

THE LAW OF TRADEMARKS

Royal Decree No. M/21
28 *Jumada I* 1423 / 7 August 2002

Part One

General Provisions

Article 1:

In implementing the provisions of this Law, trademarks shall be names of distinct shapes, signatures, words, letters, numbers, drawings, symbols, stamps and protruding inscriptions or any other sign or combination thereof which can be recognized by sight and suitable to distinguish industrial, commercial, vocational or agricultural products or a project to exploit forests or natural resources or to indicate that the object upon which the trademark is put belongs to the owner of the trademark on grounds of manufacture, selection, invention thereof or trading therewith or to indicate the rendering of a certain service

Article 2:

The following signs, emblems, flags and others as listed below shall not be considered or registered as trademarks:

- a. Signs without any specific distinction and which are descriptions of characteristics or which are no more than common names which are by custom given to the products or services.
- b. Any expression or sign or drawing violating religion , or which is identical or similar to a symbol of religious nature.
- c. Any expression, sign or drawing inconsistent with public order or public morality.
- d. Public emblems, flags and other signs, names or denominations pertaining to the Kingdom or pertaining to one of the countries with which it has reciprocal treatment or pertaining to one of the countries being a member of a multi-lateral international treaty in which the Kingdom is a party or pertaining to an international or governmental organization and also any imitation to these emblems, flags, symbols, names and denominations unless permitted by such owner.

- e. Official signs and imprints of the Kingdom and the countries and organizations referred to in paragraph (d), if these signs and imprints pertain to its control over the products or services or the guarantee thereof unless permitted by the owner thereof.

This prohibition does not apply unless the trademark is intended to be put upon the products themselves or the services or upon similar products or services.

- f. Geographical names if their use is liable to create confusion as to the source of the products or services or their origin or liable to monopolize notice of origin or name the source without rightful justification. The pictures of others or their personal or trade names unless they or their heirs agree to such use.
- g. Statements relating to honorary degrees.
- h. Statements that are liable to mislead the public or contain false information as to the source of the products or services or other descriptions of the products or services as well as trademarks that contain a fictitious, imitated or forged trade name.
- i. Trademarks that are identical or similar to trademarks well-known in the Kingdom even if they are not registered in it in connection with identical or similar goods or services and trademarks that are identical or similar to trademarks well-known in the Kingdom and registered in it in connection with goods or services that are not identical or similar provided that this use causes injury to the owner of the well-known trademark.
- j. Trademarks owned by natural or juristic persons with whom dealing is prohibited in accordance with a decision issued by the competent authority.
- k. Signs identical or similar to trademarks already filed or registered by others in connection with identical or similar products or services as well as signs whose registration for certain products or services would reduce the value of products or services of others.

Part Two

Procedures of Registration and Publicizing of Trademarks

Article 3:

A register shall be set up at the competent department of the Ministry of Commerce to be called: “Trademarks Register”. In which shall be recorded all registered trademarks and notices of assignment of ownership, transfer, mortgage, attachment, or license to use them and also their renewal and cancellation and all information provided for in the Implementing Regulations.

Article 4:

The following categories shall have the right to register trademarks.

- 1) Natural or juristic persons of Saudi nationality.
- 2) Persons regularly residing in the Kingdom and permitted to engage in any commercial or vocational activities.
- 3) Nationals of countries which treat the Kingdom on reciprocal basis.
- 4) Nationals of a country which is a member to an international multi-lateral treaty, in which the Kingdom is a party to or persons who reside in that country.
- 5) Public agencies.

Article 5:

A registration application for every trademark meeting the conditions provided for in Article 1 of this Law may be filed by the individual concerned if he is domiciled in the Kingdom or by an official agent domiciled in it with the competent department at the Ministry of Commerce in accordance with conditions and procedures specified in the Implementing Regulations .

Article 6:

The Application for registration of a trademark may be made for one or more categories of products or services, but a separate application shall be submitted for each such class in accordance with the conditions and procedures provided for in the Implementing Regulations.

Article 7:

One application may be filed to register a group of trademarks if they are identical as to their essential elements and differ only in ways that do not affect their character such as color or the details of the products or services related thereto provided that these products or services belong to the same class.

Article 8:

In case of two or more persons simultaneously apply to register the same trademark or similar trademarks that cause confusion for the same class of products or services and the applications are of the same date of depositing or same date of priority, the registration application shall be suspended until one of the applicants presents a written statement from the other(s) legally endorsed to the effect that they waive their application or until a final judgment is rendered by the Board of Grievances in favor of the registration of one of them.

Article 9:

If an applicant for registration of a trademark or his successor desires to enjoy the right of priority on grounds of a previous application deposited with another country which is a member of an international multi-lateral treaty to which the Kingdom is a party or another country which treats the Kingdom reciprocally, he shall enclose with his application a statement wherein he mentions the date and number of the previous application and the state wherein he deposited the application. The applicant shall also deposit a copy of the previous application duly endorsed by the competent authority in the state wherein it was filed within six months of the date on which he filed the

registration application on account of which he claims the priority right; otherwise his right to the claim will be forfeited.

Article 10:

The competent department at the Ministry of Commerce shall, within a period of sixty days after submission of the application, decide on the application if it meets the conditions and procedures provided for in this Law and the Implementing Regulations.

Article 11:

If the competent department is of the opinion that the registration application is not in accordance with the provisions of this Law, it shall notify the applicant in writing to that effect, and may request the satisfaction of the conditions or incorporation of the amendments necessary for the approval of the registration application.

Article 12:

If the applicant fails to respond to the requests of the competent department to satisfy the conditions or incorporate the amendments within ninety days from the date of his notification to this effect, his application shall be considered rejected from the date of expiration of this period.

Article 13:

The party concerned may file a grievance to the Minister of Commerce against the decision rejecting his application within sixty days from the date of notification thereof, and if the grievance is rejected by a decision issued by the Minister, the party concerned shall have the right to appeal to the Board of Grievances within thirty days from the day of notification thereof.

Article 14:

If registration of the trademark is accepted, the competent department shall publicize this registration in the manner and in accordance with the

procedures specified in the Implementing Regulations and the applicant shall bear the cost of publicizing .

Article 15:

Any interested party may object to the acceptance of registration of the trademark before the Board of Grievances within ninety days from the date of publicizing and a copy of the objection and evidence of submission shall be deposited with the competent department in the Ministry of Commerce.

Article 16:

The competent department shall register the trademark in the register provided for in Article three of this Law after the decision accepting registration of the trademark becomes final or when a judgment to this effect is rendered by the Board of Grievances. The registration shall be in accordance with the procedures and conditions specified in the Implementing Regulations.

Article 17:

Once the registration is completed, the owner of the trademark shall be given a certificate containing the information specified by the Implementing Regulations, and in particular:

- l. The serial number of the trademark's registration.
- m. The date of depositing the registration application and the date of registration and the date of priority, if any.
- n. The commercial name or the name of the trademark owner, his place of residence and nationality.
- o. A copy of the trademark.
- p. Details of the products or services and the class for which the trademark is registered.

Article 18:

The owner of a registered trademark may request the competent department to introduce any additions or modifications thereon provided that they do not substantially affect the character of the trademark. Such a request shall be subject to all conditions and procedures applicable to original applications for registration.

Article 19:

Any interested party may peruse the register provided for in Article three of this Law and request information or copies of the records therein.

Part Three

The Effect of Trademark Registration

Article 20:

Registration of a trademark shall be effective from the date of filing the application of registration. This date shall be determined in accordance with the provisions of the Implementing Regulations .

Article 21:

A person who has registered a trademark shall become its exclusive owner, and the use of a registered trademark by any person is subject to the consent of its owner. The owner of a registered trademark shall have the right to file a lawsuit to prevent others from using it or from using any other sign similar to it and liable to mislead the public as to the products or services for which the trademark is registered and as to similar products or services. The rights resulting from registration of the trademark do not include the fair use of the signs, statements and descriptive drawings which do not include the special characteristic of the registered trademark.

Article 22:

The rights of a party resulting from registration of a trademark shall continue for ten years unless otherwise renewed.

Part Four

Renewal and Cancellation of a Trademark

Article 23:

An owner of a trademark may file an application for renewal of its registration during the last year of its period of protection and for a subsequent period of six months pursuant to the conditions and procedures provided for in this Law and its Implementing Regulations.

Article 24:

The trademark shall be renewed without any new examination and the renewal of registration shall be publicized in accordance with the conditions and procedures provided for in the Implementing Regulations.

Article 25:

The competent department and every interested party may request cancellation of a trademark registration in the following cases:

- q. If the owner of a trademark does not use it for a period of five consecutive years without a legitimate excuse.
- r. If a trademark was registered in violation of public order or public morality.
- s. If a trademark was registered through fraud or false information.

The Board of Grievances shall have the jurisdiction to decide on requests for cancellation of registration.

Article 26:

A trademark registration shall be cancelled by force of law in the following two cases:

- t. Trademarks whose registration were not renewed in accordance with this Law and its Implementing Regulations.

- u. Trademarks owned by natural or juristic persons with whom dealing is prohibited pursuant to a decision issued by the competent authority.

Article 27:

If a trademark is cancelled, it shall not be registered for the benefit of others for the same products, services, or for similar products or services except after the elapse of three years from the date of cancellation, unless the decision of cancellation specified a shorter period.

Article 28:

Cancellation of a trademark registration shall be publicized in accordance with the procedures and conditions provided for in the Implementing Regulations. The cancellation shall be effective from the date of a judgment by the Board of Grievances, from the date of expiration of the protection period, or from the date on which the prohibition decision was issued.

Part Five
Transfer of Ownership,
Pledge and Attachment of the Trademark

Article 29:

Ownership of the trademark may be transferred to others by any event or action transferring ownership, provided it is in writing and not intended to mislead the public, especially with respect to the nature, origin, characteristics or performance of the products and services..

Article 30:

If the ownership of the place of business or the project for which a trademark is used to distinguish its products or services is transferred without transfer of a trademark's ownership, the party who continues to own the trademark may still use it for products or services for which the same trademark was registered, unless otherwise agreed.

Article 31:

A trademark may be pledged or attached with or without the place of business or the project for which the trademark is used to distinguish its products or services.

Article 32:

The transfer of ownership, pledge, or attachment of a trademark shall not take effect with respect to others except after its publicizing and its being entered in the Register provided for in Article 3 of this Law.

Part Six

Licenses for Trademark Use

Article 33:

The owner of a trademark may license any natural or juristic person to use it for all or some of the products or services for which it was registered. The trademark owner shall have the right to license others to use it and shall have the right to use it himself, unless agreed otherwise. The period of the license may not exceed the protection period of the trademark.

Article 34:

The license contract shall be in writing and the signatures, thumbprints, or stamps of the contracting parties shall be officially authenticated in accordance with the provisions of the Implementing Regulations.

Article 35:

The license contract shall be recorded in the register provided for in Article 3 of this Law. The license shall not take effect towards others unless it is recorded in the register and publicized in accordance with the procedures and conditions provided for in the Implementing Regulations.

Article 36:

The licensee may not assign the license to others or grant sub-licenses unless agreed otherwise.

Article 37:

The license registration shall be cancelled from the register upon a request by the trademark owner or the licensee after presenting evidence of expiration or termination of the license. The competent department shall notify the other party about the request to cancel the license. In this case, the other party shall have the right to object to this before the Board of Grievances, within thirty days from the date on which he was notified of the request to cancel.

Part Seven

Jointly-Owned Trademarks

Article 38:

The Minister of Commerce may permit the registration of a trademark owned jointly by natural or juristic persons who control specific products, services or inspection thereof with respect to their origin, ingredients, method of manufacture, performance, descriptions or any other characteristic, in accordance with the procedures and conditions provided for in the Implementing Regulations.

Article 39:

A non-renewed jointly-owned trademark may not be registered for the benefit of others with respect to identical or similar products or services.

Article 40:

The provisions of this Law shall apply to the jointly-owned trademarks provided that they are not inconsistent with their specific nature.

Part Eight

Fees

Article 41:

The fees due under the provisions of this Law shall be determined as follows:

First: One thousand riyals for any of the following procedures:

- a. Application to register a trademark for one class.
- b. Application to register a jointly-owned trademark for one class.
- c. Request to examine a jointly-owned trademark for one class.
- d. Review of the register with respect to one trademark for one class.
- e. Every copy of what is recorded in the register with respect to one trademark for one class.
- f. Request to enter the transfer or assignment of ownership for one trademark with respect to one class.
- g. Request for a license to use a trademark for one class, and to enter a trademark under pledge according to Articles 31, 32, and 33 of this Law.
- h. For every modification or addition in a trademark for one class, according to Article 18 of this Law.
- i. Request to add or change any information for which no fee is specified, in connection with one trademark for one class.
- j. Request to renew a registration of a trademark for one class during the six months that follow the period of its protection.

Second: Three thousand riyals for any of the following procedures:

- v. Application for a temporary protection of a trademark for one class.
- w. Registration of a trademark for one class.
- x. Registration of a jointly-owned trademark for one class.

- y. Renewal of registration of a trademark for one class.
- z. Renewal of registration of a jointly-owned trademark for one class.

Article 42:

Applications and procedures for which fees are determined in accordance with Article 41 of this Law shall not be acceptable or effective except following payment of applicable fees.

Part Nine

Crimes and Punishments

Article 43:

Without prejudice to any harsher punishment, the following shall be punished with imprisonment for a period not exceeding one year and a fine not less than fifty thousand riyals and not exceeding one million riyals or with one of these punishments:

- k. Anyone who forges a registered trademark or imitates it in a way that misleads the public, and anyone who uses in bad faith a forged or an imitated trademark.
- l. Anyone who puts or uses, in bad faith, a trademark owned by another on his products or services.
- m. Anyone who offers, puts up for sale, or sells or possesses with intention of selling products carrying a forged, an imitated, or unlawfully put or used trademark, despite his knowledge thereof as well as anyone who offers to render services under such a trademark despite his knowledge thereof.

Article 44:

Without prejudice to any harsher punishment, the following shall be punished with imprisonment for a period not exceeding three months and a fine not less than twenty thousand riyals and not exceeding two hundred and fifty thousand riyals, or with one of these punishments:

- a. Anyone who uses an unregistered trademark in the cases specified in paragraphs (b, c, d, e) of Article 2 of this Law.
- b. Anyone who unlawfully inscribes on his trademarks or commercial papers a statement that would lead to the belief that they have been registered.

Article 45:

A repeat offender shall be punished with a punishment not exceeding twice the maximum punishment specified for the offense and closure of the place of business or the project for a period not less than fifteen days and not exceeding six months, in addition to publicizing the judgment at the expense of the offender in accordance with the conditions and procedures provided for in the Implementing Regulations.

Article 46:

A repeat offender under the provisions of this Law is anyone who has been convicted of any of the offenses provided for herein and has again committed another, similar offense within three years from the date on which a final judgment on the previous offense was rendered against him. Offenses provided for in Articles 43 and 44 of this Law shall be deemed similar.

Article 47:

The public right of action shall be dropped after the expiration of five years from the date of the commission of the offense without taking any act of investigation or prosecution. The fact that the public right of action is dropped shall not prejudice private rights.

Article 48:

Anyone who has suffered damage as a result of the commission of any of the offenses provided for in this Law may claim appropriate compensation for the damages sustained, from the person responsible for the offense.

Article 49:

An owner of a trademark may at anytime, even prior to filing any civil or criminal lawsuit obtain- on the basis of a petition accompanied by an official document indicating the registration of the trademark- an order from the Board of Grievances to take the necessary precautionary measures, especially the following:

- n. The preparation of a record of detailed description of equipments and tools which are or were used in committing the offense and the local and imported products or goods and papers on which the trademark in question was used.
- o. Seizure of the items referred to in paragraph (a) provided that the seizure thereof shall not be effected until the claimant provides a security to be preliminarily estimated by the Board of Grievances to compensate the party against whom the seizure is effected, if needed. It is permissible after the seizure is effected to contest the adequacy of the deposit made by the claimant in accordance with the conditions and procedures provided for in the Implementing Regulations. The order of the Board of Grievances may include the assignment of one or more experts to assist the authority specified by the Implementing Regulations.

Article 50:

The precautionary measures taken by the trademark's owner shall be considered null and void if not followed by a civil or criminal lawsuit against the party against whom such measures were taken within ten days from the date on which the measures provided for in Article 49 of this Law are taken.

Article 51:

The defendant may take measures against a bad faith plaintiff requesting compensation to which the defendant might be entitled as a result of the measures provided for under Article 49 of this Law, within ninety days after expiration of the period provided for in Article 50 of this Law if the party making the seizure does not file his lawsuit or from the date on which a final judgment was rendered on the seizure lawsuit relating to the trademark. In all cases the security shall not be refunded to the seizing party except after rendering of the final judgment in the lawsuit convicting the party against whom the seizure is effected, or after expiration of the period fixed for the

defendant without filing the lawsuit, unless the judgment rendered on the lawsuit of the seizure includes a decision relating to the issue of deposit.

Article 52:

The Board of Grievances may, in any civil or criminal lawsuit, render a judgment to confiscate the seized items or those items seized afterward, in order to deduct the value thereof from the damages or fines or to dispose of them in accordance with the conditions and procedures provided for in the Implementing Regulations. The Board of Grievances may order the publicizing of the judgment in one or more newspaper(s) at the expense of the party against whom the judgment is rendered. It may also order the destruction of the forged or imitated trademarks or marks wrongfully placed or used, and order, when necessary, the destruction of the items carrying such trademarks even if a judgment of acquittal is rendered.

Article 53:

The Board of Grievances shall have jurisdiction to decide all civil and criminal lawsuits and disputes arising out of the implementation of this Law as well as the imposition of the penalties specified herein for the violation of the provisions hereof.

Article 54:

The Bureau of Investigation and Prosecution shall represent the public right of action in the criminal case for violation of the provisions of this Law.

Part Ten

Concluding Provisions

Article 55:

The Implementing Regulations shall include the procedures of temporary protection for any trademark used on the products or services on display at national or international exhibitions held in the Kingdom or in any of the countries which treat the Kingdom on reciprocal basis. Such exhibitions shall be specified by a decision of the Minister of Commerce.

Article 56:

The employees appointed by the Minister of Commerce shall have the powers of the judicial investigation officers as far as enforcement of this Law is concerned.

Article 57:

The Implementing Regulations of this Law shall be issued by a decision of the Minister of Commerce within sixty days after the date of its issuance and shall be published in the Official Gazette.

Article 58:

This Law shall be published in the Official Gazette and shall come into effect after ninety days from its publication, and shall repeal the Trademarks Law issued by the Royal Decree No, M/5 dated 4/5/1404.