

by Alonso Camargo

Mexico is one of the few countries in the world which does not provide for trademark opposition proceedings. Under the Industrial Property Law, the Mexican Institute of Industrial Property (IMPI) is the administrative authority legally empowered to conduct **ex officio** examination of trademark applications on absolute and relative grounds.

While the current system has generally performed adequately in preventing the registration of identical or confusingly similar marks and of generic, descriptive or non-distinctive marks, on many occasions the technical limitations of the official search examination tools or the limited skills of examiners in certain areas have nonetheless resulted in the registration of infringing or non-distinctive marks.

With regard to relative grounds, meanwhile, **ex officio** examination has prevented the registration of similar trademarks even where letters of consent or coexistence agreements have been concluded between the respective owners, as a result of a rigid and consumer-protective interpretation of the relative grounds prohibitions established in the Industrial Property Law.

Mexico's recent accession to the Madrid System presents new and complex challenges for IMPI in examining national trademark applications with respect to senior international applications designating Mexico, since the timeframes for prosecution of international applications are so different from those for national applications. This will inevitably result in not only legal, but also practical problems.

These circumstances represent a great opportunity to improve Mexican trademark law and regulations in order to strengthen the protection of IP rights and give legal certainty to rights holders. The introduction of trademark opposition proceedings should clearly help in resolving these issues.

While Mexico is not bound to introduce opposition proceedings as a result of its accession to the Madrid System, such a development would make the trademark system more efficient and provide rights holders with an additional

tool to protect their trademark rights in Mexico.

The IMPI's trademark officers and several members of the Mexican Association for the Protection of Intellectual Property (AMPPI) have thus been discussing the possibility of reforming the Industrial Property Law, in an effort to introduce trademark opposition proceedings as an additional tool for rights holders to prevent registration of identical or confusingly similar marks by third parties, as well as the registration of non-distinctive signs.

Discussions in relation to the nature and specific terms of opposition proceedings which would best fit with Mexican law and practice are still ongoing. However, the intention would be to introduce such proceedings at the pre-registration stage, covering all absolute and relative grounds currently listed in Article 90 of the law.

This does not mean that official examinations of trademark applications will no longer take place. IMPI will continue to examine trademark applications on both absolute and relative grounds, providing applicants with a four-month term in which to respond to any eventual objections. Where IMPI issues an initial objection against a proposed application and the applicant files a response within this period, IMPI will proceed to analyse the merits of the response, as happens at present.

If IMPI determines that the applicant's response is insufficient to overcome the objection, it will issue a writ of refusal.

By the same token, if no objections are found, or if the objections based on either relative or absolute grounds are overcome upon examination of the applicant's response, IMPI will publish the application for opposition purposes. Any third party with sufficient legal standing may then oppose registration of the published mark(s) within a reasonable term (two or three months) of the publication date.

Under this scenario, if the opposition succeeds, IMPI will issue a writ of refusal based on the merits of the opposition proceedings. If IMPI denies the

opposition, this decision will be final (ie, there is no possibility of appeal at the pre-registration stage), and IMPI will automatically grant registration of the proposed mark. However, the post-registration grounds for cancellation currently established by the Industrial Property Law would be obtained as a last resort to challenge a registration that has been unlawfully granted.

The current discussions are thus focused on establishing a short but efficient proceeding, with the aim of granting trademark owners an additional legal tool (at the pre-registration stage) to prevent the registration of marks that infringe their earlier rights or that lack distinctive character, which would constitute an unfair right granted to a single party to the detriment of producers or service providers in a specific field of commerce.

Hopefully, these joint efforts of the IMPI and the AMPPI should result in substantive reform to the Industrial Property Law by the end of 2013.

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