

International Comparative Legal Guides



Trade Marks 2020

A practical cross-border insight into trade mark work

Ninth Edition

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This publication is intended to give an indication of legal issues upon which you may need advice. Full legal advice should be taken from a qualified professional when dealing with specific situations.

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From the Publisher

Dear Reader,

Welcome to the ninth edition of *The International Comparative Legal Guide to: Trade Marks*, published by Global Legal Group.

This publication provides corporate counsel and international practitioners with comprehensive jurisdiction-by-jurisdiction guidance to trade mark laws and regulations around the world, and is also available at www.iclg.com.

This year, there are two expert chapters which provide an overview of online intermediary liability and trade mark infringement and the overlap between trade mark and design rights from an Indian perspective.

The question and answer chapters, which in this edition cover 48 jurisdictions, provide detailed answers to common questions raised by professionals dealing with trade mark laws and regulations.

As always, this publication has been written by leading trade mark lawyers and industry specialists, for whose invaluable contributions the editors and publishers are extremely grateful.

Global Legal Group would also like to extend special thanks to contributing editor Nick Aries of Bird & Bird LLP for his leadership, support and expertise in bringing this project to fruition.

Rory Smith
Group Publisher
Global Legal Group

Mexico

OLIVARES



Alonso Camargo



Daniel Sanchez

1 Relevant Authorities and Legislation

1.1 What is the relevant trade mark authority in your jurisdiction?

The relevant authority is the Mexican Institute of Industrial Property (IMPI).

1.2 What is the relevant trade mark legislation in your jurisdiction?

The most pertinent legislation is the Industrial Property Law (IPL).

2 Application for a Trade Mark

2.1 What can be registered as a trade mark?

Besides the available protection for traditional trade marks, pursuant to the amendments to the IPL effective from August 10, 2018, trade mark protection for non-visible signs, such as smell marks and sound marks, as well as for certain animated marks such as holograms and for so-called “trade-dress” in a broader manner, was incorporated for the very first time in Mexico. Likewise, acquired distinctiveness will be recognised as an exception to the absolute grounds for refusal established in law.

2.2 What cannot be registered as a trade mark?

The limitations as to what cannot be protected as a trade mark are established in article 90 of the IPL, which is a list of prohibitions and the only legal source for rejecting a trade mark application. These prohibitions include:

- marks that are identical or confusingly similar to previously registered marks or marks for which registration is pending or applied to the same or similar products or services. However, consents and coexistence agreements are now recognised as valid means to overcome relative grounds objections;
- descriptive and generic marks, though acquired distinctiveness is a valid means to overcome absolute grounds objections;
- geographic indications and names of places that are characterised by the manufacture of certain products; and
- three-dimensional forms of common usage, or because said form is imposed by its nature or industrial function.

2.3 What information is needed to register a trade mark?

The following information is required:

- a) An applicant’s full name and street address, including town and country.
- b) Representation of the trade mark.
- c) Description of goods or services.
- d) Use in commerce in Mexico. Non-use basis applications are allowed under Mexican law, since use in commerce is not a requirement for obtaining registration. However, if the trade mark is already in use in Mexico, it is recommended to provide the full date (day, month and year). This first-use information becomes relevant for the applicant to be afforded priority rights over future applicants who eventually intend to challenge the registration based on use of a similar trade mark covering similar goods or services.
- e) Factory address, business address or commercial establishment (if the mark is in use in Mexico).
- f) Convention priority: if convention priority is to be claimed, it is required to provide the country of origin, application number, the date of filing and the exact description of the goods and services.

2.4 What is the general procedure for trade mark registration?

Once applications are filed before the IMPI, these are published for opposition in the Industrial Property Gazette within the next 10 working days, granting any interested party a one-month term, as of the publication date, for opposing the registration. If an opposition is filed, such opposition will also be published in the IP Gazette within the next 10 working days after the opposition deadline, granting the applicant a one-month term, as of the publication date, for filing its response. In accordance with the new amendments to the law effective from August 10, 2018, IMPI should take into consideration the opposition when conducting its own official examination, and will issue a decision on the opposition *per se*. In general terms, it takes from four to seven months for the IMPI to conduct the relevant examinations. The first is the formalities examination, whereby the IMPI checks that all of the formal requirements (information and documents) have been met, and verifies the correct classification of the products/services it is intended to protect. If any formal information or documents are missing, or if the products/services are not correctly classified, a requirement from the examiner regarding formalities will be issued, granting a two-month term that can be automatically extended for a

further two months to comply with such requirements. The second examination refers to the “relative grounds” examination (prior rights on record) and “absolute grounds for refusal” examination (inherent registrability of the mark). Thus, if prior rights are revealed or an objection concerning inherent registrability of the mark is foreseen, the IMPI would issue an official action, granting a two-month term, that can be automatically extended for a further two months, to respond thereto.

2.5 How is a trade mark adequately represented?

For design or composite marks, it is necessary to provide a clear print thereof. If specific colours are to be claimed, then the label must clearly show the colours. For three-dimensional marks, it is necessary to submit a photograph showing the three dimensions in the same photo – height, width and length (front and back). Regarding representation of non-traditional marks, no specific requirements have been issued at present, since the regulations to the amended IPL are yet to be published. Absurdly enough, the above situation has not prevented the Trade Mark Office from granting protection to non-traditional marks.

2.6 How are goods and services described?

In accordance with the new amendments to the law effective from August 10, 2018, class headings cannot be claimed anymore; thus, specific goods and services should be listed, preferably using the identifications as derived from the current Nice Classification alphabetical list.

2.7 To the extent ‘exotic’ or unusual trade marks can be filed in your jurisdiction, are there any special measures required to file them with the relevant trade mark authority?

The definition of trade marks in the amendments to the IPL effective from August 10, 2018 is quite broad, allowing the possibility of filing exotic or unusual trade marks in Mexico. Indeed, the IPL establishes that a trade mark should be understood as “*any sign perceptible by the senses*”. The only condition for the protection of such signs is that these are “*susceptible of being represented in a way that allows to determine the clear and precise object of protection*”.

2.8 Is proof of use required for trade mark registrations and/or renewal purposes?

No proof of use is required, but a simple declaration of actual use at two stages is required; namely:

- 1) a declaration of actual and effective use of the registered mark to be submitted along with each renewal application (every 10 years); and
- 2) a one-time declaration of actual and effective use which has to be submitted within the three months after the third anniversary of the date of grant of the registration in Mexico.

2.9 What territories (including dependents, colonies, etc.) are or can be covered by a trade mark in your jurisdiction?

A Mexican trade mark registration is valid/enforceable only within the Mexican Republic.

2.10 Who can own a trade mark in your jurisdiction?

Article 87 of the IPL establishes who may use and therefore own a trade mark registration, stating: “any person, individuals or companies may use trade marks in industry, in commerce or in the services they render”. Nevertheless, the right to their exclusive use is obtained through their registration with the IMPI. In Mexican practice, any kind of person or entity is entitled to apply for a trade mark registration before the IMPI.

2.11 Can a trade mark acquire distinctive character through use?

Yes. Acquired distinctiveness was recognised for the first time in Mexican Law pursuant to the amendments to the law effective from August 10, 2018.

2.12 How long on average does registration take?

If an application is filed complete and no oppositions are filed, no objections as to inherent registrability are issued and no prior references are cited by the examiner, registration may be granted within five to seven months as of the filing date. Otherwise, if oppositions are filed, or if formality requirements or references/objections are cited by the examiner, the processing of the application may take quite a long time (between 12 and 18 months), and may conclude either in the granting of registration, or the refusal thereof.

2.13 What is the average cost of obtaining a trade mark in your jurisdiction?

If no classification requirements, oppositions and/or objections to registration are issued, the average costs for obtaining a Mexican non-priority trade mark registration are estimated at US\$800.00.

2.14 Is there more than one route to obtaining a registration in your jurisdiction?

Yes. Besides the national route, as of February 19, 2013, it is also possible to obtain a trade mark registration in Mexico through the International (Madrid) System.

2.15 Is a Power of Attorney needed?

It is no longer compulsory to submit a POA along with a trade mark application, provided that the IMPI recognises the authority of the representative signing it through a declaration under oath contained in the application form. However, a valid POA must indeed exist, and it should have been granted (dated) prior to the filing of the application, otherwise the declaration contained in the application form in connection with the representation may be deemed false, thus affecting the validity of the eventual registration to be obtained.

2.16 If so, does a Power of Attorney require notarisation and/or legalisation?

A POA is not required for a trade mark to be processed. However, for litigation purposes, notarisation and legalisation is indeed needed.

2.17 How is priority claimed?

It is required to provide, in the application form, the country of origin, application number, the date of filing and the exact description of goods and services used in the priority application. It is no longer necessary to file a certified copy of the priority application.

2.18 Does your jurisdiction recognise Collective or Certification marks?

Both; collective and certification marks are indeed recognised by the IPL currently in force. Certification marks were recognised for the very first time in the amendments to the law effective from August 10, 2018.

3 Absolute Grounds for Refusal

3.1 What are the absolute grounds for refusal of registration?

Pursuant to article 90 of the IPL as amended on August 10, 2018, the following cannot be registered as trade marks:

- Technical or commonly used names of products or services, or generic designations thereof.
- Three-dimensional forms and holograms which are part of the public domain or have become part of common use, as well as those that lack distinctiveness, are the ordinary shape of products or are the shape imposed by their nature or industrial function.
- Descriptive marks or indicative words used in trade to designate the species, quality, quantity, composition, end use, value, place of origin of the product or production era.
- Isolated letters, digits or colours, unless combined or accompanied with other elements, such as symbols, designs or denominations, which provide them with sufficient distinctive character.
- Geographic denominations (proper or common), maps, nouns and adjectives, when they indicate the origin of products or services and may lead to confusion or error as to their origin.
- Names of population centres or places that are characterised by the manufacture of certain products, to protect such products.
- Names, figures or three-dimensional forms that could deceive the public or lead to error, understood as those which constitute false indications about the nature, components or qualities of the products or services they purport to protect.

3.2 What are the ways to overcome an absolute grounds objection?

If the examiners consider that the trade mark incurs any of the absolute grounds for prohibition established in the IPL, an official action is issued, granting the trade mark applicant a two-month term that can be automatically extended for a further two months, to provide legal arguments against the alleged absolute grounds for refusal and to try to overcome them. According to the amendments to the law effective from August 10, 2018, acquired distinctiveness will become relevant to overcome the absolute grounds objections.

3.3 What is the right of appeal from a decision of refusal of registration from the Intellectual Property Office?

If an application is refused by the IMPI based on absolute grounds, the applicant may choose between three different avenues to appeal: a review recourse before the IMPI; an appeal before the Federal Court for Administrative Affairs (FCAA); or an *amparo* suit before a federal district court.

3.4 What is the route of appeal?

I. A review recourse before the IMPI

This is a remedy that must be filed before the IMPI within 15 working days from the day after the date of notification of the refusal. The review recourse is resolved by the administrative superior of the person who issued the denial at the IMPI. A review recourse is only advisable when the denial is founded on a clear mistake of the IMPI (e.g., a denial based on an alleged lack of a particular document when the document was in fact filed).

If the denial is based on any of the absolute/relative grounds for refusal established in article 90 of the IPL, a review recourse is not advisable, as it is likely that the superior court will confirm the refusal resolution. The applicant may file an appeal before the FCAA against a decision issued by the IMPI under a review recourse.

II. An appeal before the FCAA

The appeal before the FCAA can be filed within 45 working days following the date of the notification of the refusal or the decision of the review recourse. This appeal is decided by an administrative entity (it is not a court of law) that decides whether the IMPI correctly applied the IPL.

Appeals are resolved by three administrative magistrates in public hearings, where the parties may not make oral arguments but can only hear the discussion of the case between the magistrates. All arguments must be submitted in writing during the prosecution of the appeal.

In this appeal, the applicant or appellant must prove that the IMPI's considerations to refuse the application did not comply with the provisions of the IPL. The IMPI will be the counterparty, trying to prove the legality of its refusal.

The losing party can make a final appeal before a federal circuit court against the decision of the FCAA. This appeal must be filed within 10 working days of the day following the notification of the decision to the losing party.

The resolution of the circuit court is final. If the IMPI loses the appeal, it must comply with the resolution within a short period.

III. An *amparo* suit before a federal district court

Due to recent Supreme Court jurisprudence, *amparo* suits are now available as a further avenue to appeal refused applications. They can be filed within 15 working days of the day following the notification of the refusal. The *amparo* is a procedural institution, which makes it highly technical.

One advantage of these proceedings is that, due to the requirements of procedural law, cases are decided in a very short timeframe, ranging from two to five months, with stays being studied very quickly (within two days of the filing of a suit). Another advantage is the higher level of preparation of officers and judges at the courts concerning IP affairs.

The main disadvantage is that under the *amparo* law, the judge is bound to first find a clear error in the decision under review and is not entitled to review the case *de novo*; thus, many of the

decisions in *amparo* suits are remanded to the IMPI for further consideration, with certain guidelines that can be concerned mainly with the due process of law, although in some cases the judge actually gives guidance on the merits of the case.

Any decisions of the district court can be appealed before a circuit court.

4 Relative Grounds for Refusal

4.1 What are the relative grounds for refusal of registration?

The relative grounds for refusal are as follows:

- Marks identical or confusingly similar to previously registered marks or marks for which registration is pending, applied to the same or similar products or services.
- Renowned or famous marks, unless applied by the legitimate owner.
- Proper names, pseudonyms, signatures, country flags, symbols, emblems, intellectual property, artworks, etc., without the express consent of the legitimate owner/authority.

4.2 Are there ways to overcome a relative grounds objection?

If the examiners consider any prior mark as a barrier to obtaining registration of the proposed mark, an official action is issued, granting the trade mark applicant a two-month term that can be automatically extended for a further two months, to provide legal arguments against the cited mark or marks and to try to overcome them. According to the amendments to the law effective from August 10, 2018, consents and coexistence agreements have been recognised as valid means to overcome the relative grounds objections under certain circumstances.

4.3 What is the right of appeal from a decision of refusal of registration from the Intellectual Property Office?

If an application is refused by the IMPI based on relative grounds, the applicant may choose between three different avenues to appeal: a review recourse before the IMPI; an appeal before the FCCA; or an *amparo* suit before a federal district court.

4.4 What is the route of appeal?

Please refer to the routes of appeal explained in question 3.4 above.

5 Opposition

5.1 On what grounds can a trade mark be opposed?

All new applications filed in Mexico as from August 30, 2016 are published for opposition in the Industrial Property Gazette, and the grounds on which a trade mark can be opposed are all the absolute or relative grounds of refusal as provided in articles 4 and 90 of the IPL.

Article 4 provides that no registration shall be granted when the proposed trade mark is contrary to public order, morals and good customs, or violates any legal provision.

In turn, article 90 provides 22 different grounds for refusal,

the most common being: descriptiveness; prior rights as derived from a senior application or from the registration of a trade mark which is identical or confusingly similar, covering equal or similar goods or services; equal or confusingly similar to a famous or well-known trade mark; and recently introduced trade marks that are applied in bad faith.

5.2 Who can oppose the registration of a trade mark in your jurisdiction?

Any person (individual or company) who deems that a published application falls within an absolute or relative ground for refusal as provided in articles 4 and 90 of the IPL.

5.3 What is the procedure for opposition?

The procedure for opposition is as follows:

1. A new application filed in Mexico is published for opposition purposes within the next 10 working days following the filing date.
2. Any interested party may submit a brief of opposition, within a non-extendable, one-month term of publication of the application.
3. The opposition brief shall be accompanied by all documentation supporting the opposition.
4. Once the one-month term for opposition expires, the IMPI will publish all oppositions filed within the next 10 working days.
5. Owners of opposed applications will have a one-month term to raise arguments against the alleged grounds of opposition.
6. It is important to note that opposition will not suspend the processing of applications, as the IMPI will continue to conduct its official examination of trade mark applications on both absolute and relative grounds, in parallel with the opposition proceeding.
7. According to the amendments to the law effective from August 10, 2018, the IMPI must consider the arguments submitted by the opponent in an opposition, as well as the defensive arguments raised by the applicant, and issue a formal decision on the opposition.

6 Registration

6.1 What happens when a trade mark is granted registration?

Once a trade mark registration is granted, the rights conferred to its owner enter into full force and effect. According to the amendments to the IPL effective from August 10, 2018, all trade mark registrations granted after this date must be accompanied by the filing of a declaration of actual and effective use within the next three months after the third anniversary of the granting of the registration. Failure to submit this declaration will cause the automatic lapse of the registration.

Likewise, in order to maintain such registration, it is necessary to have use of the trade mark in Mexico within a term of three consecutive years, counted as of its date of grant, and for further terms of three years, otherwise the registration will become vulnerable to cancellation actions based on non-use. It is important to note that if the registration is not used and not contested by any third party after the filing of the declaration of actual and effective use at the third anniversary of the registration, it will be in full force until its renewal due date.

6.2 From which date following application do an applicant's trade mark rights commence?

Once it is granted, the full effects of a trade mark registration go back to its filing date.

6.3 What is the term of a trade mark?

10 years as of the filing date, renewable for 10-year periods.

6.4 How is a trade mark renewed?

Pursuant to the amendments to the IPL effective from August 10, 2018, when applying for the renewal of a trade mark registration, the registrant must file a declaration of actual and effective use of the mark along with the renewal application, specifying the goods or services in which the trade mark owner confirms actual and effective use in Mexico.

7 Registrable Transactions

7.1 Can an individual register the assignment of a trade mark?

Yes. The IPL establishes that the rights deriving from an application for trade mark registration or from a registered trade mark can be transferred in the terms of, and with the formalities established by, civil law. The transfer of rights must be recorded with the IMPI to be effective against third parties.

7.2 Are there different types of assignment?

There is only one special rule in the IPL for cases of transfer, and it refers only to mergers. In the case of a merger, the IPL assumes that all of the trade marks of the merger company are transferred to the merging company, unless stipulated otherwise. In this case, the merger also has to be recorded before the IMPI to have legal effect against third parties.

7.3 Can an individual register the licensing of a trade mark?

Yes, in our jurisdiction, the licence to use a mark can be recorded, so it can be enforced against third parties. Pursuant to the provisions of the IPL, licence agreements must be recorded in order that the use of the trade mark by the licensee inures to the benefit of the registration, thus preventing its cancellation on account of non-use.

Notwithstanding the above, pursuant to the North American Free Trade Agreement (NAFTA) and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) – which both have a higher grade in our legal system than the IPL – the recording of a licence agreement is not required to prove the use of a trade mark through a party (authorised user) different to the owner, *when the use is made under the control of the trade mark owner*. Thus, in the case of facing cancellation actions on a non-use basis where the mark has not been used directly by the owner but by an authorised third party, it is possible to raise this argument, which has been admitted by the IMPI and the federal courts in previous cases.

In this scenario, however, the defendant will have to prove in the litigation that the use made by the third party was indeed conducted under the control of the trade mark owner, whereas in

the case of a recorded licence agreement, the defendant will only have to prove the licence was made off record.

7.4 Are there different types of licence?

Yes. For recording purposes, it is important to distinguish between exclusive and non-exclusive licences.

7.5 Can a trade mark licensee sue for infringement?

Yes, provided that the licensor authorises this in the deed of the licence agreement.

7.6 Are quality control clauses necessary in a licence?

Yes. However, for recording purposes with the IPL, it is possible to submit a short version of the original licence agreement, in which any confidential clauses regarding royalties, distribution and commercialisation means, technical information, quality control requirements and the like may be omitted.

7.7 Can an individual register a security interest under a trade mark?

Yes. Security interests are recognised by the IPL only for recording purposes.

7.8 Are there different types of security interest?

Security interests are regulated under the provisions of the Law of Titles and Credit Operations, which is of a mercantile nature, as well as the Commerce Code under the chapter, 'Security interests without the transmission of possession'.

8 Revocation

8.1 What are the grounds for revocation of a trade mark?

There are no revocation proceedings in the Mexican system; however, cancellation actions are available. Article 130 and section I of article 152 of the IPL establish that if a trade mark is not used for three consecutive years on the products or services for which it was registered, the trade mark registration will be subject to cancellation for lack of use, unless the holder or the user of a recorded, granted licence has used it during the three consecutive years immediately prior to the filing date of the cancellation action for lack of use.

Therefore, if a registered trade mark is not used for three consecutive years, it will become contestable on account of non-use.

Furthermore, a cancellation action can be brought against a registration when its owner has evoked or tolerated a trade mark that has become a generic term.

8.2 What is the procedure for revocation of a trade mark?

Cancellation procedures are filed and prosecuted directly at the IMPI. However, the decision of the IMPI may be appealed by recourse to a review before the IMPI or before the FCCA, and the decision of this court may be further appealed before a circuit court.

8.3 Who can commence revocation proceedings?

Legal standing to file a cancellation action is achieved when the trade mark to be challenged is cited during the prosecution of an identical or a confusingly similar trade mark. It is also achieved when the trade mark registration is enforced against a third party in an infringement action.

8.4 What grounds of defence can be raised to a revocation action?

The trade mark owner may argue that, independently of his will, circumstances arose that constituted an obstacle to the use of the trade mark, such as importation restrictions or other governmental requirements applicable to the goods or services to which the trade mark applies.

8.5 What is the route of appeal from a decision of revocation?

Please see question 3.4 above.

9 Invalidity

9.1 What are the grounds for invalidity of a trade mark?

The grounds of invalidation are established by the IPL in article 151, as when:

- the trade mark is identical or confusingly similar to another one that has been used in Mexico or abroad prior to the date of filing of the application, and it is applied to the same or similar products or services, provided that the party who asserts the greater right for prior use proves they have used the trade mark continuously in Mexico or abroad prior to the mentioned filing date or declared use; then the applicable statute of limitations is five years as of the date the Trademark Gazette that published the disputed registration was put into circulation;
- the registration was granted on the basis of false information mentioned in the application. The applicable statute of limitations is five years as of the date on which the Trademark Gazette that published the disputed registration was put into circulation;
- a senior registration exists for a trade mark identical or similar to that covered by a junior registration, and the goods or services covered thereby are similar or identical in nature. The applicable statute of limitations is five years from the publication date of the Trademark Gazette detailing the disputed registration;
- registration is obtained by the agent, representative, user or distributor without the authorisation of the owner of the foreign trade mark registration. No statute of limitations applies to this action;
- a registration was obtained in bad faith. No statute of limitations applies to this action (introduced in the amendments to the law effective from August 10, 2018); or
- a general cause of invalidity is available and it relies on the granting of registration against any provision of the IPL or of the law in force at the time registration was granted. This cause of cancellation has no statute of limitations.

9.2 What is the procedure for invalidation of a trade mark?

Invalidation proceedings in Mexico are of an administrative nature as they are carried out at the IMPI, though these are followed in the form of a trial. They start with the filing of a complete claim, enclosing all evidence supporting the invalidation grounds. Thereafter, the IMPI serves notice to the defendant, who has a term of 30 days from the service date to respond thereto. A copy of such response is served to the plaintiff, who has three days for filing allegations against such response. In turn, the allegations for the plaintiff are served to the defendant for filing counter-allegations within a term of three days. Thereafter, the IMPI issues a decision.

9.3 Who can commence invalidation proceedings?

Any party with sufficient legal interest can commence invalidation proceedings. Legal interest for invalidity actions varies depending on the cause of action enforced.

9.4 What grounds of defence can be raised to an invalidation action?

This is not applicable to Mexico.

9.5 What is the route of appeal from a decision of invalidity?

The decisions of the IMPI regarding invalidity may be appealed by the counterparty either through: a review recourse before the IMPI; an appeal before the FCCAA; or an *amparo* suit before a federal district court. Please refer to question 3.4 above.

10 Trade Mark Enforcement

10.1 How and before what tribunals can a trade mark be enforced against an infringer?

The process by which an infringement claim may be brought before the IMPI is relatively simple, and begins with the filing of a formal written claim. The IMPI is not a court of law; it is an administrative agency that has jurisdiction over trade mark infringement in the first instance.

Once the IMPI admits the claim, it serves notice to the defendant, giving a term to answer of 10 days; the defendant is to answer the claim alleging whatever it deems pertinent, and thereafter the IMPI decides on the merits of the case. Both the plaintiff and the defendant must produce supporting evidence at the time of filing the claim or answering it, respectively. The IMPI's decision can be appealed before the FCCAA. The decision of this administrative court can be appealed to a circuit court.

To prove the infringement, the plaintiff is entitled to file any kind of evidence available, except confessional and testimonial evidence. The most commonly used evidence to help prove an infringement is an inspection visit to the premises of the infringer. This is conducted by IMPI inspectors, and usually takes place at the moment of serving notice of the claim and/or the order imposing a preliminary injunction on the defendant.

10.2 What are the key pre-trial procedural stages and how long does it generally take for proceedings to reach trial from commencement?

This is not applicable to Mexico.

10.3 Are (i) preliminary, and (ii) final injunctions available and if so on what basis in each case?

The trade mark owner is entitled to request provisional injunctions before the filing of the infringement claim, or at any time during the prosecution thereof against infringers. The authority of the IMPI is quite broad and discretionary as it, among others, can order alleged infringers to cease performing their infringing activities. It can also impose the withdrawal of products from the marketplace, and conduct seizures. The proceeding is *inaudiata altera pars* with no formal hearing, as it is followed in writing. The trade mark owner, as the party moving for the application of preliminary measures, is required to file an infringement claim within a term of 20 business days after the measures are duly notified to the alleged infringer. Likewise, preliminary injunctions are confirmed and become a permanent injunction only once the infringement action is resolved.

10.4 Can a party be compelled to provide disclosure of relevant documents or materials to its adversary and if so how?

The plaintiff in an infringement action is entitled to request from the defendant all the documentation in its possession necessary to help prove the infringement. The plaintiff must request from the IMPI the issuance of an order addressed to the defendant requesting this documentation, pointing out exactly what documents he/she is pursuing and their importance and relevance to the prosecution of the infringement case. In case of a lack of compliance with this order, a fine will be imposed on the defendant and the facts that the plaintiff was seeking to prove with the documentation requested will be considered proved.

10.5 Are submissions or evidence presented in writing or orally and is there any potential for cross-examination of witnesses?

Everything must be submitted in writing.

10.6 Can infringement proceedings be stayed pending resolution of validity in another court or the Intellectual Property Office?

In case of counterclaiming the validity of the trade mark registration enforced, this action is resolved before resolving the infringement claim. Counterclaims must be filed at the moment of responding to the infringement action.

10.7 After what period is a claim for trade mark infringement time-barred?

This is not applicable to Mexico.

10.8 Are there criminal liabilities for trade mark infringement?

Yes, criminal liabilities are available for trade mark falsification/counterfeit.

10.9 If so, who can pursue a criminal prosecution?

Either the trade mark owner or the recorded licensee.

10.10 What, if any, are the provisions for unauthorised threats of trade mark infringement?

This is not applicable to Mexico.

11 Defences to Infringement

11.1 What grounds of defence can be raised by way of non-infringement to a claim of trade mark infringement?

Prior use: the use of the same or a confusingly similar mark in the national territory for the same or similar products or services, provided that the third party had begun to make uninterrupted use of the mark prior to the filing date of the application for registration, or the date of the first declared use of the mark.

Exhaustion of rights: any person may market, distribute, acquire or use the product to which the registered trade mark is applied, after said product has been lawfully introduced on to the market by the owner of the registered mark or his licensee. This case shall include the import of lawful products to which the mark is applied.

11.2 What grounds of defence can be raised in addition to non-infringement?

The most common defence is challenging the validity of a trade mark registration that is enforced.

12 Relief

12.1 What remedies are available for trade mark infringement?

The available remedies are preliminary and permanent injunctions. Please see question 10.3 above.

12.2 Are costs recoverable from the losing party and, if so, how are they determined and what proportion of the costs can usually be recovered?

They are available to the trade mark owner through civil actions. Civil actions are filed once an administrative action has been resolved beyond the shadow of appeal. The IPL provides a rule, applicable in all types of patent, trade mark and copyright infringement actions, imposing on the civil courts the obligation to impose monetary damages of at least 40% of the commercial value of the infringing products. However, due to recent criteria issued by the Supreme Court of Justice, the aforementioned 40% rule does not apply automatically; consequently, the plaintiff now has to prove a loss of profit and/or actual damages.

13 Appeal

13.1 What is the right of appeal from a first instance judgment and is it only on a point of law?

For the process of appeal, please see question 3.4 above.

13.2 In what circumstances can new evidence be added at the appeal stage?

In the case of appealing any decision of the IMPI before the FCAA, the appellant is entitled to file new evidence and to submit new arguments.

14 Border Control Measures

14.1 Is there a mechanism for seizing or preventing the importation of infringing goods or services and, if so, how quickly are such measures resolved?

Yes. The IMPI's personnel, on the request of the trade mark owner or as a consequence of an infringement action, may conduct a search to summon the importer and to seize goods in customs premises. This option is also available for criminal cases.

The Mexican customs authorities, together with the IMPI, have developed a database to improve the protection of intellectual property rights. When trade marks are registered on the database, customs provides a form to be included in the import manifest to ease the transit of the goods bearing the trade mark. When a manifest does not bear such a registration form, or this does not match the information in the trade mark database, the shipment will be stopped and inspected by customs, and it will contact the trade mark owner for advice on the goods' authenticity.

15 Other Related Rights

15.1 To what extent are unregistered trade mark rights enforceable in your jurisdiction?

Only registered trade marks are enforceable.

15.2 To what extent does a company name offer protection from use by a third party?

A registered mark or a mark confusingly similar to another previously registered mark may not be used or form part of the trade name or company or business name of any establishment or legal entity where the establishments or legal entities concerned are engaged in the production, import or marketing of goods or services identical or similar to those to which the registered trade mark applies.

15.3 Are there any other rights that confer IP protection, for instance book title and film title rights?

Book titles and, in general, titles of any work of authorship are enforceable against trade mark registrations.

16 Domain Names

16.1 Who can own a domain name?

A domain name can be owned by any individual or legal entity that requests the registration of the domain name before any of the registrars.

16.2 How is a domain name registered?

There is only the need to verify the availability of the name you want to register on the webpage of any of the registrars

authorised by the Internet Corporation for Assigned Names and Numbers (ICANN).

If the name is available, you will have to pay the corresponding fees to the registrar and provide the administrative, technical and contact information for the domain name.

The registrar will keep records of the contact information and submit the technical information to a central directory known as the Registry.

16.3 What protection does a domain name afford *per se*?

Obtaining registration for a domain name will avoid anyone else registering the same name with the same ending (generic top-level domains (gTLDs) or country code top-level domains (ccTLDs)). In other words, you will protect your name (company name, individual name or trade marks) on the Internet.

No other protection will be granted with the registration of the domain name. This is very important, because no intellectual property rights will be generated.

16.4 What types of country code top level domain names (ccTLDs) are available in your jurisdiction?

In Mexico, it is possible to register domain names under .mx and .com.mx.

16.5 Are there any dispute resolution procedures for ccTLDs in your jurisdiction and if so, who is responsible for these procedures?

In Mexico, the available dispute resolution proceeding for domain name matters is the LDRP (Local Dispute Resolution Policy), which is a variation of the UDRP, with slight differences.

This LDRP is administered by the Arbitration and Mediation Center of WIPO.

17 Current Developments

17.1 What have been the significant developments in relation to trade marks in the last year?

The amendments to the Mexican Industrial Property Law effective from April 27, 2018 include very important changes with respect to Appellations of Origin (AOs); for the first time in Mexico, specific protection for Geographical Indications (GIs) is included.

Essentially, AOs and GIs are defined in the IPL following the WIPO's Lisbon Agreement definitions as, in both cases, the rationale is to protect signs identifying the geographical origin of goods whose characteristics and/or reputation are essentially attributable to such origin; the relevant difference between GIs and AOs being that, for the latter, the quality and reputation factors must be due exclusively or essentially to the geographical environment, including natural and human factors.

Protection for either AOs or GIs starts as soon as the IMPI issues a so-called "Declaratory of Protection", which can be done *ex officio* or by petition of individuals or legal entities directly involved in the production or manufacturing of the designated product.

Various grounds for refusal of a Declaratory of Protection are provided, the most relevant being: technical, generic or common use names; descriptiveness; names either identical or confusingly similar to those already protected or pending; and prior rights as derived from a trade mark application or registration covering

identical or similar products or services. Thus, it is very relevant that prior trade mark rights shall be respected. However, an important omission is that nothing is mentioned with regard to prior rights as derived from trade mark notoriety or fame.

As the Mexican Government owns the Declaratory of Protection, AOs or GIs can be used only with the corresponding authorisation issued by the IMPI. Once granted, the authorisation will expire in 10 years, renewable for identical terms. The authorisation can be subject to invalidation and cancellation actions.

The IMPI will recognise those protected in a foreign country under the terms of the international treaties. The owner of an AO or GI protected in a foreign country will be entitled to apply for its recognition by filing an application before the IMPI and enclosing the document showing the protection under the laws of the corresponding country, or according to the international treaties. The grounds of refusal, opposition rules and invalidation are set identically to those for national applications. Cancellation, however, will proceed when the document showing foreign protection is no longer valid in such country.

Use of AOs or GIs without the corresponding authorisation; use of names identical or confusingly similar to a protected national or international AO or GI in connection with equal or similar products; and production, storage, transportation, distribution or sale of products equal or similar to those protected under a Declaratory national AO or GI or those foreign AOs or GIs recognised by the IMPI, using any type of indication or element misleading consumers as to the quality or origin of the products, including those such as “kind”, “type”, “manner”, “imitation” or the like, are subject to infringement administrative proceedings.

The production, storage, transportation, distribution or sale of products of Mexican origin not having the corresponding certification applicable to the AO or GI and the corresponding official standard, with the purpose of obtaining a direct or indirect economic benefit, are subject to criminal prosecution.

On the other hand, the main highlights of the amendments to the Mexican Industrial Property Law effective from August 10, 2018 can be summarised as follows:

- The incorporation, for the very first time in Mexico, of trade mark protection for non-visible signs, such as smell marks and sound marks, as well as for certain animated marks such as holograms and for so-called “trade-dress” in a broader sense.
- Acquired distinctiveness (secondary meaning) will be recognised as an exception to the absolute grounds for refusal.
- Consent and coexistence agreements will be allowed to overcome senior rights except when dealing with identical trade marks for identical goods or services.
- Bad faith, in a broad sense, is incorporated as a ground for opposition, and also as a ground for invalidation.
- Protection for Certification marks is recognised.
- Class headings will no longer be possible. It will be necessary to be specific in products’ and services’ descriptions according to the Nice Classification.
- Oppositions will become binding for the Trade Mark Office, which therefore will have to issue decisions duly grounded and justified based on the merits of each opposition filed.
- In order to clear non-used marks from the Mexican Register, a use declaration under oath has been established, which must be filed within the next three months after the third anniversary of the date of grant of the trade mark registration. If no use is declared by such date, the registrations will automatically lapse.

- It will no longer be possible to renew a trade mark registration in a certain class based on the use of the same registered trade mark in another class.

17.2 Please list three important judgments in the trade marks and brands sphere that have been issued within the last 18 months.

The 21 Federal Circuit Courts that comprise the First Circuit of Mexico issued jointly jurisprudence whereby the plaintiff of a revocation action against a trade mark registration, claiming that the date of first use of the trade mark declared in the application papers was false (false data course of action), will have the burden of proving that said declaration was false. This is a major change in practice, since the criterion was that the trade mark registration owner should prove the veracity of said declaration.

Two Federal Circuit Courts have ruled in the sense that any estimation of renown or famousness made by the IMPI should have retroactive effects over any trade mark registration granted. This criterion overruled the previous one, adopted by the FCTA in previous years.

17.3 Are there any significant developments expected in the next year?

On November 2019, two relevant reform acts have been presented before the Mexican Senate. One was addressed to amend the current Industrial Property Law (IPL) and the other to fully enact a new statutory IPL.

The proposals were presented by different political parties and one of them had the support of the Mexican Institute of Industrial Property (IMPI). Both proposals intended to comply with recent international treaties subscribed by Mexico, such as CPTPP and the USMCA but also improve and update the current IP legal framework.

The two proposals included relevant amendments to the following substantive and procedural matters:

- Trade marks.
- Patents.
- Trade secrets.
- Geographical indications.
- Enforcement and claim of damages.

The two proposals are in the initial stage of the legislative process. Upon the eventual approval at the Senate of any of these proposals or a combination of both, the reform act will require a review by the House of Representatives. It is difficult to predict the dates on which these proposals will be discussed and eventually approved, but what is true now more than ever is that Mexico is close to having a new IP regulation and standards, which will certainly impact the current prosecution process, substantive rights and enforcement of IP rights.

17.4 Are there any general practice or enforcement trends that have become apparent in your jurisdiction over the last year or so?

A mechanism for the customs authorities to record trade marks has been developed. Please see section 14 above.

In addition, the IMPI has adopted the criterion that effective trade mark use for a certain period is needed in order to maintain a registration that is disputed on a non-use basis. In the past, any use – even token use – could be enough to maintain a trade mark registration. It is not necessary, however, to prove use for the whole three-year period.



Alonso Camargo obtained his J.D. degree from Universidad Iberoamericana (UIA) in 1998, and later received his Master's in Intellectual Property Law and Information Society Law from Universidad de Alicante (*Magister Lvoentivns*), Spain. Mr. Camargo is the author of several articles related to trade mark procurement and litigation in publications such as *Managing Intellectual Property* and *IAM Magazine*, among others. He is a member of the *Asociación Mexicana para la Protección de la Propiedad Intelectual* (AMPPI), as well as a member of various other associations for intellectual property law, including the International Trademark Association (INTA), the European Community Trademark Association (ECTA) and MARQUES. Mr. Camargo is an experienced intellectual property attorney and has dedicated much of his career to this specialty, with a particular focus on trade mark law, in both prosecution and litigation.

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At OLIVARES, Mr. Sanchez co-chairs the Litigation and Patent teams. He is also one of the few true regulatory and administrative litigation experts in Mexico.

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Mr. Sanchez chaired the Intellectual Property Committee of the Mexican Bar Association from February 2015 to June 2017, and was VP of the Mexican Association for the Protection of Intellectual Property (AMPPI) from 2013 to 2016. He is also a member of the International Trademark Association (INTA), the Biotechnology Innovation Organization (BIO) and the International Association for the Protection of Intellectual Property (AIPPI), and participates as an observer with the Asian Patent Attorneys Association (APAA).

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