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Ethiopia

It's Time to Audit your Portfolio!

Following the new regulations implementing the Ethiopian Trademark Law of 2006, published on December 24, 2012, trademark owners are now expected to take specific measures when it comes to the particulars of their portfolio in order to ensure that everything is in order.

1- New trademark applications must be submitted by no later than June 22, 2014 for all marks filed in the country before July 7, 2006. These new applications will not be registered automatically but will be subject to examination on absolute and relative grounds.

2- Re-registration will not be required for the batch of trademarks filed between July 07, 2006 and June 22, 2007 (inclusive). These marks are now considered due for renewal seeing that the protection period is now 7 years instead of 6 from filing date. Application for renewal must be filed before June 22, 2014.

3- Trademark applications filed after June 22, 2007 which have already matured into registration will be receiving new registration certificates. Requests should be submitted at the Trademark Office for this purpose well before the renewal due date of each mark.

Saudi Arabia

Substantial Increase in Official Publication Fees

The Saudi government has significantly increased the official publication fees, while all other fees remain the same. The new rates will be applicable on all applications filed on or after January 14, 2014. This step comes after the recent introduction of an electronic Official Gazette. The electronic version contains the particulars of each accepted trademark application and a representative drawing, but does not include Notices of Office Actions. On the publication date or shortly thereafter, the applicant should carefully review the information that appears in the electronic Official Gazette for accuracy. Any interested party may file an opposition against a published trademark within 90 days from publication date. Oppositions can only be filed before the Board of Grievances (First Instance Court).

Should you have any specific inquiries regarding the subject matter, please contact us at bulletin@sabaip.com



Qatar

Accession to the Budapest Treaty

On December 6, 2013, Qatar deposited its instrument of accession to the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure. The Treaty will enter into force on March 6, 2014.

This step is a further attestation of Qatar's dedication to IP protection as well as its commitment to becoming a regional and possibly a global leader in research and technology.

Advances in stem cell research and the development of genetically unique microorganisms has led many companies from various industries, including pharmaceuticals, agriculture and others, to seek protection for these where a simple description is not enough. With this move, Qatar, a rapidly growing economy in the Near East, joins Bahrain, Jordan, Morocco, Oman and Tunisia from our region and becomes the 79th State party to the treaty.

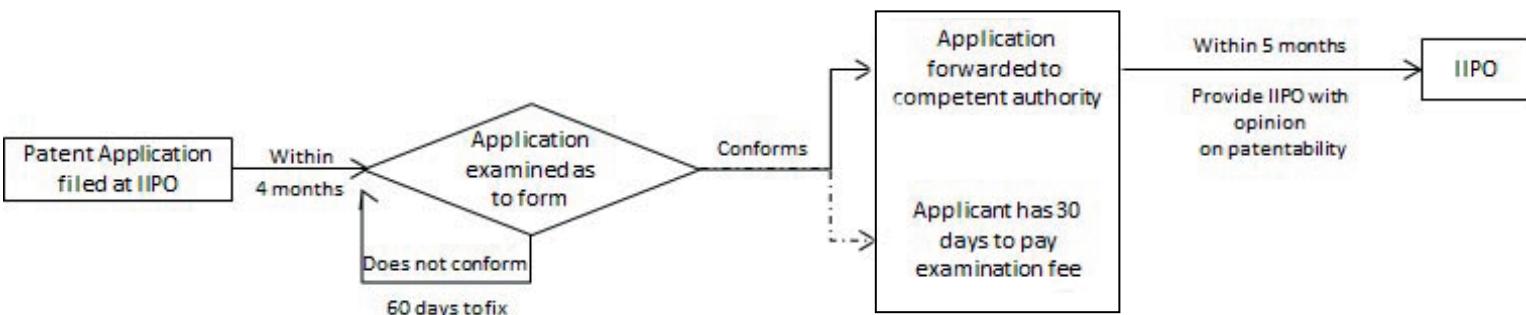
Iran

Amendment to IP Executive By-laws Addressing Examination of Patent Applications

On November 6, 2013, the Iranian Intellectual Property Office (I IPO) published an amendment to the article relating to patent examination of its Executive by-laws of the Law of Patents, Industrial Designs and Trademark Registration. In a recent article, we discussed certain changes at both the Algerian Patent Office and the I IPO (<http://www.sabaip.com/NewsArtDetails.aspx?ID=1128>). Both offices have started requesting further documents in preparation or in support of performing substantive examination.

According to amendment no. 100/43368/9000 dated November 3, 2013, Article 28 of the Executive by-laws has been amended to describe the new process for the examination of patent applications. In brief, the I IPO will first perform examination on formal grounds. Upon satisfaction, the I IPO will forward the matter on to the competent authority for substantive examination. It is worth noting here that the said competent authority refers to technical institutions across Iran, and most importantly, the amendment specifies that the said authority will ensure the confidentiality of the documents it receives. The said authority then will examine the application and provide its opinion based on which the I IPO will issue its decision.

The amendment further defines the fees and the deadlines governing the various steps shown below:



News from INTA

Conference in Dubai

Sponsor of the INTA conference in Dubai, Saba & Co IP, represented by Ramzi Tarazi (General Manager), Hisham Zahr (Director of Operations), Shafic Eid (Business Development Manager) and Hady Khawand (Country Manager of UAE Office), participated in the two-day conference on December 9 and 10, 2013. IP professionals and brand owners discussed many subjects during the conference including Public-Private Partnerships, Trademark Valuation, Dispute Resolution, Customs Recordal, Famous Marks, Licensing and other topics. Hisham Zahr gave a presentation on the protection of Arabic transliteration of marks which is becoming increasingly important with the growing demand on trademark protection.

Inta Committees and Memberships

<i>INTA Bulletin Committee Law & Practice - Middle East & Africa (Sub-Committee Chair)</i>	<i>Ghaida Ala'Eddein Saba & Co., IP, Partner and Country Manager, 1977-Present</i>	
<i>Anticounterfeiting Committee Middle East, Africa & South Asia</i>	<i>Hady Khawand Saba & Co I.P., Partner and Country Manager, 2008-Present</i>	

IP Highlights

What Confectioners Need to Know about Trademark Protection in the MENA Region?

Confectionery businesses are now going to surprisingly great lengths in order to protect themselves in an increasingly competitive market, where the stakes have never been higher. Owners of global brands are keen to ensure no one has any form of advantage for fear of losing precious market share. Certainly, rights holders will continue to extend and expand the scope of protection and fight to protect their visual identity, even the smallest elements of their brands. So what trademark issues specific to the MENA region should confectioners be aware of when it comes to the protection of their trademarks?

Packaging and Three-Dimensional Trademarks

It may be possible to register aspects of the shape of the product or its packaging as 3D trademarks. A 3D mark can receive similar protection under the laws of our region as any other trademark, and a simple trademark application can be filed for this purpose.

The difficulty would basically arise at the time of substantive examination, where practice differs considerably between the countries. In some countries, the application for a product shape as a trademark will be accepted without any objection as long as the product appearance has the requisite distinctive character for registration. This means that the more closely the mark resembles the shape most

likely to be taken by the product in question, the greater the likelihood of the mark being devoid of any distinctive character. The TMOs of Saudi Arabia and Kuwait often issue office actions of this type. In few other countries, a product shape will not be accepted as a trademark if the print includes no core word marks. Also, if the appearance of the product is functional, protection may be barred completely. The most probable reason is to maintain a balance between trademark laws and design laws, the latter being used to protect products having some patentable function.

Color Marks

Most laws of our region do not provide specifically for the registration of non-traditional trademarks, such as color marks. Libya is among the very few countries that has introduced clear provisions in its applicable law whereby the definition of a trademark has been broadened to include trade names, sound marks, and color marks. However, many issues relating to the definition, scope and enforceability of non-conventional marks remain unclear. Even if we can say that color marks are admissible in one country, there is a chance that the examiner at the Trademark Office will reject this type of application because of the fact that there are few or even no precedents in the matter. The TMO will only accept the color application if it is associated with a conventional trademark (word mark, device, or combination of both).

Classification

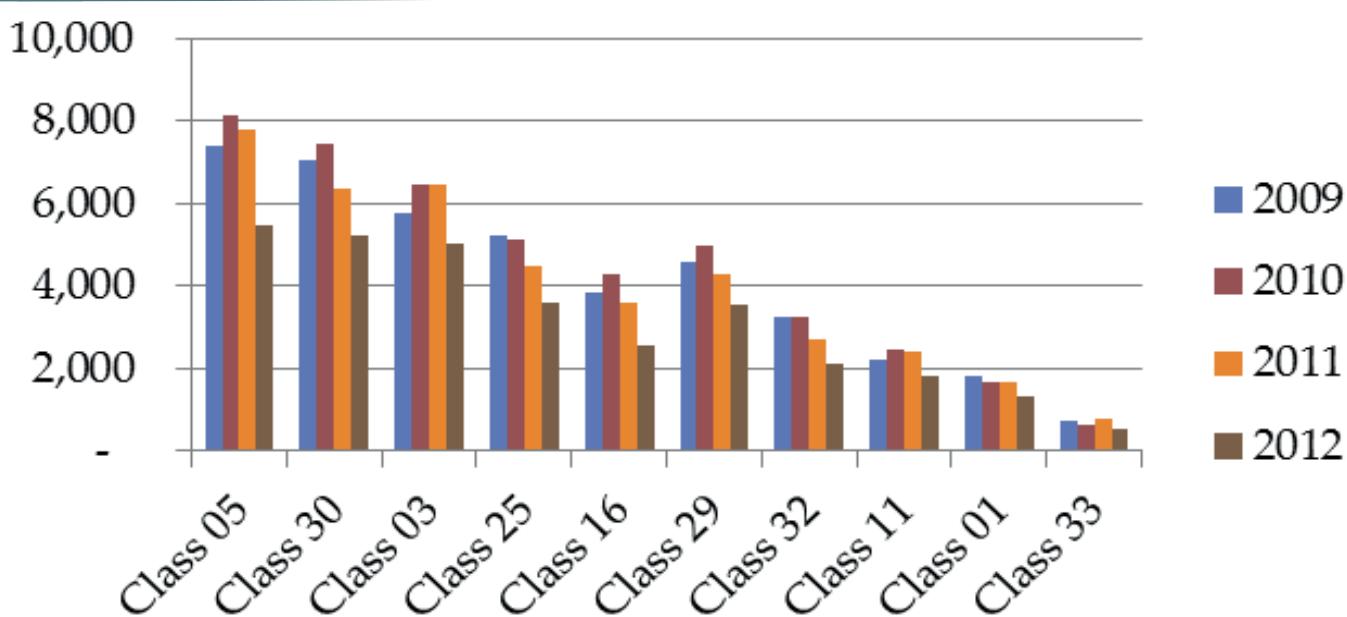
There are no specific requirements related to the registration of marks in classes 29 and 30. When it comes to the specification of goods, the applicant, in some TMOs, can file an application claiming the whole class without specifying the particular goods. The TMO will not object to the use of any of the class headings as being too indefinite and not specific. Consequently, the use of class headings of a particular class constitutes a claim to all of the goods falling within this particular class and implicitly covers any goods directly related to the class headings (that is, covers more than the literal meaning of the class headings).

In Qatar, however, there is an exception to this rule. Applicants must specify the goods in class 29, otherwise, the application will be rejected on absolute grounds. Further restrictions are also introduced by other countries such as Jordan and Sudan. The applicant must also specify the goods of both classes 29 and 30 or else the application will not be accepted.

Slogans

Unlike the situation in common-law countries, brand owners in the MENA region do not usually face significant difficulties registering slogans. As European and US authorities often refuse requests on the grounds that a slogan is purely descriptive of the products or services it promotes, or lacks distinctiveness, this type of trademark applications can easily pass examination on absolute grounds in most of the TMOs of our region (with some few exceptions including that of Iran), as long as the mark in question is not explicitly descriptive of the products involved. In fact, brand owners are often not required to prove that the slogan they wish to protect has acquired a "secondary meaning" on its own.

Trademark Filings in Arab Countries



Search and Examination

Searches between related classes, such as 29 and 30, are not performed on an *ex-officio* basis. As for examination, a mark is not usually rejected on relative grounds based on the existence of a prior mark in a related class, unless the mark is considered to be well-known in the country. Unlike the United States, countries of the MENA region have no express anti-dilution provisions in their trademark laws. Nevertheless, many countries have introduced provisions into their trademark laws on the “likelihood of confusion” between conflicting marks as part of their implementation of the TRIPS Agreement. In principle, the reference to certain provisions of the laws on the “likelihood of confusion” should provide a basis for actions in cases of dilution. However, are these sections on “likelihood of confusion” enough? Some courts reiterated that when dilution is accompanied by confusion as to the source, it will affect the goodwill, reputation and trade name established by the plaintiff, especially when the goods involved are closely related, and would be sold in the same channels of trade to the same consumers.

Famous Marks

Most countries of our region, with the exception of Lebanon and Iran, have clearly applicable statutory provisions in the national laws to protect famous marks. Also, membership in the Paris Convention (all countries are members of the Paris Convention except for Kuwait) has helped significantly on the litigation front, as evidenced in a number of groundbreaking Court decisions which were reached during the past several years signaling a positive change for trademark holders.

Furthermore, all countries are either members or observers of the WTO (except for Syria), which, of course, extends to the TRIPS agreement. TRIPS, Part II addresses each intellectual property right in succession. Article 16(3) of TRIPS states that in relation to registered marks, Article 6bis should apply to non-similar goods or services, provided that use of the later mark indicates a connection to the owner of the well-known mark and that the interests of the owner of the well-known mark are likely to be damaged. However, there are no clear regulations or case laws that comment specifically on the prerequisites for claiming protection under Article 6bis.

Although it is impossible to precisely define a famous mark, examples of famous marks in our region include LAY'S, OREO, TANG, KIT KAT and NESCAFE. The extent to which a trademark is considered famous is usually determined according to the international standards for the protection of well-known trademarks (Article 6bis of the Paris Convention) as well as the local standards for well-known trademark protection. Any probative evidence will be accepted, and a determination will be based on the totality of the evidence, including such factors as:

- (i) the duration and geographic extent of sales
- (ii) sales figures
- (iii) advertising figures and samples of advertising
- (iv) awards, reviews and press reports
- (v) the reputation of the mark within the relevant trade and consumer groups in the country
- (vi) expert testimony and surveys designed to assess the recognition of brand names



Trademarks in Arabic

When a trademark is used in foreign markets, it is necessary to take into account considerations of language and culture. Although it is not necessary to display the Arabic transliteration of the Latin trademark on the products sold, the process of transliteration of a trademark into its local character or language is important for trademark owners seeking to promote or sell their products in that market because many consumers will identify goods by their local-character trademark, depending upon the degree of local recognition and knowledge of foreign languages.

When it comes to registration, a trademark in Latin should, in general, provide protection against the registration of another mark with a prominently featured or at least confusingly similar Arabic transliteration liable to create public confusion.

In fact, most of the Arab countries are signatories to international agreements that address the protection of trademarks across different languages and different character scripts as part of the wider concept of protection against unfair competition, including the Paris Convention, TRIPS and the Madrid Agreement and Protocol for the international registration of marks. The systems provide for the protection of rights across different languages and different character scripts as part of the wider concept of protection against unfair competition. However, there are certain instances where the confusion across different languages is not so evident, and so registration of the Arabic rendition will be recommended.

	The Paris Convention	The TRIPS Agreement	The Trademark Law Treaty	Madrid Agreement (Source)	Madrid Agreement (Marks)	Madrid Protocol
Algeria	X			X	X	
Bahrain	X		X			X
Egypt	X		X	X	X	X (signature)
Iraq	X					
Jordan	X					
Kuwait						
Lebanon	X			X		
Libya	X					
Morocco	X		X (signature)	X	X	X
Oman	X		X			X
Qatar	X					
Saudi Arabia	X					
Sudan	X				X	X
Syria	X			X	X	X
Tunisia	X			X		X
UAE	X					
Yemen	X					

Use

Since most countries of our region are civil law countries (meaning that the code typically exhaustively covers the complete system of the law), the "first-to-file" concept is given considerable weight. Some countries may offer a limited amount of common law rights but this of course is a matter

solely determined by the practitioner handling the case. This being said, registration of marks is highly recommended and the mere registration can be a basis to sue an infringer, although the risks of a non-use cancellation action must be factored-in in any filing strategy. However, unlike the United States where a

non-use cancellation action is similar to an opposition action in applicable law, the situation is not the same in the MENA region. In most countries, non-use cancellation actions must be brought before the local Courts, which can greatly increase the time, costs and even predictability of such proceedings.

Enforcement

To some confectioners, the packaging is all what matters and so protection of the key traits and features is not an issue that can be disregarded. Needless to say, rights holders must be ready and willing to adopt a trademark protection model that incorporates both the legal and regulatory approaches in order to arrive at a well-established trademark protection strategy.

•Infringement Claim:

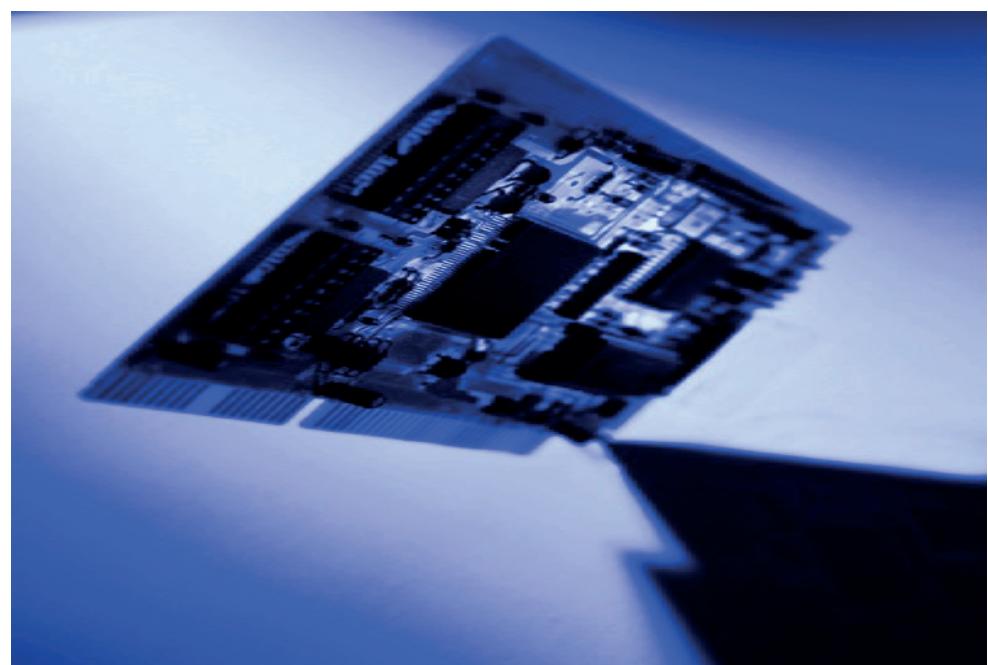
Regarding an infringement claim, owners must establish that there is valid mark entitled to protection; and that perpetrators are using their marks in connection with the sale or advertising of goods without consent, and that this use is likely to cause confusion. Even in the presence of valid trademark registrations of the shape of the product or its packaging, establishing "Likelihood

of Confusion" is always the central focus, which may in some instances be difficult to prove. According to the practice some countries, and in particular, Saudi Arabia, UAE and Kuwait, the Courts do not look beyond the word marks at issue. Infringement is usually found if the word marks are sufficiently similar that consumer confusion can be expected. Factors such as the degree of similarity between the marks involved, the degree

of distinctiveness of the mark, and its recognisability are directly implicated. The Courts may, but not necessarily, give weight to expert testimony and surveys designed to prove actual consumer confusion (in cases where the rights holder is able to collect evidence of this nature).

•Unfair Competition Claim:

As for the possibility of bringing an unfair competition claim, most countries of the region are civil law countries and do have unfair competition statutes. The focus of unfair competition claims is generally on consumer deception or threat to business interests. Although such claims may overlap with trademark infringement, the burden of proof in an unfair competition claim will generally be higher than when rights holders seek to prove infringement of their registered marks.



•Commercial Anti-Fraud Department:

The official anti-fraud and regulatory bodies, available in some countries including Saudi Arabia, UAE and Oman, have jurisdiction for administrative action to enforce trademark rights in their own countries. These bodies usually consider complaints against counterfeits or look-alikes only, and raids are typically carried out if the findings are conclusive. In Saudi Arabia, for example, and according to the latest semi-annual report of the Saudi Commercial Anti-Fraud Department, more than 1966 complaints were filed at the Ministry of Trade and Industry in the second half of the year 2013 against local companies for alleged distribution of counterfeit products including confectionery and other items. The report also gives credit to the joint efforts of the Commercial Anti-Fraud Department and

the Customs Authorities which have led to the suspension of a considerable amount of counterfeit products imported into the country. Perpetrators were subject to sanctions (as defined by the country's Trademark Law and Commercial Anti-Fraud Law) including monetary fines of up to one million Riyals (around \$ 260,000) as well as legal prosecution resulting in a maximum of three years imprisonment. On a side note, most countries of the MENA region have anti-commercial fraud laws designed to enact legal measures and policies against commercial fraud. The latest anti commercial-fraud law was endorsed in the UAE in 2013. Although there is no pan-Arab anti commercial-fraud law, a unified law for the GCC is expected to be endorsed once approved by all member states.



•Customs Recordal:

Customs recordal procedures are available in a number of countries, including Algeria, Morocco, Sudan, Tunisia and the UAE (only three emirates out of seven). Recordal is also expected to be adopted in Qatar and Abu Dhabi (a UAE emirate), but the timing involved for implementation is unknown. One fundamental premise of the recordation system (other than providing a central registry containing information for recorded trademarks) is that it allows customs officials to implement an *ex officio* border protection system.

An *ex officio* system is different from the standard border protection system in which a judicial authority orders customs to detain the infringing shipment after identifying the infringing goods. The key advantage of the *ex officio* system is that it allows for prompt and proactive action by customs officials, thus avoiding the delays inherently involved in seeking judicial action. Customs officials are always on the lookout for infringing goods and thus are able to act quickly to confiscate counterfeit and pirated merchandise.

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The information contained in this newsletter is intended to provide a brief update of Intellectual Property news and should not be relied upon as legal advice. Legal or other professional counseling should be sought from the firm's Head Office in Beirut, Lebanon.

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