

Draft Law No. () for the year ()
On Trademarks and Geographical indications

Chapter I
Terms & definitions

Article No. (1):

This law is called (Law of Trademarks and Geographical Indications).

Article No. (2):

For the purposes of applying the following provisions of this law, the following terms and phrases shall have their corresponding meanings unless context suggests otherwise:

Ministry: Ministry of Industry and Trade

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By-law: Executive regulations of this law.

Department: General competent department for the protection of trademarks and geographical indications in the ministry

Registrar: Director General of the competent department.

Gazette: A newspaper periodically issued by the Department which publishes the industrial property rights.

Article No. (3):

Trademark is everything that takes distinctive form which could be recognized by sight such as; names, words, letters, numbers, signatures, paintings, stamps, symbols, images, prominent inscriptions, colors or any group of them if they are used or intended to be used to distinguish goods or services to indicate that they belong to some legal or natural person because they are manufactured, chosen, traded or offered them for sale.

Article No. (4):

Legal persons who monitor or inspect particular goods or services in terms of their origin, installed components, method of manufacture, quality, or any other characteristics are allowed to be granted a licence by a decision by the minister to register their trademark that is specified to denote implementation of monitoring or examination for the sake of public interest, and its ownership is not allowed to be transferred except by the minister's consent. Registration of this Trademark is subject to provisions in this law.

Chapter II

Special Provisions on Trademarks

Article No. (5):

The following are not considered trademarks and should not be registered as such:-

- 1 – The mark which is immoral or violating the public order.
- 2 – The mark which has no specific feature or that which consists of signs or data imposed by the nature or function of goods or services.
- 3 – General mottos, flags and other symbols of Yemen, other countries or regional and international organizations.
- 4 - The mark that includes descriptive or advertising word or any expression suggesting that the product or service for which a trademark is needed to be registered has special features.
- 5 - The mark that would mislead the public, especially with regard to the geographical origin of goods or services or which includes false data about the source of goods or services, their other specifications or qualities.
- 6 – Name, last name or image of another person unless his/her consent has been taken in advance.
- 7 - If the trademark is identical to another owners' who had previously registered it in the registry, used by another person other than the applicant or there was an application submitted earlier before the current application to register the trademark in focus in terms of the

date of deposit or the date of priority with respect to the goods or the same services, or goods or services closely related to the trademark or if they were similar to the extent that could lead to deception or confusion.

8 - Marks violating religion or look like religious symbols.

Article No. (6):

Whoever wishes to use a trademark to distinguish goods or services produced by him/her or of his/her choice if they trade in or offers them for sale or intend to do so, they have the right to apply for the registration in accordance with the provisions of this law.

Article No. (7):

It is not permitted to register the famous trademark in Yemen even it was not registered, and the Department should reject any application for registration of a trademark identical to the famous trademark for the products or services identical or similar to products or services that are used unless the application is submitted by the owner of the famous trademark.

The advanced provision applies to the registration applications for the trademark that distinguishes products or services not identical to products or services that use the famous trademark to distinguish them if the famous trademark is registered in Yemen and if the use of this trademark would make others believe that there is a link between the famous trademark and those products in a way that harms the famous trademark owner. In order to determine if a trademark is famous, it should be taken into account the extent of its popularity with the public including its popularity in Yemen as a result of its promotion and marketing.

Article No. (8):

A register is to be prepared in the Department to be called (Trademarks Register) that registers all trademark data and all changes to it such as: change or amendment, giving up, transfer, mortgage, licensing, renewal or deletion, and every concerned

person has the right to receive data written down in this register after paying the prescribed fees.

Article No. (9):

An application for the registration of a trademark is to be submitted to the department in accordance with the conditions, procedures and fees set by the regulations, and it must include the following in particular:-

- 1 - Name and last name of the applicant for registration and his/her nationality and address.
- 2 - Copy of the mark required for registration.
- 3 - Description of the elements and components of the mark.
- 4 - A list of goods or services that require registration of the mark for one category or more than one category according to the classification of goods and services determined by the regulations.

Article No. (10):

The regulation determines procedures and time periods to review and examine the application for registration.

Article No. (11):

The Registrar issues a reasoned decision to accept the application for registration of the trademark, reject or accept it on conditions, or make amendments to the required mark for registration to clarify it or to avoid its confusion with another mark which this law ensures its protection.

Article No. (12):

In case the application for registration of the mark is rejected or the acceptance of the application is dependent on making amendments or conditions, the registrar should inform the applicant for registration in writing of that decision.

Article No. (13):

The applicant for registration has the right to appeal the decision of the registrar referred to in Article No. (11) of this law before the competent commercial court within thirty days from the date of the notification. The court may uphold, amend or cancel the decision. If there is no appeal for the decision within the specific period, or the applicant for registration has not applied what was imposed by the registrar such as conditions or amendments, he/she is considered disclaimed from his/her application.

Article No. (14):

If the mark is accepted for registration, it must be announced in the gazette and at the expense of the registration applicant.

Article No. (15):

- 1- Every concerned person can submit to the registrar a written objection on the registration of the mark, including reasons of objection within ninety days from the date of publication of the announcement.
- 2- The registrar should inform and submit to the registration applicant a copy of the objection. The registration applicant should respond to this objection in writing within thirty days from the date of notification. If the response was not submitted within the mentioned period the registration applicant is considered disclaimed from his application.
- 3 - The registrar, during studying the objection and before deciding on it, is entitled to listen to both parties defense if necessary.
- 4- The registrar makes a decision to adjudicate in objection either to accept or reject the registration, and he may decide in the first case the suitable conditions, and any of the parties may appeal the decision to the competent commercial court within thirty days from the date of the announcement of the decision. The appeal against the decision to accept the registration does not stop registration procedures unless the court decides otherwise.

Article No. (16):

After the end of the objection period mentioned in paragraph No. (1) of the preceding Article and no objection to the application of the trademark registration was made, the applicant of the registration shall pay registration fees of the trademark within six months or otherwise he/she shall be deemed assignor of his/her request.

Article No. (17):

A- Trademark data shall be recorded in the Trademarks Register, and validation of registration starts from the date of payment of deposit fees of registration application.

B- The owner of the trademark is granted a certificate of registration which includes the following data:

1. Name, nationality and address of the trademark owner.
2. Application and registration date.
3. Registration number of the trademark.
4. Description of goods or services for which the trademark was specified and the number of the category in which goods or services are placed.
5. A copy of the trademark.

C -The registration shall be published in the gazette at the expense of the trademark owner.

Article No. (18):

A registered trademark shall be protected for a period of ten years from the date of payment of deposit fees of registration application, and registration may be renewed for the trademark at the request of the owner for successive periods of ten years each.

Article No. (19):

The right to use a legally registered trademark is limited to the owner, and he has the right to prevent others from using an identical or similar trademark that is likely to cause confusion to or mislead the public.

Article No. (20):

The owner of the trademark is the person who registered it as long as he/she uses it during the five years following registration date unless it is proved that the priority to use the trademark is for someone else. Whoever has the priority to use the trademark or has interest with the person that the trademark is registered by his/her name has the right to appeal against the invalidity of the registration during the five said years. He/she may also appeal to the competent commercial court against the invalidity of the trademark registration without compliance with any period when registration is coupled with ill intention.

Article No. (21):

The trademark owner's right to prevent others from importing, using, selling or distributing products distinguished by the trademark becomes no longer valid if he/she marketed such products in any country or marketing was done by his/her approval.

Article No. (22):

Owner of the registered trademark shall inform the Department about any changes in his name, nationality or address in accordance with procedures specified by the regulation.

Chapter III

Renewal & Cancellation

Article No. (23):

If owner of the trademark wants the continuation of protection of his/her registered trademark, he/she may apply to renew it at the end of the duration of protection. He/she is given an additional period of time to renew the trademark during one year from the expiration of the effective protection period in return for an additional fee specified by the regulation. If the renewal was not done during the additional period of time, the mark becomes cancelled from the Register.

Article No. (24):

1- Owner of the registered trademark is entitled to request the registrar to cancel the registration of the trademark from the Trademarks Register either for all the goods or services the trademark was registered for or a part of them. Cancellation request shall be submitted in accordance with conditions and procedures prescribed by the regulation.

2- The Minister and any other interested party are allowed to request the court to cancel the registration of the trademark which was registered contrary to the provisions of this law and its regulation, and the Department cancels the registration once a final judgment is made stating this action.

3- Upon the request of an interested party, the competent commercial court shall judge for canceling the trademark that has not been used for three consecutive years unless the owner of the mark justifies the non-use of the trademark. If the trademark is under its owner's control, then for it being used by another person is considered for the purpose of continuing its registration.

4. The renewal or cancellation shall be published in the gazette.

Chapter IV

Transfer of Ownership, Mortgage and Licence

Article No. (25):

1- Ownership of the registered trademark can be transferred or mortgaged with or without the enterprise that uses the trademark to distinguish its goods or services. The request to transfer or mortgage ownership of the trademark shall to be submitted to the Department in accordance with conditions and procedures prescribed by the regulation.

2- The transfer or mortgage of the trademark ownership does not hold the new user legally accountable except after documenting this action in the Register and publishing it in the gazette.

Article No. (26):

1- Owner of the trademark may license others to use the trademark on all or some of the goods or services registered for the trademark, and he/she can at the same time use it himself/herself unless agreed otherwise. The period of licence should not exceed the specific period of protection.

2- The licence contract shall be written and documented in accordance with followed regulations.

3- The licensee shall not assign his/her licence to any other person or grant licence for subcontractors unless otherwise stated in the licence to do so.

The licence contract shall also not include any conditions restricting the new licensee with unnecessary constraints in order to preserve the rights resulting from trademark registration.

Article No. (27):

The licence contract of using the trademark must include the following: -

1- Define boundaries of the geographical area for marketing goods or services for which the trademark is granted.

2- Determine the period of the licence to use the trademark.

3- Obligate the licensee not to do any action that would lead to the reduction in the value of products or services distinguished by the trademark.

4- Reasonable conditions to ensure that the trademark owner observes the quality of products distinguished by the mark, without interfering in the management or operation process.

5- Obligate the licensee not to do any action that may result in negatively affecting the trademark.

Article No. (28):

Owner of the trademark or licensee shall submit a request to the Department to register the licence for using the trademark, and licence shall not come into effect except after registering it in the register and publishing it in the gazette.

Article No. (29):

1- Owner of the trademark or licensee shall submit a request to the Department to cancel the licence from the Register providing a proof for the termination or revocation of the licence contract.

2- The Department should notify the other party about the request submitted to cancel the licence before canceling it, and the latter has the right to object to the request of canceling the licence in accordance with the conditions and procedures prescribed by the regulation.

3- Cancellation of the licence shall be published in the gazette.

Chapter V

Geographical indications

Article No. (30):

Geographical indications determine the origin of a commodity in a region or part in a member state in the World Trade Organization, or a country that treats the Republic of Yemen on a reciprocal basis when quality, reputation or other characteristic of these goods that influence its promotion is essentially attributed to their geographical origin.

The condition for the protection of these indications is that they have gained protection in the country of origin.

Article No. (31):

Any person of any area with a special reputation for the production of goods shall not put on the products he/she uses for business geographical indications in a way that misleads the public that they were originated in the area of that special reputation.

Article No. (32):

It is not allowed to use any means to name or offer some goods in a way to mislead the public that they were originated in a geographical area other than its real origin.

Article No. (33):

A goods producer in an area with a special reputation for its production shall not put a geographical indicator on what he/she produces similar to goods in other regions that suggest that they were produced in the other area.

Article No. (34):

Geographical names may be given to some products which basically indicate, in the commercial terminology, kind of the product other than its geographical origin.

Article No. (35):

Registration of a trademark with a geographical indicator requires that the production of goods is continuous and with the knowledge of the applicant of registration in the geographical area of especial reputation.

Article No. (36):

A trademark which includes a geographical indicator shall not be registered if its use would mislead the public regarding the true origin of goods.

Article No. (37):

A trademark which includes a geographical indicator may be registered if the right of this mark was gained through using it with a

good intention prior to the date this Law came into effect or prior to granting protection to the geographical indicator in the country of origin.

Article No. (38):

Every interested party may bring a legal action before the competent court requesting to prevent the use of any geographical indicator included in a registered trademark if such use is to mislead the public about the true origin of the goods.

Chapter VI
Interim Procedures or Measures

Article No. (39):

A- The trademark owner is entitled at any time, even before taking a legal action of any criminal or civil claim, to ask the competent commercial court to issue a decision, according to a petition supported by an official certificate of registration of the trademark, to take necessary preventive measures, particularly the do the following: -

1- Issue a detailed report on machines and tools used in any of the violations specified in this law as well as the products, goods and addresses of shops, packaging or papers and other things on which the violating mark or label is.

2 – Things mentioned in the preceding Paragraph are to be distrained on condition that the person requesting distraintment presents a financial insurance to be determined by the court in order to compensation the distraintee when necessary.

Sufficiency of the financial insurance offered by the distrainer may be argued after distraintment pursuant to provisions of Yemeni Law of Civil Procedure and Execution.

B - The order issued by the court could delegate one or more experts to assist the person responsible for distraintment in the implementation of the precautionary procedures.

Article No. (40):

The precautionary procedures mentioned in the preceding article are considered invalid if not followed by lodging a civil or criminal lawsuit against the person on whom those procedures were taken within ten days from the date of distraintment.

Article No. (41):

The distraintee may raise a compensation lawsuit against the distrainer within ninety days from the expiration date stipulated in the previous article if no lawsuit was filed against him or from the date of the final verdict of the lawsuit against him. In both cases financial guarantee is refundable to the distrainer only after the final verdict regarding the filed compensation lawsuit against the distrainer is issued or after the deadline specified for the distraintee without him filing a lawsuit unless the issued verdict on the distrainer's lawsuit stipulates the separation of guarantee matter.

Article No. (42)

A- According to a petition, owner of the Trademark has the right to ask the court to issue a decision to stop customs offices not to take releasing procedures for imported or exported goods which have copied or counterfeited trademarks. The court may issue an order preventing the release of goods after the following are presented by the Trademark owner:

- 1- Sufficient evidence of clear breach of his/her rights.
- 2- A detailed description of violating goods.

3- A financial guarantee determined by the court sufficient to protect the right of the defendant and to avoid misuse of rights.

B- The court has to inform the applicant of suspending the release of goods and the defendant about the decision of suspending the release of goods which were mentioned in the previous Paragraph.

C- Customs offices are not allowed to release suspended goods except by an order from the court that issued the decision of suspending the release of goods or after ten days from the date of issuing the decision of suspending the release of goods mentioned in item No.1 in this article on condition that a judicial claim was not filed against the defendant. The court may extend the period of suspension of the release of goods for another ten days if necessary.

D- Owner of the Trademark and the importer of the goods are allowed to inspect suspended goods at the customs office in order to prove or nullify the claim.

E- The court may order a suitable compensation for the importer of the suspended goods for any damages due to wrong suspension of goods. Compensation is paid from the financial guarantee the court already took from the applicant of suspending the goods and return the rest to him or oblige him/her to pay extra amounts of money if the money submitted for guarantee is not enough for compensation.

Article No. (43)

Exempted from the previous article are small amounts of goods which are not for commercial purposes that are taken by travelers or sent in small postal parcels.

Chapter VII

Penalties

Article No. (44)

Without prejudice to any tougher penalty stated in another law, penalties prescribed in this chapter are applied.

Article No. (45)

A verdict of imprisonment for a period of no more than two years and a fine of no more than YR3 million or one of these two penalties is issued against who:

- 1- Counterfeits or copies a Trademark which is already registered according to provisions of this law.
- 2- Uses a counterfeited or copied Trademark with an ill intention.
- 3- Uses with an ill intention a Trademark which is registered or owned by another person.
- 4- Offers services using a Trademark which he/she counterfeited or copied, or uses it with no right.
- 5- Sells, offers for sale or possesses with the intention to sell products with a counterfeited, copied or made Trademark with no right and intentionally.
- 6- Writes with no right on his/her trademarks or commercial documents any data leading to the conception that they are registered.

Article No. (46)

Whoever re-commits any crime stated in the previous two articles is penalized with the same penalty and the enterprise is ordered to be shut down for a period no more than three months and the verdict is published at the expense of the convicted.

Article No. (47)

Whoever gets affected due to any of the crimes mentioned in Article No. 45 in this law can lodge a claim with the competent commercial court to ask for compensation for the harm.

Article No. (48)

In any civil or criminal case, the court has the right to ask to take any of the following procedures or all of them as a complementary penalty:

- 1- Confiscate distrained properties or that which would be distrained later to deduct their cost from compensations or fines, or to use them in any way the court deems to be suitable.
- 2- Damage counterfeited or copied trademarks.
- 3- Spoil goods, packages and other things that carry those marks.
- 4- Damage machines and tools used specially during counterfeiting process.
- 5- Do not allow re-exporting goods labeled with a counterfeited or copied trademark without changing its condition.
- 6- Publish the verdict in one or more papers at the expense of the convicted.

Chapter VIII

General Provisions

Article No. (49)

The registrar can take, according to a request from owner of the registered Trademark, any administrative measures or procedures to protect the registered Trademark.

Article No. (50)

The Trademark put on products which are exhibited in local or international exhibitions is granted temporary protection and it is not mandatory for that protection to extend the period stated in Article No. 18 in this law. The executive by-law of this law defines terms, situations and procedures to grant that protection.

Article No. (51)

Any natural or legal Yemeni or foreign person who belongs or has a real and active position in any country which is tied with Yemen in an international agreement has the right to apply for the registration of a trademark pursuant to provisions of this law. In case this is not applicable, a way of similar treatment is followed.

Article No. (52)

Priority right is granted when applying to register a Trademark on condition that the application is submitted at the Department during six months starting from the following day from the date of submitting the application for registration at the competent authority in a member country in Paris Convention for the Protection of Industrial Property. In this case, registration date in Yemen is considered the date of submitting the application to register the trademark in that country

and it is not permissible to file any civil or disciplinary lawsuit prior to the real date of registration of the Trademark in Yemen.

Article No. (53)

- 1- Employees of the competent department are granted the privilege of judicial control.
- 2- Employees of the department who are granted the privilege of judicial control have the right to cooperate with competent bodies in the processes of inspection, monitoring and reporting violations regarding the application of provisions of this law and take legal procedures to refer violators to court.

Article No. (54)

The competent commercial court is concerned with the study of all claims and disputes emanating from the application of provisions of this law.

Article No. (55)

The executive by-law for this law is issued by a decision by Prime Minister according to a proposal made by the minister.

Article No. (56)

A decision is issued by Prime Minister to define fees of different works and endorsement stated in this law according to a proposal set by the minister. A percentage of (???) from the fees is defined for the technical support to improve and develop the competent department.

Article No. (57)

The minister shall issue required decisions, rules and instructions to apply this law.

Article No. (58)

Provisions related to industrial and commercial marks stated in the Republican Decree No. 19/1994 on intellectual right are repealed.

Article No. (59)

This law takes effect after one month from the date of publication in the official gazette, and it should be taken into consideration while application the periods of permission and interim periods which Yemen would receive when converging with WTO.