




A Welcoming Development: Paving Way for the Implementation of the Madrid Protocol in Hong Kong



Should you have any question, please contact our Mr. Lawrence Yeung on (852) 2854 3070 or by email at lawrence.yeung@ycylawyers.com.hk.

Please be aware that this explanatory note is for information only and not intended to provide a formal legal advice.

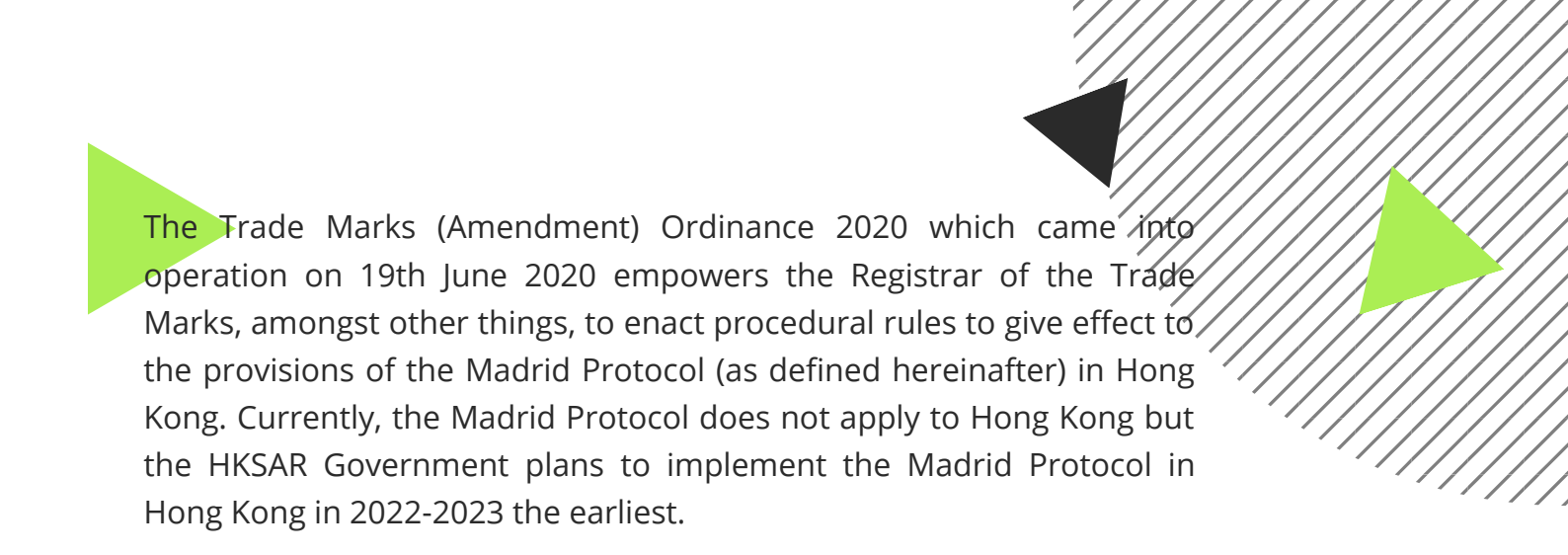


9 March 2021



All rights reserved.

Yu, Chan & Yeung Solicitors

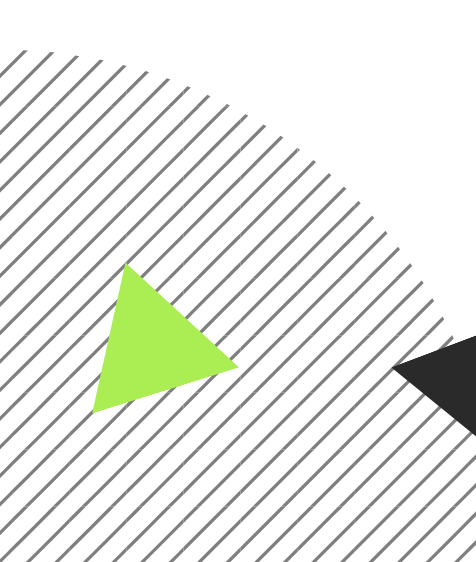


The Trade Marks (Amendment) Ordinance 2020 which came into operation on 19th June 2020 empowers the Registrar of the Trade Marks, amongst other things, to enact procedural rules to give effect to the provisions of the Madrid Protocol (as defined hereinafter) in Hong Kong. Currently, the Madrid Protocol does not apply to Hong Kong but the HKSAR Government plans to implement the Madrid Protocol in Hong Kong in 2022-2023 the earliest.

What is the Madrid system?

The Madrid system is an international registration system of trade marks governed by (i) the Madrid Agreement Concerning the International Registration of Marks and (ii) the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (the “Madrid Protocol”). The Madrid Protocol is an international treaty which seeks to facilitate the registration and management of trade marks in its contracting parties[1]. It also provides for a mechanism for seeking registration of a trade mark in the register of the International Bureau (“IB”) of the World Intellectual Property Organization (“WIPO”) (referred to as “international registration” or “IR”) and for seeking extension of protection of such a trade mark in multiple jurisdictions through IR by a one-stop application process instead of individual filings in each of the jurisdictions concerned. That is, if a “national”[2] of any of the contracting parties has already obtained the registration of his mark in the Office of Origin[3], or his application filed to the Office of Origin is pending, he may file an international application for registration of the said mark in all other contracting parties within the same international application.

For example, before the Madrid Protocol is implemented, if a Hong Kong entity decides to obtain trade mark protection in 5 different jurisdictions (including Hong Kong), it will need to apply for 5 individual applications in each of the jurisdictions. In contrast, if the Madrid Protocol is applied to Hong Kong, that Hong Kong entity will only need to file one application in Hong Kong and extend the application to the other 4 different jurisdictions.



[1] As of 12 October 2020, there are 107 contracting parties to the Madrid Protocol. See

https://www.wipo.int/export/sites/www/treaties/en/documents/pdf/madrid_marks.pdf

[2] Under the Madrid Agreement Concerning the International Registration of Marks and the Madrid Protocol, a “national” means those who have their domicile or possess a real and effective commercial or industrial establishment in the territory of a contracting party are assimilated to nationals of that contracting party.

[3] According to Article 2(2) of the Madrid Protocol, the Office of Origin means “the Office with which the basic application was filed or by which the basic application was made.”



The benefits and limitations of the Madrid System

Below are some of the benefits and limitations of the Madrid system:-


(i) The benefits of the Madrid system

- Registration of a mark in several jurisdictions can be done by filing one application with the IB through the Office of Origin.
- A trade mark owner can file an application for registration of a mark in several jurisdictions in one language (English, French or Spanish) instead of several languages.
- All changes subsequent to the international registration, such as change in name and/or address of the holder and change in ownership of the holder may be recorded and have effect by means of a single procedure with the IB and the payment of one fee.


(ii) The limitations of the Madrid system

- If, during the first 5 years after the international registration, the basic registration (i.e. the existing trade mark application or registration in the Office of Origin of a contracting party) ceases to have effect, whether cancelled or abandoned, the international registration will no longer be protected and will automatically be cancelled (commonly referred to as a “Central Attack”).
- Trade mark rights remain territorial in nature, and will still have to be granted independently by each jurisdiction, regardless of whether the Madrid system is adopted. Thus, after the implementation of the Madrid system, a mark would not be automatically protected in other designated contracting parties even if a mark is protected in a designated contracting party based on an international application made under the Madrid system.

Is Hong Kong a member of the Madrid Protocol?



It is worth noting that special arrangements are involved in order to give effect to the application of the Madrid Protocol to Hong Kong. As a matter of fact, only states that are parties to the Paris Convention for the Protection of Industrial Property and qualified intergovernmental organizations may become contracting parties to the Madrid Protocol. As a result, Hong Kong, as a Special Administrative Region of China, cannot be a contracting party to the Madrid Protocol.



In such circumstances, China, who has been a contracting party to the Madrid Protocol since 1995, informed WIPO in June 1997 that the Madrid Protocol and, in particular the requests for territorial extension of the IR of trade marks to Mainland China, "will be deferred to be applied to the Hong Kong Special Administrative Region"[4]. Further, in accordance with Article 153 of the Basic Law, the application to the HKSAR of international agreements to which the People's Republic of China is or becomes a party shall be decided by the Central People's Government (the "CPG"), in accordance with the circumstances and needs of the HKSAR, and after seeking the views of the HKSAR Government. Hence, implementation of the Madrid Protocol in Hong Kong will require CPG's decision to apply the Madrid Protocol to Hong Kong.

As far as the CPG's decision to apply the Madrid Protocol is concerned, the HKSAR Government has secured the in-principle support of the CPG and will seek its formal agreement. Upon the CPG's formal agreement, CPG will send a formal notification to WIPO on the application of the Madrid Protocol to Hong Kong.

Does Madrid Protocol apply to trade mark applications between Hong Kong and Mainland China?

Another interesting issue to highlight is that the Madrid Protocol facilitates applications for registration of trade marks amongst contracting parties to the Madrid Protocol, but not applications for the registration of trade marks amongst different constituent parts within a contracting party. Thus, even if the Madrid Protocol is implemented in Hong Kong, it does not mean that the Madrid Protocol would apply to trade mark applications between Hong Kong and Mainland China.

Further, Hong Kong and Mainland China maintain separate trade marks regimes which would be difficult to put in place a mechanism for mutual recognition of registration of trade marks between the two jurisdictions. Having said that, it is the HKSAR Government's position that it will continue to follow up the discussion with the relevant Mainland authorities on the possibility of putting in place separate arrangements to facilitate reciprocal trade mark applications.

[4] Such comment was made by China by means of the Madrid (Marks) Notification No. 91.

