

Unofficial translation

Draft Law No. ()
on Trademarks and Geographical Indications

Chapter One

Definitions

Article (1)

This Law shall be called the Law of Trademarks and Geographical Indications.

Article (2)

For the purposes of implementing the provisions of this Law, the following words and phrases shall, unless the context otherwise requires, have the meanings indicated next to each of them.

Ministry: the Ministry of Industry and Trade

Minister: the Minister of Industry and Trade

Regulation: the Implementing Regulation of this Law

Department: the general department in charge of the protection of trademarks and geographical indications at the Ministry

Registrar: Director General of the competent department

Court: The competent commercial court

Article (3)

A trademark is whatever takes a distinguishable shape that can be recognized with the eyes, including names, words, letters, numbers, signatures, drawings, symbols, stamps, pictures, inscriptions, colors or

any collection thereof, if they are used or meant to be used for distinguishing goods, services, or a commercial, industrial, agricultural, handicraft, or service establishment.

Article (4)

The following may not be considered a trademark and may not be registered:

1. A mark free from any distinguishing features,
2. Marks which are contrary to morals or public order,
3. Marks which are identical or similar to religious symbols.
4. Marks that contain signs, data, imposed by the nature or function of the goods and services or due to a signifier that has become a recognized name for the products and services.
5. A mark containing public slogans, flags, and other symbols related to Yemen, other countries or regional and international organizations.
6. A mark that contains descriptive words or any word indicating that the good and service for which the trademark will be registered enjoy special feature or features.
7. Names or photographs of others unless prior consent regarding the use thereof has been obtained
8. Marks that contain imaginary commercial names.
9. Marks identical or similar to, or a translation of a well-known commercial name.

Article (5).

The trademark shall be distinguished from other marks in an essential way; hence, the following shall not be considered for registration as a trademark.

- a. Marks identical or similar to another proprietor's mark which has already been registered in the Registry or if a request exists for the registration of another mark which has priority over the registration of the said mark in terms of date of deposit or priority date with respect to the goods

and services themselves or to the goods and services closely related thereto, or if they are so similar as to cause confusion or become misleading.

- b. Marks identical or similar to unregistered marks used by others in the Republic of Yemen in respect of goods and services that are so similar as to become misleading or confusing.

Article (6).

A mark may not be registered which is identical or similar or a translation of a famous mark in the Republic on similar or identical products or services even if such famous trademark is not registered thereof.

The same provision is applicable to a famous mark, which is registered in Yemen in relation to products and services which are not similar or identical for which the trademark has been made. And the use of the trademark will cause others to believe that there is a connection between the products and services in concern and the owner of the well-known trademark such that it may cause injury to the owner of the well-known mark. In determining whether a mark is well-known trademark, the degree of its popularity among the public shall be taken into account.

Article (7).

A person who registers a trademark shall be considered its owner if such registration is accompanied by its use during the five years following the registration unless it is proved that priority of use was for someone else. The person who used the trademark first may appeal against the court during the five years referred to in this article. Moreover, an appeal against the registration may be made without constraint of any period if the registration was done in bad faith.

Article (8)

1. A trademark application shall be submitted to the Department in accordance with the terms, procedures and fees specified by the Regulation, and the application should particularly contain the following:

- Name, nationality and address of the applicant
- Copy of the trademark to be registered
- Description of the elements and components of the trademark
- List of the goods or services for which the trademark will be registered, concerning one class or more according to the classification of goods and services specified by the regulation.

2- The application for registration shall be examined in terms of the Rules of Procedures and substance of the case in accordance to the processes, procedures, time periods specified by the Regulation.

Article (9).

The registrar shall issue a well-grounded decision for accepting or refusing the trademark application, or refusing or accepting the trademark application subject to certain conditions, or subject to incorporating amendments to the mark in question to make it more clear or to avoid its confusion with another trademark protected by law.

Article (10).

If the Registrar refuses an application for registration of a mark, or if the acceptance of the mark is subject to the incorporation of amendments or conditions, the Registrar's decision shall be reasoned and the Department shall inform the registration applicant of such decision.

Article (11)

If the applicant fails to respond to the registrar's request to incorporate the amendments to the mark within 30 days of being notified, the applicant shall be considered to have assigned his application.

Article (12)

The applicant has the right to appeal against a decision of the Registrar as indicated in Article (9) of this law before a three-member committee appointed by the Minister, one of whom should be a judge. The Regulation defines the rules on how the committee is formed and how appeals are reviewed and processed. The committee may uphold or revoke a decision, and the applicant may appeal against the committee's decision before the court within Thirty days of notification.

Article (13).

Upon acceptance of the trademark's application for registration, the Department shall publicize the application by the means defined by the Regulation.

Article (14).

Any interested party may, within Ninety days, file a written opposition against a trademark and the application should contain the reasons for the opposition. The Department shall notify the applicant by providing a copy of the opposition, and the applicant shall respond in writing within Thirty days from the notification date. If the reply is not received within the said period, the applicant shall be considered to have assigned his/ her application.

Article (15).

The Registrar shall issue a reasoned decision, after hearing one or both parties, to accept or refuse the opposition.

Article (16)

Any of the two parties may, within thirty days from the date of being notified of the decision, appeal against the registration decision referred to in Article (15) before the court. Appealing against a decision to accept the registration shall not suspend the registration process unless the court decides otherwise.

Article (17)

If the opposition period specified in Article (14) expires and no opposition is filed against the trademark application, the applicant must complete the registration procedures within six months, otherwise he shall be considered to have assigned his application.

Article (18).

A registry shall be established at the Department referred to as (the Trademark Registry) in which all data related to the trademark shall be recorded, as well as any subsequent changes, assignments, transfers, mortgages, licensing, renewal, deletion, or any other procedures specified by the law.

Article (19).

Trademark details shall be recorded in the Trademark Registry, and the registration shall become effective from the date of paying the application deposit fee. The trademark owner shall subsequently be furnished with a Registration Certificate containing details specified by the law, in particular the following:

- Name, nationality, and address of the trademark owner
- The date of filing the application and registration date.
- Trademark registration number.
- A list of goods and services for which the trademark is assigned, together with the class number in which such goods and services are classified.
- An identical copy of the trademark.

Article (20).

The registration shall be publicized in accordance to the Regulation.

Article (21).

The owner of the trademark shall submit an application to the Department to record any changes that might occur to his name, nationality, or address in accordance with procedures specified by the Regulation.

Article (22)

Any interested party may request extracts from the recorded data or information from the Trademark Registry after paying the prescribed fee.

Part Three

Effects of the registration

Article (23)

Registration of the trademark will have the following effect.

- a. Protection of the trademark for a period for ten years starting from the date of payment of the deposit. Registration of the trademark may be renewed at the request of its owner for similar consecutive terms.
- b. Grants the owner the right to use the trademark and prevent others from using it without his consent.

Article (24).

The trademark owner right to prevent others from importing, using, selling, or distributing products bearing the trademark shall be exhausted if he markets such products in any country or if such products have been marketed with his permission.

Part Four

Renewal

Article (25)

The trademark owner is given an additional grace period within a year of the expiry of the former protection period against the payment of an additional fee determined by the Regulation. If renewal is not completed within the prescribed additional period, the Department shall cancel the trademark registration from the Registry. The renewal or cancellation referred to in this article shall be publicized in accordance with the Regulation.

Part Five

Transfer of Property, mortgage and licensing

Article (26)

- a. The ownership of a registered trademark may be transferred or mortgaged with or without the business establishment that uses the trademark for distinguishing its goods and services in accordance with the procedures specified by the Regulation, provided that it does not lead to confusion or mislead the public as to the nature of the products or services or their origin.
- b. If the ownership of the business premises or business establishment has been transferred without the trademark, the trademark owner may use it with regard products and services for which the trademark was registered, unless otherwise agreed.
- c. The ownership transfer contract should be written and duly authenticated by an official body.
- d. Transfer or mortgage of a trademark shall not be a proof against others except after being recorded in the Registry and published by the means specified by the Regulation.

Article (27)

- a. The owner of the trademark may license other to use the trademark for all or some of the goods and services for which the trademark is registered. He may, at the same time, use it himself unless otherwise agreed. The license terms may not exceed the term designated for its protection.
- b. The license contract should be written, and authenticated by an official body.

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

Article (28)

A contract license for a trademark should contain the following:

- a. The geographical area for marketing goods and services bearing such trademarks.
- b. The length of the trademark license term.
- c. Obligating the licensee to refrain from any act that may lessen the value of the product or service distinguished by the trademark.
- d. Reasonable conditions that give the trademark owner the right to monitor the quality of the goods distinguished by the mark without interfering in management or operations.
- e. Obligating the licensee to refrain from all acts that lead to the misuse of the trademark.

Article (29)

A trademark owner or licensee shall submit to the Department an application for the registration of a license to use the trademark, and such license shall not have effect against others before it is recorded in the Registry and published by the means specified by the Regulation.

Article (30)

- a. The trademark owner or licensee shall submit to the Department an application for the cancellation of the license registration from the registry and shall attach therewith evidence proving the expiry or termination of the license contract.
- b. The Department shall, before the cancellation of the license registration, notify the other party of the application submitted for the cancellation of the license, and the latter may object to the

cancellation application in accordance with the conditions and procedures specified by the Regulation.

c. The license cancellation shall be published by the means specified by the Regulation.

Chapter Six

Cancellation and invalidity

Article (31)

- a. The owner of a trademark may request the Registrar to cancel the registration of the trademark from the Trade Registry, either for all goods and services in respect of which the trademark is registered or for a part thereof, and the cancellation of the application shall be submitted in accordance with the condition and procedures specified by the Regulation.
- b. Any interested party may request the court to cancel a trademark registration, which has been, registered contrary to the provisions of this law and its implementing regulation and the Department shall cancel the registration when a final judgment is presented to it.
- c. The competent commercial court may issue a judgment at the request of an interested party to cancel the registration of a trademark which has not been used for five consecutive years unless the owner of the mark submits a justification for not using the mark.

Article (32).

If the cancellation of a trademark was due to non-renewal of the registration, re-registration of the mark in another person's name, for the same or similar products and services, shall not be permitted before the elapse of Three years from the date of cancellation.

Chapter Two Geographical Indications

Article (33)

Geographical indications specify the origin of any goods in a territory or region in a member state of the World Trade Organization, or a state which treats Yemen on reciprocal bases where a quality, fame and other features which influence the promotion thereof are mainly attributed to its geographical origin. Protection of the geographical indication herein is contingent upon the protection of the same in the country of origin.

Article (34)

No person, in an area with special fame for producing certain goods, may place on the products he trades in, any geographical indications that may mislead the public into believing that they originate from the area of special fame.

Article (35)

No means shall be used to label, or display goods in a way that may mislead the public into believing that they originate from an area other than their origin.

Article (36)

No one who produces certain goods in an area of special fame may place a geographical indication on similar products that are produced in other areas, in a way that may mislead the public into believing that they have been produced in the area of special fame.

Article (37)

Geographical names that have become, in the field of trade mainly indicative of the type of product rather than its geographical origin, may be placed on certain products.

Article (38)

Registration of a trademark containing a geographical indication shall be made under the condition that production of the product is continually performed under the knowledge the applicant in the area of special fame.

Article (39)

A trademark containing a geographical indication may not be registered if the use thereof may mislead the public regarding the real origin of the good.

Article (40)

A trademark containing a geographical indication may be registered if the right to such trademark has been acquired for its use with good faith before the effective date of this law, or before such a geographical indication had been granted protection in the country of origin.

Article (41)

Any interested party may file a case before a competent court to request preventing the use of any geographical indication contained in a registered trademark if such use may mislead the public as to the real origin of such good or goods.

Chapter Three

Provisional measures and procedures

Article (42)

A trademark owner may at any time, even before filing a civil or criminal case, request upon a petition accompanied by an official certificate proving the registration, an order from the competent commercial court to take necessary precautionary measures, particularly the following:

- 1- Preparation of a report listing or detailing the tools and equipment which are used or were used in any violation provided for in this law, in addition to the products or goods and addresses of the premises packages, papers or whatever object the violating trademark could be placed on.
- 2- The seizure of the items mentioned in the previous paragraph, provided that such seizure shall not be implemented except after the person applying for the seizure deposits a

financial security to be initially estimated by the court to compensate the distrainee if necessary. Following the seizure, the sufficiency of the security provided by the seizure applicant may become the subject of a dispute.

Article (43)

The precautionary measures provided for in Article (42) shall be considered void, if they are not followed by the filing of a civil or a criminal case against whom such measures have been taken within ten days of the seizure date.

Article (44)

The distrainee may, within Ninety days from the expiry of the deadline provided for in Article (43) without filing a case against him or from the date of the final judgment in the case filed against him, file a compensation case against the seizure applicant. In both cases, the financial security shall not be refunded to the seizure applicant except after the issuance of a final judgment in the compensation claim against him or after the elapse of the period for filing the same and unless the judgment issued in the case of the seizure contains a ruling regarding the security.

Article (45)

a-The owner of a registered trademark may, upon a petition, request the issuance of an order from the court to stop the customs departments from processing release procedures regarding imported or exported goods bearing imitated or counterfeit trademarks, and the court may issue an order to stop customs release of such goods after the trademark owner submits the following:

1. Sufficient evidence proving clear infringement against his rights.
2. Detailed description of the infringing goods.
3. A financial security to be estimated by the court which should be sufficient for protecting the right of the defendant and prevention of abuse of rights.

- c. The court shall notify the applicant of the customs release suspension and the defendant on the court's decision to suspend the release of the goods referred to in the preceding paragraph.
- c. The customs departments may not release the suspended goods except upon an order from the court that issued the decision of release suspension, or after the lapse of ten days from the date of the release suspension referred to in paragraph (A) of this article if not followed by a filing of a judicial case against the defendant. The court may extend the release suspension period for another ten days if necessary.
- d. The trademark owner and exporter of the goods shall be given an opportunity to inspect the goods seized by the customs authority in order to prove or deny the claim.
- e. The court may order an equitable compensation for the importer of the suspended goods against any injuries inflicted on him as a result of the wrongful suspension of goods, and the compensation shall be paid from the financial security held thereby, and the remaining amount shall be returned to the applicant of the seizure subsequent to the customs release suspension or he shall be obliged to pay an additional amount if the financial security amount is insufficient to cover the compensation amount.

Article (46)

- a. The court may take any of the measures provided for in Article (45) of this law as a precautionary step without informing the other party and in his absence in situations where delay may be injurious to the right holder, or may lead to the loss of evidence which prove the infringement. The party against whom these measures are taken shall be notified immediately upon implementation of such measures. The person against whom such measures were taken, may request a court hearing to be held, and the court may order the continuation, adjustment, or cancellation of the precautionary measures.

b. The court may, if deemed necessary, order the infringer to inform the right owner of the identity of the other parties engaged in the production and distribution of goods bearing counterfeit trademarks and their channels of distribution unless such action is not compatible with the seriousness of the infringement. The competent authority, if necessary and once the final judgment on the case has been issued, notify the right holder of the names, addresses of the consignor, importer, consignee, and the quantity of the infringing goods.

Article (47)

Small quantities of non-commercial goods which come with passengers' personal baggage or which are sent in small parcels by post shall be excluded from the provisions provided for Articles (45-46) of this law

Chapter Four

Penalties

Article (48)

Without prejudice to more severe penalties provided for by any other law, a punishment for a period not exceeding two years imprisonment and a fine not exceeding One Million Rials, or either of the two penalties may be imposed on anyone who:

- a. Imitates or counterfeits a trademark in bad faith.
- b. Uses an imitated or counterfeit trademark that belongs to another owner.
- c. Uses a registered trademark owned by others in bad faith.
- d. Provides services under the trademark which he has imitated or counterfeited.
- e. Knowingly sells, offer for sale, or own for the purpose of sale any products bearing an imitated or counterfeited, trademark or a trademark illegally placed. If the act is repeated, the perpetrator shall be punished with imprisonment of not more than two years and a fine of not more than two

million Rials, in addition to the closure of the business establishment for a period of not more than Three months. The judgment shall be published at the expense of the convict.

Article (49)

The court may order that one or all of the following procedures be imposed as a complementary punishment:

1. Confiscation of seized goods bearing counterfeit or imitated trademarks and disposal of the same outside the channels of commerce or destruction if deemed necessary.
2. Destruction of counterfeit or imitated trademarks.
3. Confiscation of tools and implements used in counterfeiting and disposal of the same outside of the channels of commerce, or destroy them if deemed necessary.
4. Prohibit re-exportation of goods bearing imitated or counterfeit trademarks without altering the trademark.
5. Publication of the judgment in one or more journals at the expense of the convict.

Article (50)

Anyone who has been damaged as a result of the crimes provided for in Article (48) of this law may file a case before the court requesting compensation for damages inflicted upon him/her.

Chapter five

General provisions

Article (51)

Natural persons or legal entities who monitor or examine specific goods and services in terms of their origin, content, manufacturing method, quality, character or any other characteristics shall be permitted, upon a decision by the Minister, to register a collective mark that indicates that the monitoring or test has been performed in pursuance of public interests. Its ownership may not be transferred except with

the consent of the Minister. The registration of such a collective mark will carry all the effects provided for under this law.

Article (52)

Trademarks placed on products that are displayed in national or international exhibitions shall enjoy temporary protection. Such protection shall not extend beyond the term provided for in Article (23) of this law. The Implementing Regulation of this Law shall specify the terms and procedures for granting such protection.

Article (53)

Without prejudice to the provisions of international agreements applied in the Republic, every natural person or legal entity whether Yemeni or foreigner who have a real and effective business establishment in the Republic or in any of the countries or entities which are related to the Republic through an international agreement or which treat the Republic on reciprocal bases, shall have the right to apply for registration of a trademark in accordance with the provisions of this law.

Article (54)

The priority right for the registration of a trademark shall be granted to who deposits the application at the Department within Six months from the day that follows the date the application for registration was deposited in a member country to the Paris convention on Protection of Industrial Property. In such a case, the registration date in the Republic shall be considered the date of submitting the trademark registration application in such a country. No civil or criminal case may be filed before the real date on which the trademark was registered in Yemen

Article (55)

- a. Employees of the Department who are appointed by the Minister have the capacity of Investigation Officers.
- b. Competent authorities and official employees assigned to implement the provisions provided for in this law shall be exempted from being subject to criminal procedures as a result of performing activities within the context of law enforcement, if the court is satisfied that such actions are committed in good faith.

Article (56)

The Implementing Regulation of this law shall be issued by virtue of an order by the Prime Minister upon submission by the Minister.

Article (57)

The Implementation Regulation of this law shall be issued by the Prime Minister

Article (58)

An order with respect to specifying the fees for services and procedures provided for under this law shall be issued by the Prime Minister upon submission of the Minister, and a 20% of the fees shall be allocated as technical support for the modernization of the competent department.

Article (59)

An order shall be issued by the Prime Minister upon submission by the Minister, and in coordination with other competent authorities on rules regulating the protection of local geographical indications.

Article (60)

This law shall be published in the official gazette and shall come into effective from the first day following the termination of the transition period granted to Yemen in accordance with the provisions of the World Intellectual Property Agreement except for the provisions of Article (53), which comes into

effect from the day that follows the publication of this law. Provisions related to trademarks provided under Republican Decree by law No. 19 of 1994 on Intellectual Property Right, and any other provision that conflict the provisions of this law shall be deemed null and void.