

The Trademark Lawyer

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GLOBAL REACH, LOCAL KNOWLEDGE

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Continent Focus: In honor of the INTA annual meeting, we've focused closely on European trademark law by citing articles from more than seven different European countries.



- Trademark registration in Mozambique • Opposition system in Poland • Canadian litigation
- Platform technology • Domain names in Russia • Indian litigation • Trademark squatting



Christian Thomae

The Mexican opposition

Christian Thomae, Dumont Bergman Bider & Co., S.C., considers the recently introduced trademark opposition thinking specifically about its inconsistencies, and how it could be improved.

Mexico recently introduced an opposition system to their Trademark legislation, which came into force on August 31, 2016. To date, more than 2,000 oppositions have been filed by IPR holders, but specific numbers as to how many of these cases have been “ruled” in favor of the applicant or the opposing party is not readily and immediately available.

Despite this, the system is one that is still questioned by practitioners and IPR holders, both domestic and foreign. This is due to its peculiarities in the sense that it is not what most other jurisdictions would deem a formal opposition system or proceedings, but rather a lighter version that does not provide the legal certainty that a system should give in terms of legal proceedings or

the formal decision that should result as an outcome of having lodged an opposition.

Prior to the current system, only informal third party observations were available as a means for a prior rights holder to make the MPTO aware of the fact that the granting of a pending application could affect the rights of such prior rights. These third party observations were not mandatory in their analysis and/or consideration by the examiner during the course of the application. Additionally, no official fees were payable for the filing of these third party observations.

Mexican practitioners and domestic and foreign companies had been pushing for years for the possible introduction of a formal opposition proceeding into the Mexican trademark system. They required one that would allow for a prompt resolution, as to avoid delays in the application process, but that would also grant legal certainty to third party prior rights (and in some cases prior use), would be ideal to achieve credibility, and a powerful weapon against trademark misappropriation.

After several meetings of special commissions and committees created to this effect, a considerable number of proposals presented, and discussions at the Mexican Congress, the amendment ended up being one with very little substance and therefore one that would not provide Mexico with a formal and effective opposition system. The Statement of Reasons for the amendments that would become what we today know as our opposition system contains inconsistencies and, in some cases, reflects inconsistencies with the basic guidelines an opposition system should contain, at least in terms of European and U.S. Law, which should have been of reference to Mexico.

The said Statement of Reasons contains information such as:

“The proposed amendments seek to harmonize Mexican legislation with the legal systems of our main commercial partners and incorporate the possibility that applicants may oppose in Mexico against trademark, slogan and tradename applications”

(...)

“Prior to the analysis of the proposed articles to be incorporated, is it important to state that the “Opposition System” proposed will not be binding, considering that:

Résumé

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Christian is an Attorney-at-Law specializing in Intellectual Property since 1998. With a very special focus on trademarks, but also fluent in patents, copyright and other fields of IP, and associated litigation, he has assisted IP holders with the protection of their rights globally, developing protection strategies according to the needs of each client, as to achieve their secure entry into different markets. He also has great experience in e-commerce, domain names, UDRP and LDRP proceedings and matters related to the protection of rights on the Internet.

Christian is a member of the Mexican Association for the Protection of Intellectual Property (AMPPI), which is the Mexican AIPPI Chapter, the Interamerican Association of Intellectual Property (ASIPI), the International Trademark Association (INTA), the European Communities Trademark Association (ECTA), and the Association of Intellectual Property Firms (AIPF) (Board Member).

Christian has participated as a speaker at different Intellectual Property conferences and congresses and has and continues to be part of the Faculty for the World Intellectual Property Organization (WIPO) at the WIPO Summer School on Intellectual Property in Mexico since 2008.

Christian is currently a member of the Education Commission of AMPPI, member of the Social Media and Mobile Application Subcommittee of the Internet Committee of INTA, and a member of the Technology Committee of ASIPI.



- It will not suspend the application
- It will not grant the oppose the character of an interested party, a third party or a party to the proceeding at all.
- It will not represent a pre-judgement against substantive examination performed by the MPTO; and
- The MPTO may consider both the opposition and the response to the same by the applicant, during substantive examination.

This will grant an efficient mechanism that will not delay the registration or publication process of trademarks, slogans or tradenames and which transforms into a burden for the applicant or the opposing party.

As the opposition will not be a proceeding within the application process, within the provided timeframe, the applicant may or may not file a response. The lack of a response will not be considered an acceptance to the arguments filed by the opposing party”

(...)

“The arguments filed by the opposing party and by the applicant will serve as additional elements during substantive examination conducted by the MPTO, but the MPTO will retain the authority to determine whether a proposed application complies or not with the provisions of the Law of Industrial Property (...)

(...)

“The term provided for filing the opposition (30 days) has been established taking into account it is sufficient and is compliant with the

standards applied by other Trademark Offices in their opposition systems, as is the case of the U.S., Chile, Colombia and Peru. Additionally, the proposed term has the aim of not interrupting formal examination”

The problem with the current system is not only a consequence of the final amendments made, but rather a problem in its conception and adoption in the way it was analyzed and compared to other systems at the time of drafting both the Statement of Arguments and the actual amendments. As a result, a system was given that is full of inconsistencies in terms of Mexican Constitutional Law and international standards for proceeding of this nature.

There are several doubts and discrepancies with international standards as far as oppositions are concerned, which were incorporated into our system. Of specific concern are those regarding the fact of not considering the opposing party as a party of any kind in the opposition, requiring the payment of official fees that are greater than the fees payable for the filing of a new trademark application for a proceeding that is not a proceeding and that MAY be considered by the MPTO, which make it appear contrary to the general rules of legal proceedings in Mexico and the international trends and standards for the protection of IPRs.

A simple notice of opposition is not possible, but rather all arguments and evidence need to be included in the opposition writ and accompany the same at the time of filing with the MPTO. Also, the fact that each “party” should have the opportunity to challenge and questions the counterpart’s arguments and evidence, would seem to be contrary to what is usual in a legal proceeding. Just as the applicant is entitled to file a response to the opposition, the opposing party should be granted the formal right of at least filing observations, if not formal arguments, against the response filed. However, in practice, and as it is not expressly forbidden by the amendment to respond to/ challenge the evidence and arguments of the applicant in its response, opposing parties should seriously consider filing an additional writ once a response has been filed by applicant.

Furthermore, it is extremely important to remember that, according to the way in which the system is designed and approved in the current amended Law, the only stages that are served on the “parties” are the publication of the application in the Gazette and the filing of an opposition, also through the Gazette. No personal service of documents is effected at any point during the opposition “proceeding”.

“ A simple notice of opposition is not possible, but rather all arguments and evidence need to be included in the opposition writ and accompany the same at the time of filing with the MPTO. ”

This is not even the response to the opposition by the applicant is served, neither personally nor through the Gazette, or the Opposing party. Having said this, nothing prevents the opposing party from filing objections and comments on the response to the opposition by applicant.

We must remember that in terms of procedural law there is now way that the opposition may be deemed a formal proceeding. Briefly, the stages and procedure of the opposition system are:

1. Once a new trademark/slogan application is filed before the Mexican Institute of Industrial Property (IMPI), it will have to be published in the Industrial Property Gazette within 10 business days from the filing date. In parallel, IMPI will conduct formal examination of the application, regardless of if an opposition has been filed or not.
2. As of the date of publication in the Gazette, any interested third party may file an opposition within 1 month.
3. Within 10 days from the lodging of the opposition, the proceeding will be served on the applicant through publication in the Gazette, who will have 1 month as of the said publication to file a response to the opposition. This concludes the opposition "proceeding".
4. Once formal examination has been completed and all requirements have been met by applicant, regardless of if an opposition has been filed or not, the application will be assigned to substantive examination, at which point the examining attorney will receive the file including any opposition/response filed in it, as to be considered during the said examination stage.
5. Once substantive examination has been concluded, the examining attorney will allow or reject registration of the trademark or slogan, at which point, in the event an opposition had been lodged, the opposing party will be informed as to the granting/rejection of the opposed trademark/slogan application.

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Therefore, considering IMPI is not compelled (through the examiner) to take into account or consider the opposition, its arguments and evidence, as well as the response, but rather may consider it during substantive examination, the filing of additional observations or objections to evidence would follow this same path, but might positively impact the examiner's review.

Under these circumstances, and considering the guidelines set out by several organizations – including INTA – regarding oppositions, we should seriously consider the possibility of amending the system and constructing one that will, within others, accept the filing of a notice of opposition and provides an additional term for the filing of the formal writ and evidence, considers the parties as parties, is mandatory in its analysis to the MPTO and derives finally in the issuing of a decision (on the actual opposition) that is appealable by any of the parties, and not just merely the granting of the rejection of registration.

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