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In common with many other countries Mexico is not exempt from pirates who obtain registration for trade marks previously adopted by their genuine owners. In most cases the pirate registration covers a mark that was originated in a foreign country. The registration will be rejected if the mark happens to be well known in Mexico; however, if the Trade Mark Office concludes that the mark has not reached that status, registration will be granted and the genuine owner will have no other choice but to initiate nullity or lapse actions, as the case may be.

Before giving a full analysis of the present situation, it should be mentioned that, under Mexican Law, exclusive rights to use a mark are only acquired through a registration granted by the Trade Mark Office. The registration process in Mexico rests on the principle of “first to file, first in right”. Mexican Law does not provide for opposition proceedings, but the genuine owner of a mark is entitled to seek the cancellation of spurious registrations by the filing of nullity and lapse actions which will be briefly explained below.

### *NULLITY ACTIONS*

Article 151 of the Mexican Law for the Promotion and Protection of Industrial Property (LPPIP), which is comprised of six specific provisions, constitutes the legal framework for filing nullity actions.

The first paragraph of Article 151 considers a registration to be void if it was granted in violation to the legal requirements and conditions for the granting of registrations established in sections I to XV of Article 90. Section XV of this Article deserves special mention as it grants authority to the Trade Mark Office for rejecting applications of marks considered to be well-known in Mexico. A nullity action under this paragraph will be pertinent if the registration covers a well known mark and it was granted to a third party other than the true owner. The second and third paragraphs of Article 151 refer to nullity actions based on prior use, in Mexico or abroad respectively, of an identical or confusingly similar mark. In the latter hypothesis the existence of a foreign registration, as well as a

reciprocal provision benefiting Mexican trade mark owners in the country of origin, is required. However, in practice reciprocity has represented a requirement impossible to meet as it appears that there is no foreign trade mark law granting similar standards to Mexican trade mark owners. We therefore invite our colleagues abroad to conduct a thorough research to determine whether the laws in their countries reciprocate with Mexican Trade Mark Law.

The fourth paragraph of Article 151 states that a registration shall be considered null and void if it was granted on the grounds of false or inaccurate information that is considered to be “essential”. Discussion has developed as to what represents essential information in the context of this provision. Perhaps the Trade Mark Office will not cancel a registration based on information that is false or inaccurate but not deemed to be of transcendental importance. However, the Office will most likely declare to be void any registrations granted on the basis of false or inaccurate information given in the application papers related to the date of first use, address of the business and of the manufacturing or commercial establishments.

The fifth paragraph deals with registrations that the Trade Mark Office grants in error, inadvertently or on the basis of a misappreciation of those marks that are identical or confusingly similar to previously registered ones. In these cases the prior registration is deemed to be violated by the latter one because of the identify or similarity of the marks and the services or products to which they are applied. The issue has usually been determining whether the expression “similar products and services” should be restricted to cover only those in a particular class of the international classification or whether it should also extend to include products or services within different classes which are nevertheless similar in nature.

Paragraph six of Article 151 represents a cancellation provision arising from situations involving a business relationship between the owner of a foreign trade mark registration and its Mexican agent, representative, user or distributor. In these cases, any of these latter will have a sought a Mexican registration of the mark or a confusingly similar one, in its own name, and without the express consent from the trade mark owner. The law regards the registration as having been obtained in bad faith.

It is not clear how broad the scope of this provision should be considered. At first glance, it seem that a direct and personal relationship is needed between

the owner of the foreign mark and its business partner in Mexico. However, it remains to be seen whether this provision would apply where the distributor or user of the mark is appointed by the foreign registrant's agent and the relationship with such distributor or user is only an indirect one.

The period of limitations runs for five years in connection with the nullity provisions in paragraphs two, four and five of Article 151 and one year as to paragraph three. In every case this is reckoned from the circulation date of the *Trade Mark Gazette* in which the corresponding registration was published. There is no statute of limitations for bringing actions under paragraphs one and six.

### *LAPSE ACTION*

A lapse action was introduced into the LPPIP in 1991. It can be an effective tool for canceling pirate registrations when their marks are not in use. The LPPIP states that registrations are valid for a 10-year period; however, if the mark is not used for a three full years, a lapse action can be filed, unless justifiable reasons exist for the lack of use. While the law does not establish what type of excuses will be accepted as "justifiable reasons", it can be concluded that they will necessarily be directed to show that the registrant had the willingness to use it but could not, on account of causes beyond his or her control.

*Source: Trademark Yearbook 1994.*