

Mexico

OLIVARES



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1 Relevant Authorities and Legislation

1.1 What is the relevant trade mark authority in your jurisdiction?

The relevant authority is the Mexican Institute of Industrial Property (IMPI).

1.2 What is the relevant trade mark legislation in your jurisdiction?

The most pertinent legislation is the Federal Law for the Protection of Industrial Property (FLPIP).

2 Application for a Trade Mark

2.1 What can be registered as a trade mark?

Traditional trade marks, besides non-visible signs, such as smell marks and sound marks, as well as certain animated marks such as holograms and so-called “*trade dress*” in a broader manner, can be registered as trade marks in Mexico. Likewise, acquired distinctiveness is recognised as an exception to the absolute grounds for refusal established in law.

2.2 What cannot be registered as a trade mark?

The limitations as to what cannot be protected as a trade mark are established in article 173 of the FLPIP, which is a list of prohibitions and the only legal source for rejecting a trade mark application. These prohibitions include:

- marks that are identical or confusingly similar to previously registered marks or marks for which registration is pending or applied to the same or similar products or services. However, consents and coexistence agreements are now recognised as valid means to overcome relative grounds objections;
- descriptive and generic marks, though acquired distinctiveness is a valid means to overcome absolute grounds objections;
- geographic indications and names of places that are characterised by the manufacture of certain products; and
- three-dimensional forms of common usage, or because said form is imposed by its nature or industrial function.

2.3 What information is needed to register a trade mark?

The following information is required:

- a) An applicant’s full name and street address, including town and country.
- b) Representation of the trade mark.
- c) Description of goods or services.
- d) Use in commerce in Mexico. Non-use basis applications are allowed under Mexican law, since use in commerce is not a requirement for obtaining registration. However, if the trade mark is already in use in Mexico, it is recommended to provide the full date (day, month and year). This first-use information becomes relevant for the applicant to be afforded priority rights over future applicants who eventually intend to challenge the registration based on use of a similar trade mark covering similar goods or services.
- e) Factory address, business address or commercial establishment (if the mark is in use in Mexico).
- f) Convention priority: if convention priority is to be claimed, it is required to provide the country of origin, application number, the date of filing and the exact description of the goods and services.

2.4 What is the general procedure for trade mark registration?

Once applications are filed before the IMPI, these are published for opposition in the Industrial Property Gazette within the next 10 working days, granting any interested party a one-month term, as of the publication date, for opposing the registration. In general terms, it takes from four to seven months for the IMPI to conduct the relevant examinations. The first is the formalities examination, whereby the IMPI checks that all of the formal requirements (information and documents) have been met, and verifies the correct classification of the products/services it is intended to protect. The second examination refers to the “*relative grounds*” examination (prior rights on record) and “*absolute grounds for refusal*” examination (inherent registrability of the mark). The IMPI will issue one single official action including the oppositions that were filed against the application, as well as regarding requirements in connection with the first and second examinations if formal information or documents are missing, or if the products/services are not correctly classified, or if prior rights are revealed or an objection concerning inherent registrability of the mark is foreseen, granting a two-month term, which can be automatically extended for a further two months, to respond thereto.

2.5 How is a trade mark adequately represented?

For design or composite marks, it is necessary to provide a clear print thereof. If specific colours are to be claimed, then the label must clearly show the colours. For three-dimensional marks, it is necessary to submit a photograph showing the three dimensions in the same photo – height, width and length (front and back). Regarding representation of non-traditional marks, no specific requirements have been issued at present, since the regulations to the FLPIP are yet to be published. Absurdly enough, the above situation has not prevented the Trade Mark Office from granting protection to non-traditional marks.

2.6 How are goods and services described?

In accordance with the new FLPIP, class headings cannot be claimed anymore; thus, specific goods and services should be listed, preferably using the identifications as derived from the current Nice Classification alphabetical list.

2.7 To the extent 'exotic' or unusual trade marks can be filed in your jurisdiction, are there any special measures required to file them with the relevant trade mark authority?

The definition of trade marks in the FLPIP is quite broad, allowing the possibility to file exotic or unusual trade marks in Mexico. Indeed, the FLPIP establishes that a trade mark should be understood as *“any sign perceptible by the senses”*. The only condition for the protection of such signs is that these are *“susceptible of being represented in a way that allows to determine the clear and precise object of protection”*.

2.8 Is proof of use required for trade mark registrations and/or renewal purposes?

No proof of use is required, but a simple declaration of actual use at two stages is required, namely:

- 1) a declaration of actual and effective use of the registered mark to be submitted along with each renewal application (every 10 years); and
- 2) a one-time declaration of actual and effective use, which has to be submitted within the three months after the third anniversary of the date of grant of the registration in Mexico.

2.9 What territories (including dependents, colonies, etc.) are or can be covered by a trade mark in your jurisdiction?

A Mexican trade mark registration is valid/enforceable only within the Mexican Republic.

2.10 Who can own a trade mark in your jurisdiction?

Article 170 of the FLPIP establishes who may use and therefore own a trade mark registration, stating: *“[A]ny person, individual or company may use trade marks in industry, in commerce or in the services they render.”* Nevertheless, the right to their exclusive use is obtained through their registration with the IMPI. In Mexican practice, any kind of person or entity is entitled to apply for a trade mark registration before the IMPI.

2.11 Can a trade mark acquire distinctive character through use?

Yes. Acquired distinctiveness was recognised for the first time in Mexican law pursuant to the amendments to the law effective from August 10, 2018.

2.12 How long on average does registration take?

If an application is considered complete and no oppositions are filed, no objections as to inherent registrability are issued and no prior references are cited by the examiner, registration may be granted within five to seven months as of the filing date. Otherwise, if oppositions are filed, or if formality requirements or references/objections are cited by the examiner, the processing of the application may take quite a long time (between 12 and 18 months), and may conclude either in the granting of the registration, or the refusal thereof.

2.13 What is the average cost of obtaining a trade mark in your jurisdiction?

If no classification requirements, oppositions and/or objections to registration are issued, the average costs for obtaining a Mexican non-priority trade mark registration are estimated at US\$800.00.

2.14 Is there more than one route to obtaining a registration in your jurisdiction?

Yes. Besides the national route, as of February 19, 2013, it is also possible to obtain a trade mark registration in Mexico through the International (Madrid) System.

2.15 Is a Power of Attorney needed?

It is no longer compulsory to submit a Power of Attorney (POA) along with a trade mark application, provided that the IMPI recognises the authority of the representative signing it through a declaration under oath contained in the application form. However, a valid POA must indeed exist, and it should have been granted (dated) prior to the filing of the application, otherwise the declaration contained in the application form in connection with the representation may be deemed false, thus affecting the validity of the eventual registration to be obtained.

2.16 If so, does a Power of Attorney require notarisation and/or legalisation?

A POA is not required for a trade mark to be processed. However, for litigation purposes, notarisation and legalisation are indeed needed.

2.17 How is priority claimed?

It is required to provide, in the application form, the country of origin, application number, the date of filing and the exact description of goods and services used in the priority application. It is no longer necessary to file a certified copy of the priority application.

2.18 Does your jurisdiction recognise Collective or Certification marks?

Both; Collective and Certification marks are indeed recognised by the FLPIP currently in force.

3 Absolute Grounds for Refusal

3.1 What are the absolute grounds for refusal of registration?

Pursuant to article 173 of the FLPIP, which entered in force on November 5, 2020, the following cannot be registered as trade marks:

- Technical or commonly used names of products or services, or generic designations thereof.
- Three-dimensional forms, industrial designs and holograms that are part of the public domain or have become part of common use, as well as those that lack distinctiveness, are the ordinary shape of products or are the shape imposed by their nature or industrial function.
- Descriptive marks or indicative words used in trade to designate the species, quality, quantity, composition, end use, value, place of origin of the product or production era.
- Isolated letters, digits or colours, unless combined or accompanied with other elements, such as symbols, designs or denominations, that provide them with sufficient distinctive character.
- The translation, transliteration, capricious spelling variation or artificial constructions of unregistered words.
- Geographic denominations (proper or common), maps, nouns and adjectives, when they indicate the origin of products or services and may lead to confusion or error as to their origin.
- Names of population centres or places that are characterised by the manufacture of certain products, to protect such products.
- Signs that are identical or confusingly similar to appellations of origin, geographical indications, or to the names or signs of places that are characterised by the manufacture, production or commercialisation of certain products or services, when the products or services requested are identical or similar to those protected by designations of origin or geographical indications, including those signs that are accompanied by expressions such as: “gender”; “type”; “manner”; “imitation”; “produced in”; “manufactured in”; or similar expressions that create confusion for the consumer or imply unfair competition.
- Names, figures or three-dimensional forms that could deceive the public or lead to error, understood as those that constitute false indications about the nature, components or qualities of the products or services they purport to protect.

3.2 What are the ways to overcome an absolute grounds objection?

If the examiners consider that the trade mark incurs any of the absolute grounds for prohibition established in the FLPIP, an official action is issued, granting the trade mark applicant a two-month term that can be automatically extended for a further two months, to provide legal arguments against the alleged absolute grounds for refusal and to try to overcome them. According to the FLPIP, acquired distinctiveness will become relevant to overcome absolute grounds objections.

3.3 What is the right of appeal from a decision of refusal of registration from the Intellectual Property Office?

If an application is refused by the IMPI based on absolute grounds, the applicant may choose between three different avenues of appeal: I) a review recourse before the IMPI; II) an appeal before the Federal Court for Administrative Affairs (FCAA); or III) an *amparo* suit (Constitutional Appeal) before a federal district court.

3.4 What is the route of appeal?

i) A review recourse before the IMPI

This is a remedy that must be filed before the IMPI within 15 working days from the day after the date of notification of the refusal. The review recourse is resolved by the administrative superior of the person who issued the denial at the IMPI. A review recourse is only advisable when the denial is founded on a clear mistake of the IMPI (e.g., a denial based on an alleged lack of a particular document when the document was in fact filed).

If the denial is based on any of the absolute/relative grounds for refusal established in article 173 of the FLPIP, a review recourse is not advisable, as it is likely that the superior court will confirm the refusal resolution. The applicant may file an appeal before the FCAA against a decision issued by the IMPI under a review recourse.

ii) An appeal before the FCAA

An appeal before the FCAA can be filed within 30 working days following the date of the notification of the refusal or the decision of the review recourse. This appeal is decided by an administrative entity (it is not a court of law) that decides whether the IMPI correctly applied the Industrial Property Law (IPL).

Appeals are resolved by three administrative magistrates in public hearings, where the parties may not make oral arguments but can only hear the discussion of the case between the magistrates. All arguments must be submitted in writing during the prosecution of the appeal.

In this appeal, the applicant or appellant must prove that the IMPI's considerations to refuse the application did not comply with the provisions of the IPL. The IMPI will be the counterparty trying to prove the legality of its refusal. The losing party can make a final appeal before a federal circuit court against the decision of the FCAA. This appeal must be filed within 10 working days of the day following the notification of the decision to the losing party.

The resolution of the circuit court is final. If the IMPI loses the appeal, it must comply with the resolution within a short period.

iii) An *amparo* suit before a federal district court

Due to recent Supreme Court jurisprudence, *amparo* suits are now available as a further avenue to appeal refused applications. They can be filed within 15 working days of the day following the notification of the refusal. The *amparo* is a procedural institution, which makes it highly technical.

One advantage of these proceedings is that, due to the requirements of procedural law, cases are decided in a very short timeframe, ranging from two to five months, with stays being studied very quickly (within two days of the filing of a suit). Another advantage is the higher level of preparation of officers and judges at the courts concerning intellectual property (IP) affairs.

The main disadvantage is that under the *amparo* law, the judge is bound to first find a clear error in the decision under review and is not entitled to review the case *de novo*; thus, many of the decisions in *amparo* suits are remanded to the IMPI for further consideration, with certain guidelines that can be concerned mainly with the due process of law, although in some cases the judge actually gives guidance on the merits of the case.

4 Relative Grounds for Refusal

4.1 What are the relative grounds for refusal of registration?

The relative grounds for refusal are the following:

- Marks identical or confusingly similar to previously registered marks or marks for which registration is pending, applied to the same or similar products or services.
- Marks identical or confusingly similar to renowned or famous marks, unless applied by the legitimate owner.
- Proper names, pseudonyms, signatures, country flags, symbols, emblems, IP, artworks, fictional characters, etc., without the express consent of the legitimate owner/authority.

4.2 Are there ways to overcome a relative grounds objection?

If the examiners consider any prior mark as a barrier to obtaining registration of the proposed mark, an official action is issued, granting the trade mark applicant a two-month term that can be automatically extended for a further two months, to provide legal arguments against the cited mark(s) and to try to overcome them. According to the FLPIP, consents and coexistence agreements have been recognised as valid means to overcome the relative grounds objections under certain circumstances.

4.3 What is the right of appeal from a decision of refusal of registration from the Intellectual Property Office?

If an application is refused by the IMPI based on relative grounds, the applicant may choose between three different avenues for appeal: a review recourse before the IMPI; an appeal before the FCAA; or an *amparo* suit before a federal district court.

4.4 What is the route of appeal?

Please refer to the routes of appeal explained in question 3.4 above.

5 Opposition

5.1 On what grounds can a trade mark be opposed?

All new applications filed in Mexico from November 5, 2020 are published for opposition in the Industrial Property Gazette, and the grounds on which a trade mark can be opposed are all of the absolute or relative grounds of refusal as provided in articles 12 and 173 of the FLPIP.

Article 12 provides that no registration shall be granted when the proposed sign is contrary to public order or violates any legal provision.

In turn, article 173 provides 22 different grounds for refusal, the most common being: descriptiveness; prior rights as derived from a senior application or from the registration of a trade mark that is identical or confusingly similar to another or covering equal or similar goods or services; equal or confusingly similar to a famous or well-known trade mark; and recently introduced trade marks that are applied in bad faith.

5.2 Who can oppose the registration of a trade mark in your jurisdiction?

Any person (individual or company) who deems that a published application falls within an absolute or relative ground for refusal as provided in articles 12 and 173 of the FLPIP.

5.3 What is the procedure for opposition?

The procedure for opposition is as follows:

- 1) A new application filed in Mexico is published for opposition purposes within the next 10 working days following the filing date.
- 2) Any interested party may submit a brief of opposition, within a non-extendable, one-month term of publication of the application.
- 3) The opposition brief shall be accompanied by all documentation supporting the opposition.
- 4) Once the one-month term for opposition expires, the IMPI will publish all oppositions filed within the next 10 working days.
- 5) Owners of opposed applications will have a two-month term that can be automatically extended for a further two months to raise arguments against the alleged grounds of opposition (simultaneously with the arguments regarding the incidental absolute/relative grounds of refusal raised by the IMPI).
- 6) Afterwards, the IMPI will grant the parties with a common five-day term to file closing arguments, which will start to run from the next day as of the notification of the official action opening said term.
- 7) It is important to note that opposition will not suspend the processing of applications, as the IMPI will continue to conduct its official examination of trade mark applications on both absolute and relative grounds, in parallel with the opposition proceeding.
- 8) According to the FLPIP, the IMPI must consider the arguments submitted by the opponent in an opposition, as well as the defensive arguments raised by the applicant, and issue a formal decision on the opposition.

6 Registration

6.1 What happens when a trade mark is granted registration?

Once a trade mark registration is granted, the rights conferred to its owner enter into full force and effect. All trade mark registrations must be accompanied by the filing of a declaration of actual and effective use within the next three months after the third anniversary of the granting of the registration. Failure to submit this declaration will cause the automatic lapse of the registration.

Likewise, in order to maintain such registration, it is necessary to have use of the trade mark in Mexico within a term of three consecutive years, counted as of its date of grant, and for further terms of three years, otherwise the registration will become

vulnerable to cancellation actions based on non-use. It is important to note that if the registration is not used and not contested by any third party after the filing of the declaration of actual and effective use at the third anniversary of the registration, it will be in full force until its renewal due date.

6.2 From which date following application do an applicant's trade mark rights commence?

Once it is granted, the full effects of a trade mark registration go back to its filing date.

6.3 What is the term of a trade mark?

The term of a trade mark is 10 years as of the granting date, and is renewable for 10-year periods.

6.4 How is a trade mark renewed?

When applying for the renewal of a trade mark registration, the registrant must file a declaration of actual and effective use of the mark along with the renewal application, specifying the goods or services in which the trade mark owner confirms actual and effective use in Mexico.

7 Registrable Transactions

7.1 Can an individual register the assignment of a trade mark?

Yes. The FLPIP establishes that the rights deriving from an application for trade mark registration or from a registered trade mark can be transferred in the terms of, and with the formalities established by, civil law. The transfer of rights must be recorded with the IMPI to be effective against third parties.

7.2 Are there different types of assignment?

There is only one special rule in the FLPIP for cases of transfer, and it refers only to mergers. In the case of a merger, the FLPIP assumes that all of the trade marks of the merged company are transferred to the merging company, unless stipulated otherwise. In this case, the merger also has to be recorded before the IMPI to produce legal effect against third parties.

7.3 Can an individual register the licensing of a trade mark?

Yes, in our jurisdiction, the licence to use a mark can be recorded. Pursuant to the provisions of the FLPIP, it is no longer mandatory to record licence agreements before the IMPI so it can be enforced against third parties.

The use of the trade mark by the licensee inures to the benefit of the registration, thus preventing its cancellation on account of non-use.

7.4 Are there different types of licence?

Yes. For recording purposes, it is important to distinguish between exclusive and non-exclusive licences.

7.5 Can a trade mark licensee sue for infringement?

Yes, provided that the licensor authorises this in the deed of the licence agreement.

7.6 Are quality control clauses necessary in a licence?

Yes. However, for recording purposes with the FLPIP, it is possible to submit a short version of the original licence agreement, in which any confidential clauses regarding royalties, distribution and commercialisation means, technical information, quality control requirements and the like may be omitted.

7.7 Can an individual register a security interest under a trade mark?

Yes. Security interests are recognised by the FLPIP only for recording purposes.

7.8 Are there different types of security interest?

Security interests are regulated under the provisions of the Law of Titles and Credit Operations, which is of a mercantile nature, as well as the Commerce Code under the chapter, "*Security interests without the transmission of possession*".

8 Revocation

8.1 What are the grounds for revocation of a trade mark?

There are no revocation proceedings in the Mexican system; however, cancellation actions are available. Article 260 of the FLPIP establishes that if a trade mark is not used for three consecutive years on the products or services for which it was registered, the trade mark registration will be subject to cancellation for lack of use, unless the holder or the user of a recorded, granted licence has used it during the three consecutive years immediately prior to the filing date of the cancellation action for lack of use.

Therefore, if a registered trade mark is not used for three consecutive years, it will become contestable on account of non-use.

Furthermore, a cancellation action can be brought against a registration when its owner has evoked or tolerated a trade mark that has become a generic term.

8.2 What is the procedure for revocation of a trade mark?

Cancellation procedures are filed and prosecuted directly with the IMPI. However, the decision of the IMPI may be appealed by recourse to a review before the IMPI or the FCAA, and the decision of this court may be further appealed before a circuit court.

8.3 Who can commence revocation proceedings?

Legal standing to file a cancellation action is achieved when the trade mark to be challenged is cited during the prosecution of an

identical or a confusingly similar trade mark. It is also achieved when the trade mark registration is enforced against a third party in an infringement action.

8.4 What grounds of defence can be raised to a revocation action?

The trade mark owner may argue that, independently of his will, circumstances arose that constituted an obstacle to the use of the trade mark, such as importation restrictions or other governmental requirements applicable to the goods or services to which the trade mark applies.

8.5 What is the route of appeal from a decision of revocation?

Please see question 3.4 above.

9 Invalidity

9.1 What are the grounds for invalidity of a trade mark?

The grounds of invalidation are established by the FLPIP in article 258, as when:

- The trade mark is identical or confusingly similar to another that has been used in Mexico or abroad prior to the date of filing of the application, and it is applied to the same or similar products or services, provided that the party who asserts the greater right for prior use proves they have used the trade mark continuously in Mexico or abroad prior to the mentioned filing date or declared use; then the applicable statute of limitations is five years as of the circulation date of the Trademark Gazette that published the disputed registration.
- The owner of the registration does not prove the veracity of the date of first use declared in the application. The applicable statute of limitations is five years as of the circulation date of the Trademark Gazette that published the disputed registration.
- A senior registration exists for a trade mark identical or similar to that covered by a junior registration, and the goods or services covered thereby are similar or identical in nature. The applicable statute of limitations is five years from the publication date of the Trademark Gazette detailing the disputed registration.
- Registration is obtained by the agent, representative, user or distributor without the authorisation of the owner of the foreign trade mark registration. No statute of limitations applies to this action.
- A registration was obtained in bad faith. No statute of limitations applies to this action (introduced in the amendments to the law effective from August 10, 2018).
- A general cause of invalidity is available and relies on the granting of registration against any provision of the IPL or of the law in force at the time registration was granted. This cause of cancellation has no statute of limitations.

9.2 What is the procedure for invalidation of a trade mark?

Invalidation proceedings in Mexico are of an administrative nature as they are carried out at the IMPI, though these are

followed in the form of a trial. They start with the filing of a complete claim, enclosing all evidence supporting the invalidation grounds. Thereafter, the IMPI serves notice to the defendant, who has a term of 30 days from the service date to respond thereto. A copy of such response is served to the plaintiff, who has three days for filing allegations against such response. In turn, the allegations for the plaintiff are served to the defendant for filing counter-allegations within a term of three days. Thereafter, the IMPI issues a decision.

9.3 Who can commence invalidation proceedings?

Any party with sufficient legal interest can commence invalidation proceedings. Legal interest for invalidity actions varies depending on the cause of action enforced.

9.4 What grounds of defence can be raised to an invalidation action?

This is not applicable to Mexico.

9.5 What is the route of appeal from a decision of invalidity?

The decisions of the IMPI regarding invalidity may be appealed by the counterparty either through: a review recourse before the IMPI; an appeal before the FCAA; or an *amparo* suit before a federal district court. Please refer to question 3.4 above.

10 Trade Mark Enforcement

10.1 How and before what tribunals can a trade mark be enforced against an infringer?

The process by which an infringement claim may be brought before the IMPI is relatively simple, and begins with the filing of a formal written claim. The IMPI is not a court of law; it is an administrative agency that has jurisdiction over trade mark infringement in the first instance.

Once the IMPI admits the claim, it serves notice to the defendant, giving a term to answer of 10 days; the defendant is to answer the claim alleging whatever it deems pertinent, and thereafter the IMPI decides on the merits of the case. Both the plaintiff and the defendant must produce supporting evidence at the time of filing the claim or answering it, respectively. The IMPI's decision can be appealed before the FCAA. The decision of this administrative court can be appealed to a circuit court.

To prove the infringement, the plaintiff is entitled to file any kind of evidence available, except confessional and testimonial evidence. The most commonly used evidence to help prove an infringement is an inspection visit to the premises of the infringer. This is conducted by IMPI inspectors, and usually takes place at the moment of serving notice of the claim and/or the order imposing a preliminary injunction on the defendant.

10.2 What are the key pre-trial procedural stages and how long does it generally take for proceedings to reach trial from commencement?

This is not applicable to Mexico.

10.3 Are (i) preliminary, and (ii) final injunctions available and if so, on what basis in each case?

The trade mark owner is entitled to request provisional injunctions before the filing of the infringement claim, or at any time during the prosecution thereof against infringers. The authority of the IMPI is quite broad and discretionary as it can, among others, order alleged infringers to cease performing their infringing activities. It can also impose the withdrawal of products from the marketplace, and conduct seizures. The proceeding is *inaudita altera pars* with no formal hearing, as it is followed in writing. The trade mark owner, as the party moving for the application of preliminary measures, is required to file an infringement claim within a term of 20 business days after the measures are duly notified to the alleged infringer. Likewise, preliminary injunctions are confirmed and become a permanent injunction only once the infringement action is resolved.

10.4 Can a party be compelled to provide disclosure of relevant documents or materials to its adversary and if so, how?

The plaintiff in an infringement action is entitled to request from the defendant all the documentation in its possession necessary to help prove the infringement. The plaintiff must request from the IMPI the issuance of an order addressed to the defendant requesting this documentation, pointing out exactly what documents he/she is pursuing and their importance and relevance to the prosecution of the infringement case. In case of a lack of compliance with this order, a fine will be imposed on the defendant and the facts that the plaintiff was seeking to prove with the documentation requested will be considered proved.

10.5 Are submissions or evidence presented in writing or orally and is there any potential for cross-examination of witnesses?

Everything must be submitted in writing.

10.6 Can infringement proceedings be stayed pending resolution of validity in another court or the Intellectual Property Office?

In case counterclaiming the validity of the trade mark registration is enforced, this action is resolved before resolving the infringement claim. Counterclaims must be filed at the moment of responding to the infringement action.

10.7 After what period is a claim for trade mark infringement time-barred?

This is not applicable to Mexico.

10.8 Are there criminal liabilities for trade mark infringement?

Yes, criminal liabilities are available for trade mark falsification/counterfeit.

10.9 If so, who can pursue a criminal prosecution?

Either the trade mark owner or the recorded licensee.

10.10 What, if any, are the provisions for unauthorised threats of trade mark infringement?

This is not applicable to Mexico.

11 Defences to Infringement

11.1 What grounds of defence can be raised by way of non-infringement to a claim of trade mark infringement?

The grounds of defence that can be raised in Mexico are the following:

- Prior use: the use of the same or a confusingly similar mark in the national territory for the same or similar products or services, provided that the third party had begun to make uninterrupted use of the mark prior to the filing date of the application for registration, or the date of the first declared use of the mark.
- Exhaustion of rights: any person may market, distribute, acquire or use the product to which the registered trade mark is applied, after said product has been lawfully introduced onto the market by the owner of the registered mark or his licensee. This case shall include the import of lawful products to which the mark is applied.

11.2 What grounds of defence can be raised in addition to non-infringement?

The most common defence is challenging the validity of a trade mark registration that is enforced.

12 Relief

12.1 What remedies are available for trade mark infringement?

The available remedies are preliminary and permanent injunctions. Please see question 10.3 above.

12.2 Are costs recoverable from the losing party and, if so, how are they determined and what proportion of the costs can usually be recovered?

They are available to the trade mark owner through civil actions. Civil actions are filed once an administrative action has been resolved beyond the shadow of appeal. The FLPIP provides a rule, applicable in all types of patent, trade mark and copyright infringement actions, imposing on the civil courts the obligation to impose monetary damages of at least 40% of the commercial value of the infringing products and the plaintiff has to prove a loss of profit and/or actual damages.

13 Appeal

13.1 What is the right of appeal from a first instance judgment and is it only on a point of law?

For the process of appeal, please see question 3.4 above.

13.2 In what circumstances can new evidence be added at the appeal stage?

In the case of appealing any decision of the IMPI before the FCAA, the appellant is entitled to file new evidence and submit new arguments.

14 Border Control Measures

14.1 Is there a mechanism for seizing or preventing the importation of infringing goods or services and, if so, how quickly are such measures resolved?

Yes. The IMPI's personnel, on the request of the trade mark owner or as a consequence of an infringement action, may conduct a search to summon the importer and to seize goods in customs premises. This option is also available for criminal cases.

The Mexican customs authorities, together with the IMPI, have developed a database to improve the protection of IP rights. When trade marks are registered on the database, customs provides a form to be included in the import manifest to ease the transit of the goods bearing the trade mark. When a manifest does not bear such a registration form, or this does not match the information in the trade mark database, the shipment will be stopped and inspected by customs, and it will contact the trade mark owner for advice on the goods' authenticity.

15 Other Related Rights

15.1 To what extent are unregistered trade mark rights enforceable in your jurisdiction?

Only registered trade marks are enforceable.

15.2 To what extent does a company name offer protection from use by a third party?

A registered mark or a mark confusingly similar to another previously registered mark may not be used to form part of the trade name or company or business name of any establishment or legal entity where the establishments or legal entities concerned are engaged in the production, import or marketing of goods or services identical or similar to those to which the registered trade mark applies.

15.3 Are there any other rights that confer IP protection, for instance book title and film title rights?

Book titles and, in general, titles of any work of authorship are enforceable against trade mark registrations.

16 Domain Names

16.1 Who can own a domain name?

A domain name can be owned by any individual or legal entity that requests the registration of the domain name before any of the registrars.

16.2 How is a domain name registered?

There is only the need to verify the availability of the name you want to register on the webpage of any of the registrars authorised by the Internet Corporation for Assigned Names and Numbers (ICANN).

If the name is available, you will have to pay the corresponding fees to the registrar and provide the administrative, technical and contact information for the domain name.

The registrar will keep records of the contact information and submit the technical information to a central directory known as the Registry.

16.3 What protection does a domain name afford *per se*?

Obtaining registration for a domain name will avoid anyone else registering the same name with the same ending (generic top-level domains (gTLDs) or country code top-level domains (ccTLDs)). In other words, you will protect your name (company name, individual name or trade marks) on the Internet.

No other protection will be granted with the registration of the domain name. This is very important, because no IP rights will be generated.

16.4 What types of country code top level domain names (ccTLDs) are available in your jurisdiction?

In Mexico, it is possible to register domain names under .mx and .com.mx.

16.5 Are there any dispute resolution procedures for ccTLDs in your jurisdiction and if so, who is responsible for these procedures?

In Mexico, the available dispute resolution proceeding for domain name matters is the Local Dispute Resolution Policy (LDRP), which is a variation of the Uniform Domain-Name Dispute-Resolution Policy (UDRP), with slight differences.

The LDRP is administered by the WIPO Arbitration and Mediation Center.

17 Current Developments

17.1 What have been the significant developments in relation to trade marks in the last year?

The most relevant development has been the rectification of the Mexican Trade Mark Office's criterion adopted when registering Certification marks, where such authority intended to force applicants to apply for these kinds of marks in class 42, arguing that certification services are classified in such class. Apparently, wrong interpretation and understanding of the legal figure of Certification marks was prevailing among Mexican examiners, thus putting at risk the protection of this figure introduced in Mexican law on August 10, 2018. Fortunately, joint efforts from several members of the Mexican Association for the Protection of Industrial Property (AMPPI) and practitioners from the largest IP firms in Mexico resulted in the amendment of such mistaken interpretation, and nowadays the admission of Certification marks in all classes of goods and services is a reality.

17.2 Please list three important judgments in the trade marks and brands sphere that have been issued within the last 18 months.

1. Federal circuit courts have issued the first decision against Mexican Official Standard NOM-051-SCFI/SSA-2010, which causes brand restrictions on the labelling of pre-packaged food and non-alcoholic beverages, thus restricting the use of characters, animated drawings, celebrities, and sport figures, among others.

This decision sustains that the restriction in the use of characters, animated drawings, celebrities, and sport figures, in the above-mentioned packaging, exceeds the scope of this Mexican Official Standard, which was aimed at providing consumers with nutritional information on the products they are consuming, thus causing the brand restriction to be illegal.

This decision benefits only the company who filed this *amparo* suit and does not abrogate Mexican Official Standard NOM-051-SCFI/SSA-2010. Nevertheless, surely it constitutes a very important precedent that should inure into the benefit of all the other actions filed against this Official Standard that causes brand restrictions.

2. The Mexican Supreme Court issued a decision confirming the constitutionality of article 62 of the Regulations of the IPL, which sets forth what has to be understood as trade mark use.

This decision has made clear that article 62 above is in accordance with international treaties, and has also made clear that when dealing with the concept of “*trade mark use*”, it has to be understood as the use of a trade mark in a qualified manner, through unequivocal and not simulated acts, providing notice of the persistence, continuity and market share of the trade mark, as well as a determined quantification of its consequences in the market (sales, revenues, etc.). In light of the above, trade mark use has to be understood as actual and effective use that can be represented,

among others, through commercial operations in a relevant number (neither sporadic nor apparent), such as outer acts of sale, distribution, commercialisation and storage, or any serious and effective preparatory acts thereof.

3. The Mexican Supreme Court issued a controversial decision, sustaining that section I of article 151 of the former law of industrial property is unconstitutional because it sets forth that an invalidity action can be enforced at any time when referred to a trade mark registration granted in contravention to the law, and because it contravenes the principle of legal certainty, since it opens the door for any third party to challenge the validity of a trade mark registration, without any statute to limitation, by simply alleging that its grant contravened the law.

This decision is not against the fact that article 151 above contains some invalidity causes that do not prescribe, but against the fact that the law is not clear as to which contraventions to the law should originate those invalidity causes with no statute of limitations.

Despite the efforts of the Supreme Court, this decision did not fully clarify this important legal issue, which we expect will be corrected with the enactment of the Regulations to the New Mexican Law for the Protection of Industrial Property expected in 2022.

17.3 Are there any significant developments expected in the next year?

No, with exception to the regulations to the FLPIP, which are yet to be published.

17.4 Are there any general practice or enforcement trends that have become apparent in your jurisdiction over the last year or so?

No, there are no general practice or enforcement trends that have become apparent in Mexico in the last 12 months.



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He has significant experience in: conducting, analysing and reporting search results for trade marks, slogans and commercial names; preparing and filing applications with the IMPI; assisting leading companies in the food and beverage industry, including alcoholic beverages, to successfully resolve compliance proceedings initiated by the Consumer Protection and Health agencies, as well as obtaining the marketing authorisations required for their advertising and product labelling; and trying uniform dispute resolution procedures related to domain names.

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OLIVARES began in 1969 as a boutique intellectual property firm. Today, its IP Practice serves many different industries, receives numerous awards for excellence in legal services, and leads the charge in protecting clients' valuable IP assets. Whether navigating complex pharmaceutical patent regulations, developing trade mark protection strategies or litigating copyright disputes, OLIVARES gets results.

The Trade Mark Practice Group has won various awards, including *Managing IP* magazine's Trade Mark Award. Additionally, OLIVARES is the only firm to be ranked in the top tier of *Chambers Latin America* and *Managing IP's* ranking systems.

Having been in business for 50 years, OLIVARES continues its legacy of excellence in client service and attracts clients from all areas of Mexico, in addition to international clients needing counsel regarding Mexican laws, regulations and cases.

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