

# Managing your TM portfolio in the Middle East

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Do you really need an experienced trademark attorney to manage your trademark portfolio in the Middle East?

Or can you simply manage your trademarks through entrusting the agent quoting the lowest professional fee? Can you really justify appointing a solid but somewhat expensive attorney, if you know what classes are relevant, and how to choose your mark? In order to answer these questions, you will probably need to survey the functions of the Trademarks Offices in the Middle East region and understand whether one can read the trends of the Examining Officers or the Registrars and accordingly anticipate what is registrable and what is questionable. How can you read such trends with ever-changing staff at these UAE Trademarks Offices? How can you read trends from the Kuwaiti Trademarks Office that does not provide the service of a trademark search? Or from the KSA Office whose examination decisions vary drastically between examiners sitting next to each other in the same office.

When you analyse the functions of the trademark offices, one could paint a terrible picture and question whether it is worthy or even safe to protect trademark rights in the region. We would not go that far, as the economies of the Middle East and growth percentages make very clear the importance of protecting your brands in the region. However, we have to acknowledge that consistency and trend setting are difficult to read in the Middle East. A lot of time, effort and recording of (often contradicting) decisions is required to challenge and prevail against a decision by the TMO to reject or challenge an application,

Perhaps the UAE, with its TMOs being relatively progressive in the Middle East, can be studied as an example supporting the argument that, in choosing a lawyer, trademark owners should consider the qualifications and experience of a trademark attorney and not merely make a decision based on the professional fees. There is no question that, if you need an effective trademark attorney in the UAE, you certainly need an effective one throughout the Middle East. The number of unusual decisions issued by the UAE TMO in relation to trademark prosecution in recent years was alarming to both trademark attorneys and trademark owners. Several communications have been made through industry associations as well as through trademark practitioners in relation to the decisions made by the TMO that neither consistent with the Trademarks Law nor with the usual practice adopted by the TMO, not to mention best practices of Trademark Offices on an international level. Some of these decisions related to expediting the revenue generated from trademark applications, while others related to expediting the prosecution process at the expense of quality and others related to decisions that contradicted logical timeframes that can be managed by trademark owners.

Some examples of these decisions include:

- In 2009, the Trademarks Section, for a temporary period, obliged all trademark applicants to pay the registration fee of USD1,300 per application prior to becoming due, which meant that trademark applicants and attorneys were required to deposit huge amounts many months earlier than the usual projected date, otherwise their applications would be deemed abandoned. This practice was inconsistent with the Implementing Regulations and with the applicable practice at the Trademark Office. It resulted in exerting pressure on trademark attorneys to advance huge amounts on behalf of their clients, which in many cases was impossible due to the UAE having

arguably the highest registration fees in the world. It also strained the relationship between the trademark attorneys and their clients as it reflected a wrong perception of mismanagement of the file. As the UAE and KSA TMOs are among the world's most expensive in terms of fees, a trademark attorney with weak cash flow would not have been able to meet the deadlines and payments dictated by the TMO and would therefore not have been able to keep its client's pending applications alive.

- The Circular dated 19 May 2014 issued under Administrative Decision No. 3 of 2014, whereby the TMO communicated to all trademark attorneys its decision to:
  - Cancel the issuance of preliminary technical examinations;
  - Cancel any-time extensions offered by the examination department, to restrict the decisions of the examination departments to either acceptance, rejection or acceptance by way of stipulation; an
  - Issue decisions to reject applications that contravene the list of products and services mentioned in the NICE Classification for goods and services.

Cancelling preliminary technical examinations means that rectification of minor changes or clarifications raised by the Trademarks Section is no longer an option. This would inevitably increase the number of rejection decisions and consequently increase the number of objection cases, adding yet more files to the backlog. A simple issue such as submitting a renewed trade license, which could have been resolved through a technical examination report, has now become a serious matter and can be subject to a rejection decision. One could rationalise the Ministry's direction to relieve their staff from paperwork and reduce time spent on examinations, however the end result is that it still leads to more work for other departments within the Trademarks Section (those dealing with rejections). Appealing rejection decisions requires the trademark attorney to have kept Court judgments in relation to trademarks, in order to bring a convincing appeal to reverse the TMO decision.

- Finally, the Power of Attorney was required to be submitted at the time of filing an opposition, which is burdensome and without justification. Opposition actions are raised in reaction to publications in the Trademark Journal. From the date of publication, interested parties are given 30 days to consider filing an opposition, and now the Ministry stipulated that the PoA is to be submitted within that same period. If you consider that a three week period is required to execute a PoA outside the UAE if all documents are in place, and that a further week is required for the notification process of conflicting trademarks, which requires the parties to be present and research of the Trademarks Journal, then there is no wonder that many interested parties were deprived of the chance to file their oppositions in time due to the tight time frame and unnecessary formality. This in turn means that a lot of would-be oppositions turn into cancellation cases that must be raised as a Civil case before the Court of First Instance. In this case your trademark attorney must be an appropriately-qualified law office/lawyer to be able to initiate the cancellation case.

Managing your trademark portfolio in the Middle East requires a switched-on and experienced attorney, who maintains records and examples ready to be presented to challenge a TMO decision, has sufficient financial strength to address unusual changes in the process, and is able to bring about legal actions to reverse TMO decisions.