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Mexico: Declarations of Use, How to Avoid Losing Trademark Rights

<u>Alonso Camargo</u>

OLIVARES

In summary

The declarations of use introduced into Mexican law in 2018 have without doubt been a good initiative for starting to clear the register of trademarks that were no longer of interest to their owners and were blocking the registration of new marks. However, the lack of harmonisation between Mexican law and international treaties, particularly the Madrid Protocol, can have bad consequences for some international users, who may lose any trademark rights derived from confusing or unclear regulations.

Discussion points

- Overview of the two types of declarations of use
- Trademarks subject to these requirements
- Evidence of use
- Time limits for filing declarations of use
- Practical recommendations

Referenced in this article

- Mexican Industrial Property Law
- Agreement for modification of the Guidelines established to process applications, petitions and promotions presented in accordance with the Protocol concerning the Madrid Agreement regarding the International Registration of Trademarks, before the Mexican Institute of Industrial Property
- Federal Law for the Protection of Industrial Property



One of the important changes to the Mexican Industrial Property Law,¹ which came into force as of 10 August 2018 and were incorporated into the new Federal Law for the Protection of Industrial Property (FLPIP, in force since 5 November 2020),² was a declaration of actual and effective use introduced as a requirement for maintaining trademark registrations granted in Mexico.

The aim of introducing this requirement into the law was to clear registered trademarks that were no longer of interest to their owners and were blocking the registration of new marks. An example of an industry practice to which this provision was addressed was in the pharmaceutical industry, where it has been a common practice in Mexico to request trademark protection for several candidate marks, in order to have a number of alternatives to match all the possible names that may be approved for marketing authorisation; however, once the marketing authorisation was obtained, the unused candidate marks registered with the Mexican Institute of Industrial Property (IMPI) were left on the register, despite no longer being of interest to the owner.

The declaration of use is a two-stage requirement, namely:

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

This regulation also applies to international registrations derived from the Madrid System designating Mexico.

Trademarks subject to declaration requirements

The requirement under stage 1, above, applies to all registrations granted in Mexico as of 10 August 2018, regardless of the date of filing, whether the registration was obtained through the national route or through the Madrid System.

The new regulation in respect of stage 2, above, applies to all registrations (including international registrations designating Mexico) for which renewal was due on or after 10 August 2018; however, the requirement does not apply to those registrations derived from an international registration for which renewal is due prior to the third anniversary of the date on which protection was granted in Mexico.

¹ https://www.sep.gob.mx/work/models/sep1/Resource/7dc3f003-329b-42ba-abb3-b7921ad2eda6/ ley_propiedad_industrial.pdf.

^{2 &}lt;a href="https://www.diputados.gob.mx/LeyesBiblio/pdf/LFPPI_010720.pdf">https://www.diputados.gob.mx/LeyesBiblio/pdf/LFPPI_010720.pdf.



Evidence of use

No evidence of use should be filed with IMPI at the time of filing the declarations of use. In both cases, IMPI has published official forms, which are to be completed by local representatives on behalf of the trademark owners, filling in the specific goods or services of which the trademark owner confirms actual and effective use in Mexico. Mexican law establishes that use of a trademark exists when the products or services identified with the mark are available for Mexican consumers.

Although the mere availability of a given mark may not suffice to successfully defend a non-use cancellation action, for the purpose of a declaration of use, such use should be sufficient.

As regards stage 1 of declaration of use, the scope of protection of the registration will be restricted to the goods on which the actual use is declared; however, regarding renewals, the renewal certificate will be reflect the restriction of the protection in accordance with the submitted declaration of use.

The intention of this provision in law is that registrants declare use only in connection with goods or services that are actually used; however, no evidence of use is required and in practice there are no sanctions for declarations that specify all the goods or services covered by the registration. The only consequence that can be foreseen if a declaration specifies all the registered goods or services, but the mark is actually used with only some of the specified services, is that if a partial non-use cancellation is requested by a third party, it would be successful in respect of those goods for which the registrant is not able to demonstrate use. No additional consequences have been foreseen in practice for a false or inaccurate statement per se that may negatively affect the validity of the registration in its entirety.

It is important to highlight, however, that failing to file a declaration at both stages in accordance with the established terms results in the automatic lapsing of the registration.

Although Mexican law establishes an exemption for cancelling a registration for non-use when the non-use derives from circumstances beyond the control of the registrant, such as government restrictions, surprisingly, a similar treatment was not provided in respect of the declaration of use.

Time limits for filing declarations of use

The time limit for filing a one-time declaration of use is three months after the third anniversary of the registration date; no extension of this term is allowed. This time limit is the same for international registrations designating Mexico; however, it is important to note that statements granting protection that are



issued to holders of international registrations by the International Bureau do not specify the date on which protection was granted in Mexico. It is therefore necessary for holders of international registrations to access the Mexican Trademark Office's database, on which the base date³ is clearly stated. It is easier to obtain this information if the owner of an international registration designating Mexico has appointed a local agent for recovering the national registration certificate. The local agent can record the necessary information on dockets for future use.

Furthermore, the law establishes that a declaration of use must be filed with all applications for renewal.

An application for renewal of a national registration is more straightforward as the renewal application form contains the declaration of use. Therefore, the party applying for renewal automatically declares use of the mark when completing the form. The only requirement is to specify on the form the products or services actually used.

In respect of Mexican registrations derived from international registrations that are renewed directly before the World Intellectual Property Organization (WIPO), it can be difficult for trademark owners to be certain about the term for filing the declaration of use, since the renewal application form filed through WIPO does not contain any section nor any indication as to how to comply with this legal requirement under the Mexican Trademark Law.

After the declaration of use requirement was introduced in 2018, IMPI issued an internal administrative agreement entitled 'Agreement for modification of the Guidelines established to process applications, petitions and promotions presented in accordance with the Protocol concerning the Madrid Agreement regarding the International Registration of Trademarks, before the Mexican Institute of Industrial Property', in which it was specified that for those registrations renewed by virtue of the Madrid System, the declaration of actual and effective use must be filed before the Mexican Trademark Office within two months of the date on which WIPO notifies the renewal of the international registration.

However, as the above administrative agreement was published in Mexico, and only known of in Mexico, international trademark owners who designated Mexico through an international registration, but did not appoint a local representative, were not aware of the existence of this agreement nor of its contents, which has resulted in many trademark registrations lapsing owing to the lack of filing of declarations of use.

³ Fecha de Concesión.

^{4 &}lt;a href="https://www.dof.gob.mx/nota_detalle.php?codigo=5604726&fecha=11/11/2020#gsc.tab=0.">https://www.dof.gob.mx/nota_detalle.php?codigo=5604726&fecha=11/11/2020#gsc.tab=0.



Consequently, the new FLPIP (in force since 5 November 2020) introduced a new provision to resolve this situation. Article 237 of the FLPIP establishes in its fourth paragraph that if the declaration of use is not filed with a renewal petition, IMPI will issue an office action granting a non-extendable term of two months to comply with the requirement.

This change is particularly relevant to trademark registrations obtained through the Madrid System, because the renewal format used does not include a declaration of use (as required by the new Mexican IP Law), resulting in uncertainty about the deadline for filing the declaration. Although the new provision was intended to offer a greater degree of certainty to users of the Madrid System as to when it is necessary to file a declaration of actual and effective use after applying for renewal before WIPO, there is a further problem. Since the office actions issued by IMPI to grant the two-month term for registrants to comply with the declaration of use requirement are only published in the Mexican Industrial Property Gazette, which, again, is published only in Mexico, thus, international trademark owners who designated Mexico through an international registration but did not appoint a local representative will not be aware of the existence of these office actions and, therefore, are very likely to lose their rights.

In light of the above situation, and until a new way to communicate the deadline for complying with these requirements to trademark owners is implemented through WIPO, international users of the Madrid System who designate Mexico in their international registrations can avoid the risk of losing their trademark rights in Mexico by appointing a local representative as soon as they have been issued with the statement of grant of protection by WIPO.



Alonso Camargo

Alonso Camargo joined OLIVARES in 1995 and became a partner in 2008. He is a highly experienced trademark attorney who represents many of the firm's key clients and their well-known brands. His team serves as the heartbeat of OLIVARES' trademark practice.





OLIVARES began as an intellectual property (IP) boutique in 1969 and now offers comprehensive legal solutions in Mexico for businesses and IP rights holders from around the world.

Sergio Olivares, Sr, the founding partner, and trailblazer, merged technical and scientific expertise with the practice of law, making OLIVARES the first firm in Mexico to do so. As a result of the firm's forward-thinking and innovative solutions, OLIVARES remains the most frequently awarded IP practice in Mexico.

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Pedro Luis Ogazón 17 Col San Ángel 01000 Mexico City Mexico

Tel: +52 55 5322 3000

www.olivares.mx

Alonso Camargo alonso.camargo olivares.mx