كليدانكو
CLYDE&CO

Intellectual property newsletter

July 2015



Middle East & North Africa region

Ramadan Kareem to all our readers.

As reported in our June 2015 newsletter, government offices and many local businesses across the MENA region operate shorter working hours during the Holy Month of Ramadan.

Please also note that many of the intellectual property offices in the MENA region will close during the festival of Eid Al Fitr which marks the end of Ramadan. Exact closure dates will vary across the region and, in most cases, the end of Ramadan (and the beginning of Eid Al Fitr) will only be announced one or two days in advance. Please speak with your contact at Clyde & Co for further information.

However, it has already been announced that the intellectual property offices in the Kingdom of Saudi Arabia (**KSA**) will be closed from 12 July to 21 July 2015 inclusive, reopening on 22 July 2015.

Clyde & Co news: Welcome David Wilkinson

David Wilkinson has joined the firm's London office as the Head of Clyde & Co's Intellectual Property practice in the UK. We are delighted that a lawyer of David's calibre and standing will be leading the growth of our UK intellectual property practice, and we very much look forward to working with him.

To find out more about David, please visit our website at **http://www.clydeco.com/people/profile/david-wilkinson**.

Saudi Arabia: Registration requirements for international brand owners

A recent announcement from the Ministry of Commerce & Industry has prompted Harriet Balloch and Rob Deans to review the steps which brand owners should take in Saudi Arabia to register commercial agency agreements and trade mark licences.

Click **here** for a link to the full article.

Market updates and insight from around the region

There are a number of interesting updates in this month's edition, including news that the Qatari Patent Office will soon be accepting PCT applications.

Click **here** to read all updates

For further information, please speak to your usual contact in the Clyde & Co IP team, or email us at ip@clydeco.com.

Continued overleaf



UAE Trade Mark Gazette

The latest edition of the UAE Trade Mark Gazette was published on 7 July 2015. This month's opposition deadline is 5 August 2015.

Click here for a link to the UAE Trade Mark Gazette and further information.

If you identify any marks that are of potential concern, or if you have any queries, then speak to your usual contact in the Clyde & Co IP team, or email us at ip@clydeco.com.

The timeframe for arranging the legalisation of a Power of Attorney (which will need to be filed at the same time as any opposition) is generally around three weeks. With this in mind, please contact us as soon as possible if you identify any marks which you may wish to oppose.



Market updates

Iran	**Iran Trade Mark Office issues new regulations on filing requirements** The Trade Mark Office in Iran has issued new regulations stating that each individual trade mark application must be accompanied by a certified translation into Farsi of the requisite supporting documents. For example, when filing an application in the name of a foreign company, a separate original certified translation of the company's registration certificate must be filed with each application. However, this new regulation does not apply to the Power of Attorney. Accordingly, if an applicant is filing multiple applications, only one original certified translation of the Power of Attorney will be required.
Kurdistan	**Kurdistan Trade Mark Office has decided to keep trade mark extension practice unchanged** Reports were received in mid-June that the Kurdistan Trade Mark Office's practice of extending Iraqi trade mark registrations to cover Kurdistan was potentially due to change. This would have required brand owners to file separate trade mark applications directly in Kurdistan, rather than filing applications in Iraq and then extend these to cover Kurdistan. Further reports have now clarified the position and confirmed that there will be no change. The former practice of being able to extend Iraqi registrations to cover Kurdistan will continue. However, for those who are still looking to protect trade marks in Kurdistan specifically, it may still be worth filing applications directly with the Kurdistan Trade Mark Office in order to obtain speedy registrations. Direct applications in Kurdistan are currently proceeding through to registration in approximately five months, compared with over two years in Iraq.
Libya	**Libyan trade mark application process improves** We have been advised by our colleagues in Libya that the Trade Marks Office is accepting trade mark applications and renewals. The timeframe for applications to be filed is currently several weeks. This has improved from early 2015 when ongoing unrest and a shortage of staff at the Trade Mark Office were creating significant delays.
Qatar	**Qatari Patent Office soon to accept PCT applications** The Qatar Patent Office will shortly begin to act as a Receiving Office for patent applications filed under the Patent Cooperation Treaty (**PCT**) system. Applicants will be able to file a PCT application directly at the Qatar Patent Office. As a Receiving Office, the Qatar Patent Office will be responsible for the formal examination of the patent and granting of the filing date, before the application is forwarded to WIPO for further processing. The development is hoped to increase awareness and use of the PCT filing system by local applicants, particularly those without legal representation. Local applicants will be able to seek guidance from officials in their own language, which will make the process easier than filing directly at WIPO. Full details of how the Receiving Office will operate have not yet been released and a further update is expected in the coming months.
UAE	**Dubai Courts announces new requirement for all civil cases to be filed online** The Dubai Courts has implemented a change in practice under which all cases filed with the Dubai Courts must now be filed online. The online filing process takes between two to five working days. **Clyde & Co comment (from Rob Deans, Partner)**: *This seemingly minor change could have a significant impact, at least in the short term while practitioners get used to the change. In order to avoid being caught out when calculating time limits for initiating a claim in Dubai, it will be necessary to bear in mind that it will now take a few days for proceedings to be issued. This is particularly relevant to urgent matters, such as an application for a precautionary attachment order based on copyright infringement where the claimant only has a short period (15 days) in which to issue proceedings after the precautionary attachment order has been granted.*



UAE	**Dubai Courts restrict experts from producing reports for the parties to litigation** In accordance with a circular issued by the Dubai Courts, experts registered with the Dubai Courts are no longer permitted to produce reports on behalf of one of the parties to proceedings prior to an expert being officially appointed by the Court for the specific case. This circular still allows for the parties to instruct a registered expert before the commencement of proceedings.
UAE	**Criminal action against store in Abu Dhabi selling illegal television subscriptions** The Abu Dhabi Criminal Court has recently ordered the closure of a retail store for 12 months after it was found to be selling subscriptions to India's "DishTV". It has been reported that that a fine of USD 55,000 has been imposed and the store's general manager has been deported. This is a positive step by the authorities in the ongoing fight against piracy and the access to illegal content in the region.
UAE	**Gulf Brand Protection Group assists in the training of customs officials in Ras Al Khaimah and Fujairah** The Brand Protection Group (**BPG**) has been working with its members to train customs officials in Ras Al Khaimah and Fujairah on identifying counterfeits. **Clyde & Co comment (from Rachel Armstrong, Associate)**: *The UAE comprises seven emirates, each of which operates its own autonomous Customs department. Many brand owners conduct training with Customs officials in Dubai, Sharjah and Ras Al Khaimah. However, it is less common for brand owners to engage with officials in the other emirates, and the BPG's efforts on this initiative are to be commended.*
UAE	**Dubai DED to monitor online retailers for counterfeit goods** The Department of Economic Development (**DED**) in Dubai has created two new units for the monitoring of online retails stores for the sale of counterfeit goods. The first unit is to focus on compliance issues, by checking that these online retailers hold the required trade licence for the activities they are undertaking. The second unit is to monitor the sale of infringing/counterfeit products, particularly those which are being sold through social media websites. **Clyde & Co comment (from Rachel Armstrong, Associate)**: *The UAE has seen substantial growth in the online retail sector during the last couple of years. Unsurprisingly, we have also seen a corresponding growth in counterfeits being sold through online retail platforms.* *This is much more of a live issue for our clients in the region than it was only one or two years ago. It is therefore welcome news that the DED has set up these new units with specific focus on combatting this problem.*
Yemen	**Yemen announces a change to its working week** Yemen has announced that it will now operate a Saturday to Wednesday working week. This change is effective as of 18 June 2015.



Saudi Arabia: Registration requirements for international brand owners

Authors: Harriet Balloch, Legal Director, and Rob Deans, Partner with input from Abdulaziz Al-Bosaily, Partner and Saud Alarifi, Of Counsel, Riyadh, Kingdom of Saudi Arabia.

Introduction

For brand owners without a presence in the Kingdom of Saudi Arabia, it is necessary to work with a local business in order to import the brand owner's goods into the Kingdom and then to market and sell the goods.

Earlier this year, the Saudi Ministry of Commerce & Industry (the **Ministry**) issued a reminder to importers and distributors of goods in Saudi Arabia (known as commercial agents) that they are required to register their agreements. The Ministry also provided a grace period for compliance of until 22 September 2015. Commercial agents which have failed to register their agreements by this date face fines being imposed.

This announcement is a timely reminder for brand owners to be aware of the legal framework which applies in Saudi Arabia, for the registration of both commercial agency agreements and trade mark licences.

Commercial agency agreements

The Saudi Arabian Commercial Agency Law (as enacted by Royal Decree No. M/5 dated 11/06/1389H, corresponding to 25/08/1969) and its implementing regulations (the **Agency Law**) obliges all commercial agents to register their agreements with the Ministry.

Following the Ministry's announcement, it is likely that this requirement will be actively enforced from 22 September 2015 onwards, and that fines will be imposed on agents and distributors which fail to comply by this date.

As a result, many commercial agents which have not yet registered their agreements with the Ministry are taking steps to become compliant. If the relationship between the brand owner and the commercial agent has not yet been properly documented, this means that the commercial agent may well contact the brand owner in order to rectify the position.

More specifically, the commercial agent may seek to put in place a commercial agency agreement dealing with the importation, marketing and sale of branded goods in Saudi Arabia. Alternatively, the commercial agent may seek to put in place a summary agreement (or a short letter of authority) to be registered with the Ministry (which only contains relatively basic provisions).

For overseas brand owners, it is important to be aware that:

1. If your commercial agent in Saudi Arabia contacts you with a request for documentation evidencing its appointment as a local distributor, then this may well be to ensure compliance with the Agency Law in order to avoid fines being imposed on it by the Ministry
2. It is important to review any documentation provided by the commercial agent carefully. Many of the protections for a brand owner principal which are contained in a full commercial agency agreement will not be present in a summary form agreement. It is particularly important to avoid granting wider rights than intended, and to ensure that the provisions of the agreement dealing with termination and renewal do not unduly tie the brand owners to the commercial agent
3. Only Saudi nationals and companies wholly owned by Saudi nationals are entitled to operate as commercial agents in Saudi Arabia. Accordingly, if a brand owner is working with a non-Saudi national or a company which is not wholly owned by a Saudi national, then the agreement cannot be registered with the Ministry
4. In order to be recorded with the Ministry, a commercial agency agreement will need to be in Arabic or in dual language English/Arabic. For dual language documents, the Arabic language will take precedence and, in all cases, it is important to ensure that the Arabic version is an accurate translation of what has been agreed in English; and



5. In order to be recorded with the Ministry, a commercial agency agreement will also need to be notarised and, where one of the parties is an overseas brand owner, the agreement must be legalised for use in Saudi Arabia. This process takes time, and it should be started sooner rather than later in order to enable the commercial agent to meet the deadline of 22 September for recording the agreement

Trade mark licences

In addition to the requirement to register agency agreements under the Agency Law, the Saudi Arabian Trade Mark Law (as enacted by Royal Decree No. M/21 of 28.05.1423H) (the **Trade Mark Law**) requires trade mark licences to be recorded with the Saudi Trade Mark Office.

This is a separate requirement to the registration requirement under the Agency Law. In the event that a commercial agency agreement includes a licence to use a trade mark, then the agreement (or a short-form agreement) should be registered with both the Ministry and the Saudi Trade Mark Office.

The requirement to record trade mark licences comes from Article 35 of the Trade Mark Law which provides that a trade mark licence shall have no legal effect against third parties until it is registered. It is therefore potentially useful for both the owner of the trade mark and the licensee to register the licence with the Saudi Trade Mark Office.

For the trade mark owner, the registration of a licence agreement helps it rely on the use of the mark by its licensee to ensure that its trade mark registration does not become vulnerable to attack for non-use. For the licensee, this can enable it to bring action in its own name directly against an infringer of the trade mark.

Accordingly, although the registration of a trade mark licence with the Saudi Trade Mark Office can be seen as a formality requirement, the failure to register the agreement can have substantive consequences for both the trade mark owner and the licensee. Commonly, the parties to trade mark licences register summary agreements (known as registered user agreements) in order to simplify the registration process and to keep the commercial terms of the trade mark licence off the register.

Summary

While brand owners should be keen to support their local partners, it is important to ensure that the documentation that is put in place is balanced, so that the overseas brand owner's position is adequately protected.

Brand owners should therefore ensure that agreements (including summary agreements and letters of authority) which are produced for registration purposes are reviewed carefully to avoid difficulties arising in the future. Brand owners should also not overlook the requirements and potential benefits of recording trade mark licences in Saudi Arabia.



Harriet Balloch
Legal Director
T: +971 4 384 4534
E: harriet.balloch@clydeco.com



Rob Deans
Partner
T: +971 4 384 4538
E: rob.deans@clydeco.com



Abdulaziz Al-Bosaily
Partner
T: +966 11 253 2110
E: abdulaziz.albosaily@clydeco.com



Saud Alarifi
Of Counsel
T: +966 11 253 2115
E: saud.alarifi@clydeco.com



UAE Trade Mark Gazette

The latest edition of the UAE Trade Mark Gazette was published on 7 July 2015 and we have made a copy of this Gazette available online. This month's opposition deadline is 5 August 2015. Click **here** to access the Gazette.

Checking the Gazette

The link provided is the original Arabic language Gazette without an English language translation. This Gazette is in the form of an Adobe pdf file and it is possible to carry out key word searches in order to identify potentially conflicting trade mark applications.

Please note that due to the size of the Adobe pdf file, it may take several minutes for the Gazette to load. However, once loaded, it should be possible to review and search the Gazette without experiencing any delays.

Contacting us

If you have any marks that are of potential concern, or if you have any queries, then please email us at **ip@clydeco.com** with:

– the trade mark(s) of interest; and
– the relevant page number(s) of the Gazette.

We can then check the Gazette and provide you with full details of the application so that you or your client can decide whether to file an opposition before the deadline and put in place a legalised Power of Attorney if necessary.

In order to have any chance of meeting the non-extendable opposition deadline where a legalised Power of Attorney is required, we will need your urgent feedback on marks of potential concern.

Should you require urgent assistance, we will need to conduct conflict checks to ensure we are free to assist.

Our regional coverage



"Clyde & Co LLP's IP team, which is one of the largest in the region, has good local knowledge and gives practical, business-oriented advice."

Legal 500 EMEA 2014

23 territories across the Middle East and North Africa (MENA) region

Algeria**
Bahrain**
Egypt**
Gaza (Palestine)**
Iran**
Iraq**
Jordan**
Kuwait**
Lebanon**
Libya*
Morocco**
Oman**
Qatar*
Riyadh*
Saudi Arabia
South Sudan**
Sudan**
Syria**
Tanzania*
Tunisia**
United Arab Emirates*
West Bank (Palestine)**
Yemen**

*Clyde & Co offices and associated offices ** Corresponding agents offices

Further advice should be taken before relying on the contents of this Newsletter.

Clyde & Co* accepts no liability for loss occasioned to any person acting or refraining from acting as a result of material contained in this document. The content of this document does not constitute legal advice and should not be relied upon as such. Advice should be taken about your specific circumstances. No part of this summary may be used, reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, reading or otherwise without the prior permission of Clyde & Co.

*Clyde & Co LLP, Clyde & Co Technical Services JSC and Clyde & Co LLP Lawyers & Legal Consultants

Clyde & Co LLP is a limited liability partnership registered in England and Wales. Authorised and regulated by the Solicitors Regulation Authority.

© Clyde & Co LLP 2015

Clyde & Co LLP

www.clydeco.com

CC007946 - July 2015