

TREASURY DEPARTMENT

DECREE amending and adding various provisions to the Industrial Property Law

In the margin a stamp with the National Seal reading: Mexico – Presidency of the Republic.

I, **VICENTE FOX QUESADA**, President of Mexico, inform its inhabitants:

That the Honorable Congress of the Union has forwarded to me the following

DECREE

“THE GENERAL CONGRESS OF MEXICO DECREES:

AMENDMENTS AND ADDITIONS CONCERNING VARIOUS PROVISIONS OF THE INDUSTRIAL PROPERTY LAW

Article 1. Amend Article 6, subparagraphs III and X; and Article 90, subparagraph XV; and add to Article 90, subparagraph XV bis and a Chapter II BIS named: Well-known and Famous Marks, in the Industrial Property Law, to read as follows:

Article 6. The Mexican Institute of Industrial Property, the administrative authority in industrial property matters, is a decentralized body with legal personality and its own assets, which shall be empowered to:

I. to II. ...

III. Process applications for and, where appropriate, grant patents and registrations of utility models, industrial designs, trademarks and advertising slogans, issue declarations to the effect that marks are well known, issue declarations of protection for appellations of origin, authorize the use thereof, publish trade names and also record renewals thereof and the transfer or licensing of their use and exploitation, and such other powers as are conferred on it by this Law and the Regulations thereunder, for the recognition and preservation of industrial property rights;

IV. to IX. ...

X. Carry out the legal publication, in the Gazette, and disseminate information deriving from patents, registrations, declarations to the effect that marks are well known, authorizations and publications granted and any other information relating to industrial property rights entrusted to it by this Law;

XI. to XXII. ...

Article 90. The following may not be registered as marks:

I. to XIV. ...

XV. Three-dimensional names, figures or shapes identical or confusingly similar to a mark that the Institute considers or has declared famous in Mexico, to be applied to any product or service.

This impediment shall apply in any case where the use of the mark whose registration is applied for:

- (a) is liable to create confusion or a risk of association with the owner of the well-known mark;
- or

- (b) is liable to constitute an appropriation not authorized by the owner of the well-known mark;
or
- (c) is liable to discredit the well-known mark; or
- (d) is liable to dilute the distinctive character of the well-known mark.

This impediment shall not be applicable where the applicant for registration is the owner of the famous mark; and

XV bis. Three-dimensional names, figures or shapes identical or confusingly similar to a mark that the Institute considers or has declared famous under the terms of Chapter II BIS, to be applied to any good or service.

This impediment shall not be applicable where the applicant for registration is the owner of the famous mark.

XVI. and XVII. ...

The declaration may be updated at any moment, at the request of anyone who has a legal interest, provided that he can prove that the conditions on which it was based obtain at the date of the respective application.

Article 98 bis-4. The application for a declaration to the effect that a mark is well known shall be filed in writing in accordance with the formalities laid down for applications and submissions in this Law and the Regulations thereunder, and accompanied by the evidentiary elements on which the request is based, and shall include at least the following:

- I. the name, nationality, address, telephone number, facsimile number and electronic mail address of the applicant and, where applicable, his official representative;
- II. the mark and its registration number; and
- III. the evidentiary documents and elements accompanying the application.

Article 98 bis 5. Once the Institute has received the application and the relevant fees have been paid, the elements, data and documents provided shall be examined.

If, in the opinion of the Institute, the above-mentioned elements, data and documents do not meet the legal requirements or are insufficient for the understanding and analysis of any of the elements of the application, the applicant shall be required to make the necessary clarifications or additions, for which purpose he shall be granted a period of four months.

If the applicant fails to comply with the requirement within the period granted, the application shall be rejected.

Article 98 bis-6. Once the application has been processed and the legal and regulatory requirements have been met, the relevant declaration shall be issued.

In the event that the Institute denies the issue of the declaration, it shall notify the applicant in writing, stating the reasons and legal grounds for its decision and assessing all the evidentiary elements received.

Article 98 bis-7. Decisions on declarations to the effect that a mark is well known shall be published in the Gazette.

Article 98 bis-8. The declaration shall be invalid if:

- it were granted in violation of the provisions of this Chapter;

- the evidence supporting the declaration is false;
- it were granted based on an incorrect assessment of the evidence;
- it were granted to a person who had no right thereto.

Administrative decisions of invalidity shall be issued by the Institute, at the request of persons having a legal interest who prove the grounds on which their request is based.

When the mark registration or registrations, on the basis of which the declaration was issued, become invalid, lapse or are cancelled, the declaration shall lose its evidentiary value.

Article 98 bis-9. For the purposes of its transfer, the declaration shall be considered linked to the mark registration or registrations which gave rise thereto.

Transitional Articles

One.- This Decree shall enter into force on the day following its publication in the **Official Journal**.

Mexico City, D.F., April 19, 2005. Deputy **Manlio Fabio Beltrones Rivera**, President, Senator **Diego Fernández de Cevallos Ramos**, President.- Deputy **Marcos Morales Torres**, Secretary.- Senator **Sara I. Castellanos Cortés**, Secretary.- Headings.

Pursuant to Article 89(1) of the Political Constitution of Mexico and for due publication and observance, I transmit this Decree to the seat of the Federal Executive Authority, in Mexico City, D.F., on May 31, 2005. **Vicente Fox Quesada**. Heading. Secretary of Government, **Santiago Creel Miranda**. Heading.

CHAPTER II BIS

Well-Known and Famous Marks

Article 98 bis. For the purposes of its assessment or declaration by the Institute, a mark shall be considered well known in Mexico when a given sector of the public or of the country's business circles is aware of the mark as a result of the business activities conducted in Mexico or abroad by a person who makes use of the mark in connection with his goods or services, or as a result of the promotion or advertising thereof.

For the purposes of its assessment or declaration by the Institute, a mark shall be considered famous in Mexico where the majority of public consumers are aware of this mark.

All forms of proof permitted by this Law may be used for the purpose of demonstrating that the mark is well known or famous.

Article 98 bis-1. The declaration or any updates issued shall constitute an administrative act by means of which the Institute declares, based on the evidence provided, that the conditions by virtue of which a mark is well known or famous obtain at the time the act is issued.

The impediments provided for in Article 90, subparagraphs XV and XV bis, for the protection of well-known or famous marks, shall apply independently of whether those marks are registered or declared.

However, in order for the owner of a mark to obtain a declaration, the mark shall be registered in Mexico to protect the goods or services in which the notoriety or fame of the mark originated.

Article 98 bis-2. For the purpose of obtaining the declaration to the effect that a mark is well known, the applicant shall provide, *inter alia*, the following information:

I. The sector of the public comprising real or potential consumers who identify the mark with the goods or services which it protects, based on a market survey or study or any other method permitted by law;

II. Other sectors of the public excluding real or potential consumers that identify the mark with the goods or services which it protects, based on a market survey or study or any other method permitted by law;

III. The commercial circles comprising tradesmen, industrialists or service providers connected with the type of goods or services, who identify the mark with the goods or services protected by the mark, based on a market survey or study or any other method permitted by law;

IV. The date of first use of the mark in Mexico and, where applicable, abroad;

V. The period of continued use of the mark in Mexico and, where applicable, abroad;

VI. The marketing channels in Mexico and, where applicable, abroad;

VII. The methods of disseminating the mark in Mexico and, where applicable, abroad;

- VIII.** The period of actual advertising of the mark in Mexico and, where applicable, abroad;
- IX.** The investment made during the previous three years in advertising and promoting the mark in Mexico and, where applicable, abroad;
- X.** The actual geographical area of influence of the mark;
- XI.** The sales volume of the goods or the revenue received from the provisions of the services protected by the mark, during the previous three years;
- XII.** The economic value represented by the mark in the shareholders' equity of the company owning the mark, or in accordance with a valuation of the company;
- XIII.** The registrations of the mark in Mexico and, where applicable, abroad;
- XIV.** The franchises and licenses that have been granted with respect to the mark; and
- XV.** The percentage of the share of the mark in the relevant market sector or segment.

Article 98 bis-3. The Institute shall assume, except where there is evidence to the contrary, that the conditions which gave rise to the declaration or its updates shall obtain for a period of five years from the date of its issue; consequently, during that period, the impediment provided for in Article 90, subparagraph XV, or the provisions of subparagraph XV bis, shall apply, as applicable, expeditiously.

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Published in the Official Journal of June 16, 2005

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