and Practices are not the same
  - Basics and cutting edge opportunities
- Pitfalls and traps exist
  - Multiple embodiments/restriction
    - Estoppel may apply
  - Higher bar for definiteness
    - Shading or additional views may be helpful
    - Sometimes fatally flawed – sometimes required to disclaim desired features
  - Duty of disclosure
    - Can lead to unenforceability/more expensive to enforce
  - Subject matter and title
    - Especially screen designs
  - Fixing post-filing is more limited because of new matter
- Not taking advantage of next level strategies
  - Appendix
  - Exploiting specification abilities (contrasts/color/broken line types/boundaries/indeterminate length)
- Bypassing local counsel can come at a price



## ***U.S. Issues We See in Outbound Cases***



- Users should be as smart as local counsel in every jurisdiction you designate – some are not
- Some practitioners do not get priority practices
- Title inconsistencies arising more than they should
- Occasional rogue countries (ex. 50 designs rejected for lacking novelty without any references or explanation)
- Some countries frequently want a more detailed description of how the article works/is used
- Some countries 30 days to respond – timing can be challenging
- Some administrative benefits not always as easy to achieve

## *Summary*

- Think of Hague as a tool (not a single solution)
- Do not use it if you don't know the local laws
- Where is protection desired? and work backwards
- Other factors
  - Has it been disclosed and other timing factors?
  - What are the essences of the design (portions)
  - Subject matter (GUI)
- Discuss procedures





# Final Takeaways

## For both Madrid and Hague



1. These WIPO tools never obtain better rights. Always consider using a local attorney. Feedback and second eye review can save money and sometimes save the day.
2. If you want to use these tools, you should have a mastery of the laws/practices in all planned designated countries.
3. If you don't, using these WIPO tools come with significant drawbacks
4. Advise applicants of the pros and cons
5. Cost savings can be real, but fixing objections might be more costly
6. When the rights are tricky or important and when in doubt, file directly via local attorney

**Questions?**





# FICPI // Events 2025



FICPI Korean Symposium  
2-5 April 2025  
Jeju Island, Republic of Korea



FICPI World Congress & ExCo Meeting  
12-18 October 2025  
Naples, Italy

Scan the QR to sign up for  
advance information and updates





**FICPI 22nd  
Open Forum**  
Madrid  
25-28 September 2024



STRENGTHENING THE PRACTICE OF THE INDEPENDENT IP ATTORNEY

[www.ficpi.org](http://www.ficpi.org)