



Abraham Diaz

An insight into Mexico's Reserva of Rights

Olivares partner, Abraham Diaz, gives an insight to the figure of the Reserva of Rights and explains why it is so relevant for the publishing industry in Mexico.

Though it may seem to be a well-explored matter, I repeatedly see companies focused on securing trademark registrations in international class 16 for the titles of the publications that they are willing to circulate in Mexico. However, these companies are still ignoring the other figure related to periodical publications and periodical broadcasts which has significant relevance in this jurisdiction. The figure is the Reserva of Rights, regulated by the Mexican Copyright Law.

Nature of the Reserva

The legal nature of the Reserva of Rights has been explored in articles by many authors previously, hence that this is not the purpose of this article. It will therefore only be reminded here that Reservas are not copyrightable subject matter *per se*. Instead, the Reserva is an exclusive patrimonial right (unique in Mexico), which entitles the named holder to authorize use of titles of publications or broadcasts, names of artists or artistic groups, fictitious characters or human characters, or so-called publicity promotions.

By virtue of Reservas, rights are granted to the titleholder to use on an exclusive basis a title, characteristics or names depending on the sort of Reserva. Likewise, right holders can authorize or prohibit third parties from copying or imitating titles, names, characters or promotions.

Reservas for periodical publications

In accordance to the criterion of the **Mexican Copyright Office (MCO)**, the genres of periodical publications for which a Reserva can be obtained are: newspapers, directories, brochures, gazettes, magazines, editorials, bulletins, calendars, catalogues and collections.

Nevertheless, when conducting searches with the MCO - which are not yet available online, and getting the results takes approximately 15 days - the administrative authority compares the proposed title with those previously covered by Reservas, and those covered by applications under prosecution, regardless of the species of the periodical publications that are in conflict. Consequently it may happen, for instance, that the Reserva for the title of a comic book is denied based on the previous existence of the Reserva for the title of a newspaper or a bulletin, which shows the narrow application of the law.

Something remarkable in the prosecution of Reserva applications is the distinct lack of options for applicants to produce a response against the analysis conducted by the MCO. If the MCO cites another previously granted Reserva, or a pending application, and deems the proposed

Résumé

Abraham Diaz, Partner, Olivares

Abraham co-Chairs the IT Industry Group and has a wealth of knowledge across the Intellectual Property spectrum. Although he spends most of his time in IP litigation matters, he is frequently working with media and entertainment companies on copyright matters.

Abraham focuses his practice on copyright, trademarks and unfair competition, litigation, licensing and prosecution matters. He counsels clients on any IP related matters, and handles matters involving trademarks, trade dress, product configuration, unfair competition, advertisement related matters, false advertising, trade secrets, plant breeder's rights, vegetal varieties and Internet related Intellectual Property issues. His Internet experience includes handling domain disputes under the Uniform Domain Name Dispute Resolution Policy (UDRP) and the Local Dispute Resolution Policy (LDRP), as well as counseling clients concerning the development of websites and the protection of the content thereof.

Abraham counsels transnational and domestic companies in such industries as entertainment, apparel, media and publishing, technology and telecommunications, consumer products and services, pharmaceuticals and financial services.

Because of his broad background of litigation, copyright, regulatory, data privacy, and trademarks, Mr. Diaz is perfectly placed to advise clients in these industries over a range of subject matters and can look at legal needs in this sector in a 360 degree way.

He has authored various articles involving IP and Internet related matters and he has lectured on various topics in the Intellectual Property field, at national and international fora.



title to be confusingly similar to this, the application will be formally denied without any opposing statements from the applicant considered.

If an applicant wishes to contest the denial of the Reserva, it will have to start either a “recourse” with the MCO itself – which almost always confirms the denial - or to prosecute a nullity trial before the Federal Court for Taxes and Administrative Affairs, since the acts coming from the MCO are deemed by Mexican law as administrative rulings.

The criterion for determining when there is likelihood of confusion between two or more Reservas under analysis is vague, since there are no official guidelines for conducting such an analysis and the jurisprudence in this regard is inexistent. In the practice, one can see the MCO adopting rules for the analysis of titles, similar to those applicable to the analysis of trademarks, but at the same time, one may observe the MCO disregarding the same rules. The lack of clear rules for conducting the analysis on likelihood of confusion of titles for periodical publications and broadcasts, frequently leaves applicants in absolute uncertainty.

Reservas for periodical broadcasts

Although Reservas for periodical broadcast were originally thought for the titles of TV or radio programs, in recent times they have become relevant for the publishing industry since the titles of electronic publications circulating on the Internet are also deemed as periodical broadcasts.

In light of the above, it is possible securing Reservas for the titles of the electronic version of any periodical publication, is also valuable for the publishing companies in the digital age.

Non-commercial publications

Reservas are also ideal for companies willing to circulate non-commercial publications in Mexico. Many entities, which otherwise would not be able to easily demonstrate the use of their titles, with the aim of renewing a trademark registration in class 16 find it useful securing Reservas of rights for the titles of their magazines. Thus being the case that the proof of use for the title covered by a Reserva can be achieved by simply exhibiting samples of the publication displaying the title, not being necessary to demonstrate the commercialization of the publication.

This would be an advantage of Reservas for periodical publications over trademark registrations. Many times non-profit organizations secure trademark registrations for the titles of their publications, ignoring that if their trademark registrations are eventually contested by any third party on the grounds of non-use, they may have a hard

time demonstrating the use of their registered trademarks. In accordance to Section 62 of the Regulations of the Mexican Law of Industrial Property, it will be deemed that a trademark is in use if the products distinguished by the trademark have been placed in the Mexican market or are available for Mexican consumers. Saying that, the main evidence traditionally accepted by the Mexican Trademark Office for proving the above, are invoices, which are absent when dealing with the distribution of bulletins, annual reports and other publications of non-profit organizations.

Renewals

Reservas for periodical publications and periodical broadcasts are renewed on a yearly basis - subject to demonstrating the effective use of the title covered by the Reserva. Otherwise, the holder of the Reserva will be forced to obtain a new Reserva for its title. Something that looks simple, may become a complex practice because of the strict criteria of the MCO, for considering that a title covered by a Reserva has been effectively used.

The basic criterion of the MCO is that the title has to be used exactly as it was shown in the Reserva application, which issued to a Reserva certificate. Therefore, if for instance the title shown in the application was written in one single line, but in the magazine it is used in two lines the MCO will consider that the title of the magazine is only the one appearing on the first line. The second line will thus be deemed as a subtitle, not covered by the Reserva certificate, which may cause the renewal of the Reserva to be denied.

The same situation will occur if there are other legends or words appearing on the cover of the periodical publication in a more prominent fashion than the title. In other words, the title of the publication must be the one displayed in the most prominent manner on the cover of the magazine. Variations in the size of the characters of titles comprised of two lines can also cause the MCO to object the renewal of the corresponding Reserva. Any objects obstructing the view of the title in a complete manner on the cover of the publication can also raise an objection from the MCO.

Alterations on any of the characters in the words comprising the title covered by the Reserva, making them look like objects, and not like characters, also may cause the MCO to refuse the renewal of the corresponding Reserva. A good example of this situation is observed in the many of Google’s doodles, which would not be accepted by the MCO in order to grant the renewal of said title. The ambiguity of these rules makes it necessary for the publishing companies to discuss with the MCO any variation to the titles of their periodical publications, though slight it may be.

Obviously, any of the above criteria can be contested through legal means, with good chances of success. However, it will imply time and money consuming legal proceedings, which cannot be afforded by an industry as dynamic as the publishing, which gives great value to knowing these criteria, in order to circumvent them in practical manners.

Reservas and Certificates of Legitimacy of Content and Title

Another aspect of the Reservas, which makes them indispensable for publishing companies in Mexico, is that a Certificate of Reserva is required by the Ministry of Interior in order to obtain a Certificate of Legitimacy of Content and Title (CLCT). This is the authorization required by Mexican Government, in order to consider that a printed periodical publication is legally circulating in Mexico. Either distributed in newsstands or through post service, any periodical publication has to be covered by a CLCT; otherwise the Ministry of Interior may forbid its circulation.

In accordance to the Regulations of the Commission for Magazines and Periodical Publications of the Ministry of Interior, in order to obtain a CLCT it is necessary to obtain first the Reserva of Rights for the title of interest, being the case that the term of the CLCT shall be directly linked to that of the Reserva. Once again, this gives special value to correctly knowing the criteria for properly renewing a Reserva of Rights. Otherwise, if a Reserva is not correctly renewed it will be necessary to not only secure the Reserva certificate again, but to start again the whole process for getting a new CLCT as well.

It is noteworthy that for getting this CLCT it is not required to previously obtain a trademark registration in international class 16, which demonstrates how relevant Reservas are for the publishing industry in Mexico. Additionally, for securing the CLCT, significant information is necessary regarding the publisher; its local distributor and the publication itself has to be submitted with the Ministry of Interior, which implies having excellent communication between foreign publishers and their local publisher or distributor.

Objections can also arise from the Ministry of Interior when prosecuting the CLCT, since it has authority to rate and censor the content of any publication circulating in Mexico. For instance, this authority may determine that the content of any publication is for audiences over 18 years old, thus requiring the local publisher or distributor to display a legend indicating said situation on the cover of the magazine. This is only one of many objections and requirements that may come from the Ministry of Interior when prosecuting the CLCT.

Requirements for securing the CLCT are certainly burdensome for foreign companies, which makes it more convenient relying on a local publisher or distributor and a local counsel in Mexico in order to deal with all the requirements from the Ministry of Interior.

Conflicts between trademarks and Reservas: Legal remedies

Conflicts between Reservas and trademarks arise more frequently than thought, whenever a publishing company secures only a trademark registration in international class 16, omitting to secure a Reserva for the same title.

Therefore, in order to avoid the risk of having a third party squatting the title of a periodical publication, either through a trademark registration or through a Reserva of Rights, it is always advisable securing both the Reserva and the trademark registration for the same title.

Another topic that deserves to be mentioned is that the Mexican

“ Requirements for securing the CLCT are certainly burdensome for foreign companies, which makes it more convenient relying on a local publisher or distributor and a local counsel in Mexico in order to deal with all the requirements from the Ministry of Interior. ”

Law of Industrial Property contains a provision for requesting the cancellation of a trademark registration, based on the prior existence of a Reserva. Article 90, Section XIII of the Mexican Law of Industrial Property provides that non-registrable as trademarks are the titles of works of authorship; the titles of periodical publications and broadcasts; fictitious and human characters; and the artistic names, unless the holder of the corresponding right expressly authorizes it. Nevertheless, the Mexican Copyright Law does not include any provision that allows the cancellation of a Reserva, based on a trademark registration.

In the same fashion it has to be highlighted that, contrary to the case of trademark registrations, (wherein the grounds for requesting the cancellation of trademark registrations is based on prior use and allows complainant to demonstrate the prior use of its trademark either in Mexico or abroad) in the case of Reservas, actions based on prior use of a title enable complainants to demonstrate the prior use of the title exclusively in Mexico.

As a matter of fact, the invalidity causes that can be brought against a Reserva, are enlisted in Section 183 of the Mexican Copyright Law, which provides as follows:

“Reservas shall be declared as null when: i) They are equal or confusingly similar to another previously granted on under prosecution; ii) When false data essential for the grant of the Reserva have been stated in the application; iii) when complainant demonstrates having an uninterrupted right in Mexico, prior to the date of grant of another Reserva; or iv) they were granted in contravention to the provisions of the Reserva Chapter of the Mexican Copyright Law”.

Legal standing

Another very particular criterion observed with the MCO, is the one regarding legal standing for reviewing an official file for a Reserva, either under prosecution or already granted.

Reserva official files are not open to public. Section 180 of the Mexican Copyright Law provides that the MCO shall provide the Reserva holders or their legal representatives, or “third parties who prove having legal standing”, with photocopies or certified copies of the rulings issued in any Reserva file already granted.

The text of this legal provision seems to be related only to the issuance of copies of Reserva files, and not to the review of the files themselves. However, the MCO interprets it in a narrow manner, sustaining that an interested party entitled to review an official Reserva file, is only one who is currently facing a legal proceeding against the holder of the Reserva, if the basis of the legal action is the Reserva itself. In other words, unless the holder of the Reserva brings an action against any third party, based on its Reserva, that third party will not be entitled to review the official file for the Reserva.

This means that even when the MCO denies an applicant a Reserva for its proposed title, based on the prior existence of another previously granted Reserva, that applicant will not be entitled to review the official file of the Reserva which constitutes the obstacle for getting his own Reserva, which certainly complicates preparing any legal actions in connection with Reservas of rights.

Conclusion

These are only a glimpse of the particularities of Mexican legal frame concerning Reservas and trademarks in the publishing industry, which clearly shows that it can be challenging getting the legal instruments that allow the exclusive use of the title of a periodical publication or broadcast, as well as the legal circulation of a publication, and which goes far beyond than the mere securing of a trademark registration.

All this makes it indispensable to count on the right legal advice in order to circumvent all legal and regulatory pitfalls for the publishing companies in Mexico.