



Commissioned by JPO

**Report on Saudi Arabia's Intellectual Property
System and Operation**

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Japan External Trade Organization

Dubai Office

Intellectual Property Department

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1. EXECUTIVE SUMMARY

Saudi Arabia's economic future is at a pivotal moment. As the country increases investment in innovation to stimulate growth in non-oil sectors, cultivating a strong innovation ecosystem is key in accordance with Saudi Vision 2030. Intellectual property (IP) is a powerful tool for boosting innovation and an important key factor for the future development of Saudi Arabia's economy

Saudi Arabia witnessed an increased interest in intellectual property rights. This is evidenced by the urge to issue new IP Laws and update outdated IP laws and regulations to meet with international practices. Under one Umbrella, the Saudi Authority for Intellectual Property "SAIP" was established. SAIP continues to accomplish its tasks and launch supportive initiatives to enable the enforcement ecosystem, conduct its inspection campaigns to ensure compliance with intellectual property laws and regulations, and raise awareness of the importance of respecting intellectual property to build a conscious society and a future based on investment in intangible values based on human creativity.

In this report, the intellectual property rights are outlined in detail along with the enforcement and recent related updates. Saudi Arabia's approach to reform and modernization is also reflected.

2. OVERVIEW OF THE IPR SYSTEM IN SAUDI ARABIA

Saudi Arabia has been rapidly developing its IP environment in recent years and increasing its international presence. Saudi Arabia established the Saudi Arabian Intellectual Property Authority (SAIP) in 2017, which consolidates IP functions, including jurisdiction over industrial property and copyright, as one of the measures in its "Saudi Vision 2030" growth strategy. SAIP aims to become the leading IP moderator in the Middle East and North Africa region.

SAIP has been promoting cooperation with IP agencies in various countries as part of its international efforts and actively pursuing accession to various IP treaties. SAIP has also been active in information disclosure in recent years and is continuously updating its website and re-designed its IP Search platform. SAIP has started publishing reports reflecting the Intellectual property rights information, status, activities, and statistics since 2018. Such reports are issued annually and the latest one is for the first half of 2022.

One of SAIP's huge initiatives and projects is the digital transformation and the automation of all its services. In the meantime, SAIP is handling its IP services electronically through its developed new system, and is working on automatically maintaining the records for all applications, improving SAIP's database, advancing S&E quality and integrating external databases with the system¹.

Saudi Arabia's international reputation is growing with the U.S. Special 301 Report removing Saudi Arabia from the list of priority monitoring countries in 2022. On the other hand, Saudi Arabia also faces the problem of counterfeit and pirated products. Thus, the environment surrounding intellectual property in Saudi Arabia has changed significantly in recent years.

- **National IP Policies**

-  **National Intellectual Property Strategy (NIPST)²**

Saudi Arabia is keen to encourage and facilitate the effective creation, development, management, and protection of IP at the national level. Therefore, SAIP has started the works of the National Intellectual Property Strategy in accordance with Article 3 of the Resolution regulating the SAIP and defining its function. The goal of the national IP strategy is to strengthen Saudi Arabia's ability to create economically and socially valuable IP

¹ https://www.wipo.int/edocs/mdocs/pct/en/pct_ctc_32/pct_ctc_32_2_rev.pdf

² <https://saip.gov.sa/en/national-strategy/>

assets to meet national needs and increase economic growth in order to achieve the objectives of the Saudi vision 2030.

The SAIP is responsible for preparing the national strategy of intellectual property, following up on its implementation after its adoption and developing work plans and time programs in coordination and cooperation with the relevant authorities. In 2021, the SAIP updated the national strategy in accordance with the comments of the Strategic Office of the Royal Court and shared the strategic and operational indicators of the national strategy with the National Center for Performance Management³.

On December 22, 2022⁴, HRH Prince Mohammed bin Salman bin Abdulaziz Al Saud, Crown Prince, Prime Minister and Chairman of the Council of Economic and Development Affairs, launched the National Intellectual Property Strategy (NIPST).

The said strategy will be implemented over a period of five years and is based on four main pillars (i.e. IP Creation, IP Administration, IP Commercialization, and IP Protection), and 12 initiatives consists of 54 projects.

In order to achieve the above pillars, the cooperation and integration with national stakeholders will be strengthened as key partners to support innovation, creativity, and investment growth worldwide through NIPST objectives. The strategy will be executed by 37 governmental and private agencies.

National Transformation Program “NTP” and Kingdom’s Vision 2030

The main goals of Vision 2030, amongst others, include enhancing interaction between public authorities and citizens, improving performance, productivity and flexibility of public authorities, creating an attractive environment for both local and international investors and enhancing their confidence in Saudi Arabia’s economy. In order to achieve these goals, the Saudi government issued the National Transformation Program “NTP” 2020. Within this program, the Ministry of Justice has many initiatives to improve the judicial system in Saudi Arabia in order to support Vision 2030 goals⁵.

The “NTP” program realized many accomplishments and reached key milestones toward achieving Saudi Vision 2030. The major achievements cover improving the quality of Justice Services through amending aspects of the judicial process by issuing new reconciliation rules, documentation law and the new commercial Court law and providing more than 150 services electronically via the “Najiz” portal, Publishing legal principles and court judgments and implementing huge IT projects for digitalization and online platforms, as follows:

▪ **Legislative Reform**

In accordance with Saudi Vision 2030, many laws were reviewed and new laws were enacted that have been years overdue. These include the company law, the non-governmental organizations’ law, the law concerning fees on non-used lands, and the General Authority for Endowments (Awqaf) law, among others⁶.

On 8 February 2021, Saudi Arabia announced four new laws to be promulgated which are: a Personal Status Law, a Civil Transactions Law, a Penal Code for Discretionary Sanctions and a Law of Evidence. This announcement indicates that Saudi Arabia is moving towards the codification of laws, which reflects that the Saudi legislative and judicial systems have undergone several reforms⁷.

³ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-03/%D8%AA%D9%82%D8%B1%D9%8A%D8%B1%20%D8%A7%D9%84%D9%85%D9%84%D9%83%D9%8A%D8%A9%20%D8%A7%D9%84%D9%81%D9%83%D8%B1%D9%8A%D8%A9%2002.pdf> (page 50-52)

⁴ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-12/%D8%A7%D9%84%D8%A7%D8%B3%D8%AA%D8%B1%D8%A7%D8%AA%D9%8A%D8%AC%D9%8A%D8%A9%20%D8%A7%D9%84%D9%88%D8%B7%D9%86%D9%8A%D8%A9%20%D9%88%D8%AB%D9%8A%D9%82%D8%A9%20engfinal.pdf>

⁵ https://www.vision2030.gov.sa/media/nhyo0lix/ntp_eng_opt.pdf

⁶ https://www.vision2030.gov.sa/media/rc0b5oy1/saudi_vision203.pdf

⁷ <https://twitter.com/saudiembassyusa/status/1358866054219505665?lang=en>

➤ **New Commercial Court Law**

The new Commercial Courts Law was enacted under Royal Decree No. M/93 dated 15/08/1441H (8 April 2020) and came into effect on 16 June 2020. The said Law governs the procedures of the Commercial Courts and applies to all disputes that fall within their jurisdiction.

The Commercial Courts' jurisdiction is broad and includes disputes and claims related to Intellectual Property Laws along with other claims related to Companies Law, Bankruptcy Law, other commercial disputes, etc.⁸

Article 16 of the said Law stipulates as follows: [*"The commercial court shall have jurisdiction to consider the following: 6) Claims and violations arising from the implementation of intellectual property laws"*].

It is important to highlight that Saudi Arabia is one of the few countries in the Middle East which has specialist courts for specific types of disputes as Intellectual property matters.

➤ **Najiz Portal** **(najiz.sa)**

The Ministry of Justice "MoJ" has launched the Najiz.sa portal, which offers over 150 e-services related to the judiciary, enforcement, notarization, mediation, training and law practice.

The Judiciary's major services available via Najiz include e-litigation, statement of claim, viewing digital judgment, certification of reports, electronic exchange of briefs and electronic deferral of hearings⁹.

On November 28, 2022, the "MoJ" rolled out 11 new judicial e-services through the ministry's Najiz.sa portal, to reach a total of 150 services provided remotely through the said portal.

The new e-services include depositing the first defense memorandum, verifying the attorney's law practice license, checking the validity of powers of attorney during litigation, viewing attachments on the Najiz portal, and using new conditions for petitions and challenging applications, among others.¹⁰

➤ **Publishing of legal principles and court judgments**

As part of such reforms, Mr. Walid Al-Samaani - the Minister of Justice and Chairman of the Supreme Judicial Council published a sourcebook of legal principles and precedents in 2018. This comprises a book of 2,323 principles and decisions and a further set of eight volumes containing the jurisprudential roots from which the principles have been derived. These books were prepared by the Supreme Court after reviewing over 20,000 rulings issued during the last 47 years. (1971-2016).¹¹

➤ **Electronic system**

In the line with the objectives of Vision 2030, the courts in Saudi have increasingly moved to remote/ online systems, particularly following the Covid-19 pandemic. New matters have to be commenced through an online e-filing system and case progress is tracked and monitored through online platforms.

The Saudi Courts started using electronic summons or notifications (such as emails) in 2018 and consider them legal notifications.¹²

Moreover, hearing sessions are conducted online, either related to SAIP proceedings such as oppositions or the regular Court hearing sessions. The matter which has enabled lawyers and courts to manage multiple daily hearings efficiently.

⁸ <https://www.moj.gov.sa/Documents/Regulations/pdf/En/96.pdf>

⁹ <https://portaleservices.moj.gov.sa/Downloades/MOJ5E.pdf>

¹⁰ <https://saudigazette.com.sa/article/627402/SAUDI-ARABIA/Moj-launches-11-new-judicial-e-services-through-Najiz-portal>

¹¹ <https://www.arabnews.com/node/1219391/saudi-arabia> and <https://twitter.com/MojKsa/status/948617373745123328/photo/4>

¹² <https://www.arabnews.com/node/1236481/saudi-arabia>

In light of the above, the efforts of the Ministry of Justice in reforming the efficiency of the judicial and legislative system in Saudi Arabia are clear and according to the objectives of Vision 2030.

- **Challenges and issues on IP**

The IP system in the Kingdom of Saudi Arabia has evolved rapidly and many of the challenges are already addressed by the authorities, effectively. We are hopeful that the current challenges will also be resolved in due course as the authorities are determined to revamp the system and make it at par with international standards.

Some of the challenges that are currently faced in the IP domain are as follows:

1) The delay in approving the National Intellectual Property Strategy.

- Solution addressed by SAIP: To be finalized and approved soon.

2) The level of discrepancy and deviation in the budget of the SAIP approved by its board of directors with that approved by the Ministry of Finance

- Solution addressed by SAIP: Supporting the SAIP's budget to start all planned projects to achieve its strategic goals.

3) The Kingdom's low ranking in intellectual property standards in the two indicators of innovation and competitiveness.

- Solution addressed by SAIP: Directing public and private sector entities to register intellectual property rights (as patents, designs, trademarks) locally in KSA before registering them internationally.

4) The SAIP online Platform is sometimes down or technical errors take place which disables the Applicants/Agents to meet the deadlines. However, if this happens, it is possible to send screenshots with emails to the SAIP in an attempt to avoid any formal rejections for not meeting the deadlines.

5) The SAIP Newsletter/Gazette for Industrial Designs and patents shall be completed and up to date to enable searching the same by using the search engines available via the SAIP platform. Recently, the SAIP is adopting a trial version.¹³ As to Patents, there are only a few old Gazettes published in the SAIP.¹⁴

6) The decisions issued by the SAIP committees regarding the disputes and infringements etc. are not published. However, the SAIP announced on December 17, 2022, that for transparency such decisions will be published. Also, the Secretariat aims to publish the decisions issued by the Patent Committee during the next stage¹⁵.

7) Some stakeholders are facing challenges regarding the customs enforcement due to the lack of sufficient resources and information regarding the shipment of counterfeit goods. More transparency is required regarding the destruction of the counterfeit goods and decisions taken on the seizures.

¹³ [https://ipsearch.saip.gov.sa/wopublish-search/public/designs?4&query=*.:](https://ipsearch.saip.gov.sa/wopublish-search/public/designs?4&query=*.)

¹⁴ <https://www.saip.gov.sa/ip-domains/239/#publications>

¹⁵ <https://www.saip.gov.sa/news/1466/>

- **Recent IP updates**

- International Agreements

- Saudi Arabia accedes to the Apostille Convention

Brief about the Convention

The Convention of 5 October 1961 Abolishing the Requirement of Legalization for Foreign Public Documents (HCCH 1961 Apostille Convention) facilitates the use of public documents abroad. The purpose of the Convention is to abolish the traditional requirement of legalization, replacing the often long and costly legalization process with the issuance of a single Apostille certificate by a Competent Authority in the place where the document originates. The electronic Apostille Program (e-APP) was launched in 2006 to support the electronic issuance and verification of Apostilles around the world¹⁶.

The Convention has over 122 Contracting Parties and has become one of the most widely applied multilateral treaties in the area of legal cooperation, with several million Apostilles issued each year.

The accession effect in Saudi Arabia

The Apostille Convention officially comes into effect in Saudi Arabia on **December 7, 2022**¹⁷. Accordingly, the contracting parties are obliged to waive the legalization requirement for public documents issued by Saudi authorities and accept apostilles issued by Saudi Arabia's designated competent authority. Also, Saudi authorities shall accept apostilles for foreign public documents issued by the competent authorities of other contracting parties¹⁸.

In practice, a trademark application was filed recently with an apostilled Power of Attorney and the same was approved by the SAIP.

- International level

- Saudi Arabia is removed from the Priority Watch List in the 2022 Special 301 Report
- Saudi Arabia ranked 35 in the "IMD World Digital Competitiveness Ranking 2022"¹⁹ and ranked 36 in the year 2021.
- Saudi Arabia ranked 51 in the "Global Innovation Index 2022"²⁰, and ranked 66 in 2021.
- Saudi Arabia ranked 36 in the "Global Competitiveness Report 2019".²¹
- Information Technology Commission "CITC" announced that "WIPO Arbitration and Mediation Center" will be their provider for Saudi domain name disputes as of April 6, 2021²².

- National level

- SAIP implemented training and qualification programs for judges specialized in intellectual property cases.
- SAIP is the responsible authority for intellectual property rights (Trademark and copyright) enforcement procedures.

¹⁶ <https://www.hcch.net/en/instruments/conventions/status-table/?cid=41>

¹⁷ <https://www.hcch.net/en/news-archive/details/?varevent=857>

¹⁸ <https://uqn.gov.sa/?p=10009>

¹⁹ <https://static.poder360.com.br/2022/09/Digital-Ranking-IMD-2022.pdf>

²⁰ <https://www.wipo.int/edocs/pubdocs/en/wipo-pub-2000-2022-section1-en-gii-2022-at-a-glance-global-innovation-index-2022-15th-edition.pdf>

²¹ https://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf?_gl=1*326zkm*_up*MQ..&gclid=EAlaQobChMI9u_Gjbb-wlVIN1RCh1g_gfOEAAAYASAAEgJYDfD_BwE

²² <https://www.wipo.int/amc/en/domains/cctld/sa/index.html>

- SAIP has launched a guide for intellectual property policies for universities and research centers²³.
- SAIP celebrated World Intellectual Property Day 2022 under the theme “Your Ideas_Our Future” with a series of awareness campaigns and events in various regions of the Kingdom in cooperation with the public and private sectors.
- SAIP celebrated the granting of 10,000 patents, which coincides with the increase in the number of filings by up to 30% and the increase in the number of patent examiners at SAIP.
- SAIP has launched IP clinics for enterprises, individuals, and entrepreneurs to encourage an innovation ecosystem²⁴. The IP consultancy clinics aim to provide guidance services in intellectual property fields through the advice provided by experts in this field ²⁵ .
- SAIP issued, the first edition of the Arabic Glossary of Intellectual Property on June 18, 2021, which includes the most important terms contained in IP systems and treaties. The Glossary contains more than 250 intellectual property terms in both Arabic and English, 85 of which have an explanation. This Glossary is the first of its kind in the region which reflects SAIP’s initiative to spread the concept of IP in the Middle East and North Africa regions and to promote Arabic content in this field²⁶.
- SAIP in partnership with WIPO established the National Network of IP Support Centers [TISCs] in 41 locations in 10 administrative regions in the country providing 86 services²⁷.
- SAIP issued the registration certificate for a sound mark [trademark domain] in KSA.
- On April 8th, 2022, the Kingdom of Saudi Arabia deposited its instrument of accession to the Hague Apostille Convention abolishing the requirement of legalization for Foreign Public Documents.²⁸
- SAIP Launched the Optional Registration Service for Computer Software & Apps and Architectural designs.
- SAIP published IP Policies as a guiding document to enable enterprises to invest in intellectual property fields and upgrade them according to international best practices.
- SAIP start the issuance of IP licenses as a part of providing intellectual property-related services.

2.1 Overview of IP Office

Saudi Authority for Intellectual property “SAIP” and Kingdom’s Vision 2030

The Saudi Vision 2030 has placed intellectual property among its priorities, which included the establishment of SAIP out of the rational leadership's interest in the intellectual property sector to continue striving for progress and excellence in this field.

²³ <https://www.saip.gov.sa/en/news/1323/>

²⁴ <https://ipclinic.saip.gov.sa/welcome#values>

²⁵ <https://www.saip.gov.sa/en/services/359/>

²⁶ <https://www.saip.gov.sa/en/dictionary/>

²⁷ <https://www.saip.gov.sa/en/tisc/#tisc-brief>

²⁸ <https://www.hch.net/en/news-archive/details/?varevent=857>

▪ SAIP Establishment²⁹

For the realization of the objectives of the Kingdom's Vision 2030, Saudi Arabia established SAIP under the Council of Ministers Decision of 27 March 2017. The Decision aims to unify all IP matters under a single entity and transfer the duties and responsibilities from the Saudi Patent Office (King Abdulaziz City for Science and Technology), Copyright Department (Ministry of Media) and Trademark Department (Ministry of Commerce) to the SAIP. On 12 November 2020, a Council of Ministers resolution has been issued to organizationally link the Saudi Authority for Intellectual Property (SAIP) to the Prime Minister. The resolution directed that the Board of Directors of SAIP be chaired by the Minister of State and Member of the Cabinet Mohammed bin Abdulmalik Al Al-Sheikh.

The SAIP aims to regulate, support, develop, sponsor, protect, enforce and upgrade the fields of intellectual property in the Saudi Kingdom in accordance with international best practices, and it is organizationally linked to the Prime Minister. SAIP is responsible for the intellectual property strategies, policies, laws and regulations, grants intellectual property rights and leads their enforcement while providing support for the growth and generation of intellectual property use, and the protection of the Kingdom's interests worldwide.

▪ SAIP Mandate and Tasks³⁰

- Develop the National Strategy for Intellectual Property.
- Raise awareness about the importance of intellectual property and protect its rights.
- Express an opinion on the international agreements related to intellectual property rights.
- Suggesting rules and regulations related to intellectual property rights.
- Strengthen the use of intellectual property to build advanced knowledge-based economy bodies.
- Establish information bases in the SAIP field of work, and exchange information with local, regional and international bodies.
- Register intellectual property rights, and grant and enforce their protection documents.
- License the activities related to the SAIP field of work.
- Represent the Kingdom of Saudi Arabia in international and regional organizations related to intellectual property rights, and defend its interests.
- Provide and make available to the public intellectual property rights-related information.
- Follow up the implementation of obligations resulting from the Kingdom's accession to international intellectual property.

▪ SAIP strategic phases³¹

1. Build and Operate strategy (Year 2018-2022): Merging different entities, transferring jurisdiction, building the authority, controlling the institutional infrastructure, and starting to operate the authority's activities.
2. Growth and Development strategy (Year 2022-2025): Developing the Authority's activities and growing extensively in providing services, raising institutional quality, and starting to achieve the strategic benefit of the Authority's business.
3. Sustainability strategy (Year 2025-2030): Reaching the stage of financial sustainability and achieving impact.

²⁹[https://static.saip.gov.sa/ar/n/o/web/Saudi%20Authority%20for%20Intellectual%20Property%20\(SAIP\)%20From%20Vision%20to%20Launch.pdf](https://static.saip.gov.sa/ar/n/o/web/Saudi%20Authority%20for%20Intellectual%20Property%20(SAIP)%20From%20Vision%20to%20Launch.pdf)

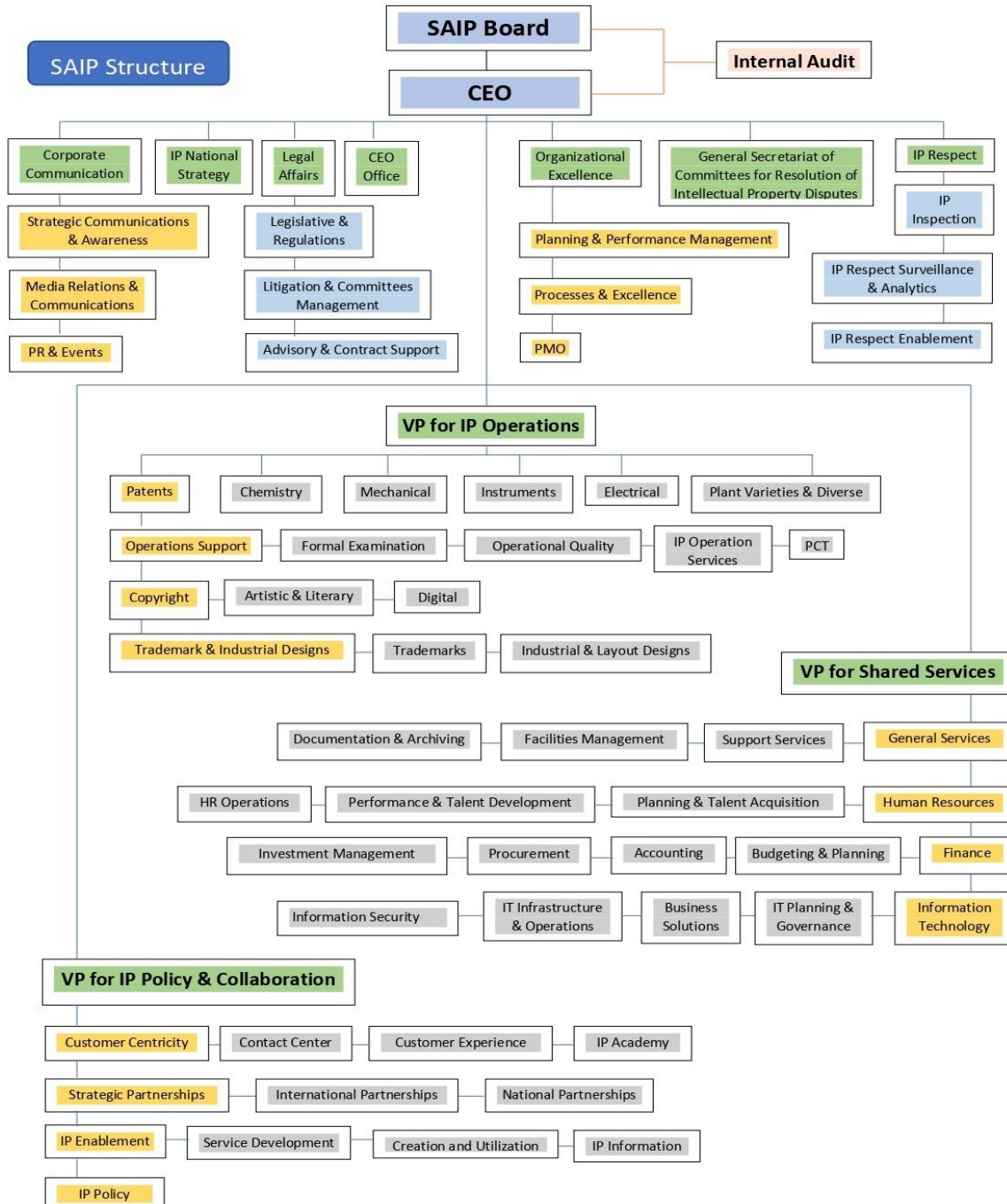
³⁰ <https://www.saip.gov.sa/en/about/brief/>

³¹ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-02/Statute%20of%20the%20Saudi%20Authority%20for%20Intellectual%20Property%20.pdf>

³² SAIP Annual Report for 2021 (page 29)

2.1.1 Organizational Structure

SAIP Structure³³



³³[https://static.saip.gov.sa/ar/n/o/web/Saudi%20Authority%20for%20Intellectual%20Property%20\(SAIP\)%20From%20Vision%20to%20a%20unch.pdf](https://static.saip.gov.sa/ar/n/o/web/Saudi%20Authority%20for%20Intellectual%20Property%20(SAIP)%20From%20Vision%20to%20a%20unch.pdf)

2.1.2 Number of Staffs and Examiners

SAIP currently has more than 284 employees³⁴. In 2021, the SAIP hired 111 employees. The male employees represent 69% and the female employees represent 31%. There are 7 Korean Consultants and 74 trainees of Cooperative Training. The resignation rate in SAIP is 6.9%.

2.1.3 Existence of Formal and Substantive Examination

Both Formal and Substantive Examinations are provided by the SAIP. As to patents and PCT, there are formality and substantive examiners whom strictly followed the examination checklists to ensure that all applications have been processed as per SAIP quality standards

It is important to highlight that the SAIP has applied for appointment as an "International searching and preliminary examining Authority under the PCT" on May 19, 2022 to the Director General and the appointment is to be sought on the Fifty-Fifth (23rd Ordinary) session. The Korean Intellectual property office "KIPO" is assisting in assessment of extent to which criteria are met.

As per the application section 2(a), it stipulates that "the examiners have required educational and technological qualifications to carry out examinations in their area of expertise covering Chemistry, Biochemistry, Mechanical, Instruments, Electrical and Agricultural. The minimum educational qualification among SAIP examiners is a Bachelor's degree; 10 per cent of SAIP examiners hold Master's and 5 per cent of examiners hold Ph.D. degrees. The average years of experience for SAIP examiners is 12.9 years³⁵".

2.1.4 Obtaining information from the Official Gazette

SAIP services online

When it comes to the IT environment, SAIP has already handled most IP services over the Net by relying on advanced informatization and has been in good shape for teleworking, virtual meetings, etc. So, it has stably carried out every service and work even in this Pandemic situation. Furthermore, according to the information provided, under the project named "Integrated IP Automation System", SAIP is developing a new system, as part of the business automation improvement, to automatically maintain records for all applications, to improve SAIP's database, to advance S&E quality and to integrate external databases with the system³⁶.

Trademark official Gazette:

The SAIP launched the Intellectual Property Newsletter "IPN", through which it aims to publish to the public all IP related aspects, in accordance with the Rules and Regulations associated thereto. However, till the meantime, the IPN is publishing only trademarks matters, such as (trademark registrations, renewals, license, change of name/address, cancellation of trademarks, limitation of goods, published trademarks for opposition purpose..etc). It is expected that the publications of the other IP related aspects as patents, Industrial designs will be covered by the IPN Newsletter in due course.

Patents and Industrial designs:

▪ IP official Gazette:

Some Patent Gazettes dated back to year "1427 Hijri" are available on the SAIP portal (<https://www.saip.gov.sa/en/ip-domains/239/#publications>). Moreover, some periodical publications for patent applications, Integrated circuit, plant varieties, and Industrial designs are available on the SAIP platform

³⁴ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-03/%D8%AA%D9%82%D8%B1%D9%8A%D8%B1%20%D8%A7%D9%84%D9%85%D9%84%D9%83%D9%8A%D8%A9%20%D8%A7%D9%84%D9%81%D9%83%D8%B1%D9%8A%D8%A9%2002.pdf> (page 44)

³⁵ https://www.wipo.int/edocs/mdocs/pct/en/pct_ctc_32/pct_ctc_32_2_rev.pdf

³⁶ https://www.wipo.int/edocs/mdocs/pct/en/pct_ctc_32/pct_ctc_32_2_rev.pdf

reflected in the "Publications" section³⁷, the latest issued one is number 63 for period covering "01/01/1443 H – 29/04/1443 H", however, there are not recent publications or online Gazettes for Patents nor Industrial Designs.

- **IP Search Platform for Granted Patents and Trademarks as well as IP Search Platform for Published Patents, Industrial Designs, and Integrated Circuits Applications**

The SAIP has updated its search engines which provide an IP Search Platform for enabling users to search "Published Patents, Industrial Designs, and Integrated Circuits Applications", as well as a Platform for "Granted Patents" and "Registered Trademarks". The operational search engine can be accessed through this link: <https://www.saip.gov.sa/en/information-center/#search-engines>

Prior to such a considerable step taken by SAIP, no search services were provided and it was not possible to obtain information and search amongst pending patent applications in Saudi Arabia.

- Search Engine for Patents

The SAIP is adopting a trial version to search patent applications online.³⁸ The available information for pending patent applications is available in Arabic language only. For granted patents there is an option of choosing the following languages (Arabic, English, French, Japanese), the titles of the granted patent are shown as per the selected language, however, the details of the patents are shown in Arabic and English.

As to the search methodology of granted patents, it is possible to conduct a "Basic search" by using keywords or an "Advanced search" by using the following: (Title, filing Number, Filing Date, Publication Number, Description, Abstract, Priority Number, Priority date, Technology).

For granted patents, the information available for a patent is available under five main parts as follows: 1) Bibliographic, 2) Documents, 3) Detailed Description, 4) Claims and 5) Drawings. There are 11,337 patents available on the SAIP portal.

As of January 2023, a number of 11,692 patents are searchable in the platform.

- Search Engine for Industrial Designs

The SAIP is providing a search engine for published Industrial Designs <https://epatentsso.saip.gov.sa/WebPages/Application%20Search/frmSearchApplication.aspx> . We believe that the SAIP will be updated soon to cover the complete Gazettes/Newsletter related to Industrial Designs services.

As of January 2023, a number of 7,836 designs are searchable in the platform.

- Search Engine for Trademarks

In January 2023, the SAIP has launched an advanced search platform³⁹, which is an initial version, allows searching in registered trademarks only during the time period from 1435 AH (i.e. 2014) until now. As of January 2023, a number of 175,940 trademarks are searchable in the platform. The search can be conducted by Trademark number, name, owner name, and class. The Results are revealed in Arabic language; however, the platform is supported by Google Translation into many languages.

The search results cover the following information: Trademark, Trademark image, type, description, date and number of registration and application (in Gregorian dates), Applicant Name, Agent Name, class and legal status.

³⁷ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-04/07-03-2022%D8%A7%D9%84%D9%86%D8%B4%D8%B1%D8%A9%20%D9%84%D9%84%D8%B9%D8%AF%D8%AF%20%D8%B1%D9%82%D9%85%2063.pdf>

³⁸ https://ipsearch.saip.gov.sa/wopublish-search/public/designs?4&query=*>*

³⁹ <https://ipsearch.saip.gov.sa/wopublish-search/public/trademarks?0>

- The implementing regulations of the GCC Trademark Law.⁴⁶

Copyright

- Copyrights Law issued by the Royal Decree No. M/41 dated 02.07.1424H and amended by the Decree of Council of Ministers No. 536 dated 19.10.1439H and⁴⁷;
- Executive Regulations of the Copyrights Law, amended by the Resolution of the Board of Directors of the Saudi Intellectual Property Authority No. (03/21/2022) on 17/11/1443 H (corresponding to 16/6/2022)⁴⁸;
- Regulations for the Optional Registration of Copyright Works 1440 Hijri – 2019 A.D, amended by the Resolution of the Board of Directors of the Saudi Intellectual Property Authority No. (4/18/2021) on 19/04/1443 H⁴⁹.

2.3 Is IP law based on common law, civil law, or a mixture of both?

The Saudi legal system is based on Sharia principles derived from the Holy Quran and the Sunnah (the traditions) of the Islamic prophet Muhammad. However, there are attributes of civil law as many areas are governed by codified laws.⁵⁰

In addition, there are also some attributes of the common law system as can be found in the published legal principles. These legal principles are based on judicial precedents which are considered guidelines in nature that are followed by some judges whenever relevant and applicable.

2.4 History, origin and model countries of the legislation

According to the Basic Law of Governance " the country's constitution", the Kingdom of Saudi Arabia is a fully sovereign Arab Islamic state. Its religion is Islam and its constitution is the Holy Qur'an and the Sunnah (traditions) of the Prophet Muhammad. The Qur'an and the Sunnah form the Islamic Sharia, which is the main foundation of all laws in Saudi Arabia. Taking into consideration the judicial reform in accordance with vision 2030, many coded laws in various legal areas were issued in KSA which reflects its efforts to modernize its legal system.

2.5 Examination Guidelines

The SAIP does not provide Examination Guidelines for the IP rights as the USPTO's MPEP⁵¹ and the JPO's Examination Guidelines⁵². However, such Guidelines are reflected only in the Implementing Regulations of the Law for each IP Right, as follows:

<https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-02/%D8%A7%D9%84%D8%A7%D9%86%D8%AC%D9%84%D9%8A%D8%B2%D9%8A%D8%A9.pdf>

⁴⁶ https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-02/%D8%A7%D9%84%D9%84%D8%A7%D9%8A%D9%94%D8%AD%D8%A9_%D8%A7%D9%84%D8%AA%D9%86%D9%81%D9%8A%D8%B0%D9%8A%D8%A9_%D9%84%D9%86%D8%B8%D8%A7%D9%85_%D8%A7%D9%84%D8%B9%D9%84%D8%A7%D9%85%D8%A7%D8%AA_%D8%A7%D9%84%D8%AA%D8%AC%D8%A7%D8%B1%D9%8A%D8%A9.pdf

⁴⁷ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-06/copyright%20law%201.pdf>

⁴⁸ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-02/IMPLEMENTING-REGULATIONS-Of-Copyright-Law-.pdf>

⁴⁹ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-06/THE%20OPTIONAL%20REGISTRATION%20OF%20COPYRIGHT%20WORKS.pdf>

⁵⁰ <https://www.saudiembassy.net/legal-and-judicial-structure-0> & https://www.iadclaw.org/assets/1/7/SILP_SaudiArabia.pdf

⁵¹ <https://www.uspto.gov/web/offices/pac/mpep/index.html>

⁵² https://www.ipo.go.jp/e/system/laws/rule/guideline/patent/tukuiitu_kijun/index.html

- **Patents & Designs:** The Implementing Regulations of the Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties and Industrial Designs Issued by President of King Abdulaziz City for Science and Technology No. (161-2-3607329) dated 30/12/1436H, and amended by the Board of Directors of the Saudi Authority for Intellectual Property No. (5/8/2019) dated on 04/09/1440 AH⁵³.
- **Trademarks:** The implementing regulations of the GCC Trademark Law.
- **Copyright:** Executive Regulations of the Copyrights Law, amended by the Resolution of the Board of Directors of the Saudi Intellectual Property Authority No. (03/21/2022) on 17/11/1443 H (corresponding to 16/6/2022) ;

As to Copyright only, it is important to highlight that the SAIP has published in 2022, a Guidelines manual⁵⁴ in Arabic language for guiding the Applicants and showing the mechanism and process of copyright registration through the SAIP.

****Examination Forms by SAIP**

- For patent applications: Formal and Substantive Examinations take place by the SAIP.
- For Utility Models: Formal and Substantive Examinations as per the draft regulations of the Law to be issued.
- For Industrial Designs: Formal examination take place by the SAIP.
- For trademark applications: the application process includes formal examination by the SAIP and the trademark application might be rejected based on Absolute or Relative grounds.
- For copyright: Formal examination take place by the SAIP.

2.6 International Treaties that Saudi Arabia joins

- Patent Law Treaty (i.e. KSA is a member since May 3, 2013).
- Patent Cooperation Treaty (i.e. KSA is a member since May 3, 2013).
- Strasbourg Agreement (i.e. KSA is a member since October 16, 2020).
- Budapest Treaty (i.e. KSA is a member since October 16, 2020).
- Paris Convention for the Protection of Industrial Property - 1883 “Paris Convention” (i.e. KSA is a member since March 11, 2004⁵⁵).
- Saudi Arabia also holds patent prosecution highway (PPH) agreements with the United States, South Korea and Japan. A PPH pilot program was recently launched with the European Patent Office.
- The Locarno Classification, established by the Locarno Agreement – 1968 (i.e. KSA is a member since September 3, 2020⁵⁶).
- WTO Agreement on Trade-Related Aspects of Intellectual Property Rights - 1994 “TRIPS Agreement” (i.e. KSA is a member since 29 May 2012⁵⁷).
- Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks⁵⁸ (i.e. KSA is a member since July 22, 2021).
- Vienna Agreement (i.e. KSA is a member since December 3, 2020)
- Convention Establishing the World Intellectual Property Organization “WIPO Convention (1967), amended in 1979” (i.e. KSA is a member since February 22, 1982).⁵⁹
- Berne Convention for the Protection of Literary and Artistic Works 1971 (Berne Convention), i.e., Saudi Arabia is a member.

⁵³ https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-02/Executive_Regulations_of_Patent_System_Layout_Designs_of_Integrated_Circuits_Plant_Varieties_and_Industrial_Designs.pdf

⁵⁴ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-02/%D8%A7%D9%84%D8%AF%D9%84%D9%8A%D9%84%20%D8%A7%D9%84%D8%AF%D8%B3%D8%AA%D8%B1%D8%B4%D8%A7%D8%AF%D9%8A%20%D9%84%D9%85%D8%B3%D8%A7%D8%B1%D8%A7%D8%AA%20%D8%AD%D9%82%20%D8%A7%D9%84%D9%85%D9%88%D9%94%D9%84%D9%81%20.pdf>

⁵⁵ <https://www.wipo.int/export/sites/www/treaties/en/docs/pdf/paris.pdf>

⁵⁶ https://www.wipo.int/treaties/en/notifications/locarno/treaty_locarno_72.html

⁵⁷ https://www.wto.org/english/tratop_e/trips_e/amendment_e.htm

⁵⁸ <https://www.wipo.int/export/sites/www/treaties/en/docs/pdf/nice.pdf>

⁵⁹ https://wipolex.wipo.int/en/treaties/ShowResults?search_what=C&treaty_id=1

- Arab Convention for the Protection of Copyrights
- The Marrakesh Treaty for the purpose of reproduction, distribution and published works in accessible formats that serve persons who are blind, visually impaired, and print disabled
- Universal Copyright Convention⁶⁰

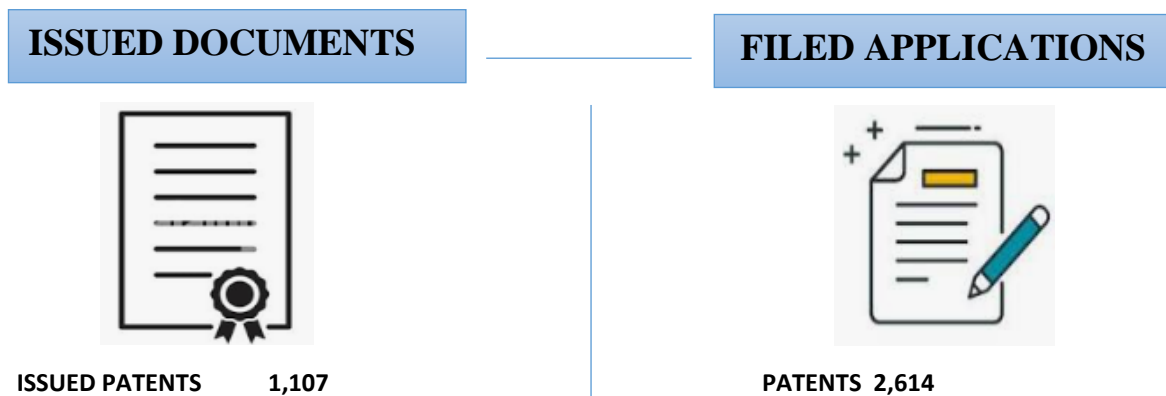
It is important to highlight that Saudi Arabia has not yet ratified some important international agreements, such as: the Madrid protocol, Hague Agreement Concerning the International Registration of Industrial Designs, WIPO Copyright Treaty (WCT)⁶¹, WIPO Performances and Phonograms Treaty⁶², UPOV Convention for plant varieties⁶³.

2.7 Statistics of IP Rights in Saudi Arabia

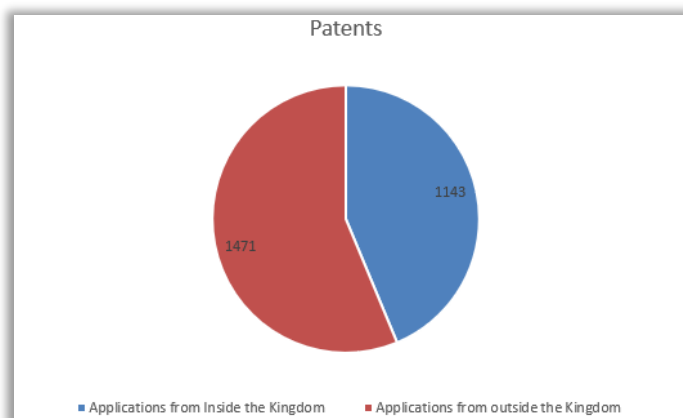
2.7.1 Patents Statistics

Patent filing Statistics

The numbers of patents during the first half of 2022:



- The patent applications in the first half of 2022, sorted by Applications from inside and outside the Kingdom, as follows:



⁶⁰ <https://en.unesco.org/about-us/legal-affairs/universal-copyright-convention-appendix-declaration-relating-article-xvii-and>

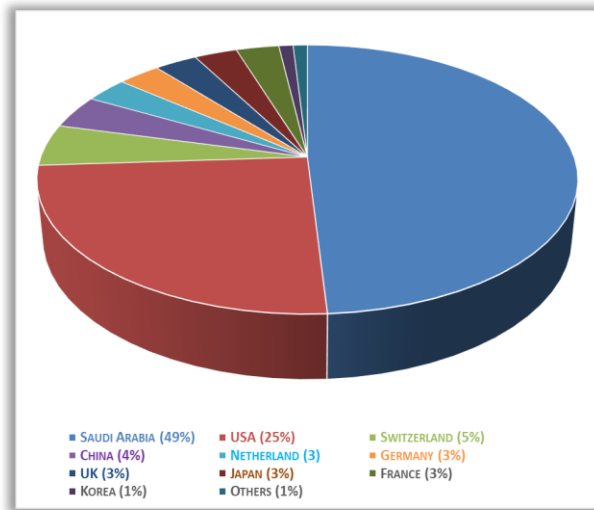
⁶¹ <https://www.wipo.int/export/sites/www/treaties/en/docs/pdf/wct.pdf>

⁶² <https://www.wipo.int/export/sites/www/treaties/en/docs/pdf/wppt.pdf>

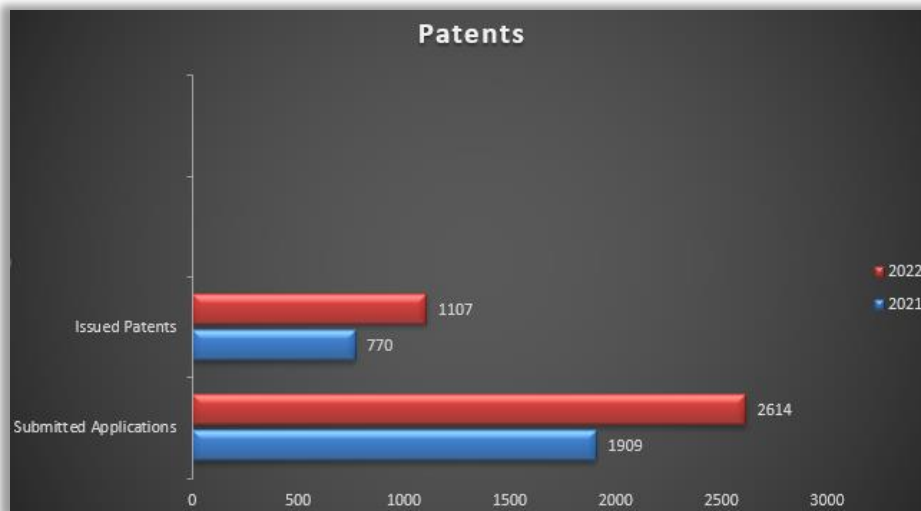
⁶³ <https://www.upov.int/export/sites/upov/members/en/pdf/status.pdf>

Note: The number of patent applications filed during the first half of this year reached 2,614. There was an increase of 37% compared to the same period last year.

- Patent applications (total of 2614) during the first half of 2022 according to the applicant's country:

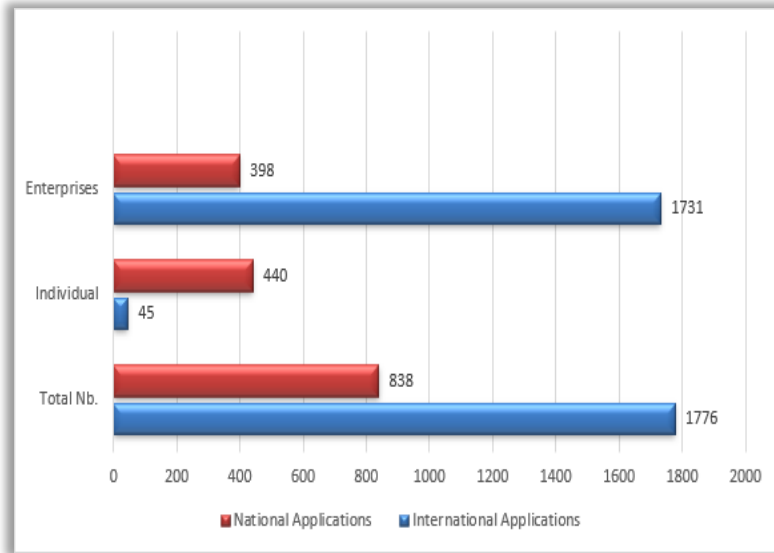


- A Comparison table for first half of 2022 and year 2021 for Patent statistics is shown below:



- The national and international patent applications filed under the PCT during the first half of 2022 ⁶⁴:

The International patent applications submitted under the Patent Cooperation Treaty (PCT) represented the vast majority of the total applications filed during the period, at a rate of 68%, as the category of enterprises contributed to 97% of the total international applications. At the same time, we note that the category of individual applicants has chosen the national filing of its applications, with a rate of 91% of the total national applications filed during this period.



Patent Statistics in Year 2021

- In year 2021 (Patent applications: 3,979, Sorted by country)

| Country | Patent Applications | Percentage |
|--------------------------|---------------------|------------|
| Saudi Arabia | 1,407 | 35% |
| United States of America | 1,047 | 26% |
| Netherlands | 146 | 4% |
| China | 135 | 3% |
| Germany | 127 | 3% |
| Others | 1,117 | 29% |

- In year 2021 (Patent Registrations: 1,746, Sorted by country)

| Country | Patent Applications | Percentage |
|--------------------------|---------------------|------------|
| United States of America | 504 | 29% |
| Saudi Arabia | 376 | 21% |
| Germany | 124 | 7% |
| Japan | 88 | 5% |
| France | 84 | 5% |
| Others | 570 | 33% |

⁶⁴ <https://www.saip.gov.sa/en/information-center/#reports> [Report titled : Semi Annual Report for Information Centre 2022]

Patent Statistics for Patent Registration from years (2021-2017)⁶⁵

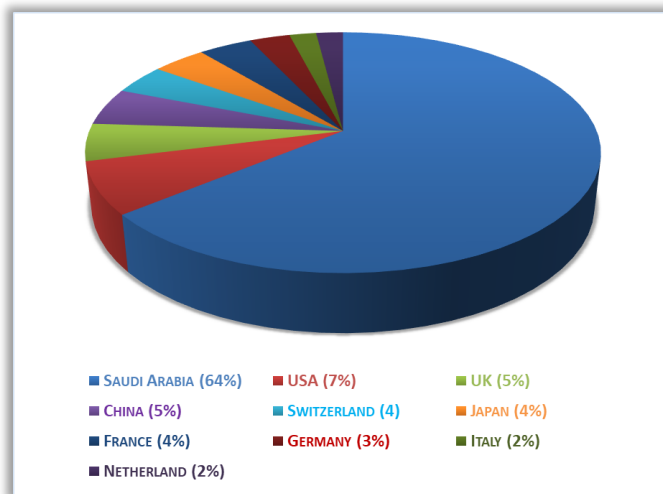
| <i>Year</i> | <i>Number Patent Registrations</i> |
|-------------|------------------------------------|
| 2021 | 1,746 |
| 2020 | 705 |
| 2019 | 480 |
| 2018 | 569 |
| 2017 | 501 |

2.7.2 Industrial Design Statistics

Industrial Design Filing Statistics

In first half of 2022⁶⁶:

| Total Number of applications | Total Number of Grant Registration |
|-------------------------------------|---|
| 661 | 450 |



Total: 661 Design applications

Sorted by Country:

Industrial design applications submitted by the Kingdom of Saudi Arabia constituted the largest percentage of the total applications submitted during the reporting period, which is equivalent to 64%, followed by applications submitted by the USA with 7%, which together represent 71% of the total for this period.

⁶⁵ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-03/%D8%A7%D9%84%D8%AA%D9%82%D8%B1%D9%8A%D8%B1%20%D8%A7%D9%84%D8%A7%D9%95%D8%AD%D8%B5%D8%A7%D9%8A%D9%94%D9%8A%20%D9%84%D9%85%D8%B9%D9%84%D9%88%D9%85%D8%A7%D8%AA%20%D8%A7%D9%84%D9%85%D9%84%D9%83%D9%8A%D8%A9%20%D8%A7%D9%84%D9%81%D9%83%D8%B1%D9%8A%D8%A9%20%D9%84%D8%B9%D8%A7%D9%85%202021%D9%85.pdf>

⁶⁶ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-09/%D8%A7%D9%84%D8%AA%D9%82%D8%B1%D9%8A%D8%B1%20%D8%A7%D9%84%D8%A7%D8%AD%D8%B5%D8%A7%D8%A6%D9%8A%20%D9%84%D9%85%D8%B9%D9%84%D9%88%D9%85%D8%A7%D8%AA%20%D8%A7%D9%84%D9%85%D9%84%D9%83%D9%8A%D8%A9%20%D8%A7%D9%84%D9%81%D9%83%D8%B1%D9%8A%D8%A9%20%D8%A7%D9%84%D9%86%D8%B5%D9%81%20%D8%B3%D9%86%D9%88%D9%8A%20%D9%84%D8%B9%D8%A7%D9%85%202022%D9%85.pdf>

Sorted by Locarno classification:

| Percentage | Locarno Classification |
|------------|------------------------|
| 11% | 12-08 |
| 7% | 02-04 |
| 5% | 09-01 |
| 4% | 11-01 |
| 4% | 09-03 |

In Years 2021 - 2017:

| Year | Design applications | Design Certificates |
|------|---------------------|---------------------|
| 2021 | 1400* | 996** |
| 2020 | 948 | 778 |
| 2019 | 804 | 564 |
| 2018 | 917 | 786 |
| 2017 | 1001 | 921 |

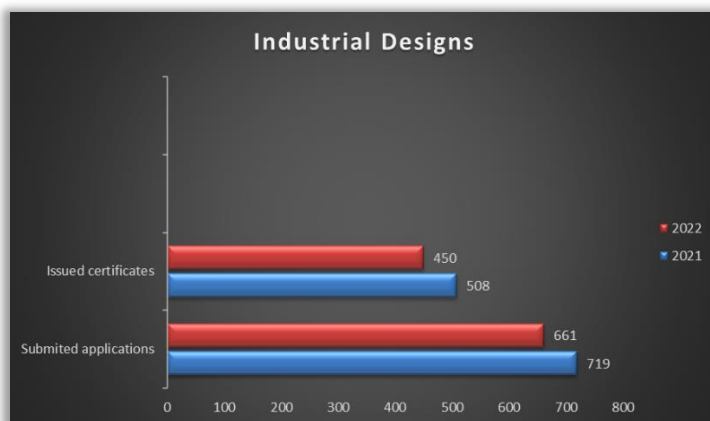
***Year 2021 (Total Applications 1400) sorted by Country/origin**

- Saudi Arabia: 61%
- The United States of America: 14%
- Netherlands: 4%
- Japan: 3%
- Others: 18%

****Year 2021 (Total Certificstes 996) sorted by Country/origin**

- Saudi Arabia: 53%
- The United States of America: 18%
- Japan: 5%
- Netherlands: 4%
- China: 3%
- Others: 17%

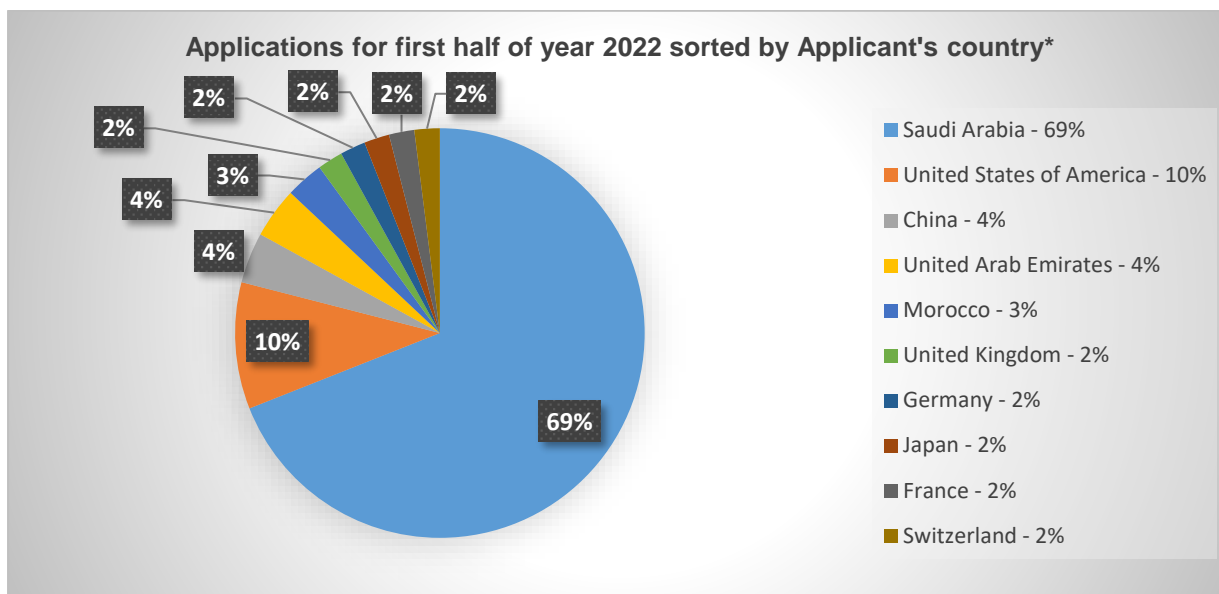
A Comparison table for first half of 2022 and year 2021 for Industrial Design statistics is shown below:



2.7.3 Trademark Statistics

Trademark Filing Statistics

| First Half of Year 2022 ⁶⁷ | |
|---------------------------------------|-----------------------------------|
| Number of Trademark Applications | Number of Trademark Registrations |
| 18,965 | 12,746 |
| Year 2021 ⁶⁸ | |
| Number of Trademark Applications | Number of Trademark Registrations |
| 38,130 | 26,144 |



*Total : 18,965 trademark applications

Applications for the first half of the year 2022 sorted by NICE Classification*

| Class No. | Percentage for each class |
|-----------|---------------------------|
| Class 43 | 15% |
| Class 30 | 8% |
| Class 35 | 7% |
| Class 3 | 5% |
| Class 9 | 4% |

2.7.4 Copyright Statistics

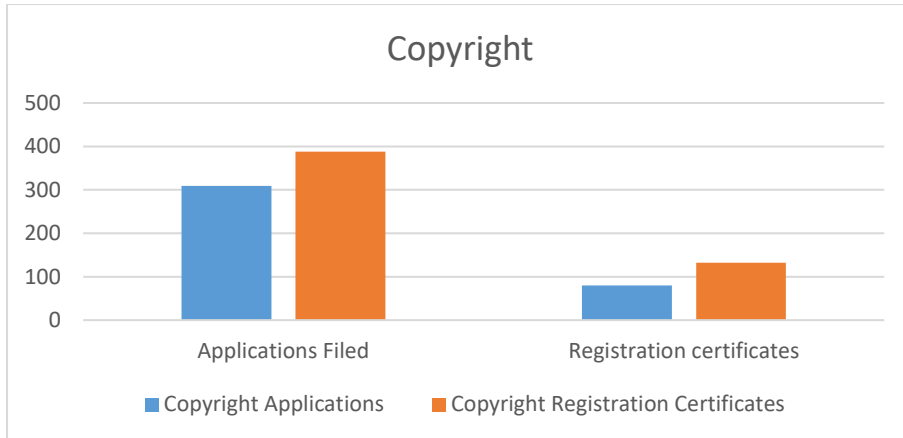
Copyright filing & registration statistics 2022

As per the Semi-Annual Report for Information Center 2022, published by the SAIP on September 12, 2022, it reveals the below statistics for copyright activities in the first half of 2022⁶⁹, as follows:

⁶⁷ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-09/%D8%A7%D9%84%D8%AA%D9%82%D8%B1%D9%8A%D8%B1%20%D8%A7%D9%84%D8%A7%D8%AD%D8%B5%D8%A7%D8%A6%D9%8A%20%D9%84%D9%85%D8%B9%D9%84%D9%88%D9%85%D8%A7%D8%AA%20%D8%A7%D9%84%D9%85%D9%84%D9%83%D9%8A%D8%A9%20%D8%A7%D9%84%D9%81%D9%83%D8%B1%D9%8A%D8%A9%20%D8%A7%D9%84%D9%86%D8%B5%D9%81%20%D8%B3%D9%86%D9%88%D9%8A%20%D9%84%D8%B9%D8%A7%D9%85%202022%D9%85.pdf>

⁶⁸ <https://saip.gov.sa/ip-domains/240/>

⁶⁹ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-09/%D8%A7%D9%84%D8%AA%D9%82%D8%B1%D9%8A%D8%B1%20%D8%A7%D9%84%D8%A7%D8%AD%D8%B5%D8%A7%D8%A6%D9%8A%20%D9%84%D9%85%D8%B9%D9%84%D9%88%D9%85%D8%A7%D8%AA%20%D8%A7%D9%84%D9%85%D9%84%D9%83%D9%8A%D8%A9%20%D8%A7%D9%84%D9%81%D9%83%D8%B1%D9%8A%D8%A9%20%D8%A7%D9%84%D9%86%D8%B5%D9%81%20%D8%B3%D9%86%D9%88%D9%8A%20%D9%84%D8%B9%D8%A7%D9%85%202022%D9%85.pdf>



| Year | Copyright Applications | Copyright Registration Certificates |
|--------------------|------------------------|-------------------------------------|
| First half of 2022 | 388 | 132 |
| First half of 2021 | 309 | 80 |

By comparing the above statistics, it is reflected that in the first half of 2022, the Copyright Applications increased by 26% and the Copyright Registration Certificates increased by 65% than the first half of 2021.

It is important to highlight that the applications of computer programs filed in Saudi Arabia are significant, as shown below in percentage, the types of copyright applications filed in the first half of 2022 (total of 388 applications):

- 54% Computer programs
- 17% Applied art works
- 16% Written materials
- 9% Architectural works
- 2% Planning works
- 1% Photographic works
- 1% Three-dimensional Topographical works

Noting that the SAIP has rejected 23 copyright applications in the first half of 2022 for not fulfilling the application conditions.

2.7.5 Statistics Analysis of IP Rights

according to the Semi-Annual Report for Information Center 2022

The said report showed a growth in the number of patent applications filed in the Kingdom of Saudi Arabia during the first half of 2022 AD compared to the same period last year by 37%, and requests for voluntary registration of copyright works witnessed a growth of 26%, and the number of trademark applications reached 18,965 applications an increase of 1%, and the number of industrial designs registration applications filed reached 661, a decrease of 8% compared to the same period last year.

[D8%A9%20%D8%A7%D9%84%D9%81%D9%83%D8%B1%D9%8A%D8%A9%20%D8%A7%D9%84%D9%86%D8%B5%D9%81%20%D8%B3%D9%86%D9%88%D9%8A%20%D9%84%D8%B9%D8%A7%D9%85%202022%D9%85.pdf](#)

3. Definition of IP Rights and Requirements for Qualified Applications

3.1 Patents

3.1.1 Definition

The Law in Saudi Arabia in Article 2 defines an invention as an “Idea developed by the inventor that results in a solution of a certain problem in the field of technology.”⁷⁰ The “World Intellectual Property Organization” (WIPO) describes a patent as “an exclusive right granted for an invention, which is a product or a process that provides, in general, a new way of doing something, or offers a new technical solution to a problem”.⁷¹

3.1.2 Requirements

Article 43 further defines the requirements for an invention to be patentable, “A patent may be issued on an invention, in accordance with the provisions of this Law, if it is new, involves an inventive step, and capable of industrial application. The invention may be on a product, a process or relates to either.” Article 44 elaborates on the three requirements stipulated in Article 43. The law requires absolute novelty, meaning it could not have been anticipated based on prior art, or public disclosure, in the relevant field. An invention is deemed to meet the requirement of an “inventive step” as long as the invention is non-obvious to a person of ordinary skills in the same field. Finally, an invention is deemed to be industrially applicable if “it can be manufactured or used in any type of industry or agriculture, including handicrafts, fishing and services.”

▪ Disclosure conditions

Article 31 of the Implementing Regulations provides the cases of disclosure of patents which shall not be considered as part of the prior art, as follows:

- 1) If the disclosure occurred during the last six months prior to the filing date of the application or the date of the priority claim due to abusive acts against the applicant or his predecessor.
- 2) If the disclosure occurred as a result of display in an officially recognized international exhibition in one of the countries of the Paris Union during the year preceding the filing of the application for the patent.

▪ What cannot be granted a patent in Saudi Arabia?

Saudi patent law clearly stipulates subject matters in Article 45 of the Law which are not patentable. The following cannot be protected as patents:

- a) Discoveries, scientific theories, and mathematical methods.
- b) Schemes, rules, and methods of conducting commercial activities, exercising pure mental activities, or playing a game.
- c) Plants, animals, and processes – which are mostly biological – used for the production of plants or animals, with the exception of microorganisms and non-biological and microbiological processes.
- d) Surgical or therapeutic treatment methods of human or animal bodies and methods of diagnosis applied to human or animal bodies, with the exception of the products used in any of these methods.
- e) Computer software and any other works included in literary works.

Moreover, Patents shall not be registered if their commercial exploitation violates the Islamic Sharia, or harmful to the life or the health of humans, animals, or plants, or is substantially harmful to the environment⁷².

⁷⁰ <https://www.saip.gov.sa/en/ip-domains/239/>

⁷¹ <https://www.wipo.int/patents/en/#>

⁷² Article 4 of the Law.

3.1.3 Term of Protection

The term of protection of patents is 20 years from the date of filing, subject to the payment of appropriate maintenance fees. For PCT national entries, the 20-year term is calculated from the international filing date⁷³.

The Gregorian date along with the Hijri date are being adopted/used in the Saudi System for patents, and both dates are reflected in the registration certificate. The patent "portal" states Gregorian dates along with the Hijri dates as well.

This is in accordance with Article (6/2) of the Implementing Regulations of the Law which stipulates that the publications and the Gazette shall be carrying both the Hijri and Gregorian calendar dates.

Note: The Hijri (Lunar) calendar year has approx. 354 days, therefore, it deviates by about 11 days each year from the Gregorian (Solar) calendar.

Please note that the granted certificate and the filing receipt contain both Hijri and its equivalent Gregorian date and state that the protection period will be 20 years calculated from the filing date. However, the said documents as well as the patent law do not specifically mention the end date of the protection period calculated either in Hijri or Gregorian.

In practice, SAIP calculates in the Gregorian calendar for notifications, annuities as well as the Patent Protection Term of 20 years.

3.1.4 Application/Registration Procedure

3.1.4.1 Place of Application

Filing Process:

SAIP provided an e-service, which enables the beneficiary to obtain an exclusive protection document that is granted to those who come up with exclusive inventions, and can execute online transactions/procedures by following specific steps as shown below⁷⁴:

- a- Click on the service link and go to the Patent Portal:
<https://www.saip.gov.sa/en/services>
- b- Register as a new user with username and password (accessible by registered agents in KSA only).
- c- Press on applying a new request/application
- d- Specify the type of application (patent)
- e- Add all patent required information and attached required files (abstract, full description, claims....)
- f- Pay for application invoice issued by the Electronic Service Portal system (SADAD)
- g- Submit the application and track it through the reference number.

3.1.4.2 Eligibility

The Applicant may file an application for the registration of a patent (if having an account on the national access) or through the agent in Saudi Arabia.

- If the applicant is (an individual) - a new user - the registration is done through the national access or the creation of a new account at the registration portal in the services of the Authority.

- If the applicant is (agent / company) - a new user - registration is done by creating a new account at the registration portal of the Authority's services.

For foreign applicants, it is necessary to appoint a representative, a locally registered Saudi IP agent.

⁷³ Article 19 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

⁷⁴ <https://www.saip.gov.sa/en/services/247/>

The said agent must hold a power of attorney acceptable to the Authority issued by a competent authority if the applicant is in the Kingdom. If the applicant is outside the Kingdom, it is necessary to have a power of attorney approved by the competent authorities and certified by the Kingdom's diplomatic missions abroad (i.e. apostilled POA). The agent shall attach proof that he is licensed to practice in the Kingdom.

According to the law, only the inventor (or the assignee) may apply for a patent. If two or more persons make an invention jointly, they apply for a patent as joint inventors and are equally entitled to the patent rights, unless they have agreed otherwise.

If more than one person independently develops the same subject matter of protection, the protection document shall be granted to the first applicant⁷⁵.

3.1.4.3 Requirements

Requirements for patent filing:

According to Chapter 2 of the implementing regulations, the following are the formal requirements that are mandatory for successful patent registration in Saudi Arabia:

- a- Filling the patent application form: Applications shall be submitted in the designated electronic forms or in any other method approved by SAIP. The application shall be clearly prepared in Arabic or a certified English copy of the previous application and a translation thereof shall be submitted within three months. The form shall be clearly filled and shall include the title of the invention, the applicant's name, address, place of residence and place of work; the inventor's name and address; the name of the agent, if any, and his address; and information regarding priority and disclosure.
- b- Provide the specification of the invention and any relevant attachments that sets out:
 - Title of the invention.
 - Abstract of the invention
 - an explanation of the technical field and background.
 - a description of the prior art
 - detailed description of the invention
 - a preferred method of use or details of the industrial application of the invention
 - a brief description of the drawings (if any).
 - Claims
- c- A Power of Attorney duly apostilled, if the application is being filed by a representative. This may be lodged within 90 days from the date of filing if the representative agrees to file without the power of attorney.
- d- A deed of assignment executed by the inventor(s), assigning their patent rights to the applicant, also duly apostilled and can be lodged within 90 days from the date of filing
- e- A certified copy of the priority documents: The applicant shall provide the Authority with a copy of examination and search reports as well as copies of applications previously filed or patents granted by other offices for the same invention This can be lodged within 90 days from the date of filing.
- f- Payment of official filing fees stipulated in the implementing regulations:
 - i. 400 Riyals for Individuals (approx. 14,000 Yen)
 - ii. 800 Riyals for Enterprises (approx. 28,000 Yen)

▪ **Temporary protection of Patents** ⁷⁶

If the applicant desires to have provisional protection for a patent relating to products he wishes to display in any official exhibition, the same shall apply to the Authority, enclosing a brief description of the patent, the drawings and a statement about the products relating thereto. The Authority may require the applicant to submit any other data it deems necessary. As for products displayed outside the Kingdom, a certificate attested by an official authority specifying the displayed product, its data and the date of display shall be provided.

⁷⁵ Article 5 of the Law.

⁷⁶ Article 31 of the Implementing Regulations

- **Saudi Arabia and the GCC Patent office**

Recently, by end of 2022, the GCC Patent Office (GCCPO) announced that it will resume receiving patent applications on behalf of Bahrain and Kuwait and examining them formally and substantively starting from January 1, 2023⁷⁷. Grants will be made by the national office. It is likely that Saudi Arabia and remaining GCC Countries will resume as well in the near future. By way of background, the GCC Patent Office (GCCPO) had announced earlier that as of January 6, 2021, it will no longer accept new patent application filings⁷⁸.

- **Saudi Arabia and the Patent Cooperation Treaty "PCT":**

Saudi Arabia is a party to the Patent Cooperation Treaty (PCT). Under the PCT system, a patent application can be made in one of the PCT member countries.

KSA- PCT statistics

According to the WIPO statistics database (last updated: November 2021), patent applications have rapidly risen since 2015 when SAIP acted as a receiving office under the Treaty, resulting from the increase of patent applications filed by foreigners. Since then, in total patent applications, Saudi Arabia has ranked first among 12 Arabic-speaking states (Saudi Arabia, Egypt, the United Arab Emirates, Algeria, Qatar, Oman, Jordan, Bahrain, Tunisia, the Syrian Arab Republic, Yemen and Lebanon) in the Middle East and North Africa (MENA) region, followed by Egypt and the United Arab Emirates.

During the same period from 2015 through 2020, PCT applications entering the national phase in Saudi Arabia accounted for about 70 %, on average, of total patent applications and have ranked first so far. Further, in the Patent Cooperation Treaty Yearly Review 2021 published by WIPO, as PCT applications for the top countries by region (2018–2020) is being referred to, Saudi Arabia saw its PCT application increase 73.2 % from 552 in 2019 to 956 in 2020, ranking the first in the growth rate of PCT applications in Asia. As such, SAIP has shown an outstanding growth rate in international patent applications⁷⁹.

Phases of the international application

First: The International phase:

Filing: The international application is filed at (WIPO) directly, or in any regional or national “receiving office” such as the Saudi Authority for Intellectual Property, after fulfilling all the formal requirements required by the treaty.

International Search (ISR): The International Search Authority (ISA), which is chosen by the applicant, identifies published documents that may affect the probability of getting the patent application by adding a written opinion.

International publication: The patent application is published after 18 months from the date of the first filing in one of the following languages: Arabic, Chinese, English, French, German, Japanese, Korean, Portuguese, Russian and Spanish.

Additional international search (optional): Upon the request of the applicant, another “International Searching Authority” identifies documents published in different languages and technical fields that may affect the possibility of obtaining a patent. It differs from the first international search as it may contain various other documents and more details.

International Preliminary Examination (IPER) (Optional): The International Preliminary Examining Authority shall, at the request of the applicant, analyze international search reports and provide a written opinion on whether the application may obtain a patent or not, and the analysis is usually based on a modified version of the application.

⁷⁷ <https://www.gccpo.org/DefaultEn>

⁷⁸ <https://www.gccpo.org/AboutUs/ShowNews?id=1374>

⁷⁹ https://www.wipo.int/edocs/mdocs/pct/en/pct_ctc_32/pct_ctc_32_2_rev.pdf

Second: The national phase:

After the PCT-related procedures are completed, patent granting procedures start at a national (or regional) patent office directly in the countries for which they are seeking patents, and patent granting remains the prerogative of national or regional patent offices, according to applicable regulations. The application is transferred to the national phase when the applicant identifies the countries in which he/she aims to protect his invention after the international phase.

Required conditions:

- The patent application has to be filed within the 30-month deadline from the date of the first filing (priority), and if there is no precedence, the 30-month period is calculated from the international application filing date.
- Translating the application into Arabic.
- Paying the patent application filing fee.
- A copy of the international application (in case of entering the national phase early, that is, before the International Bureau sends a copy of the international application).
- Under Chapter One: translating protection elements as amended and any statement under Article 19.
- Under Chapter Two: translating the attachments of the international preliminary examination report regarding patentability.
- Fulfill some certain conditions under Rule number 51 of the treaty law (amendment of the agent or inventor's oath, declaration or designation, etc..).

The SAIP provides a guide with all the required forms and fees related to the PCT on its online platform (<https://www.saip.gov.sa/en/pct/>)

3.1.4.4 Examination

Formality Examination

Details of Formality examination for patent application:

The Patent applications undergo formality examination as soon as the applications are filed. Formality examination reports are received within 1-5 weeks from the date of filing with possible delays.

Formal objections related to documents⁸⁰ [Power of Attorney, Deed of Assignment, Certified Priority Document], specifications and drawings are commonly raised in an office action.⁸¹

In the formality examination, the Examiner reviews the documents as filed [forms, specification, claims, abstract and drawings / drawings and description of Industrial designs] and checks whether these documents are at par with the Implementing Regulations. The conditions and specific formatting requirements for patent specification / drawings are provided below, as follows:

- Conditions for Filling out a Patent Application Form⁸²:

The forms shall be clearly filled and shall include the title of the invention, the Applicant's name, and address, the inventor's name and address; the name and address of the agent, [if any], and information regarding priority and disclosure.

⁸⁰ Article 10 (6) of Implementing Regulations of the Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties and Industrial Designs.

⁸¹ Article 12 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs:

The Directorate shall examine the registered applications in terms of formalities. If it appears, from the examination, that some of the legally prescribed conditions are not satisfied it may instruct the applicant to satisfy them within a maximum of ninety days from the date of notification. If he did not fulfill what was requested within the said period, his application would be considered as if it had never been filed.

⁸² Article 10 of the Implementing Regulations of the Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties and Industrial Designs.

- General Conditions for the Patent Specification⁸³:
 - The specification shall include the following contents and in the following order:
 - “Abstract”, “Full Description”, “Claims” and “Drawings”.
 - The Abstract, full description and claims shall not contain any drawings. The tables if any shall be included in the full description of the specification.
 - Measurements shall be in the metric system and temperature degrees in centigrade. Drawings and figures shall be attached [separately in JPEG format] if they are necessary for a complete and clear understanding of the invention.
 - The specification may not include statements or drawings contradictory to Islamic Sharia or public morals.
 - The specification may not include advertisements for products, manufacturing methods, statements degrading other products or manufacturing methods, or words or sentences not appropriate or necessary for understanding the invention. Comparison with a previous industrial technology may not be deemed a degradation of such technology.
 - Arabic translation of the specification should be prepared and submitted in accordance with Article 12 of the Implementing Regulations.
- Conditions for the Patent Abstract⁸⁴
 - The abstract shall include the technical field along with a brief description of the main components of the invention and its primary use. It shall not exceed half a page or one page in exceptional cases.
 - If there are drawings, a reference shall be made in the abstract to the figure that depicts the invention, and the figure’s number shall be given at the end of the abstract. If there is a reference in the abstract to components in this figure and if numbers or letters are used therein to identify these components, such numbers or letters shall be given in parentheses within the text in the abstract.
- Conditions for the Patent Full Description⁸⁵

The full description shall include the following parts in order:

- Background of the Invention: This shall include the technical field of the invention, a description of the prior art, including any documents of which the inventor is aware, and any problems relating to the prior art the invention seeks to overcome.
- General Description of the Invention: This shall indicate the merits of the invention compared to the prior art, the difficulties or problems sought to be overcome, and the purpose of the invention.
- Brief Explanation of the Drawings: This shall include a brief explanation of the figures and their sections if any.
- Detailed Description: This shall include a detailed explanation of the invention, the method of its industrial application, the best method the inventor is aware of for execution of the invention, detailed reference to the drawings attached, and gene sequence [if any] in an electronic form.

Responding to Formality Report:

The Applicant will be given a ninety (90) days’ time period from the date of notification to comply with the Examiner’s objections.⁸⁶ The revisions to the specification / drawings [if any] and the executed documents [if any] should be submitted online before the SAIP portal along with the payment of official fees. The marked-up and clean version of the amended set of documents in English and Arabic are to be submitted to complete the formalities.

⁸³ Article 11 of the Implementing Regulations of the Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties and Industrial Designs.

⁸⁴ Article 13 of the Implementing Regulations of the Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties and Industrial Designs

⁸⁵ Article 14 of the Implementing Regulations of the Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties and Industrial Designs

⁸⁶ Article 36 of the Implementing Regulations of the Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties and Industrial Designs.

The Applicant is allowed to obtain an extension of thirty (30) days upon submitting the request. The patent application will be considered null and void in the event, the response to this formality examination report is not submitted within the stipulated deadline.

▪ **Rejection and Appeal:**

If the Applicant fails to meet the formal requirements as per the formality examination report and Saudi patent law, the Authority shall issue a decision stating the reasons for rejection, and the applicant shall be notified thereof⁸⁷.

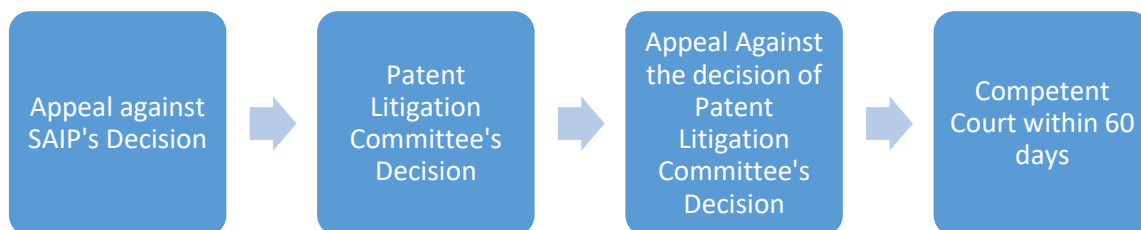
The Applicant may file an Appeal against the Rejection notice issued by SAIP before the SAIP Committee⁸⁸ through the SAIP Portal in accordance with Article 36 of the Law.

The SAIP provides a guide for filing the appeal along with all the supporting documents and power of attorney. All the documents shall be officially translated into Arabic.⁸⁹

Appeal process⁹⁰

- File the Appeal through the SAIP platform.
- General secretariat of committees receives and examines the appeal filed by the plaintiff, verifies that the documents necessary for registering the case are complete, and then examines the application.
- Present the case to the Patent Settlement Committee for settlement.
- Notify the persons concerned, through the general secretariat of the committees, of the decision issued by the committee.
- Verify that the decision has acquired finality after the lapse of the legal period (60 days) to appeal the decision.
- Append the decision issued by the committee with the final version for implementation.
- In the event of appealing against the committee's decision, a court case can be filed before the competent court.

Procedural path for grievance against Patents decisions



Payment of publication and substantive examination fees:

The SAIP will issue the notification to pay the publication⁹¹ and substantive examination fees upon successful completion of the formality examination and the Applicant is entitled to make this payment within (3) three months' time period from the date of notification. The patent application will lapse in the event, this fee is not paid within the stipulated deadline.

The said notification is normally received within 1-5 weeks from the date of submitting the response to the formality examination report [if any] with possible delays.

- **Voluntary amendments:** The Applicant is allowed to submit voluntary amendments to the specification / claims which falls within the scope of the original application as filed along with the prescribed official

⁸⁷ Article 14 (b) of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

⁸⁸ <https://www.saip.gov.sa/en/services/288/>

⁸⁹ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-11/%D9%85%D8%AA%D8%B7%D9%84%D8%A8%D8%A7%D8%AA%20%D8%A7%D9%82%D8%A7%D9%85%D8%A9%20%D8%AF%D8%B9%D9%88%D9%89.pdf>

⁹⁰ <https://www.saip.gov.sa/en/services/288/>

⁹¹ Article 11 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

fees.⁹² It is recommended to submit these amendments [if any] before / along with the payment of examination fees so that the amended set of documents will be referred for substantive examination.

- **Patent Prosecution Highway (PPH):** This is one of the work-sharing initiatives started with the intention to expedite the examination of patent applications. By this agreement, the Patent Offices enable patent applicants to request accelerated processing in the national phase, where the patent examiners can make use of the work products from the other Office(s). Currently, Saudi Arabia Patent Office has a PPH agreement with USPTO, KIPO, Japan Patent Office "JPO"⁹³, and CNIPA⁹⁴. A request for PPH should be submitted before commencing the substantive examination for the patent application. At present, Saudi Arabia PTO is accepting only PPH requests for patent applications in the technical fields of physics, civil engineering, mechanical and metallurgy.

Substantive examination:

The patent applications will be referred for substantive examination as soon as the payment of publication and substantive examination fee is paid.⁹⁵ The substantive examination report is normally received within 1-4 months from the date of paying the publication and substantive examination fees with possible delays.

The Examiner reviews the specification and claims of the patent application and checks whether the novelty, inventive step and industrial applicability requirements are satisfied. Additionally, the format and requirements as discussed in Articles [11-16] of the Implementing Regulations will also be reviewed in detail.

▪ **Responding to Substantive Examination Report:**

An examination report discussing the objections and Examiner's comments will be issued upon completion of the substantive examination. The Applicant will be given (3) three months' time period from the date of notification to comply with the Examiner's objections. The revisions to the specification / drawings [if any] in marked-up and clean versions and arguments in response to the Examiner's objections should be uploaded to the SAIP portal along with the payment of official fees. The documents in English and Arabic are to be submitted to complete the formalities.

The Applicant is allowed to obtain an extension of thirty (30) days upon submitting the request. The patent application will be rejected in the event, the response to this substantive examination report is not submitted within the stipulated deadline.

In total, the Applicant will be given two chances to submit arguments/amendments and the third examination report will be the final decision from the Patent Office.⁹⁶ Thereafter, the Applicant may submit an appeal to the Patent Committee and the application will be examined again by the Committee.⁹⁷

Other Pre-registration provisions

- **Divisional Applications:** The Applicant is allowed to divide the patent application into more than one, provided that none of them shall deviate from what was disclosed in the original application.⁹⁸ However, the request for such a divisional application should be submitted before the issuance of the final decision from the Patent Office.
- **Corresponding granted patents:** The Saudi patent examiners are more inclined to accept the claims which are allowed / granted in other jurisdictions, especially US, EP, JP, CN, etc.

⁹² Article 9 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

⁹³ https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-02/Guideline_Procedures-to-file-a-request-to-the-SAIP%20%281%29.pdf & <https://www.jpo.go.jp/e/system/patent/shinsa/soki/pph/guideline.html>

⁹⁴ <https://www.saip.gov.sa/en/patent-short-path/>

⁹⁵ Article 13 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

⁹⁶ Article 14 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

⁹⁷ Article 35-39 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

⁹⁸ Article 46 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

- **Withdrawal:** The Applicant may withdraw his application at any time before the issuance of the final decision. However, the official fees once paid before the Patent Office will not be reimbursed.⁹⁹
- **Restoration:** The Applicant may submit a request to restore the application if the application was rejected / lapsed as a result of the Applicant's non-compliance with the requirements within the prescribed period. The request should be submitted along with the valid reasons for non-compliance with the requirements and the prescribed official fees. The Authority shall notify the Applicant if the request is accepted and may provide an additional time period to complete the requirements. However, if the Authority rejects the request submitted, the Applicant shall be notified and he may provide his comments concerning the rejection decision within the stipulated time period.¹⁰⁰

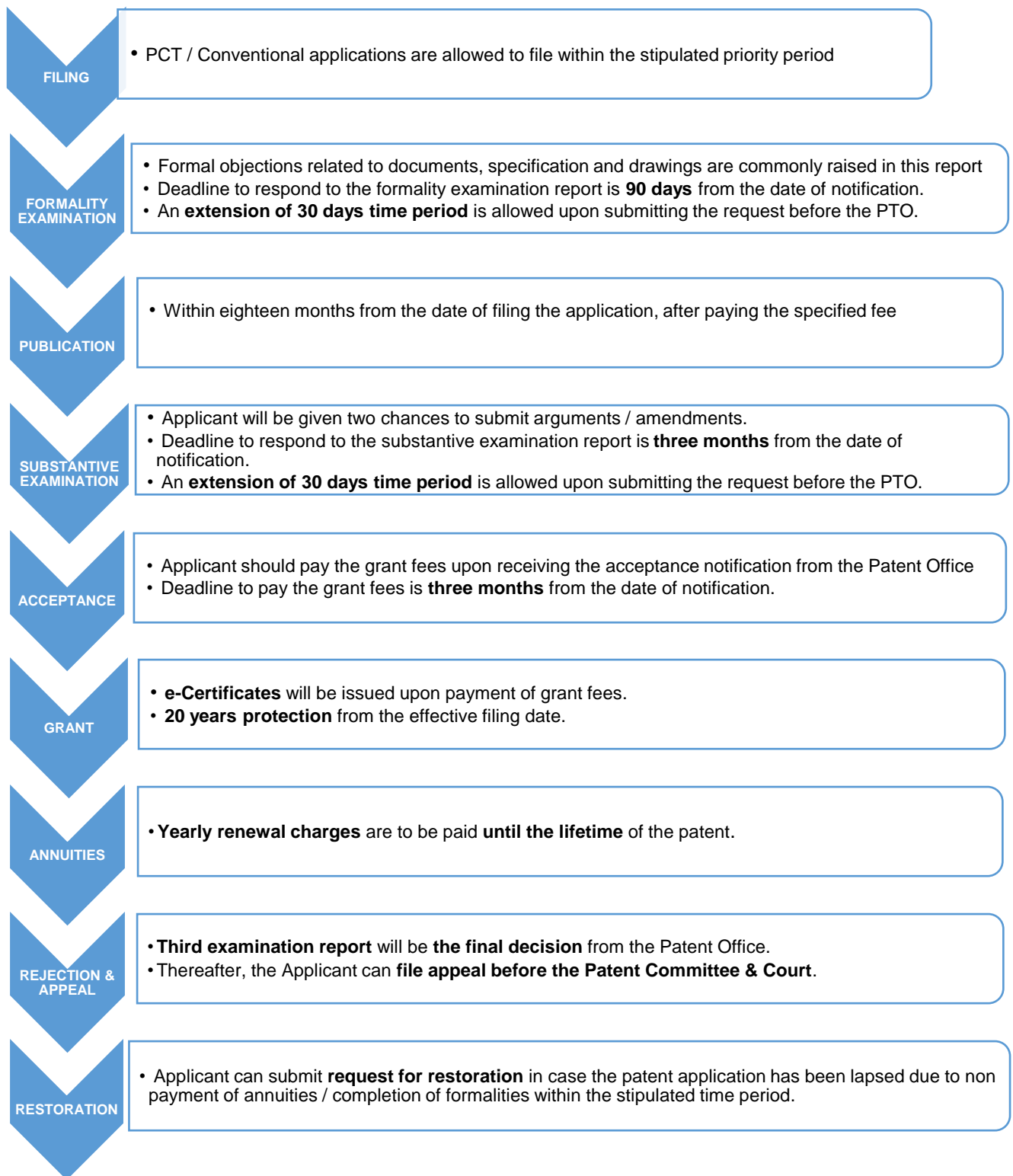
3.1.4.5 Period of Entire Registration Process

The time frame for the entire process from filing to the registration of a patent application in Saudi Arabia takes a minimum of 2 – 3 years.

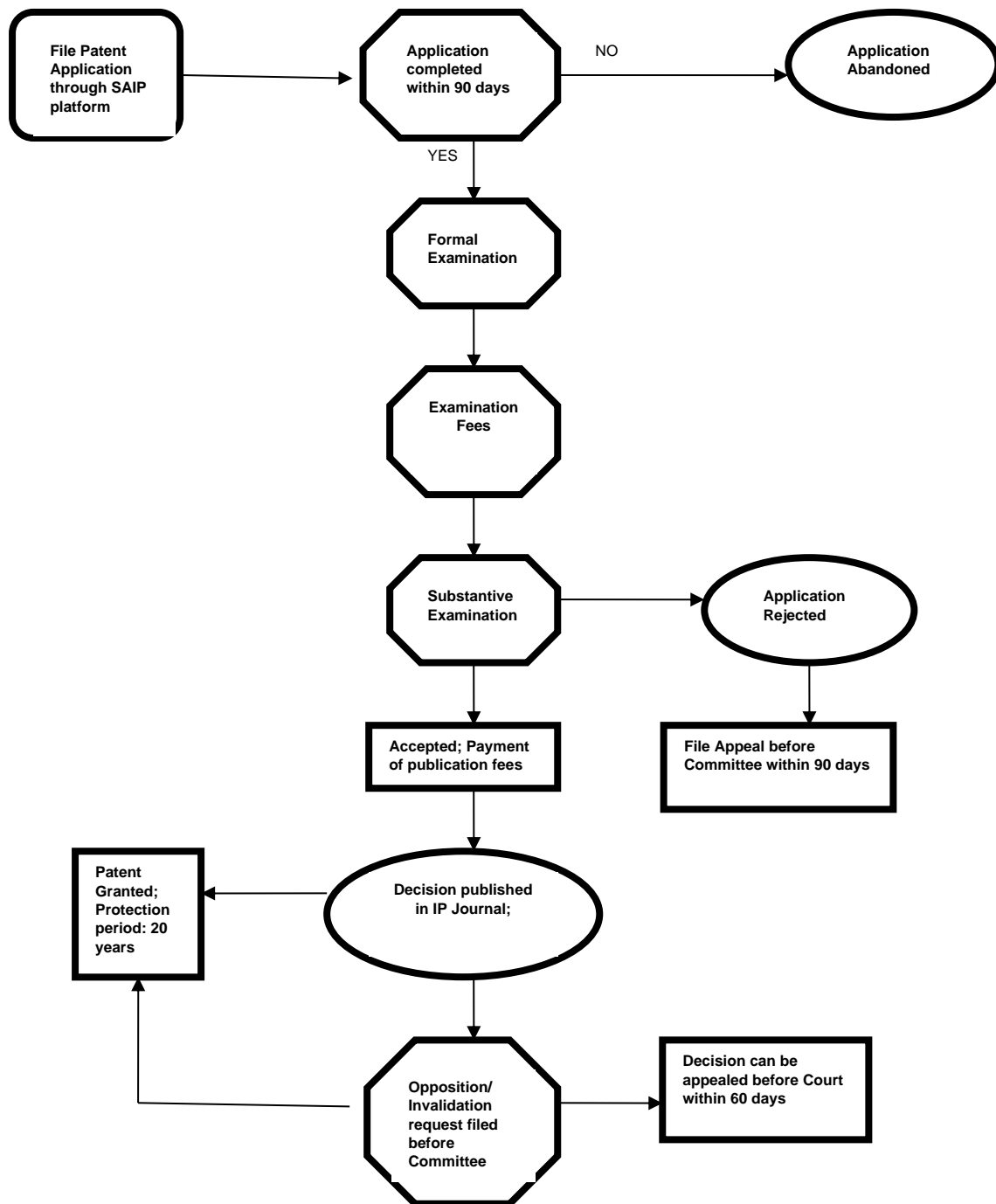
⁹⁹ Article 15 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

¹⁰⁰ Article 49 of The Implementing Regulations of the Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties and Industrial Designs.

Summary of the process of the Registration/Application Procedure of Patent



Patent Process Chart



3.1.5 Post-Registration

Acceptance & Grant:

The patent application will proceed to grant if the application has complied with the stipulated conditions.¹⁰¹ A notification regarding the acceptance will be issued by the SAIP requesting the Applicant to pay the grant and publication fees within three months' from the date of notification. The application will lapse in the event, this fee is not paid within the stipulated deadline.

¹⁰¹ Article 14 (a) of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

Currently, Saudi Arabia Patent Office issues only a **soft copy** of the Grant Certificate in the Arabic language with the Applicant, Inventor / Designer details, specification, claims, Abstract, drawings / representation of designs as granted.

3.1.5.1 Registration Fees

SAIP Services Directory for Patents, time frame and related Fees¹⁰²

| Services | Execution Time | Individual Fee (Riyals) | Enterprise Fee (Riyals) |
|--|----------------|------------------------------------|---------------------------------|
| Filing a Patent Application | Immediately | 400 (approx. 14,000 Yen) | 800 (approx. 28,000 Yen) |
| Amend or add to an Application | 1-3 days | 100 (approx. 3,500 Yen) | 200 (approx. 7,000 Yen) |
| Request to change innovator's or patent applicant's name | 1-3 days | N/A | N/A |
| Request to add waiver document | Immediately | N/A | N/A |
| Request to add precedence document | 1-3 days | N/A | N/A |
| Request to add/change/cancel an agent | 1-3 days | N/A | N/A |
| Withdrawal of an application | 1-3 days | N/A | N/A |
| Reissue a protection document | 1-3 days | N/A | N/A |
| Pay annual fee | Immediately | Annual Fee Schedule | Annual Fee Schedule |
| Extension of time | 1-3 days | 300 (approx. 10,500 Yen) | 600 (approx. 21,000 Yen) |
| Resume the application process | 1-10 days | 1000 (approx. 35,000 Yen) | 2000 (approx. 70,000 Yen) |
| Seek correction or addition of precedence | 1-10 days | 400 (approx. 14,000 Yen) | 800 (approx. 28,000 Yen) |
| License | 1-10 days | 400 (approx. 14,000 Yen) | 800 (approx. 28,000 Yen) |
| Compulsory license | 1-5 days | 4000 (approx. 140,000 Yen) | 8000 (approx. 280,000 Yen) |
| Fast Track Examination of Application | 2 months | 1000 (approx. 35,000 Yen) | 5000 (approx. 175,000 Yen) |
| Settlement of lawsuits | Subjective | N/A | N/A |
| Enforce final judgement | 10 days | N/A | N/A |
| PCT* | 1-5 days | USD 1337 (international filing) | USD 245-1950 (research fees) |
| Re-take procedure | 3 days | 1000 (approx. 35,000 Yen) | 2000 (approx. 70,000 Yen) |
| Fast track examination** | 2-12 months | N/A | N/A |
| Collaborative Search Program*** | 6 months | N/A | N/A |

¹⁰² <https://www.saip.gov.sa/en/ip-domains/239/#services>

Notes:

*The Patent Cooperation Treaty (PCT) helps applicants obtain patent protection for their inventions internationally pursuant to a patent, helps patent offices take patent granting decisions, and facilitates public access to technical information.

**Fast Track Examination of Patent Applications (PPH) PATENT PROSECUTION HIGHWAY

***Collaborative Search Program (CSP): It is a program that contributes to collaborative research between the Korean office and the SAIP under the CSP agreement.

As to the professional fees for filing up to registration (i.e. straightforward application, with no office actions) in the Saudi market ranges approximately from (USD 1000 to 2500). Such costs vary depending on the market situation, agents, expenses..etc.

3.1.5.2 Annuities

Annual fees should be paid until the lifetime of a patent application to keep the application active. These fees shall be paid at the beginning of each year starting from the year following the application filing date.

If the applicant or the owner of the protection document fails to pay the fees within a maximum period of three months from its due date, he shall be liable to pay double the amount. If he fails to pay the same after being warned during the three months following the expiration of the first three months, the application or the protection document shall be rendered invalid, and this shall be recorded in the Register and published in the Gazette.

It is important to highlight that according to Article 18 of the Law if an applicant pays the required fees for three years without being granted the protection document, he may postpone payment of the fees for the following years until the decision to grant the protection document is issued.

| Year | Individual (Riyals) | Enterprises (Riyals) |
|------------------|----------------------------|-----------------------------|
| First year | 250 (approx. 8,750 Yen) | 500 (approx. 17,500 Yen) |
| Second year | 500 (approx. 17,500 Yen) | 1000 (approx. 35,000 Yen) |
| Third year | 750 (approx. 26,250 Yen) | 1500 (approx. 52,500 Yen) |
| Fourth year | 1000 (approx. 35,000 Yen) | 2000 (approx. 70,000 Yen) |
| Fifth year | 1250 (approx. 43,750 Yen) | 2500 (approx. 87,500 Yen) |
| Sixth year | 1500 (approx. 52,500 Yen) | 3000 (approx. 105,000 Yen) |
| Seventh year | 1750 (approx. 61,250 Yen) | 3500 (approx. 122,500 Yen) |
| Eighth year | 2000 (approx. 70,000 Yen) | 4000 (approx. 140,000 Yen) |
| Ninth year | 2250 (approx. 78,750 Yen) | 4500 (approx. 157,500 Yen) |
| Tenth year | 2500 (approx. 87,500 Yen) | 5000 (approx. 175,000 Yen) |
| Eleventh year | 2750 (approx. 96,250 Yen) | 5500 (approx. 192,500 Yen) |
| Twelves year | 3000 (approx. 105,000 Yen) | 6000 (approx. 210,000 Yen) |
| Thirteenth year | 3250 (approx. 113,750 Yen) | 6500 (approx. 227,500 Yen) |
| Fourteenth year | 3500 (approx. 122,500 Yen) | 7000 (approx. 245,000 Yen) |
| Fifteenth year | 3750 (approx. 131,250 Yen) | 7500 (approx. 262,500 Yen) |
| Sixteenth year | 4000 (approx. 140,000 Yen) | 8000 (approx. 280,000 Yen) |
| Seventeenth year | 4250 (approx. 148,750 Yen) | 8500 (approx. 297,500 Yen) |
| Eighteenth year | 4500 (approx. 157,500 Yen) | 9000 (approx. 315,000 Yen) |
| Nineteenth year | 4750 (approx. 166,250 Yen) | 9500 (approx. 332,500 Yen) |
| Twentieth year | 5000 (approx. 175,000 Yen) | 10000 (approx. 350,000 Yen) |

3.1.5.3 Rights of the Right Holder

A patent is an exclusive right granted for an invention, and it gives its owner the legal right to exclude others from making, using, distributing, importing or selling an invention for a limited period of time, generally 20 years from the filing date of the application.

3.1.5.4 Licensing

The right owner can grant a license to others to perform all or some of the acts of exploitation. A license contract shall not be valid vis-à-vis the third party unless the specified fee is paid and it is registered in the records of the SAIP. This license shall not deprive the owner of exploiting the subject matter himself or granting another license for the same protected subject matter unless the first license contract states otherwise¹⁰³.

The license gives the licensee the right to perform all the acts and enjoy all the privileges assigned to the owner related to the subject of protection throughout the Kingdom during the whole protection period unless it is otherwise stated in the license contract. The licensee shall not assign the rights and privileges licensed to him by the owner of the protection document unless it is expressly stated in the license contract¹⁰⁴.

According to Article 22 of the Law, the SAIP may instruct the parties to the license contract to amend it in order to prevent abusing the right in the protection document or any other negative effect on competition or the acquisition of technology and its dissemination.

- **Compulsory Licensing**¹⁰⁵

First: Rules and procedures of requesting compulsory licensing of patents:

Special rules:

- **Rules and procedures of requesting compulsory licensing for governmental use:**

- Applicants are required to make a request for a compulsory license from the Authority for a particular product or method of manufacturing a product protected by patent

- The Authority shall review and audit the compulsory license application to verify the availability of the necessary conditions which prove that the purpose of the license application is to achieve the public and especially

- Security, health, nutrition or the development of other vital sectors of the national economy.
- to meet a state of emergency or other very compelling circumstances
- the aim thereof was public non-commercial purposes

In accordance with Article (52) of the Implementing Regulations: An application for a compulsory license filed by any government agency to exploit an invention shall include a statement of public interest justifications. Such justifications shall be stated in the decision granting the license.

B- Rules and procedures of requesting compulsory licensing for private sector use:

- Applicants are required to make a request for a compulsory license from the Authority for a particular product or method of manufacturing a product protected by patent

- The applicant shall comply with the following:

1- The application shall be submitted after the elapse of four years from the date of filing the patent application or three years from the date of granting the patent, whichever expires later,

2- The applicant for compulsory licensing shall prove that the owner of the protection document has not exploited his invention or has exploited it in an inadequate fashion unless he justifies that with a legitimate excuse.

3- The applicant for a compulsory license must prove that he has exerted -over a reasonable period of time- efforts in order to obtain a contractual license on the basis of reasonable commercial conditions, and for reasonable financial compensation.

¹⁰³ Article 21 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

¹⁰⁴ Article 23 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

¹⁰⁵ https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-06/COMPULSORY%20LICENSING%20OF%20PATENTS_0.pdf

General rules:

1. The Authority shall review and audit the compulsory license application to verify the availability of the required conditions.
2. The Authority shall issue a decision granting the compulsory license to the applicant.
3. The licensee shall be obliged to review the relevant authorities to obtain the necessary licenses to start the exploitation of the patented product.
4. The patent owner shall be notified of the compulsory license decision.
5. The owner of the patent shall be awarded fair compensation, and the licensee undertakes to pay it. 6. In the event that the parties do not agree on the amount of compensation, the owner of the patent shall have the right to Submit to the Committee of the consideration of patent claims (the competent department) to request compensation.

Second: General provisions for compulsory licensing of patents:

1. The compulsory license covers the geographical scope of the Kingdom.
2. The duration of the compulsory license is license shall specify the scope and term of the license, according to the purpose for which it was granted. The license shall be subject to termination if the conditions for which it was granted cease to exist and their recurrence is not likely, with due regard to the lawful interests of the licensee
3. The license shall not be exclusive to the grantee.
4. the beneficiary of the compulsory license may not assign it to others unless the assignment includes all or part of the firm benefiting from the license or its goodwill. The authority approval of the assignment is required; otherwise, it shall be null and void. If the authority approves such an assignment, the assignee becomes liable for the obligations assumed by the first beneficiary prior to the approval of the assignment
5. The Authority may amend the decision to grant compulsory if the need arises. The owner of the protection document or the beneficiary of the compulsory license may request the authority to make this amendment if its prerequisites are fulfilled. The reasons for the decision of the authority to amend the license or to reject the request must be stated.
6. relinquishment of the protection document, in case of compulsory license, shall only be accepted with the written consent of the beneficiary of the license, or the proof of the existence of compelling circumstances justifying this relinquishment. The relinquishment shall be registered and published in the Gazette, and it shall not be effective against a third party except on the date of publication.
7. The beneficiary of the compulsory license may relinquish the license, upon written request to the Authority, provided that the impact of the abandonment takes effect from the date of approval by the Authority.
8. The applicant for the compulsory license shall pay the required fees for this, upon request of the license.
9. If the patent involves a significant technological advance with a considerable economic value, which requires the exploitation of another patent, the authority may grant the owner of the protection document a compulsory license to exploit the other patent. In such a case the compulsory license shall not be assigned unless the other patent is assigned. The owner of the other patent shall be entitled to a counter license from the compulsory licensee, in accordance with reasonable conditions.

Third: Cancellations of the compulsory license of patent:

- A. If the beneficiary of the license fails to exploit it in a way that satisfies the Kingdom's needs, within two years from the grant of the license, renewable for an equal period, if it is proved that there is a legitimate cause.
- B. If the beneficiary of the compulsory license fails to pay the due fees within ninety days from the due date, including the compensations to which the owner of the protection document is entitled, as
- C. If the beneficiary of the compulsory license fails to observe any condition necessary for granting of the license.

Fourth: The financial equivalent for granting the compulsory license of patent: The grant of a compulsory license worth a financial equivalent in accordance with the provisions of the Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

▪ **Invalidation/Cancellation Action:**

Any interested party may file an invalidation action against the decision granting a patent before the Committee and request for a total or partial revocation of the granted patent.¹⁰⁶ The grounds of the invalidation request according to Article 48 of the Implementing Regulations might be a violation of the provisions of the Law related to the conditions of registering a patent, the subject matters which are non-patentable or failing to comply with the articles related to providing the Detailed Description in the patent application.

3.1.5.5 Renewal of Registration

The 20-year term for patents protection cannot be extended.

3.1.6 Enforcement of Rights

Any act of exploitation of the protected subject matters, performed by any person in the Kingdom without the written consent of the owner, shall be deemed an infringement on the subject matter of protection.

The right owner may initiate an action before the Patent Committee against any person who infringes upon his invention by exploiting it in the Kingdom without his consent. The following shall be deemed exploitation of the invention, according to Article 47 of the Law:

- a) If it is a product: Its manufacture, sale, offering for sale, use, or storage, or its importation for any of these purposes.
- b) If it is a process: Using the process, or performing any of the acts referred to in the previous paragraph, in relation to the product which is directly obtained by the use of this process.

Subject to the legitimate interests of the defendant in protecting his industrial and commercial secrets, if the subject matter of the patent claimed to be infringed upon is a process to manufacture a certain product, the defendant must prove that the identical product was not manufactured by this process without the consent of the right owner, if one of the following two conditions is satisfied, according to Article 48 of the Law:

- a) Where the product obtained through a patented industrial process is a new product.
- b) Where there is a substantial probability that the identical product was manufactured through the patented industrial process, and the owner of the protection document was unable to determine the method actually used, by exerting reasonable efforts in this respect.

Exceptions of protection

The right owner shall not preclude others from exploiting his invention in non-commercial activities relating to scientific research.

Also, Article (51) of the Law provides that the following actions shall not be deemed an infringement on a patent:

- Use of means subject of a patent aboard ships of other countries of the Paris Union, whether in the body of the ship or its machines, equipment or in any parts thereof when the ship temporarily or incidentally enters the Kingdom's territorial waters, provided that such use is limited to shipping needs.

¹⁰⁶ Article 32 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

- Use of equipment subject to a patent in the construction or operation of air or land vessels, or their spare parts, belonging to another country of the Paris Union when such vessels enter the Kingdom temporarily or incidentally.

3.1.6.1 Enforcement Agency

Patent Disputes Committee

The Patent Disputes Committee is the competent authority for all disputes and appeals against the decisions on protection documents and criminal proceedings arising from the violation of the provisions of the patent system, layout designs of integrated circuits, plant varieties and industrial designs. The Committee was formed under the Council of Ministers' Decision No. 60 dated 18/01/1444H and is made up of three members specialized in statutory affairs and two members specialized in technical affairs.

The Committee has jurisdiction to consider all disputes and appeals against the decisions issued in respect of protection documents, including:

1. Grievances against decisions declining requests for a protection document.
2. Revocation of protection documents.
3. Assignment of protection applications or documents.
4. Appeals against the decisions revoking protection documents¹⁰⁷.

If the committee rejected the appeal, the Applicant has the right to file a court case within 60 days from the notification date¹⁰⁸.

3.1.6.2 Judicial System and courts regarding IP Protection

There have been many important positive changes to the national IP environment in Saudi Arabia in the past few years which lead to the strengthening of IP rights and enforcement. One of the main purposes for these changes is to follow the international aspect of the protection of IP rights and to be a leading IP hub in the Middle East and North Africa (MENA). Saudi Arabia signed many cooperation agreements with a range of international partners including the IP5, the five largest IP offices in the world and joined many international agreements. The SAIP has a centralized role in the enforcement of trademark and copyright infringement and created specialized committee/s to coordinate the enforcement of IP rights more broadly across government agencies within the Kingdom.

The jurisdiction of intellectual property (IP) disputes and appeals were transferred from the Administrative to the Commercial courts. This step is an important reform initiative to advance the development of a successful judicial system. The Law of Commercial Courts supports digital transformation, enables swift decisions, and establishes an institutional methodology¹⁰⁹. Moreover, the implementing regulations for the Law of Commercial Courts, including procedures and controls aiming to enhance the commercial judiciary, fast-track decisions, and boost the business environment in Saudi Arabia.

According to the Law of Commercial Courts, the commercial court in KSA has jurisdiction over all IP disputes¹¹⁰ which provides specialized IP Circuits The judges are trained on the adjudication of such cases¹¹¹. Accordingly, appeals against refusals and cancellation actions previously filed before the administrative courts (or Board of Grievances), shall be filed now before the commercial courts in addition to any legal case related to Intellectual property matter

¹⁰⁷ <https://www.saip.gov.sa/en/committees-secretariat/1412/>

¹⁰⁸ Article 37 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

¹⁰⁹ <https://portaleservices.moj.gov.sa/Downloades/MOJ5E.pdf>

¹¹⁰ <https://laws.boe.gov.sa/BoeLaws/Laws/LawDetails/38334008-3b70-4c6c-b3af-aba3016a8061/1>

¹¹¹ <https://portaleservices.moj.gov.sa/Downloades/MOJ5E.pdf>, page 43

- **Brief about the Commercial Courts**

The Commercial Courts in Saudi Arabia are considered as first Instance Courts. The total number of Commercial Courts in Saudi Arabia are seven (7), located in Riyadh, Jeddah, Makkah, Medina, Dammam, Buraydah and Abha. There is Intellectual Property specialized circuit in the commercial court, usually comprises of three Judges.

The Judgements of the commercial Courts can be appealed before the Court of Appeal within 30 days of receiving the Judgment by the interested party.

There are limited rights to appeal the Judgements issued by the Court of Appeal as it is not possible to file an appeal before the Higher court in KSA "i.e. Supreme Court" as it is the higher judicial body which supervises the interpretation of laws and its proper enforcement. At this court, litigants may appeal only on points of law, such as violation of law or on erroneous application or interpretation as stipulated in Article 88 of the Commercial Courts Law, which stipulates as follows: "[The commercial circuit at the Supreme Court shall have jurisdiction to review appeals to judgments and decisions made by appellate circuits if the subject of the appeal is:

1. a violation, misapplication, or misinterpretation of the provisions of Sharia or law, or a breach of any of the Supreme Court judicial principles;

2. a judgment rendered by an incompetent court, or by a court not properly formed in accordance with the law;

3. a fault in characterizing or describing a case; and

4. a rendered judgment that ended a dispute in contrary to a previous judgment

Involving the same parties"].

- **Limitation Period**

The Commercial Courts Law (Royal Decree No. M/93) is effective from 16 June 2020. It includes, among other provisions, the introduction of a five-year time limit on the ability of parties in commercial proceedings to bring their claims to court, which is applicable to infringement actions.

Article 24 of the Law of Commercial Courts (Royal Decree No. M/93) stipulates as follows: "Absent a specific provision, the statute of limitations for claims falling under the jurisdiction of the commercial court shall be **five years** from the date of the cause of action, unless the defendant confirms the claim or the claimant presents an acceptable justification to the court.

- **Representation before the Court**

A duly authorized attorney can represent parties before the court in Saudi Arabia. If the party is not Saudi Arabian, then an executed Power of attorney will be required.

- **Language of the proceedings**

There is no choice of language, all proceedings should conduct in the Arabic language (i.e. official language in Saudi Arabia). Certified Arabic translations are required for all documents that are written in any language other than Arabic in order to be considered.

- **Timeframe of the Infringement proceedings**

Infringement proceedings usually last for approximately 1 year. Generally, the period of proceedings on infringement depends upon a case-by-case manner.

- **Litigation Costs**

The costs that a party can expect to incur range between USD 10,000 to USD 25,000 for litigation before the courts. In some complicated cases, the said range might be duplicated.

It is worth mentioning that the Courts do not award legal/lawyer's costs. The court might only award the Court fees.

3.1.6.3 Remedies

According to Article 34, at the request of the owner and any interested party, the Committee shall grant an injunction to prevent the infringement in addition to the payment of necessary damages, and it may impose a fine upon the infringer not exceeding 100,000 Riyals (approx. 3,500,000 Yen). The maximum fine shall be doubled in case of repetition.

If the Committee sees that the infringement calls for the punishment of imprisonment, the infringer shall be referred from the start to the Board of Grievances/ Court of Appeals. The Committee may take the prompt measures it deems necessary to prevent the damages resulting from the infringement. The decision issued by the Committee, in this case, shall be published in the Official Gazette, and two daily newspapers, at the expense of the party against whom the decision is issued. The provisions of this Article shall be applied, without prejudice, to any harsher punishment provided for in any other law.

It is important to highlight that the decisions of the patent committee can be appealed before the competent court (i.e. commercial court) within 60 days¹¹².

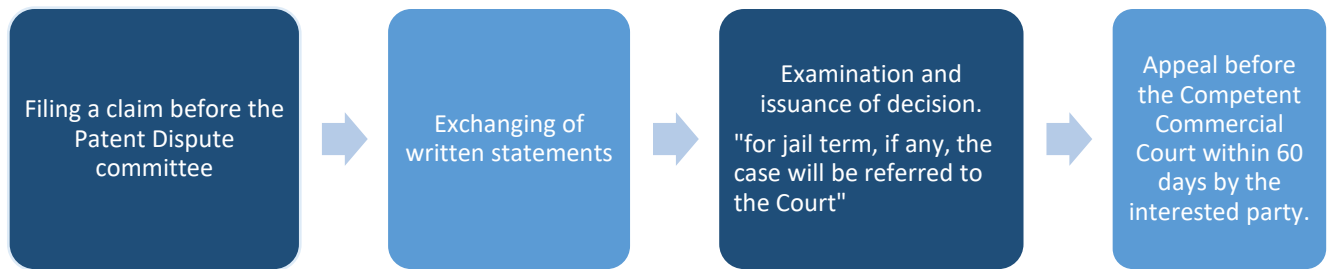
Moreover, Article 61 stipulates as follows: 'Without prejudice to the provisions of Article 34 of this Law, any party that violates any of the provisions provided for in this Law shall be punished with a fine not exceeding 50,000 Riyals (approx. 1,750,000 Yen), and the maximum limit shall be doubled in case of repetition'.

3.1.6.4 Summary of the remedies with Comparison table

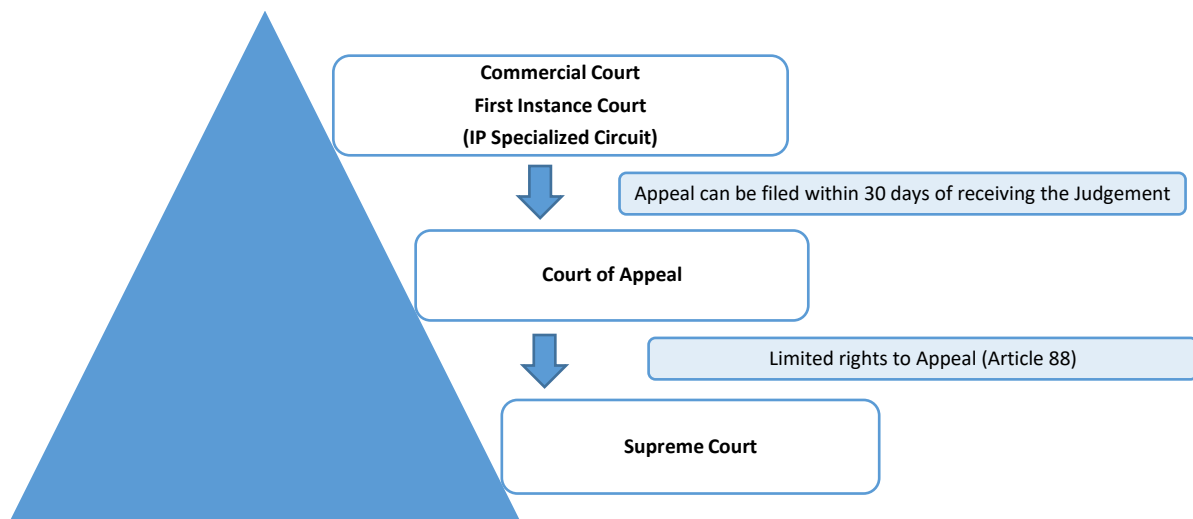
| Remedies available in Saudi Arabia for Patent Infringement | |
|---|---|
| Injunctions | Available |
| Damages | the damages should be actual, quantifiable and should not be based on estimation. Evidence for such damages shall be submitted. |
| Fines | A fine of up to 100,000 Riyals (approx. 3,500,000 Yen), which may be doubled for a repeat offender |
| Destroying of infringing goods | Available |
| Publication of Judgement | Publication in the Official Gazette, and two daily newspapers, at the expense of the party against whom the decision is issued |
| Criminal Proceedings | Possible jail term, including referral to the Board of Grievances/Court. |
| Border Detention | Available |
| Others | Any other prompt measures considered necessary to prevent damages resulting from the infringement |

¹¹² <https://www.saip.gov.sa/committees-secretariat/1412/>

3.1.6.5 Flowchart of the process of the Enforcement



- **Jurisdiction of Commercial Courts over IP – related Litigation**



3.2 Utility Models

Utility model protection is not stipulated by the IP legislation in Saudi Arabia. The Saudi Authority for Intellectual Property “SAIP” presents a draft of “Utility Model Regulations”, which aims to provide protection for utility models, also known as utility innovations or mini-patents. The said draft regulations are still pending since 2020¹¹³.

The above SAIP’s initiative of drafting the “Utility Model Regulation” is in accordance with its tasks and jurisdiction provided pursuant to the Council of Ministers' decision No. (496) dated 9/14/1439, which stipulates in Article (3)¹¹⁴, that SAIP aims to organize, support, develop, sponsor and protect intellectual property fields in the Kingdom, and for this purpose, it has the right to propose laws and regulations, register and protection of rights related to intellectual property rights, and further enforce the rights.

- **Importance of utility model protection:**

Utility models are specifically considered well-suited for a form of patent-like protection for minor or small innovations. Similar to patents, it protects new technical inventions by granting a limited exclusive right to

¹¹³ <https://www.saip.gov.sa/public-visuals/468/>

¹¹⁴ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-01/%D8%AA%D9%86%D8%B8%D9%8A%D9%85%20%D8%A7%D9%84%D9%87%D9%8A%D9%8A%D9%94%D8%A9%20%D8%A8%D8%A7%D9%84%D8%A7%D9%95%D9%86%D8%AC%D9%84%D9%8A%D8%B2%D9%8A.pdf>

prevent others from commercially exploiting the protected inventions without the consent of the right holders. On the other hand, it is relatively inexpensive and easier to obtain.

The SAIP stipulates in the draft of the Regulations that the reason it has initiated such regulations for utility models is due to fact that the requirements for acquiring a utility model are less stringent than for patents. The standards for an “**inventive step**” or “non-obviousness” may be **lower** than patents **or absent** altogether, and the requirement of “**novelty**” might be applied only at a **local level**. In practice, protection for utility models is often sought for innovations of a rather incremental character, which may not meet the patentability criteria¹¹⁵.

3.2.1 Definition

The draft of “Utility Model Regulation” defines the Utility model as “An idea that is reached and involves a technical improvement that increases its utility, ability or efficiency”.

3.2.2 Requirements

1) A utility model certificate shall be granted if the model is new, involves a technical improvement, and is industrially applicable.

2) The utility model shall not be granted a certificate if its commercial exploitation is contrary to the provisions of Islamic law or public morals, is harmful to life, human, animal or plant health, or causes significant damage to the environment.

2- The utility model does not grant a certificate for industrial processes, chemical inventions, pharmaceutical or herbal preparations, and inventions related to biotechnology.

It is important to highlight that Article 7 of the draft Regulations provides explanation to each condition required for protections, as follows:

1- a) The utility model is new if it is not preceded in terms of the prior state of technology. By prior art, it means everything that is made available to the public anywhere by written or oral description, by use, or by any other means by which knowledge of the utility model is achieved, prior to the date of filing the application for the utility model or the date of priority, if any. Included in the meaning of the previous technology is the description of the utility model within the application for a certificate of a utility model that was previously deposited with SAIP prior to the date of filing the current application.

b) Disclosure of the utility model to the public is not considered if it occurred during the priority period.

2- The utility model detection cases that do not fall within the meanings of the previous technique are as follows:

A- If the disclosure took place in the six months preceding the date of filing the application or the date of the priority application due to arbitrary acts committed against the applicant or his predecessor.

b- If the disclosure was made as a result of its display in an officially recognized international exhibition in one of the countries of the Paris Union, and that was during the six months preceding the filing of the utility model application.

3- The utility model is considered to involve a technical improvement if it includes a development compared to the previous technology in the field of utility models or in the database of the utility model from the date of filing the application or the date of priority if any.

4- The utility model is considered industrially applicable if it can be manufactured or used in any industrial, agricultural or extractive field, including handicrafts.

¹¹⁵https://www.wipo.int/patents/en/topics/utility_models.html#:~:text=In%20other%20words%2C%20in%20general,a%20utility%20model%20is%20granted.

▪ **Exceptions of protection as Utility Model**

The following shall not be considered utility models in the field of applying the provisions of these regulations, as provided in Article 8, of the draft Regulations:

- 1- Discoveries, scientific theories, or mathematical methods.
- 2- Computer programs, or displaying information.
- 3- Business plans, rules and methods, purely mental activities, or playing a game.
- 4- Plants and animals, including any of their parts or components, and the processes - most of which are biological - used to produce plants or animals.
- 5- Microbiology.
- 6- Substances found in nature, including genes and stem cells.
- 7- The discovery of a new property or a new use of a previously known substance or preparation, or the use of previously known processes, unless these processes result in a new product.
- 8- The substance obtained as a result of combining only the characteristics of its components or the process for producing this substance.
- 9- Methods of surgically or therapeutically treating the human or animal body, and methods of diagnosing disease applied to the human or animal body. Products, especially materials or compounds, that are used in any of these methods are excluded from this.

3.2.3 Term of Protection

The term of protection for the utility model certificate is ten years from the date of filing the application, as provided in Article 28 of the draft Regulations.

3.2.4 Application/Registration Procedure

3.2.4.1 Place of Application

There is no current filing for the utility models in Saudi Arabia as the Law/Regulations are still pending. However, as per the draft Regulations the Utility model applications shall be submitted electronically through the SAIP platform.

3.2.4.2 Eligibility

The right owner is the person to whom the utility model certificate is granted, or to whom ownership of the certificate has been transferred. The utility model may be transferred with or without compensation, and it is transferred by inheritance.

If the utility model is a joint work of several persons, all of them shall have equal rights, unless they agree otherwise. If a person does not contribute effort to the utility model, but rather his efforts are limited to assisting in its implementation, then the same shall not be considered as right owner.

If more than one person came up with the same utility model independently, then the utility model belongs to the one who previously filed his application¹¹⁶.

¹¹⁶ Article 10 of the Draft Regulations.

3.2.4.3 Filing Requirements

1- The utility model application shall be submitted to SAIP according to the forms prepared for that purpose electronically or in any other way specified by SAIP, and it shall be in the Arabic language. The application can be filed in English, provided that SAIP is provided with an approved translation within three months from the date of submitting the application, and it is clear, and the application forms must include all the required data and answer all inquiries¹¹⁷.

2- If the application was submitted by someone other than the one who obtained the utility model, his name must be indicated, and the document transferring the right in the utility model to him must be produced.

3- The applicant may appoint an agent to represent him before SAIP.

4- The utility model application must include the name, capacity and address of the applicant, the name of the person who obtained it, and the name of the utility model. It should also include a description revealing the utility model, and one or more protection elements specifying the scope of protection required and claims. The application shall be accompanied by illustrations if they are necessary to understand the utility model.

5- The application must relate to a single utility model or a group of related parts in such a way as to make it a single innovative concept. The applicant may, before deciding whether to grant him a benefits model, divide his application into more than one application, provided that none of them exceed what was disclosed in the original application. The filing date of the original application, or the date of precedence, is the filing date for these applications¹¹⁸.

▪ Utility Model and Patent Filing and conversion

As per the draft Regulations, an applicant for a utility model certificate may not submit another application to SAIP to protect the same utility model by means of a patent application.

As to the conversion, Article 51 of the draft Regulation provides that an applicant for a utility model certificate may convert his application, before deciding on it and paying the financial consideration set for granted, into a patent application in accordance with the provisions and rules issued by SAIP.

▪ Filing Date

The date of filing the utility model application is the date of receipt of the application that fulfills the prescribed conditions and after payment of the financial consideration prescribed for the filing.

In the event that some conditions and requirements are not met, SAIP will notify the applicant to fulfill those conditions and requirements within two months from the date of being notified, and the date of fulfillment of these requirements will be considered the date of filing. In the event that the requirements are not fulfilled within the specified period, the application will be considered as not filed/lapsed, as provided in Article 17 of the draft Regulations.

▪ Priority claim

1- The applicant for the utility model may benefit from the right of priority of a previous application that was filed in one of the countries of the Paris Union, provided that the subsequent application is filed during the regular period of priority.

2- The priority period for utility models is twelve months from the date of filing the first application.

¹¹⁷ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-04/%D9%85%D8%B4%D8%B1%D9%88%D8%B9-%D9%84%D8%A7%D9%8A%D9%94%D8%AD%D8%A9-%D9%86%D9%85%D8%A7%D8%B0%D8%AC-%D8%A7%D9%84%D9%85%D9%86%D9%81%D8%B9%D8%A9.pdf> (Article 16)

¹¹⁸ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-04/%D9%85%D8%B4%D8%B1%D9%88%D8%B9-%D9%84%D8%A7%D9%8A%D9%94%D8%AD%D8%A9-%D9%86%D9%85%D8%A7%D8%B0%D8%AC-%D8%A7%D9%84%D9%85%D9%86%D9%81%D8%B9%D8%A9.pdf> (Article 19)

- **Amendments of Utility Model Application**

The applicant for the utility model may, free of charge, correct the written or mathematical errors contained in the application, and request the introduction of changes to the data contained in the application, as provided in Article 21 of the draft Regulation.

Moreover, the applicant for the utility model may, before deciding on his application in a final manner, make whatever amendments he sees to the application after paying the prescribed financial fees, provided that these amendments do not exceed what was disclosed in the original application. The SAIP shall determine the terms and conditions related to the amendments to the application for the utility model.

- **Voluntary Cancellation**

The applicant for the utility model may withdraw his application as long as there is no final decision regarding it. If the application is withdrawn before it is published, the application shall be deemed null and void. The withdrawal of the application does not entail the right to recover the fee paid, as provided in Article 22 of the draft Regulation.

- **Publication**

Pursuant to Article 20 of the draft Regulations, the Applications for the utility model shall be published within eighteen months from the date of filing the application, after payment of the financial fee prescribed for publication, and SAIP shall determine the provisions and rules related to the publication.

3.2.4.4 Examination

- **Formal Examination¹¹⁹**

SAIP shall examine applications for utility model certificates filed formally in accordance with these regulations, and if it appears from the examination that the application does not meet some of the prescribed conditions, SAIP shall require the applicant to fulfill them within a maximum of three months from the date of this notification thereof.

If the applicant does not implement what was requested of them within the aforementioned period, their request shall be considered as if it did not exist. The applicant shall be notified of this, and this decision shall be published in the bulletin.

- **Substantive Examination¹²⁰**

If the application for the utility model passes the formal examination, it shall be examined objectively after paying the estimated costs of the objective examination, and the applicant may submit a request for expediting the examination. SAIP shall determine the provisions related to the objective examination, the request for urgency, and the estimated expenses for that.

- **Examination Results¹²¹:**

1- SAIP shall notify the applicant of the result of the substantive examination, including the first objective examination report, and the applicant shall submit to SAIP amendments to the application in accordance with the report, and in the event of disagreement with any of what is stated in the report, he shall justify that. In the event that the application was previously disclosed or one of the subjects was excluded from protection, SAIP may suffice with the first substantive examination report and issue a decision rejecting the application.

¹¹⁹ **Article 23 of the Draft Regulations.**

¹²⁰ Article 24 of the Draft Regulations.

¹²¹ **Article 25 of the draft Regulations**

2- If SAIP is satisfied with the amendments or justifications submitted by the applicant, it completes the granting procedures, and if it finds otherwise, it notifies the applicant with the second substantive examination report. The applicant shall submit to SAIP amendments to the application in accordance with this report, and in case of disagreement with any of the provisions thereof, he shall justify that.

3- If SAIP is satisfied with the amendments or justifications submitted by the applicant, it completes the granting procedures, and if it finds otherwise, it issues a decision to reject the application.

4- The applicant must respond to the notifications sent to him by SAIP within three months from the date of notification, and in the absence of a response within the specified period, the application will be rejected.

- **Appeal¹²²**

1- The utility model applicant may appeal before the competent court within sixty days from the date of his notification of the Commission's decision to reject or lapse the application.

2- The owner of the utility model certificate may object before the competent court within sixty days from the date of being notified of the Commission's decision to revoke the certificate

- **Grant of protection (Article 26 of the draft Regulations)**

1- If SAIP finds that the utility model application has fulfilled the conditions stipulated by law, it issues a decision to grant the utility model certificate after paying the financial fee prescribed for granting, and the applicant is notified of that, and this decision is published in the bulletin.

2- If SAIP found that the utility model application did not meet the conditions prescribed by law, or if the financial consideration for the grants stipulated in paragraph (1) above was not paid, then it issues a rejection decision stating the reasons for rejection, and the applicant is notified of that, and this decision is published in the Gazette.

- **Annuities (Article 27):**

1- The utility model application or the utility model certificate shall be entitled to an annual financial fee - according to the table attached to these regulations - which must be paid at the beginning of each fiscal year, starting from the year following the date of filing the application.

2- If the applicant or the owner of the certificate does not pay the annual fee within a maximum of three months from its due date, they shall be directed to pay double the annual fee. If the applicant does not pay the same within the three months following the expiration of the first three months, the application or certificate shall be forfeited, and it shall be announced in the Gazette.

3- An applicant for a utility model certificate may, after paying the prescribed fee for two years without being granted a utility model certificate, request a deferral of payment of the fee for subsequent years until a decision on his request is made as determined by SAIP.

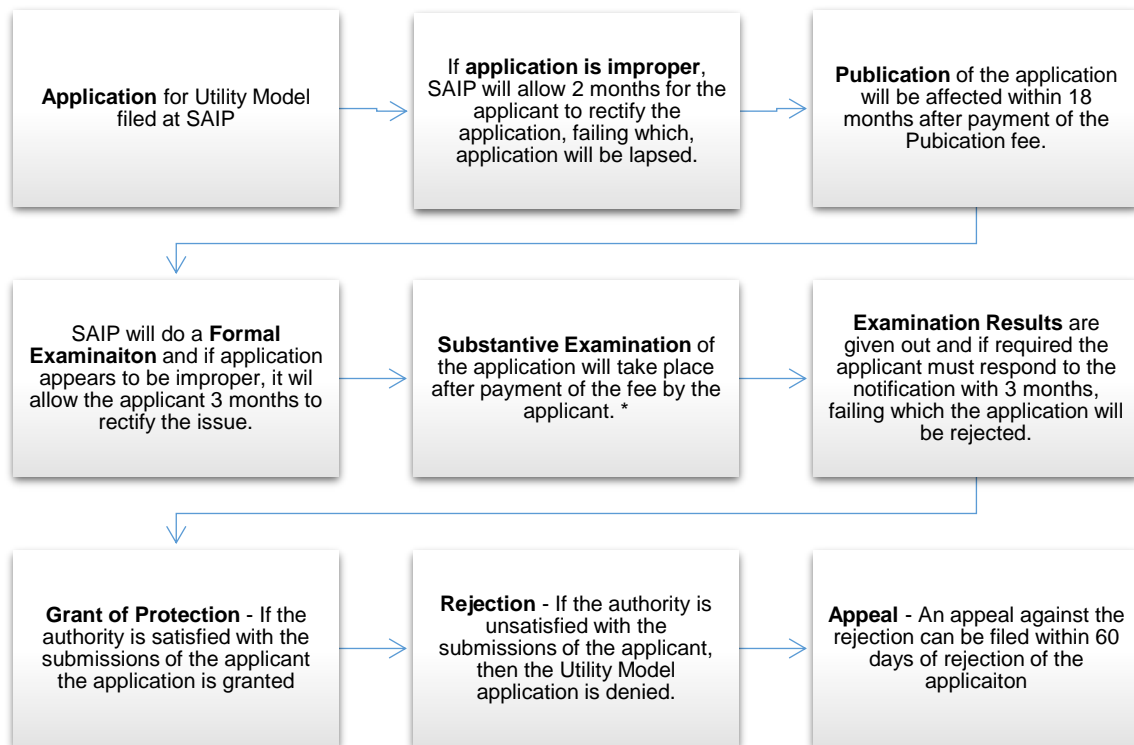
4- SAIP may accept payment of the annual fee for subsequent years for the utility model certificate.

3.2.4.5 Period of Entire Registration Process

No time frame can be estimated in the meantime as the registration of the utility models is not yet available and the draft Regulations are still pending.

¹²² Article 30 of the draft Regulations.

Flow Chart of the Utility Model procedures as per the draft Regulations



3.2.5 Post-Registration

3.2.5.1 Registration Fees

| | | |
|--|---|--|
| Grant and publication Fees for utility models | 250 Riyals for Individuals (approx. 8,750 Yen) | 500 Riyals for enterprises (approx. 17,500 Yen) |
|--|---|--|

▪ Confidentiality and Non-disclosure

Any person may, after paying the prescribed fee, obtain certified copies of the published utility model applications. It is also permissible to view, free of charge, certificates of utility models issued by SAIP and any related statement.

However, Article 41 of the draft Regulations stipulates that SAIP's employees are obligated to refrain from providing technical information related to applications for utility model certificates, which they obtained - in their capacity - to any person who is not officially authorized to receive such information in accordance with the regulations and rules in force in the Kingdom, and they are also obligated not to disclose this information to the public, or use it in any way. This commitment continues after their service ends.

Moreover, SAIP employees may not apply for a utility model during their period of service, and for a period of two years after the termination of service.

3.2.5.2 Rights of the Right Holder

The utility model certificate gives its owner the right to prevent others from using or exploiting the utility model without its consent, as provided in Article 9 of the draft Regulation.

It is worth mentioning that the owner of the utility model certificate is not entitled to prevent others from importing the product covered by the utility model certificate for the purpose of using it, selling it, offering it for sale or storing it if the owner himself offered the product in any other country or authorized others to do so, as provided in Article 33 of the draft Regulation.

3.2.5.3 Fees related to successful registration

Annex of the table of fees as referred to in Article 50 of the draft Regulation

| Services | Individual Fee (Riyals) | Enterprise Fee (Riyals) |
|---|------------------------------|-------------------------------|
| Filing an application | 200 (approx. 7,000 Yen) | 400 (approx. 14,000 Yen) |
| Assignment | 100 (approx. 3,500 Yen) | 200 (approx. 7,000 Yen) |
| Amending or adding the application | 50 (approx. 1,750 Yen) | 100 (approx. 3,500 Yen) |
| Obtaining a copy of the application or certificate | 25 (approx. 875 Yen) | 50 (approx. 1,750 Yen) |
| Recording of License contract | 200 (approx. 7,000 Yen) | 400 (approx. 14,000 Yen) |
| Grant of compulsory License | 2000 (approx. 70,000 Yen) | 4000 (approx. 140,000 Yen) |
| Grant and publication | 250 (approx. 8,750 Yen) | 500 (approx. 17,500 Yen) |
| Annuities | | |
| YEAR 1 | 125 (approx. 4,376 Yen) | 250 (approx. 8,750 Yen) |
| YEAR 2 | 250 (approx. 8,750 Yen) | 500 (approx. 17,500 Yen) |
| YEAR 3 | 375 (approx. 13,125 Yen) | 750 (approx. 26,250 Yen) |
| YEAR 4 | 500 (approx. 17,500 Yen) | 1000 (approx. 35,000 Yen) |
| YEAR 5 | 625 (approx. 21,875 Yen) | 1250 (approx. 43,750 Yen) |
| YEAR 6 | 750 (approx. 26,250 Yen) | 1500 (approx. 52,500 Yen) |
| YEAR 7 | 875 (approx. 30,625 Yen) | 1750 (approx. 61,250 Yen) |
| YEAR 8 | 1000 (approx. 35,000 Yen) | 2000 (approx. 70,000 Yen) |
| YEAR 9 | 1125 (approx. 39,375 Yen) | 2250 (approx. 78,750 Yen) |
| YEAR 10 | 1250 (approx. 43,750 Yen) | 2500 (approx. 87,500 Yen) |
| Request of amendment or priority | 400 (approx. 14,000 Yen) | 800 (approx. 28,000 Yen) |
| Request to re-process the application | 1000 (approx. 35,000 Yen) | 2000 (approx. 70,000 Yen) |
| Request of extension | 300 (approx. 10,500 Yen) | 600 (approx. 21,000 Yen) |

3.2.5.4 Licensing

The owner of the utility model certificate may grant a contractual license to a third party to make full or partial exploitation of the utility model. The licensing contract shall not be valid against third parties unless the prescribed fees are paid and the contract is recorded in SAIP's records.

The license does not result in depriving the owner of exploiting the utility model himself, or granting another license for the same utility model unless the license contract stipulates otherwise.

As provided in Article 36, the license entails the licensee's entitlement to perform all the works and privileges assigned to the owner, related to the utility model, throughout the Kingdom throughout the validity of the protection, unless otherwise stipulated in the license contract.

- **Sub-License**

The licensee shall not waive the rights and privileges that the owner has licensed to him unless the license contract explicitly provides for this.

- **Compulsory Licensing**

SAIP may grant a compulsory license to a third party to exploit a utility model that has obtained a utility model certificate, based on a license application submitted to SAIP and after paying the prescribed fee for that, in accordance with the following, as stipulated in Article 37 of the draft Regulations:

1- That the license application shall be submitted after the lapse of three years from the date of depositing the application for the utility model, or two years from the date of granting the certificate, whichever expires later, without the owner exploiting the utility model, or exploiting it in an insufficient manner to meet the needs of the Kingdom unless being justified with a legitimate excuse.

2- That the license applicant proves that he has made efforts to obtain a contractual license, in accordance with reasonable commercial terms and conditions, and that those efforts were not successful within a reasonable period of time.

An exception is made from the application of the provisions of paragraphs (1) and (2) above, if the applicant for the license is a government agency, or a person authorized by it, and the purpose of it is to achieve the public interest - especially national security, health, nutrition, or the development of other vital sectors of the national economy - or facing an emergency, or other very urgent situation. Or the purpose was for general, non-commercial purposes, and in the latter case, upon knowledge of the existence of a utility model, its owner shall be notified immediately.

3- The license shall be granted in order to provide the utility model in the local markets.

The provisions of paragraphs (2) and (3) above shall not apply if the purpose of the license is to correct practices for which an administrative decision or court ruling has been issued stating that they are acts of unfair competition.

4- That the licensing decision determines the scope and duration of the license, according to the purpose for which it was granted. The license shall be subject to termination if the conditions for which the license was granted cease to exist and their recurrence is unlikely, taking into account the legitimate interests of the licensee.

5- The license shall not be exclusive to the person to whom it was granted.

6- To decide on each license application separately.

7- The owner shall be compensated fairly, and the competent court shall determine the amount of compensation in the event of disagreement, provided that the licensee undertakes to fulfill it.

8- If the utility model certificate involves an important technical development of great economic value, and cannot be exploited without exploiting another utility model certificate, SAIP may grant the owner of that certificate a compulsory license to exploit the other utility model certificate.

In this case, the compulsory license may not be waived except by assigning the other certificate, and the owner of the other utility model certificate shall have the right to obtain a corresponding license from the licensee of the compulsory license, according to reasonable conditions.

- **Assignment of compulsory license**

Article 38 of the draft Regulations provide that the licensee who holds a compulsory license may not assign it to a third party unless the assignment includes the facility benefiting from the license, or part of it, or its commercial reputation, and the approval of SAIP is required for the assignment, otherwise, it is null and void, and in the event that SAIP approves the said assignment, the assignee becomes responsible for the obligations of the first beneficiary incurred before the assignment is approved.

The licensee who holds a compulsory license may abandon the license, based on a written request submitted to SAIP, provided that the effect of the abandonment becomes effective from the date of its approval by SAIP.

- **Amendment and cancellation of the compulsory license**

SAIP may amend the decision to grant the compulsory license if there are reasons that require it. The owner of the utility model certificate or the beneficiary of the compulsory license may request SAIP to make this amendment if its requirements are met, and SAIP shall issue a reasoned decision accepting or rejecting the amendment of the license.

As to the cancellation of the compulsory license, it is important to highlight that Article 40 of the draft Regulation provides the cases under which SAIP shall cancel the compulsory license, as follows:

1- If the licensee does not exploit the utility model in a sufficient manner to meet the needs of the Kingdom within two years from the date of granting the license, which can be extended for an equal period if it is proved that there is a legitimate reason.

2- If the beneficiary of the license does not pay the sums due, within ninety days of their due date, including the compensations due to the owner of the certificate, as stipulated in the granting decision.

3- If the beneficiary of the license violates any of the conditions for granting the license.

- **Publication of compulsory Licensing**

The decisions to grant compulsory licensing and any related procedures that occur shall be recorded in SAIP's records. Moreover, the same shall be published in the Gazette and the holder of the certificate shall be notified thereof.

3.2.5.5 Invalidation action and its grounds

Any interested party may challenge before the competent court the decision to grant the utility model certificate during its validity period, requesting a ruling to revoke it partially or completely, based on the violation of the conditions prescribed for granting the utility model certificate.

The owner of the certificate shall include the licensee in the lawsuit, otherwise, the licensee shall have the right to intervene on his own, in accordance with Article 43 of the draft Regulations.

The grounds upon which the request for total or partial invalidation of a utility model is based is the violation of any of the provisions of Article Five, Article Six, Article Seven, or Article Eight of the draft Regulations.

3.2.5.6 Renewal of Registration

The 10-year term for utility models protection cannot be extended.

3.2.6 Enforcement of Rights

- **Infringement**

Article 47 of the draft Regulation stipulates that an infringement of the utility model is defined as any act of exploitation taken by a third party without the written consent of the owner of the utility model certificate.

3.2.6.1 Enforcement Agency

- **Infringement action**

The owner of the utility model certificate or the person to whom the right devolves may file a lawsuit before the competent court against any person who exploits the utility model in the Kingdom without the written consent of the owner, as provided in Article 31.

- **Infringement Exceptions**

Article 32 of the draft Regulation provides that works that are carried out for experimental purposes relating to the utility model, and works for scientific research purposes, as well as making or using the utility model in non-commercial works are not considered an infringement of the utility model if occurred by third parties without the owner's consent.

- **Court Jurisdiction**

As the Utility Model is one of the IP rights, the Commercial Court will be the competent court for any related dispute in accordance with the Commercial Courts Law. All the related information is provided above in section (3.1.6.2) for reference.

3.2.6.2 Remedies

The competent court shall, at the request of the owner of the certificate or any interested party, issue a judgment to prevent the infringement and pay the necessary compensation, and it may take the urgent measures it deems necessary to avoid the damages resulting from the infringement¹²³.

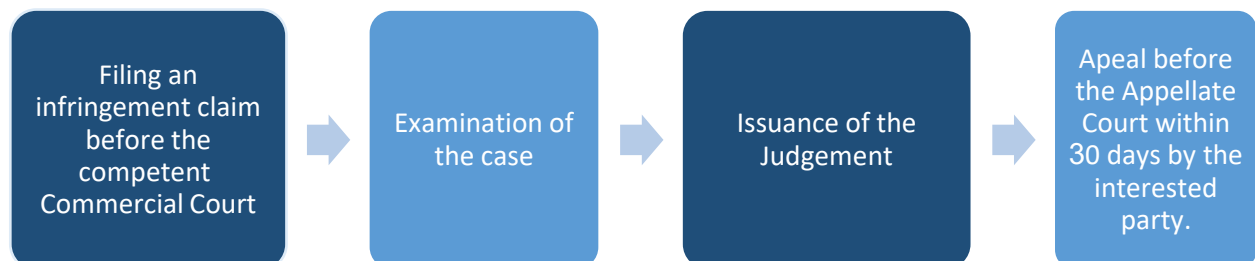
3.2.6.3 Implementing Regulations

As mentioned above, the said Regulations are still pending and it is likely that some amendments will take place to the issued draft. Moreover, after the said Regulations are finalized, the same will be published to come into force after 120 days of the publication date as provided in Article 53 of the draft Regulations. It is expected that the SAIP will issue the relevant decisions for implementing the regulations as stipulated in Article 52 of the draft Regulations.

3.2.6.4 Summary of the remedies with Comparison table

| Remedies available in Saudi Arabia for Utility Models Infringement (as per the Draft Regulations) | |
|---|---|
| Injunctions | Available |
| Compensation | the damages should be actual, quantifiable and should not be based on estimation. Evidence for such damages shall be submitted as per Sharia. |
| Others | Any urgent measures it deems necessary to avoid the damages resulting from the infringement. |

3.2.6.5 Flowchart of the process of the Enforcement



**Note: The chart related to the Jurisdiction of Commercial Courts over IP – related Litigation and its stages of appeal is provided in section 3.1.6.5.

¹²³ Article 47 of the Draft Regulations.

3.3 Industrial Design

3.3.1 Definition

Article 2 of the Law defines Industrial Designs as follows: "A three-dimensional disposition of the elements of an integrated circuit – at least one of which is active - and of some or all of the interconnections, or such a three-dimensional disposition prepared for an integrated circuit for the purpose of manufacturing".

3.3.2 Requirements

An industrial design certificate shall be granted, if the Industrial design fulfills the following conditions, in accordance with Article 59 and Article 4 of the Law:

- It shall be novel and has features that distinguish it from known industrial designs. An industrial design shall be deemed novel if it was not disclosed to the public through publication anywhere in a tangible form, by use, or by any other means, prior to the date of filing the application or priority application.
- It shall not be for a functional or technical purpose.
- Its commercial exploitation shall not violate the Islamic Sharia.
- Its commercial exploitation shall not be harmful to the life or the health of humans, animals, or plants, or is substantially harmful to the environment.
- It shall not include trademarks belonging to others or official flags or official emblems.

▪ Disclosure conditions

Disclosure of the industrial design to the public shall have no effect if it occurs during the priority period.

Article 31 of the Implementing Regulations provides the cases of disclosure of industrial designs which shall not be considered as part of the prior art, as follows:

- 3) If the disclosure occurred during the last six months prior to the filing date of the application or the date of the priority claim due to abusive acts against the applicant or his predecessor.
- 4) If the disclosure occurred as a result of display in an officially recognized international exhibition in one of the countries of the Paris Union during the six months preceding the date of filing the design application.

3.3.3 Term of Protection

The industrial design certificate protection period shall be 10 years from the date of filing the application.

The Gregorian date along with the Hijri date are being adopted/used in the Saudi System for Industrial Designs, and both dates are reflected in the registration certificate.

This is in accordance with Article (6/2) of the Implementing Regulations of the Law which stipulates that the publications and the Gazette shall be carrying both the Hijri and Gregorian calendar dates.

Note: The Hijiri (Lunar) calendar year has approx. 354 days, therefore, it deviates by about 11 days each year from the Gregorian (Solar) calendar.

Please note that the granted certificate and the filing receipt contain both Hijiri and its equivalent Gregorian date and state that the protection period will be 10 years calculated from the filing date. However, the said documents as well as the law do not specifically mention the end date of the protection period calculated either in Hijri or Gregorian.

In practice, SAIP calculates in the Gregorian calendar for notifications, annuities as well as the Design Protection Term of 10 years.

3.3.4 Application/Registration Procedure

3.3.4.1 Place of Application

- **Filing process**

- 1- File the complete industrial design application through the SAIP platform by the authorized Saudi IP Agent, along with other relevant certified documents¹²⁴.
- 2- Payment of filing fees.
- 3- Formal Examination is conducted by the SAIP. The applicant shall satisfy all the Authority's requirements, if any, within 90 days from the date of notification, otherwise, the application will be considered abandoned.

- **Temporary protection of industrial designs**¹²⁵

If the applicant desires to have provisional protection for an industrial design relating to products he wishes to display in any official exhibition, he shall apply to the Authority, enclosing a brief description of the industrial design, the drawings and a statement about the products relating thereto. The Authority may require the applicant to submit any other data it deems necessary. As for products displayed outside the Kingdom, a certificate attested by an official authority specifying the displayed product, its data and the date of display shall be provided.

3.3.4.2 Eligibility

The Applicant may file an application for the registration of an industrial design (if having an account on the national access) or through the agent in Saudi Arabia.

- If the applicant is (an individual) - a new user - the registration is done through the national access or the creation of a new account at the registration portal in the services of the Authority.

- If the applicant is (agent / company) - a new user - registration is done by creating a new account at the registration portal of the Authority's services.

For foreign applicants, it is necessary to appoint a representative, a locally registered Saudi IP agent.

The said agent must hold a power of attorney acceptable to the Authority issued by a competent authority if the applicant is in the Kingdom. If the applicant is outside the Kingdom, it is necessary to have a power of attorney approved by the competent authorities and certified by the Kingdom's diplomatic missions abroad (i.e. apostilled POA). The agent shall attach proof that he is licensed to practice in the Kingdom.

According to the law, only the inventor/creator may apply for an Industrial Design. If two or more persons creates the industrial design jointly, they apply for an Industrial design jointly as joint inventors and are equally entitled to the rights, unless they have agreed otherwise.

If more than one person independently develops the same subject matter of protection, the protection document shall be granted to the first applicant¹²⁶.

¹²⁴ <https://www.saip.gov.sa/en/services/282/>

¹²⁵ Article 31 of the Implementing Regulations

¹²⁶ Article 5 of the Law.

3.3.4.3 Requirements

Terms and conditions for filing an industrial design application¹²⁷

- A design protection application shall be limited to one industrial design only.
- The pictures and drawings of an industrial design application sought to be protected shall not exceed seven.
- Requisite fee should be paid along with the application.
- An application shall be clearly filled with the data of the design and shall include¹²⁸:
 - Title
 - Applicant's details
 - Inventor's details
 - Agent's details
 - Priority and disclosure details (if any)
 - Description of the Industrial design
 - Classification (in accordance with the International Classification of Industrial Designs - Locarno)
 - Type of the product (Products in which the mentioned industrial design is used according to Locarno classification)
 - Declaration: A Declaration shall be filed by the Applicant/Agent, stating that all the information provided in the application is true and shall be responsible for the consequences of providing incorrect information.
 - Attachments:
 - * Filled in forms
 - * Drawings of the industrial design in JPEG format
 - * Duly Apostilled Power of Attorney
 - * Duly Apostilled Deed of Assignment (if any)
 - * Certified Priority document (if any)
- Saudi design applications claiming conventional priority should be filed within six months from the priority date¹²⁹. Restoration of the priority right is not possible¹³⁰.

General Conditions for the Industrial Design Drawings to be filed¹³¹:

- The representation of the design shall include drawings or photographs in the following manner:
 - If protection of certain colors in the industrial design is desired, then the figures shall be in color.
 - Broken lines should be used for the figures or parts in the industrial design that do not require protection.
 - The scope of protection shall cover the common elements among the figures submitted for one industrial design.
 - Figures shall be clear and shall indicate the distinctive features of the industrial design to be protected.
 - No words should be mentioned in the figures for the purpose of description.
 - Numbering of the figures shall be done sequentially below the figure (in letters and numbers).

3.3.4.4 Examination

The Formal Examination is conducted by the SAIP and no substantive examination is taking place for Industrial Designs. The applicant shall satisfy all the Authority's requirements, if any, within 90 days from the date of notification, otherwise, the application will be considered abandoned.

¹²⁷Article 27 of the Implementing Regulations of the Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties and Industrial Designs.

¹²⁸Article 28 of the Implementing Regulations of the Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties and Industrial Designs.

¹²⁹ Article 10 of the Law.

¹³⁰ Article 30 of the Implementing Regulations of the Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties and Industrial Designs.

¹³¹ Article 29 of the Implementing Regulations of the Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties and Industrial Designs.

***Responding to Formality Report:**

The Applicant will be given a ninety (90) days' time period from the date of notification to comply with the Examiner's objections.¹³² The revisions to the specification / drawings [if any] and the executed documents [if any] should be submitted online before the SAIP portal along with the payment of official fees. The marked-up and clean version of the amended set of documents in English and Arabic are to be submitted to complete the formalities.

The Applicant is allowed to obtain an extension of thirty (30) days upon submitting the request. The design application will be considered null and void in the event, the response to this formality examination report is not submitted within the stipulated deadline.

Publication:

Upon completion of the formalities examination, the SAIP shall notify the applicant to pay the publication fees within three months, otherwise, will be considered abandoned. If abandoned, the abandoned application will be recorded in the registry and published in the Gazette.

Grant decision:

The design is registered after payment of prescribed fees for the grant and a Certificate of Registration is issued.

Rejection decision

If the SAIP finds that the design application does not satisfy the prescribed conditions, it shall issue a decision stating the reasons for rejection, and the applicant shall be notified thereof¹³³.

The Applicant may file an Appeal against the Rejection notice issued by SAIP before the SAIP Committee¹³⁴ through the SAIP Portal in accordance with Article 36 of the Law. If the committee rejected the appeal, the Applicant has the right to file a court case within 60 days from the notification date¹³⁵.

Appeal Process

The case shall be filed before the SAIP.

The committees' general secretariat receives the case filed by the plaintiff, examines it, and checks the completeness of the documents and documents necessary to register the lawsuit, and then study the request.

3- Submitting the case to the Patent Claims Committee to decide on them.

4- Inform the stakeholders of the decision issued by the committee by the general secretariat of the committees.

5- Verify that the decision has acquired final status after the statutory period (60 days) for grievance against the decision has passed.

6- Append the decision issued by the committee with the final version for implementation.

7- In the event of a grievance against the committee's decision, the party can file an appeal before the competent court¹³⁶.

Registration Certificate

The Registration certificate of industrial design includes the following information (Certificate Number, Date of registration in Hijri & Gregorian, Application Number, Filing date in Hijri & Gregorian, Designer Name, the Owner Name, Address, Nationality, Locarno, Number of design, Examiner, Type of product, Number of figures and the drawing)¹³⁷.

¹³² Article 36 of the Implementing Regulations of the Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties and Industrial Designs.

¹³³ Article 14 (b) of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

¹³⁴ <https://www.saip.gov.sa/services/367/>

¹³⁵ Article 37 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

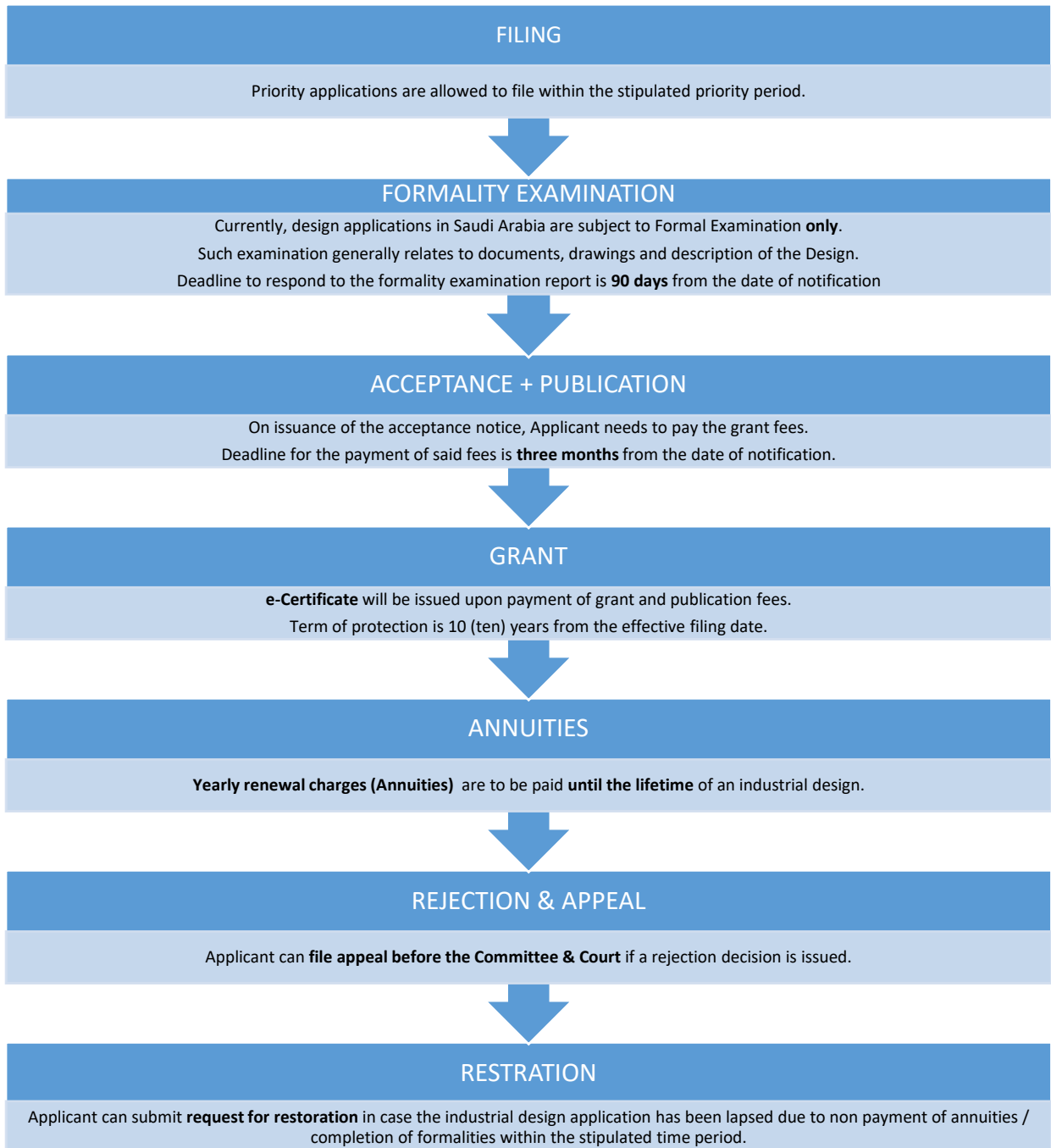
¹³⁶ <https://www.saip.gov.sa/services/367/>

¹³⁷ Article 46 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

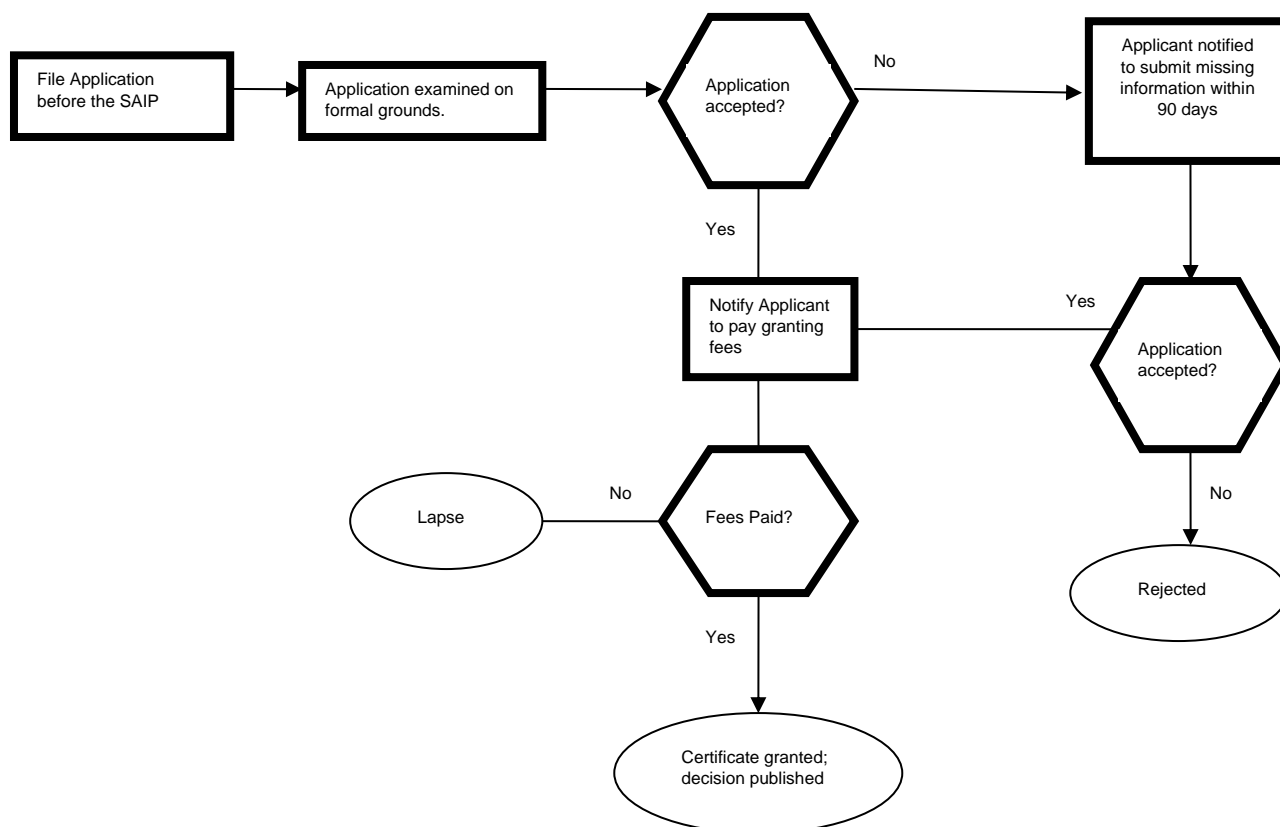
3.3.4.5 Period of Entire Registration Process

The timeframe from filing till registration for an Industrial Design application in Saudi Arabia takes an average of 6 – 12 months.

Industrial Designs Prosecution Flowchart



Filing process of Industrial Design – Flowchart



3.3.5 Post-Registration

3.3.5.1 Registration Fees

| Services | Individual Fee (Riyals) | Enterprise Fee (Riyals) |
|---------------------------------------|----------------------------|-----------------------------|
| Filing of a design application | 150 (approx. 5,250 Yen) | 300 (approx. 10,500 Yen) |
| Publication Fees of Industrial Design | N/A | N/A |
| Grant of a design application | 175 (approx. 6,125 Yen) | 350 (approx. 12,250 Yen) |

Note: In practice, there are no separate publication fees for the industrial design.

- **Annuities:**

The owner of the industrial design shall pay annual fees for the term of protection of 10 years to maintain the registration.¹³⁸

The said annuities shall be paid from January 1 to March 31 each year with normal fees and from April 1 to June 30 with double fees each year. If the annual fees are not paid till June 30, then it shall be abandoned due to non payment.

The Annuities fees for each year of protection are provided in Article 42 of the Law, as follows:

| Year | Individual (Riyals) | Enterprises (Riyals) |
|-------------|--------------------------|--------------------------|
| First year | 150 (approx. 5,250 Yen) | 300 (approx. 10,500 Yen) |
| Second year | 150 (approx. 5,250 Yen) | 300 (approx. 10,500 Yen) |
| Third year | 300 (approx. 10,500 Yen) | 600 (approx. 21,000 Yen) |

¹³⁸ <https://www.saip.gov.sa/en/services/959/>

| | | |
|--------------|--------------------------|---------------------------|
| Fourth year | 300 (approx. 10,500 Yen) | 600 (approx. 21,000 Yen) |
| Fifth year | 450 (approx. 15,750 Yen) | 900 (approx. 31,500 Yen) |
| Sixth year | 450 (approx. 15,750 Yen) | 900 (approx. 31,500 Yen) |
| Seventh year | 600 (approx. 21,000 Yen) | 1200 (approx. 42,000 Yen) |
| Eighth year | 600 (approx. 21,000 Yen) | 1200 (approx. 42,000 Yen) |
| Ninth year | 750 (approx. 26,250 Yen) | 1500 (approx. 52,500 Yen) |
| Tenth year | 750 (approx. 26,250 Yen) | 1500 (approx. 52,500 Yen) |

3.3.5.2 Rights of the Right Holder

The owner of an industrial design has the right to exclude others from commercially exploiting the protected matter during the term of the protection. Therefore, the such owner is entitled to initiate an action before the committee against any person who infringes its protected industrial design by exploiting it for commercial purposes without consent within the Kingdom through manufacturing, sale, or importing a commodity that includes or represents a wholly or substantially imitated industrial design¹³⁹.

3.3.5.3 Fees related to successful registration

SAIP Services Directory for Industrial Designs, time frame and related Fees¹⁴⁰

| Services | Execution Time | Individual Fee (Riyals) | Enterprise Fee (Riyals) |
|---|----------------------|------------------------------|-------------------------------|
| File a design application | Immediately | 150 (approx. 5,250 Yen) | 300 (approx. 10,500 Yen) |
| Amend or add application | 1-3 days | 150 (approx. 5,250 Yen) | 300 (approx. 10,500 Yen) |
| Add/change/cancel an agent | 1-3 days | N/A | N/A |
| Ownership change | 1-3 days | 75 (approx. 2,625 Yen) | 150 (approx. 5,250 Yen) |
| Certified Copy (a duplicate) | 1-3 days | 50 (approx. 1,750 Yen) | 100 (approx. 3,500 Yen) |
| Adding a Power of Attorney document | Immediately | N/A | N/A |
| Add a waiver document | Immediately | N/A | N/A |
| Add precedence documents | 1-3 days | N/A | N/A |
| Add/change/cancel an agent | Immediately | N/A | N/A |
| Withdraw industrial model | 1-3 days | N/A | N/A |
| Reissue a protection document | 1-3 days | N/A | N/A |
| Pay annual fee | Immediately | Annual Fee Schedule | Annual Fee Schedule |
| Extension of time | 1-3 days | 300 (approx. 10,500 Yen) | 600 (approx. 21,000 Yen) |
| Register License contract | 1-3 days | 150 (approx. 5,250 Yen) | 300 (approx. 10,500 Yen) |
| Grant a Compulsory license | 1-10 days | 1500 (approx. 52,500 Yen) | 3000 (approx. 105,000 Yen) |
| Consider Industrial Model Claims | Depends on each case | N/A | N/A |
| Enforce Industrial Model Final Judgment | 10 days | N/A | N/A |

As to the professional fees for filing up to registration (i.e. straightforward application, with no office actions) in the Saudi market ranges approximately from (USD 800 to 1500). Such costs vary depending on the market situation, agents, expenses..etc.

¹³⁹ <https://twitter.com/SAIPKSA/status/1448579307119460358/photo/1>

¹⁴⁰ <https://www.saip.gov.sa/en/ip-domains/242/#services>

3.3.5.4 Licensing

The right owner can grant a license to others to perform all or some of the acts of exploitation. A license contract shall not be valid vis-à-vis the third party unless the specified fee is paid and it is registered in the records of the SAIP. This license shall not deprive the owner of exploiting the subject matter himself or granting another license for the same protected subject matter unless the first license contract states otherwise¹⁴¹.

The license gives the licensee the right to perform all the acts and enjoy all the privileges assigned to the owner related to the subject of protection throughout the Kingdom during the whole protection period unless it is otherwise stated in the license contract. The licensee shall not assign the rights and privileges licensed to him by the owner of the protection document unless it is expressly stated in the license contract¹⁴².

According to Article 22 of the Law, the SAIP may instruct the parties to the license contract to amend it in order to prevent abusing the right in the protection document or any other negative effect on competition or the acquisition of technology and its dissemination.

▪ Invalidation action:

If the Industrial Design violates the conditions of granting the protection in accordance with the Law and Regulations, then the said Industrial design will be vulnerable to invalidation action wholly or partially by any interested party.

The Committee shall notify the SAIP of any final decision invalidating a protection document upon issuance for recording such invalidation and publishing the same¹⁴³.

3.3.5.5 Renewal of Registration

The 10-year term for Industrial Designs protection cannot be extended.

3.3.6 Enforcement of Rights

3.3.6.1 Enforcement Agency

- Patent Disputes Committee

The Patent Disputes Committee is the competent authority for all disputes and appeals against the decisions on protection documents and criminal proceedings arising from the violation of the provisions of the patent system, layout designs of integrated circuits, plant varieties and industrial designs¹⁴⁴. The Committee was formed under the Council of Ministers' Decision No. 60 dated 18/01/1444H and is made up of three members specialized in statutory affairs and two members specialized in technical affairs.

The Committee has jurisdiction to consider all disputes and appeals against the decisions issued in respect of protection documents, including:

1. Grievances against decisions declining requests for a protection document.
2. Revocation of protection documents.
3. Assignment of protection applications or documents.
4. Appeals against the decisions revoking protection documents¹⁴⁵.

If the committee rejected the appeal, the Applicant has the right to file a court case within 60 days from the notification date¹⁴⁶.

¹⁴¹ Article 21 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

¹⁴² Article 23 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

¹⁴³ Article 48 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

¹⁴⁴ <https://www.saip.gov.sa/en/search/?p=design+committee>

¹⁴⁵ <https://www.saip.gov.sa/en/committees-secretariat/1412/>

¹⁴⁶ Article 37 of Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs.

- Court Jurisdiction

As the Industrial Design is one of the IP rights, the Commercial Court will be the competent court for any related dispute in accordance with the Commercial Courts Law. All the related information is provided above in section (3.1.6.2) for reference.

3.3.6.2 Remedies

According to Article 34, at the request of the owner and any interested party, the Committee shall grant an injunction to prevent the infringement in addition to the payment of necessary damages, and it may impose a fine upon the infringer not exceeding 100,000 Riyals (approx. 3,500,000 Yen). The maximum fine shall be doubled in case of repetition.

If the Committee sees that the infringement calls for the punishment of imprisonment, the infringer shall be referred from the start to the Board of Grievances/ Court of Appeals. The Committee may take the prompt measures it deems necessary to prevent the damages resulting from the infringement. The decision issued by the Committee, in this case, shall be published in the Official Gazette, and two daily newspapers, at the expense of the party against whom the decision is issued. The provisions of this Article shall be applied, without prejudice, to any harsher punishment provided for in any other law.

It is important to highlight that the decisions of the committee can be appealed before the competent court within 60 days¹⁴⁷. If no appeal is filed, the decision will be final.

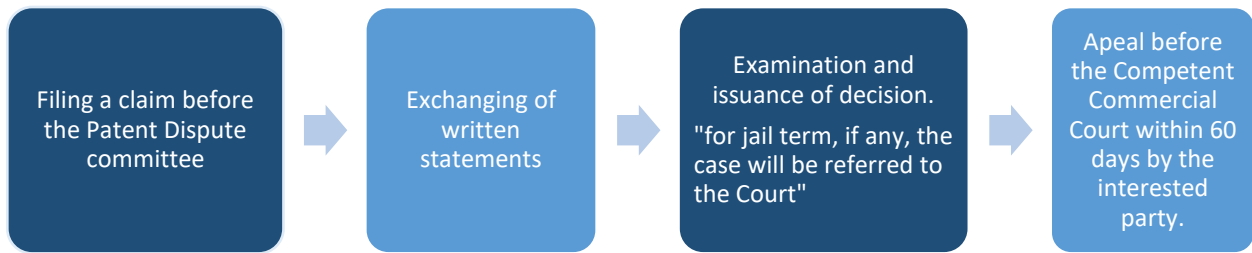
Moreover, Article 61 stipulates as follows: 'Without prejudice to the provisions of Article 34 of this Law, any party that violates any of the provisions provided for in this Law shall be punished with a fine not exceeding 50,000 Riyals (approx. 1,750,000 Yen), and the maximum limit shall be doubled in case of repetition".

3.3.6.3 Summary of the remedies with Comparison table

| Remedies available in Saudi Arabia for Industrial Design Infringement | |
|---|---|
| Injunctions | Available |
| Damages | The damages should be actual, quantifiable and should not be based on estimation. Evidence for such damages shall be submitted. |
| Fines | A fine of up to 100,000 Riyals (approx. 3,500,000 Yen), which may be doubled for a repeat offender |
| Destroying of infringing goods | Available |
| Publication of Judgement | Publication in the Official Gazette, and two daily newspapers, at the expense of the party against whom the decision is issued |
| Criminal Proceedings | Possible jail term, including referral to the Board of Grievances/Court. |
| Border Detention | Available |
| Others | Any other prompt measures considered necessary to prevent damages resulting from the infringement |

¹⁴⁷ <https://www.saip.gov.sa/committees-secretariat/1412/>

3.3.6.4 Flowchart of the process of the Enforcement



**Note: The chart related to the Jurisdiction of Commercial Courts over IP – related Litigation and its stages of appeal is provided in section 3.1.6.5.

3.4 Trademarks

3.4.1 Definition

Article 2 of the GCC Trademark law defines the trademark as follows: [*"A trademark shall be considered anything having a distinctive form such as names, words, signatures, letters, symbols, numbers, titles, stamps, drawings, pictures, inscriptions, packaging, figurative elements, shapes, colour, group of colours, or combinations thereof, or any sign or group of signs if used or intended to be used either to distinguish goods, or services of one undertaking from the goods or services of another undertaking, or intended to identify a service, or as a certification mark in respect of goods or services. The sound mark or a smell mark might be considered as trademark"*].

3.4.2 Requirements

The trademark shall be a distinctive and used for the purpose of distinguishing the source of products or services¹⁴⁸.

▪ What cannot be registered as Trademark

None of the following shall be considered or registered as a trademark or part thereof, as stipulated in Article 3 of the GCC Trademark Law:

1. Marks devoid of any distinctive characteristic or formed of data which is merely nomenclatures given by the established usage of the goods, services, drawings or the natural figures of the goods.
2. Expressions, drawings or signs that contravene with public morals or order.
3. Public slogans, flags, military and honorary decorations and other national or otherwise foreign insignia, coins and banknotes and other symbols of a GCC State or any other state, Arab or international organization or any affiliate institutions or any imitation of any of the aforementioned.
4. Logos of the Red Crescent or Red Cross and such other similar symbols and the marks being an imitation thereof
5. Marks that are identical or similar to symbols of a purely religious character.
6. Geographical names and data, should their use create confusion with regard to the origin or source of goods or services.
7. The name, title, picture or logo of a third party unless he or his heirs approve its use beforehand.
8. Particulars of honorary and scientific degrees to which the applicant fails to prove his legal entitlement.

¹⁴⁸ <https://www.saip.gov.sa/en/ip-domains/240/>

9. Marks that may mislead the public or include false statements on the origin or source of goods or services or their other properties as well as the marks that include a fictitious, imitated or forged trade name.
10. Marks owned by natural persons or legal entities with whom it is prohibited to deal in accordance with a decision from the Competent Authority.
11. Any mark identical or similar to a mark that has been registered or filed by third parties in respect of the same or similar goods or services should the intended registration of the new mark create an impression of its affiliation with the goods and services of the owner of the registered trademark to the detriment of his interests.
12. Marks whose registration in respect of some goods or services may devalue the goods or services of a previously registered trademark.
13. The marks deemed as just a copy, imitation or translation of a third party's well-known mark or a part thereof with intent to use such marks to distinguish such goods or services that are identical or similar to those distinguished by the well-known trademark.
14. The marks deemed as just a copy, imitation or translation of a third party's well-known mark or a part thereof with intent to use such marks to distinguish such goods or services that are neither identical nor similar to those distinguished by the well-known trademark but raise the likelihood of bringing harm to the interest of the well-known trademark's owner.
15. Marks that include any of the following words or expressions: Concession, Concessionaire, Registered, Registered Drawing, Copyright, or any such similar words and expressions.

3.4.3 Term of Protection

The protection of the trademark is valid for (10) ten Hijri years and it can be renewed every 10 years indefinitely.

Trademark system in Saudi Arabia follows the Hijri calendar. Trademark protection of 10 years as per the Hijri calendar is approximately 9 years and 8 months converted in the Gregorian calendar.

Only the priority dates in the trademark certificate are reflected in Gregorian date as priority document is issued in Gregorian dates (as normally such documents come from outside of Saudi Arabia and these countries do not use the Hijri calendar in their country), so the SAIP uses the same Gregorian date for priority claims in their trademark record.

It is important to highlight that the priority dates do not actually mean that protection will be considered in the Kingdom from the date of priority as stated in the priority document rather it is stated just to signify that said trademark has priority rights to an earlier application so as to claim earlier protection rights in case any dispute arises in future. The date of protection in Saudi is the date of filing the trademark application.

Note: The Hijiri (Lunar) calendar year has approx. 354 days, therefore, it deviates by about 11 days each year from the Gregorian (Solar) calendar.

- **General Pre-filing Information:**

- 🌐 **Saudi Arabia and GCC Trademark Application**

There is no possibility to file a single trademark application which cover the GCC countries. If the Applicant desires to protect its trademark application in the GCC countries, therefore, a trademark application shall be filed in each of the GCC countries separately (i.e. there is no single GCC application for trademarks).

- 🌐 **Official Trademark search**

The Applicant may conduct official search to check the desired trademark availability in the relevant class before the SAIP. The search can be conducted only for "word" trademarks, it is not possible to conduct an official search by using image or device. Moreover, it is not possible to conduct the official search by using Owner's name.

Requirements and Steps:

- The official search is conducted electronically through the SAIP platform.
- Select the “Search for Trademark” icon¹⁴⁹.
- Pay the search prescribed fees and receiving the results.

Time frame: 3 -6 days to receive the results.

Official search results

1) No detection of similar marks

It is important to highlight that the search results provided by the SAIP includes a disclaimer that if there is no similar trademark, this does not mean the acceptance of the trademark application when filed as there might be other reasons for accepting or rejecting the application in accordance with the Law.

2) Detection of similar marks

In case the official search reveals any earlier marks, the official search results reflect the following details:

- a) The image of the mark
- b) The Number of the mark
- c) The status of the mark
- d) The date of the status
- e) The mark in Arabic
- f) The mark in English
- g) The description of the mark

Nice Classification - 11th Edition

The Eleventh Edition of the International Classification of Nice Classification is adopted in Saudi Arabia¹⁵⁰. The SAIP's e-platform provides a pre-approved list of goods/services and no longer allows a claim of class headings in combination with all the items in the class. Applicants can either file the trademark application by claiming all the class headings or claim specific items that are available on the portal, but not the combination of both.

The SAIP follows the said pre-approved list strictly and refuses to accept any additional goods/services not identified in either the class heading or the alphabetical list.

It is noteworthy that there are some terms that are not included in the pre-approved list and remain not allowed to be registered in Saudi Arabia such as Class 33 (alcoholic beverages), alcoholic goods in Class 32, pork in Class 29, and Christmas trees in Class 28.

Moreover, the multi-class system is not available in Saudi Arabia.

Priority claim

According to Article 11 of the GCC Trademark Law and Article 5 of its Implementing Regulations, if an applicant or his successor desires to claim priority based on a prior application filed in a member state of a multilateral international agreement to which Saudi Arabia is a member, the applicant shall attach to his application the certified copy of the priority document indicating the date and number of the prior application and the country in which it was filed.

The applicant must also file a certificate showing the date of filing issued by the entity in which the application is filed with a copy of the prior application and a certified translation into Arabic, within six months from the date of submitting the prior registration application for which he claims the right of priority, otherwise his right to claim priority will be forfeited.


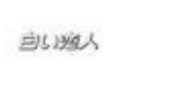


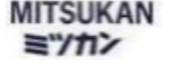

As to the original priority documents, the same shall be submitted within three months from the date of submitting the registration application.

¹⁴⁹ <https://saip.gov.sa/en/services/353/>

¹⁵⁰ <https://vmguidelines.dkpto.dk/media/146067/wipo%20eng%20klasseliste%2011-2021.pdf>

Registration of trademarks in foreign languages (such as Japanese characters, Korean and Chinese Characters, etc.)

The trademarks which include or comprise foreign characters such as Japanese, Korean, and Chinese letters are registerable in Saudi Arabia. The description, translation and transliteration of the said trademarks shall be filed along with the application. Below are some examples of such trademarks and the description accepted by the SAIP.

| Trademark | App./Reg. No | Owner | Description of the mark |
|---|--------------|---|--|
|  | 1437000942 | Advanced New Technologies, Co, Ltd | They are decorative forms of what resemble Chinese characters |
| ファーギナム ナム | 288204 | Manga company for production | Drawing decorative shapes of what looks like Japanese characters in black |
|  | 280046 | ISHIYA CO., LTD | Draw overlapping geometric shapes to resemble Japanese characters |
|  | 143211450 | Orion Corporation | A drawing of a distinctive geometric shape wrapped around a strap and next to it is a drawing of a group of geometric shapes that resemble Korean and Chinese letters and numbers, all with the background of a card and the mark in red and brown colors with their gradations, white and black as shown in the form shown. |
|  | 1437010864 | Juvis Diet Co., Ltd | A drawing of what looks like a crown below the geometrical shapes of Korean letters in a distinctive way in pink and purple with their gradations. |
| MITSUKAN  | 141202494 | Kabushiki Kaisha Mizkan J plus Holdings | The word Mitsukan in Latin and Japanese letters |
|  | 285899 | Beijing SenseTime Technology Development Co., Ltd | The word Sanstime is written in Latin letters in black, and on top of it there is a drawing of decorative shapes of what looks like Chinese characters in black, and next to them from the left, the infinity symbol is drawn in gray and the signs is in black, white and gray colors. |

Well-known Trademarks

Trademark rights are granted through registration, except for well-known trademarks which are recognized as well-known in Saudi Arabia.

The GCC Trademark Law provides the parameters of considering a trademark as well-known in Article 4, which stipulates as follows:

[“1. A famous trademark with reputation beyond its registration country may not be registered for identical or similar goods or services unless so requested or explicitly approved by the owner of said mark.

2. In order to determine whether a mark is famous, consideration shall be given to the degree to which it is recognized by the relevant public as a result of promotion or period of registration or use thereof; number of

countries where it is registered or famous; or value and impact of such mark on promoting the goods or services distinguished by it.

3. A famous mark may not be registered to distinguish goods or services not identical or similar to those distinguished hence if the use of such mark:

- a) implies a connection between the goods or services to be distinguished thereby and the goods or services of the owner of the famous mark; or
- b) may adversely affect the interests of the owner of the famous mark].

Saudi Arabia and Madrid protocol

International Registrations through Madrid system are not possible in Saudi Arabia. National application is the only possible way for registering a trademark in Saudi Arabia. However, it is expected that Saudi Arabia will be joining Madrid system in 2023. On December 27, 2022, the SAIP shared the Madrid Protocol Regulations on the "Public Consultation Platform"¹⁵¹. The WIPO Accession Outlook reveals that Saudi Arabia will join Madrid system in 2023¹⁵².

It is important to highlight that when Saudi Arabia join the Madrid system, local brand owners in KSA can use the Madrid Protocol to protect their trade marks in other Madrid Protocol countries by filing a single international application and paying a single set of fees. Similarly, countries that are members of the Madrid Protocol will be able to file international applications that designate Saudi Arabia.

The Madrid Union currently has 113 members, covering 129 countries¹⁵³. Upon the joining of Saudi Arabia to the Madrid system, Kuwait and Qatar only will be the remaining countries of the GCC that have not joined the Madrid system yet.

3.4.4 Application/Registration Procedure

3.4.4.1 Place of Application

The Saudi Authority for Intellectual Property "SAIP" is the authority responsible of registering the trademarks and their enforcement. The SAIP provides many services related to trademarks, including the following:

Trademark registration, renewal, modification, transfer of ownership, license application or cancellation, mortgage, appeal.¹⁵⁴

3.4.4.2 Eligibility

Article (5) of the GCC Trademark Law stipulates that the following persons have the right to register their trademarks:

1. Any natural or corporate person who is a national of a GCC member state, including manufacturers, producers, merchants, artisans and service providers.
2. Foreign residents of any GCC member state who are licensed to engage in commercial, industrial, artisanal or service providing activities.
3. Foreign nationals or residents in states which are members to a multilateral international agreement to which the GCC member state is a party.
4. Public agencies.

¹⁵¹

<https://istitlaa.ncc.gov.sa/ar/trade/saip/madridprotocol/Documents/%D8%A8%D8%B1%D9%88%D8%AA%D9%88%D9%83%D9%88%D9%84%20%D8%A7%D8%AA%D9%81%D8%A7%D9%82%20%D9%85%D8%AF%D8%B1%D9%8A%D8%AF%20%D8%A8%D8%B4%D8%A3%D9%86%20%D8%A7%D9%84%D8%AA%D8%B3%D8%AC%D9%8A%D9%84%20%D8%A7%D9%84%D8%AF%D9%88%D9%84%D9%8A%20%D9%84%D9%84%D8%B9%D9%84%D8%A7%D9%85%D8%A7%D8%AA.pdf>

¹⁵² https://www.wipo.int/edocs/mdocs/mdocs/en/wipo_webinar_madrid_2022_10/wipo_webinar_madrid_2022_10_presentation.pdf

¹⁵³ <https://www.wipo.int/madrid/en/members/>

¹⁵⁴ <https://www.saip.gov.sa/en/ip-domains/240/>

It is important to highlight that the trademark application shall be filed by the Applicant directly if he has a domicile in the country or by an authorized agent who has a domicile in the country and is registered as a trademark agent, as determined by the competent authority and stipulated in Article 2 of the Implementing Regulations of the GCC Trademark Law.

3.4.4.3 Requirements

Requirements for filing a Trademark

The trademark application shall include the following information:

- 1- The trademark to be registered.
- 2- The name, address and nationality of the applicant. If the applicant is a legal person, his name and address must be mentioned.
- 3- An accurate description of the trademark to be registered.
- 4- Goods or services for which the trademark is required to be registered and its class in accordance with the 11th Edition of Nice Classification.
- 5- The date and number of the priority and the country in which it was deposited (if any).
- 6- The signature of the applicant or his authorized agent. If the application is submitted by a legal person, the papers must be signed by the person who has the right to sign on his behalf. If the application is submitted by an agent, his name and address must be mentioned.

The following documents must be attached to the trademark registration application:

- 1- Four copies of the trademark identical to the mark model in the registration application.
- 2- If the application was submitted by an agent, the power of attorney should be attached with the original for conformity. The original copy must be duly notarized and apostilled and translated into Arabic.
- 3- Evidence of practicing the profession or activity.
- 4- Evidence of payment of the application fee.
- 5- If the mark required to be registered includes one or more words written in a foreign language, the applicant for registration must submit a certified translation into Arabic, indicating how it is pronounced (i.e. transliteration).
- 6- Sound marks must be presented according to a musical note or a written description.
- 7- The scent marks must be presented with a written description.

▪ Filing Procedures through the SAIP

1. Access the SAIP online platform for "Trademark Service", then "Filing a trademark application" (as a concerned person or agent) via the power of attorney.

* In the event that the filing request is from an agent, a trademark registration agent must be recorded in the Agent Registry and an apostilled Power of Attorney shall be submitted.

*If the applicant is (individual / company) - a new user - registration is done by creating a new account at the Trademark Portal and login to the Service Platform via the One National Access/e-mail.

2. Enter the "Apply for a power of attorney" service, fill out the data as a stakeholder and attach the authorization.
3. Wait until the authorization is accepted by the SAIP.

4. Request to register a new trademark (as a concerned person or agent) as per the power of attorney attached above.
5. A trademark invoice will be issued. If paid, the application shall be received and examined by the SAIP.

3.4.4.4 Examination

Examination Time frame

The SAIP shall decide on the registration application and issue its decision within (90) ninety days from the date of application. This is in accordance with Article 12 of the GCC Trademark Law and Article 6 of its Executive Regulations.

Examination Results

After examining the application by the SAIP, one of the following decisions shall be taken:

A) **Acceptance Decision:** The publication invoice shall be issued and the trademark will be published.

B) **Acceptance with condition of modification:** The applicant may accept the condition of modification within a time frame of 90 days. In the event that the applicant fails to make the required modification within the 90 days, the application will be considered as abandoned.

C) **Refusal and allowing modification:** The SAIP issues a rejection decision with reasons and provides a time frame of ten (10) days from the date of this notification for amending the application. Such amendment shall be considered as final and no subsequent amendment can be made.

The applicant may either submit the amended application within the 10 days **or**, after the expiry of the deadline, the application will be considered as formally rejected by the SAIP and sixty (60) days shall be applicable to file appeal against the rejection.

Moreover, if the modification has been made by the applicant and the required legal conditions are not met. Therefore, the application will be considered as rejected and an appeal can be filed within 60 days by the Applicant.

Appeal against rejection decision

▪ Appeal before the SAIP

If the trademark application is rejected, the Applicant is entitled to file an appeal before the Committee of Appeals of the SAIP within (60) sixty days of the notification date as an attempt to overcome the rejection decision in accordance with Article 7 of the Implementing Regulations.

Procedures and time frame

The Applicant's legal representative files the appeal before the SAIP's committee electronically and uploads the supporting documents, if any. The said committee examines the appeal and issues its decision with the reasons within approximately 7 to 10 days.

▪ Appeal before the competent Court

The Applicant shall be notified of the SAIP Committee's decision in writing or electronically within thirty days from the date of its issuance in accordance with Article 8 of the Implementing Regulations.

If the appeal filed before the SAIP is rejected, the Applicant has the right to challenge it by filing an appeal before the competent court within (60) sixty days from the date of notification.

The competent Court is the Commercial Court, the appeal shall be filed electronically through Najiz services.

The required documents to be submitted along with the appeal (i.e. at the time of filing the appeal), are as follows:

- The Commercial Registry of the Applicant’s company.
- The Articles of Association of the Applicant’s company.
- The Passport copy of the General Manager of the Applicant’s company.

It is important to highlight that if any of the above required documents is in foreign language, therefore, certified Arabic translation shall be submitted as well.

Procedures and time frame

After filing the appeal electronically, the Applicant’s legal representative will receive the filing receipt along with the case details from the court (such as Case Number and filing date, Court’s Circuit, Case Type, and date of the first hearing session).

The Defendant “SAIP” will be notified with the case and the first hearing session is scheduled approximately within (1) one month of filing the case.

The Defendant will submit its response to the case in the form of written memorandum and the Plaintiff “Applicant” may request to respond to it in the form of memorandum along with the verbal arguments, then, the Court will issue its Judgement. The number of hearing sessions differs from case to case, however, the approximation is 3-4 hearing sessions.

The first instance Judgment of the Commercial Court includes the following: (Case Details, Parties, Facts, Reasons and the Decision).

Time frame: it takes approximately 9 months from the date of filing the appeal to issue the first instance decision.

Appeal before the Appellate Court

Any of the parties has the right to file an appeal before the Appellate Court in Saudi Arabia against the first instant Judgment issued from the Commercial Court within (30) thirty days of the date of receiving the first instance judgement, according to Article (78) of the Commercial Courts Law¹⁵⁵.

The Appellate Court examines the request of the Appellant and issue its Judgement usually within one hearing session. Sometime, the hearing session is re-scheduled by the court.

Time frame: it usually takes 2 to 3 months for the Appellate Court to schedule a hearing session and issue its decision.

Appeal before the Cassation Court

The interested party can file an appeal against the judgement issued from the Appellate Court commercial circuit at the Supreme Court in accordance with Article 88 of the Commercial Courts Law that stipulates as follows:

Article 88 – “The commercial circuit at the Supreme Court shall have jurisdiction to review appeals to judgments and decisions made by appellate circuits if the subject of the appeal is:

1. a violation, misapplication, or misinterpretation of the provisions of Sharia or law, or a breach of any of the Supreme Court judicial principles;
2. a judgment rendered by an incompetent court, or by a court not properly formed in accordance with the law;
3. a fault in characterizing or describing a case; and
4. a rendered judgment that ended a dispute in contrary to a previous judgment involving the same parties]”.

Time frame: Differs from a case to another.

¹⁵⁵ <https://laws.boe.gov.sa/BoeLaws/Laws/LawDetails/38334008-3b70-4c6c-b3af-aba3016a8061/1>

Procedural Path for Appeal against Trademark Decisions



Publication

When the trademark application is accepted, the Applicant shall pay the publication fees within **thirty days from the date of being notified of the decision, otherwise the application shall be considered abandoned in accordance with Article 10 of the Implementing Regulations.**

After payment of the publication fees, the publication of the accepted marks takes place electronically through the Intellectual Property Newsletter "IPN" of the SAIP (<https://ipn.saip.gov.sa/>).

The publication advertisement includes the following details:

- The application number, date of filing and date of publication.
- Trademark image/specimen and the description of the mark along with its type.

Note: If the trademark is a device/logo, then the Vienna classification is reflected as well.

- The name, address and nationality of the applicant.
- The agent's name and address
- The specification of the goods or services covered by the trademark application and its class.
- Restrictions and conditions, if any.
- The date and number of the priority and the country in which it was deposited (if any).

It is important to highlight that the IPN includes a section of calculation of the deadline to file the opposition along with a link which transfers the interested party to the opposition procedures.

Opposition

In accordance with Article 12 of the Implementing Regulations, any interested party has the right to submit a reasoned opposition to the accepted trademark before the competent department "SAIP" within (60) sixty days from the date of its publication in the Intellectual Property Newsletter "IPN" after paying the prescribed fee for the opposition and according to the relevant form.

The SAIP shall notify the applicant with a copy of the opposition within (30) thirty days from the date of its submission, and the said applicant shall submit a written response to the opposition within (60) sixty days from the date of being notified of it, otherwise the trademark application shall be deemed as abandoned.

It is worth mentioning that the SAIP is entitled to set a date for a hearing session for the statements of the applicant and the opponent, or one of them, based on their request, and for submitting the supporting documents. The SAIP will notify the parties with the hearing session date, after the payment of the prescribed fees of the hearing.

Pursuant to Article 13 of the Implementing Regulations, the SAIP shall notify the parties of the decision, with justifications and including what it deems necessary in terms of restrictions and requirements, within (90) ninety days of the hearing session.

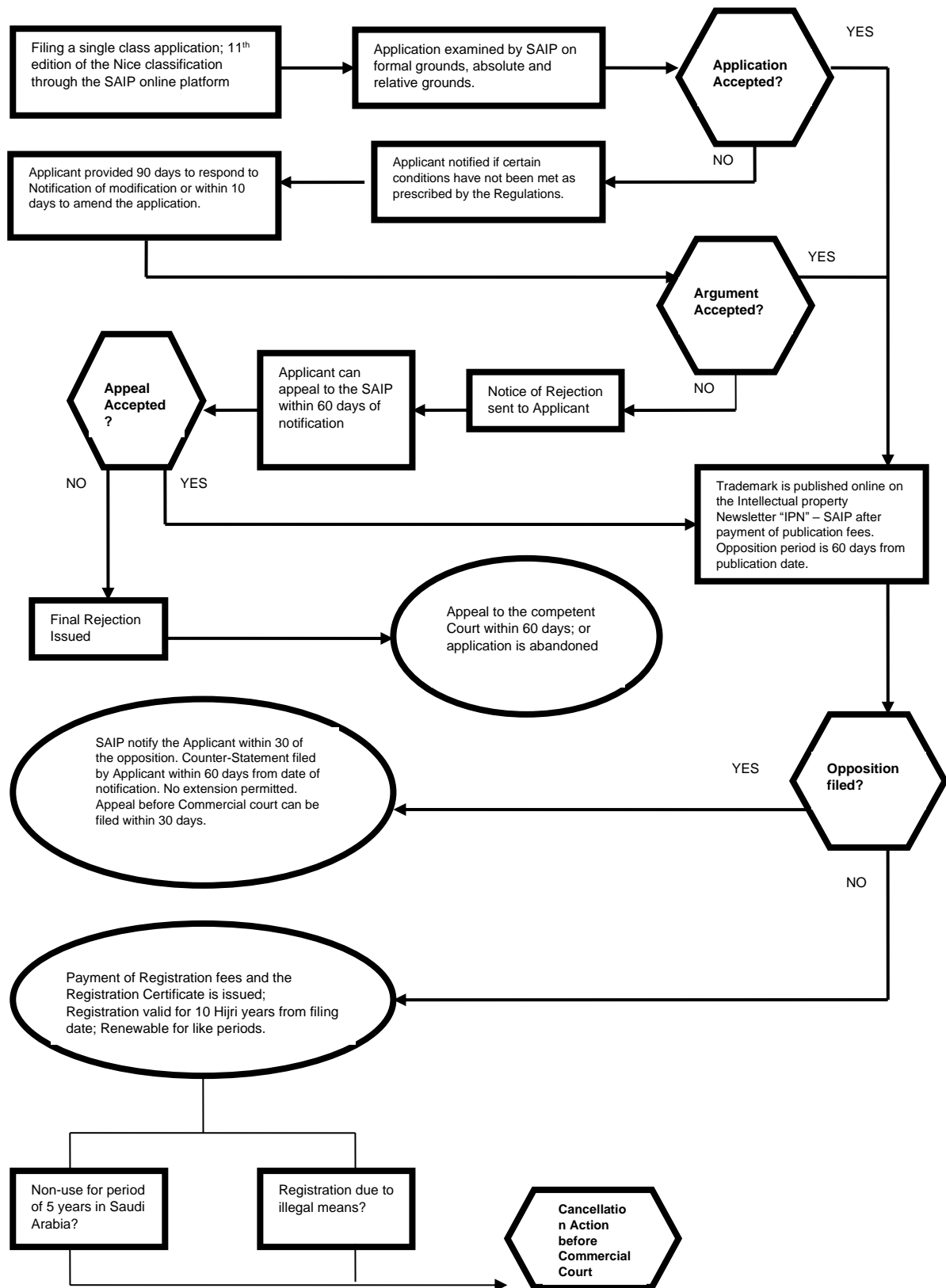
As per article 15 (3) of the GCC Trademark Law: "Any interested person may contest the decision issued by the committee by filing an appeal within thirty days (30) from the date on which such decision is notified to him before the competent court. The appeal to the decision issued to accept the registration of a trademark shall not result in suspension of the registration procedures unless otherwise decided by the court of jurisdiction. Noting that the competent Court to which the appeal shall be filed is the Commercial Court.

3.4.4.5 Period of Entire Registration Process

Time frame of registration

The time frame from the date of filing up to registration in straightforward applications (i.e. no office actions) is approximately 3 to 4 months.

Flowchart of Trademark process of registration in Saudi Arabia¹⁵⁶



¹⁵⁶ <https://saip.gov.sa/ip-domains/240/#fees>

3.4.5 Post-Registration

Registration

If (1) no opposition is filed against the published trademark application during the time frame of opposition, or (2) in case of issuance a final Judgment from the competent court ordering the registration of the trademark application, the Applicant shall proceed with paying the registration fees within 30 days and the registration certificate will be issued electronically via the SAIP's system.

The trademark registration is valid for 10 Hijri years starting from the filing date, and renewable for similar consecutive periods.

The trademark registration certificate reflects the date of protection in Hijri as well as the date of expiry of protection in Hijri.

Registration Certificate

The registration certificate for a trademark includes the following details: (the trademark, number of registrations, date of protection/filing in Hijri, date of expiry of protection in Hijri, number of priorities, date of priority, country of priority, Vienna classification, description of the trademark, owner's name and address, Nice classification edition, class, specification of goods/services, conditions, if any) in accordance with Article 15 of the Implementing Regulations.

Note: The date of commencement of protection is the filing date of the trademark application.

3.4.5.1 Registration Fees

The registration & Certificate Issuance fees are 5000 Riyals (approx. 175,000 Yen).

3.4.5.2 Rights of the Right Holder

The owner of a registered trademark shall have an exclusive right to use the said mark and prevent others from using the same or any identical or similar marks – including geographical indicators – without his consent, in a commercial context, to distinguish goods or services related to those for which the trademark is registered, if such use may cause confusion to the public. Such confusion is assumed to occur if the same or a similar mark is used to distinguish goods or services which are identical to those for which the mark is registered in accordance with Article 17 of the GCC Trademark Law.

3.4.5.3 Fees related to successful registration

SAIP Services Directory for Trademarks, time frame and related Fees¹⁵⁷

| Services | Execution Time | Target Group | Application Fee (Riyals) | Publication Fee (Riyals) | Registration & Certificate Issuance Fee (Riyals) |
|--|----------------|------------------------|---------------------------|---------------------------|--|
| Trademark Registration | 14 days | Individual Enterprises | 1000 (approx. 35,000 Yen) | 500 (approx. 17,500 Yen) | 5000 (approx. 175,000 Yen) |
| Trademark Associated with Sound Registration | N/A | Individual Enterprises | 1000 (approx. 35,000 Yen) | 500 (approx. 17,500 Yen) | 5000 (approx. 175,000 Yen) |
| Collective Mark Registration | 90 days | Enterprises | 2000 (approx. 70,000 Yen) | 1000 (approx. 35,000 Yen) | 5000 (approx. 175,000 Yen) |

¹⁵⁷ <https://saip.gov.sa/en/services/>

| | | | | | |
|---|----------------------|------------------------|---|-------------------------------------|---|
| Application for Registration of Control Marks | 90 days | Enterprises | 2000 (approx. 70,000 Yen) | 1000 (approx. 35,000 Yen) | 5000 (approx. 175,000 Yen) |
| Trademark for Non-commercial purpose registration | 90 days | Enterprises | 2000 (approx. 70,000 Yen) | 1000 (approx. 35,000 Yen) | 5000 (approx. 175,000 Yen) |
| Renewal of Trademark | Immediately | Individual Enterprises | 5500 (if renewal is within the last year of protection) (approx. 192,500 Yen) | 1000 (approx. 35,000 Yen) | 6500 (if renewal is within 6 months following the expiry date of protection) (approx. 227,5000 Yen) |
| Transfer of Trademark Ownership | 1-5 days | Individual Enterprises | 1000 (approx. 35,000 Yen) | 500 (approx. 17,500 Yen) | N/A |
| Amend the trademark data | 1-5 days | Individual Enterprises | 1000 (approx. 35,000 Yen) | 500 (approx. 17,500 Yen) | N/A |
| License the Trademark | 1-10 days | Individual Enterprises | 2000 (approx. 70,000 Yen) | 100 (approx. 3,500 Yen) | N/A |
| Cancel the License | 1-10 days | Individual Enterprises | 1000 (approx. 35,000 Yen) | 1000 (approx. 35,000 Yen) | N/A |
| Delete a Trademark | 1-3 days | Individual Enterprises | 200 (approx. 7,000 Yen) | 200 (approx. 7,000 Yen) | 200 (posting the deletion of some goods and services) (approx. 7,000 Yen) |
| Mortgage of a Trademark | 1-10 days | Individual Enterprises | 1000 (approx. 35,000 Yen) | 500 (approx. 17,500 Yen) | N/A |
| Release of a Mortgage | 1-10 days | Individual Enterprises | 500 (approx. 17,500 Yen) | 500 (approx. 17,500 Yen) | N/A |
| Duplicate of registration certificate | Immediately | Individual Enterprises | 200 (extract or any document) (approx. 7,000 Yen) | N/A | 1000 (duplicate) (approx. 35,000 Yen) |
| Object to the acceptance of Trademark | 90 days | Individual Enterprises | 2000 (approx. 70,000 Yen) | 1000 (hearing) (approx. 35,000 Yen) | N/A |
| Appeal against a trademark | Depends on Committee | Individual Enterprises | N/A | N/A | 1000 (individual or enterprise) (approx. 35,000 Yen) |
| Search for a trademark | Immediately | Individual Enterprises | N/A | N/A | 1000 (individual or enterprise) |

| | | | | | |
|--|-------------|------------------------|---------------------------|--------------------------|---------------------------------|
| | | | | | (approx. 35,000 Yen) |
| Register a trademark registration agent | Immediately | Individual Enterprises | N/A | N/A | 3000 (individual or enterprise) |
| Certificate of filing a trademark | Immediately | Individual Enterprises | 1000 (approx. 35,000 Yen) | 500 (approx. 17,500 Yen) | N/A |
| Modify the trademark image | 14 days | Individual Enterprises | 1000 (approx. 35,000 Yen) | 500 (approx. 17,500 Yen) | N/A |
| Limitation of Products | Immediately | Individual Enterprises | 200 | 200 | N/A |
| Request to enforce a trademark final judgement | 10 days | Individual Enterprises | N/A | N/A | N/A |
| Amend the Trademark Data | Immediately | Individual Enterprises | N/A | N/A | 200 (individual or enterprise) |

As to the professional fees for filing up to registration (i.e. straightforward application, with no office actions) in the Saudi market ranges approximately from (USD 400 to 1200). Such costs vary depending on the market situation, agents, expenses..etc.

3.4.5.4 Licensing

An owner of a trademark is entitled to provide license to any natural or legal entity to use its trademark for all or some of the goods or services for which the trademark is registered. The trademark owner has the right to use the trademark by himself or may also license third parties to use the same trademark, unless agreed otherwise in the License Agreement.

The licensing term may not exceed the term set for the protection of the trademark and the trademark licensing contract may only be deemed valid if executed in writing and it shall be executed, certified and translated into Arabic in accordance with Article 30 of the Implementing Regulations.

▪ License Process

An application for registering a license¹⁵⁸ shall be submitted to the SAIP platform by the owner of the mark, his authorized agent, or the licensee, according to the form prepared for this purpose, after paying the prescribed fees for license and publication, which includes the following:

- 1- The registered trademark number.
- 2- The name and nationality of the trademark owner
- 3- The licensee's name, address, place of residence, address and nationality.
- 4- Licensed products and services.
- 5- The start and end date of the license.
- 6- The geographical scope of the license (if any).

The application shall be accompanied by the following documents, duly authenticated and legalized, and translated into Arabic:

- 1- The licensing contract.
- 2 The original power of Attorney.

The SAIP shall record the license of use in the register and publish the same in the SAIP Newsletter/Gazette¹⁵⁹ after paying the publishing fees in accordance with Article 32 of the Implementing Regulation.

¹⁵⁸ <https://saip.gov.sa/en/services/335/>

¹⁵⁹ <https://ipn.saip.gov.sa/Advertisement/Details?q=0QguHCnCcg0tb31o%252bk9U2Ar%252bAzbnNjDQTjHAAgWkKtnJUbof02Xvqps8jGopWiY0xYe%252buKp%252bRjFST7OYDK1Y3gDtwwWpj1s3VEsRs%252f%252fCWICLshwMDik51Ll%252b5fAYsHC2>

- **Recordal of the license agreement**

It is not mandatory to record the license agreement in the Register under the GCC Trademark Law. Article 31 of the said law stipulates that: *“A contract licensing the use of a trademark shall only be valid if it is written, and it is not a must to be recorded in the Trademarks Register. If same is recorded in the Register, the method of recording and announcement shall be determined in the Implementing Regulations”*.

Although recording the License contract is optional, however, in practice, the right holder may be faced with a position where it is necessary to record such license to avoid any issues, such as when a licensee cannot display a licensor’s brand in KSA unless approved by local Municipality and Ministry of Commerce and to use said trademark by Saudi licensee, the latter must have to prove in front of authorities that he is licensed to use said trademark from its owner and the license has been recorded with Saudi Authority for Intellectual Property “SAIP”.

- **Cancellation of a license record**

The record of a licensing contract shall be removed from the register upon request of the trademark owner or licensee, subject to providing proof of termination or revocation of said licensing contract.

The competent authority shall notify the other party of the application for removal of the license record. A license record may not be removed except upon written notification of the other party, who may object to the same before the competent court within (30) thirty days from the date of notification with submitting a copy of the objection and evidence of its submission to the SAIP in accordance with Article 33 of the Implementing Regulations.

It is important to highlight that the cancellation shall be suspended until the parties agree or a final judgment is issued by the court to decide on the objection.

- ** Cancellation of a trademark**

- **Voluntary Cancellation of a trademark by the Owner**

A trademark owner may apply to the competent authority to cancel the said trademark from the register, for all or part of the goods or services for which the trademark is registered. The application for cancellation shall be submitted online through the SAIP platform¹⁶⁰.

The cancellation request shall be submitted after paying the prescribed fees for cancellation and publication costs. A such cancellation request can be submitted by the owner only if the trademark is registered and the protection is valid.

If the use of a mark is licensed under a contract referenced in the register, said mark may only be removed upon written consent from the licensee, unless the licensee explicitly waives the such right, this is in accordance with article 23 of the GCC Trademark Law.

- **Cancellation Action before the Court by any interested party**

Saudi Arabia does not require the use of the trademark when filing trademark applications or for maintaining trademark registrations. However, a trademark becomes vulnerable to cancellation by a third party if the trademark has not been in actual use for a continuous period of five years in the jurisdiction. The trademark owner may provide reasonable justifications for the non-use of the registered trademark. A trademark can also be cancelled if the registration was in violation of public morality or public order, or was based on false information or fraud.

¹⁶⁰ <https://saip.gov.sa/en/services/347/>

Article 22 of the GCC Trademark Law provides that any interested third party may apply to the competent court to cancel the registration of an unlawfully registered trademark, and the competent authority shall cancel such registration if provided with a final judgment to this effect.

Moreover, Article 24 stipulates that the competent court may, upon request of any interested party, order the cancellation of the trademark from the register if the court establishes that said mark has not been used for five consecutive years unless the owner of the mark provides justification for not using it.

It is worth mentioning that a cancellation action may be initiated on the basis of prior rights and/or unfair competition actions.

Court process and time frame

The interested party “plaintiff” sends to the trademark owner “Defendant” a notification letter at least 15 days prior to filing the Court case.

Filing the statement of claim before the Commercial Court along with the supporting documents and the claim request.

The Court will provide a time frame to the Defendant to respond and exchanging memorandums of the parties, then will issue its Judgement. The said Judgement can be appealed by the interested party within (30) thirty days of the date of receiving the first instance judgement, according to Article (78) of the Commercial Courts Law.

Time frame of cancellation action till issuance of the first instance judgment of the commercial court: 10-12 months.

Publication of the cancellation of a trademark

The SAIP shall record the cancellation of a trademark registration, and the cancellation of any trademark shall be published in the Gazette/Newsletter issued by the SAIP. According to Article 23 of the Implementing Regulations, the publication shall include the following details:

- 1- The cancelled trademark.
- 2- The registered trademark number.
- 3- The name and nationality of the trademark owner.
- 4- The reason for deletion of the registration and its date.

Availability of a trademark after cancellation

If a trademark is decided to be cancelled from the SAIP records, it may only be re-registered in favor of a third party for the same goods or services or similar ones after the lapse of (3) three years from the date of striking off the same from the records, unless the cancellation of such trademark is made according to a court judgment, and such judgment determines a lesser period for re-registering the mark.

3.4.5.5 Renewal of Registration

The trademark renewal is valid for another 10 consecutive Hijri years starting from the expiry of the previous protection period.

Procedures and requirements

- 1) Renewal request is filed electronically through the SAIP platform¹⁶¹.

¹⁶¹ <https://saip.gov.sa/en/services/299/>

2) select “Renew Expired Trademark” icon. If the applicant is an agent, then a power of attorney shall be uploaded.

3) Payment of the trademark renewal fees and publication fees.

4) Receiving the Renewal certificate electronically (i.e. which reflects the next renewal date in Hijri)

Pursuant to Article 18 of the Implementing Regulations, the renewal applications filed in the due time frame shall be approved, after payment of the due fees, without any new examination. The renewal shall be published in the Intellectual property Newsletter “IPN” <https://ipn.saip.gov.sa/AdvertisementSearch> .

The publication of the renewal includes the following details:

- 1- The trademark, its application and numbers, description of the mark, type of the mark, class, the specification of goods/services and Vienna classification.
- 2- Date of publication, renewal date.
- 3- The name, address and nationality of the owner of the mark.
- 4- The name and address of the agent.¹⁶²

- **Renewal Grace period**

A grace period of six Islamic calendar months is provided subject to late filing fees for filing a renewal application after the expiration of protection period in accordance with Article 17 of the Implementing Regulation.

If the trademark owner fails to apply for renewal within six months from the expiration of registration, the competent authority shall cancel the mark from the register as stipulated in Article 20 of the GCC Trademark Law.

3.4.6 Enforcement of Rights

3.4.6.1 Enforcement Agency

Trademark committee – "field: Respect of intellectual property"

The Saudi Authority for Intellectual Property “SAIP” announced on August 15, 2021 that the enforcement jurisdiction of trademarks is transferred from the Ministry of Commerce to the SAIP in line with the Council of Ministers' decision No. (496) dated 9/14/1439 AH corresponding to 5/29/2018 AD stipulating that the organization of the SAIP, to become the authority competent with intellectual property in Saudi Arabia, including its protection and enforcement in accordance with the related regulations¹⁶³. Therefore, the SAIP became the sole authority responsible for the Intellectual Property in Saudi Arabia.

SAIP provides on its website the enforcement options for reporting an infringement¹⁶⁴, the main services include **trademark infringement** and **copyright infringement**. The essential details required to be inserted include [the Subject, e-mail, mobile number, Claimant, ID number/Commercial registration, the defendant, location or website related to the infringement, description of the infringement].

- **Filing Infringement complaint to the Trademark committee**

- Required documents to be submitted/uploaded, as follows:
 - Trademark Registration of the Claimant
 - Copy of the Identification card of the Claimant
 - Copy of the Commercial Register of the Claimant

¹⁶²<https://ipn.saip.gov.sa/Advertisement/Details?q=B18oROAFQwLOTqu%252bPAplvemW2OELznQqZj944PNWTPkgvJ3BSjfhjko3Lsxl%252b7REO5wFBv260cwDbVr%252fZVGzIV86iQuLgcwKBozwnJqqg%252bpoten5y5wWPHQtY63m2Aq>

¹⁶³

<https://www.saip.gov.sa/ar/%d9%86%d9%82%d9%84-%d8%a7%d8%ae%d8%aa%d8%b5%d8%a7%d8%b5-%d8%a5%d9%86%d9%81%d8%a7%d8%b0-%d8%a7%d9%84%d8%b9%d9%84%d8%a7%d9%85%d8%a7%d8%aa-%d8%a7%d9%84%d8%aa%d8%ac%d8%a7%d8%b1%d9%8a%d8%a9-%d8%a5%d9%84/>

¹⁶⁴ <https://www.saip.gov.sa/en/services/968/>

- Report reflects the differences between the original and fake product
- Evidence of use of the infringing mark
- Letter addressed to the SAIP with full details regarding the infringement
- Declaration that the information is true and correct.

▪ **Process, Time frame and costs**

- 1- Login to the SAIP website, select Services, and click on Contact Center portal.
- 2- Select Submit a Trademark Infringement Application.
- 3- Fill out the necessary infringement requirements.
- 4- Attach the related documents.
- 5- Submit the Complaint.
- 6- A number of cases will be allotted to the complaint and a decision will be issued by the SAIP.
- 7- In case of violation, the case is transferred to the Public Prosecution.
- 8- The trademark owner is entitled to file a compensation claim before the competent court.

Time Frame: it differs from case to case; however, the matter is usually decided within 1-2 months.

Costs: No official fees for filing the Infringement Complaint before the SAIP.

- Court Jurisdiction

As the Trademark is one of the IP rights, the Commercial Court will be the competent court for any related dispute in accordance with the Commercial Courts Law. All the related information is provided above in section (3.1.6.2) for reference.

The Penalized Infringement actions (Article 42 of the GCC Trademark Law)¹⁶⁵

| Infringement actions: | Penalties: |
|---|--|
| 1) Misrepresenting or imitating a mark registered under the provisions of this Law or imitating it in a manner misleading or confusing the public, or using in bad faith any misrepresented or imitated mark. 2) Identifying the goods or services in bad faith with a mark owned by others. | Without prejudice to any greater penalty imposed by another law, a sentence of imprisonment for a period not less than one month and not exceeding three years and/or a fine not less than five thousand Riyals (approx. 175,000 Yen) and not exceeding one million Riyals (approx. 35,000,000 Yen) or its equivalent in other GCC currencies, shall be imposed on any person convicted of above offences. |
| 1) Knowingly selling, offering for sale or trading, or possessing with the intention of trading any goods bearing false or imitated marks; or unlawfully uses such marks or offers services under them. 2) Using a non-registered mark in cases provided for in Clauses from 2 to 11 of Article 3 herein. 3) Unlawfully inscribing upon his mark, papers or commercial documents anything that might lead to the belief that he has obtained registration of such mark. | Without prejudice to any greater penalty imposed by another law, a sentence of imprisonment for a period not less than one month and not exceeding one year and/or a fine not less than one thousand Riyals (approx. 35,000 Yen) and not exceeding one hundred thousand Riyals (approx. 3,500,000 Yen) or its equivalent in other GCC currencies shall be imposed |

¹⁶⁵ <https://twitter.com/SAIPKSA/status/1426881030938583044/photo/1>

| | |
|--|---|
| <p>4) Deliberately and in bad faith failing to indicate his registered trademark on goods or services.</p> <p>5) Knowingly possessing tools or material intended to be used in the imitation of registered or famous trademarks.</p> | <p>on any person convicted of the above offences.</p> |
|--|---|

▪ **Repetition of infringement**

An offence shall be considered repeated if it is committed by the accused party within three years from the date on which the sentence for the previous offence was imposed.

Article 43 of the GCC Trademark Law imposes a sentence of double the maximum one provided in the said Law, in addition to closure of the shop or project for a period of not less than fifteen days and not more than six months for the party who repeats the commission of an offence. Moreover, the judgment shall be published at the expense of the accused party in a prominent place in two widely circulated daily newspapers, one of which is issued in the region where the main headquarters of the violator is located, if any, in accordance with Article 38 of the Implementing Regulations.

3.4.6.2 Remedies

In addition to the imprisonment and fine for the offences stipulated in Article 42 of the GCC trademark Law, the competent court may, order the following pursuant to Article 41 of the GCC Trademark Law:

- a) Seizure of goods suspected to involve infringement, as well as any materials, tools and documentary evidence associated with said infringement.
- b) Compelling the infringing party to cease the infringement, including preventing the export of goods subject to infringement on any of the rights established under the Law, and preventing imports of the same from entering commercial channels immediately after customs release.
- c) Compelling the infringing party to provide the court or owner of the right with any information available to him relating to any natural or corporate person who have participated in any aspect of the infringement, as well as production methods and distribution channels used for said goods or services; including disclosing the identity of all parties who have participated in the production or distribution of the goods or services, as well as identifying the infringing party's own distribution channels.

Destruction of infringing goods

Moreover, the competent court shall, at the request of the owner of the right, order the destruction of goods established to be imitated, except in certain cases, without compensating the defendant, and order prompt destruction of the materials and tools used in the manufacture or production of imitated goods, without compensating the defendant. The court may also, in certain cases as it may determine, order disposal of said goods outside commercial channels in a manner that deters further infringements.

Instead of destroying the goods, materials and tools used in the manufacture and production of imitated goods, the court may order disposal of the same outside commercial channels, if destroying the same would inflict unacceptable harm on public health or the environment.

It is worth mentioning that the competent court shall assess the expenses and fees of any experts and specialists assigned thereby to perform any assignments relevant to the case depending on the magnitude and nature of each assignment, in a manner that would not deter resorting to such measures.

Compensation Claim – Civil Proceedings

If the trademark owner sustains harm as a direct result of infringement on any of his rights prescribed by the Law, the said owner may file a civil action before the competent court to claim adequate compensatory damages that may have afflicted him including any profits gained by the respondent.

The court shall determine what constitutes sufficient damages provided that it shall consider in its calculation the value of the subject infringement goods or service in light of such information provided by the complainant such as the retail price, any other legitimate standard he may invoke or expert testimony.

Instead of claiming damages, including any profits gained by the offender in accordance with the above paragraph, the trademark owner may request at any time before the case is decided to be appropriately compensated if it is proven that the infringement was perpetrated by using the trademark by offering a deliberate imitation or another form of the usage of the goods, in accordance with Article 41 of the GCC Trademark Law.

Injunctions and precautionary measures

Border Measures

A trademark owner who has information about the importation of imitated or counterfeit products to the Saudi market can file an application to the Customs Authority requesting the seizure of counterfeit/ imported items. For the effective process, the applicant requesting seizure must provide substantial and sufficient evidence about the counterfeit products to enable the authority to identify the said goods.

The “imitated goods” is defined by the GCC Trademark Law as follows: “goods – including packaging thereof – bearing without licensing a mark that is similar to a registered trademark for said goods or a mark that cannot be distinguished, in terms of its material components, from said registered trademark”.

Custom border measures are effective mechanisms to seize counterfeit goods. The Custom Authority may act, on its own initiative and without any complaint or application by an owner of a right or any third party, to issue a decision suspending the release of goods imported, in transit or intended for export upon arrival in the customs area under its jurisdiction, if *prima facie* evidence exists that said goods are counterfeit or unlawfully bearing a mark similar to a registered trademark in a manner that would confuse the public.

Seizure of goods process

If the Customs Authority decides to cease the release of goods arriving in the customs area under its jurisdiction, it shall:

- a) notify the importer of the goods and the owner of the right of the decision to cease the release of such goods immediately after its issuance.
- b) notify the owner of the right, upon his written request, of the names and addresses of the consignor, importer, consignee and quantities of the goods.
- c) Allow interested parties to inspect the goods in accordance with standard customs procedures.

Court case to be filed by the Trademark owner

In accordance with Article 38 of the GCC Trademark Law, the trademark owner is entitled to file a court case before the competent court and shall notify the Customs Authority within a period not exceeding (10) ten business days from the date of notification of the decision to suspend customs release of said goods; otherwise, the said decision to cease the release of goods shall be deemed null and void, unless said authority or the competent court decides to extend the said period, at its own discretion, for a period not exceeding (10) ten additional days. If a suit concerning the subject matter of the dispute is filed, the court may affirm, amend or revoke the decision.

Destructions of the counterfeit goods

Except as otherwise determined by the court, if the court establishes that the goods subject to suspension of customs release are imitated, counterfeit or unlawfully bear a trademark similar to a registered one in a manner that would confuse the public, it shall order said goods to be destroyed at the expense of the importer or

disposed of outside commercial channels if destroying the same would inflict unacceptable harm on public health or the environment.

It is important to highlight that counterfeit goods may not, in any case, be released to commercial channels or allowed to be re-exported by merely removing the trademark unlawfully affixed thereto.

Border measures Exceptions

In accordance with Article 39 of the GCC Trademark Law, the border measures shall not apply in the following cases:

- 1) Small quantities of goods of non-commercial nature, which are contained inside the travellers' personal luggage or sent in small packages.
- 2) Goods which are offered for trading on the markets of the exporting country by the owner of the trademark or with his consent.

▪ Precautionary Measures

In case of infringement, or to prevent an imminent infringement, the trademark owner may obtain an order on a petition from the competent court to take appropriate precautionary measures, including the following as stipulated in Article 40 of the GCC Trademark Law:

1. Conducting detailed description for the alleged infringement, and goods which are subject of these infringement, and materials, tools and equipment that have been used or will be used in any of it, and keeping relevant evidences.
2. Seize any of the above stipulated in clause (a) along with any proceeds made from the alleged infringement.
3. Preventing goods, subject of the alleged infringement, from entering into the commercial channels and preventing export thereof, including imported goods immediately after customs release thereof.
4. Suspending or preventing infringement.

Requirements

The petitioner shall submit to the Court, if requested, the evidence that affirms the occurrence of an infringement or an imminent infringement on the right, and may assign him to provide sufficient information to enable the Competent Authority to implement the precautionary measure of the identification of the goods concerned.

Process and time frame

- The court shall decide on the petition no later than (10) ten days from the date of submission, unless for exceptional cases estimated by the court.
- The court may, if required, issue the order, at the request of the petitioner, without calling the other party, if a delay in issuing the order may cause irreparable harm to the plaintiff, or there is a fear of the demise or destruction of evidence, in this case, the other party shall be notified of the order without delay immediately after its issuance, and when necessary, the other party may be notified directly after implementing the order.
- If the court orders to take precautionary measures without calling the other party, the defendant after being notified of the matter may appeal it before the competent court within (20) twenty days from the date of notification, and the court in this case may support, modify or cancel the order.
- The court may assign the petitioner to provide a suitable bail or its equivalent guarantee that is sufficient to protect the defendant and to prevent abuse of the right, and the amount of bail, or its equivalent guarantee, shall not be big to the extent that it may lead unreasonably to refrain from request to take precautionary measures.

Court Case by the Trademark owner

The owner shall file a claim before the competent court within (20) twenty days from the date of issuance of the order to take the precautionary measures, or from the date on which he is notified of the rejection of the appeal, as the case may be. Otherwise, the order will be cancelled at the request of the defendant.

3.4.6.3 Summary of the remedies with Comparison table

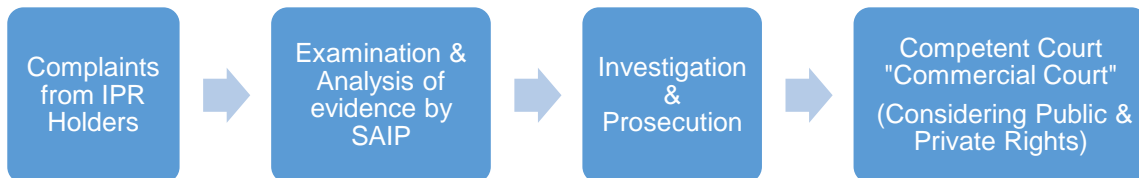
| Remedies available for Trademarks | |
|-----------------------------------|--|
| Injunctions | Available |
| Damages | Damages shall be actual, quantifiable & not be based on estimation. Evidence for such damages shall be submitted. |
| Fines | For offenses: a fine between 5,000 Riyals (approx. 175,000 Yen) and 1 million Riyals (approx. 35,000,000 Yen), which may be doubled for repeat offenders. |
| Destroying of infringing goods | Available |
| Publication of Judgement | Publication at the expense of the accused party in a prominent place in two widely circulated daily newspapers, one of which is issued in the region where the main headquarters of the violator is located, if any. |
| Criminal Proceedings | For offenses: a jail term of between 1 month to 3 years. |
| Border Detention | Available |
| Others | <ul style="list-style-type: none"> - Seizure of goods suspected to involve infringement, any materials, tools and documentary. - Compelling the infringing party to cease the infringement, including preventing the exporting/importing of goods. - Compelling the infringing party to disclose information about all persons or entities who contributed to the infringement, either through the production or distribution of infringing goods. - closure of the shop or project for a period of not less than fifteen days and not more than six months for the party who repeats the commission of an offence |

3.4.6.4 Flowchart of the process of the Enforcement

Flow chart of the process of complaint on Trademark infringement¹⁶⁶



Procedural path in the event of a trademark infringement¹⁶⁷



**Note: The chart related to the Jurisdiction of Commercial Courts over IP – related Litigation and its stages of appeal is provided in section 3.1.6.5.

¹⁶⁶ [Complaint \(trademark infringement\) \(saip.gov.sa\)](https://www.saip.gov.sa)

¹⁶⁷ <https://www.saip.gov.sa/litigation-paths/>

3.5 Copyright

3.5.1 Definition

Copyright is defined by the SAIP as "a privilege that grants authors the exclusive right to accept or reject the use of a creative work such as literary, audio, visual or artistic work, and is limited to a specific period. Under copyright, an author can generate economic income for new creative activities in addition to being protected against unauthorized use of his/her work"¹⁶⁸.

In other words, copyright gives the author the right to use and exploit the work, and prevent others from using and benefiting from it without their consent.

The author's literary and material rights are fully reserved for the creators.

3.5.2 Requirements

Article Six of the Regulations for the Optional Registration of Copyright Works as amended, stipulates that the Registration application shall meet the following requirements:

- 1- The Work or any of its contents shall not be contrary to Islamic Law (Sharia), Kingdom laws or the public decency.
- 2- Completion of the data and documents required for the Registration and paying of the prescribed fees.
- 3- Registration application is limited to one work, taking into consideration the nature of the Work.
- 4- The Work shall not be among the excluded Works of the protection by the Law.
- 5- The Work shall be in its final form, and shall not be a draft or a preparatory work.

▪ Types of work

There are two types of works that can be protected under the Copyright Law of Saudi Arabia.

A. Original Works (Article 2)

This Law shall protect works created in the fields of literature, arts, and sciences, irrespective of their type, means of expression, importance, or purpose of authorship, such as:

1. Written materials like books, booklets, and etc.
2. Works which are verbally delivered like lectures, speeches, poetry, songs, and etc.
3. Dramatic works, plays, shows, and similar presentations which involve motion, sound, or both.
4. Works which are prepared for broadcasting purposes or are presented through broadcasting.
5. Drawings, works of visual art, architecture, decorative art, artistic embroidery, and etc.
6. Audio and audio-visual works.
7. Applied art works, whether handcrafted or manufactured.
8. Photographic works and etc.
9. Illustrations, geographical maps, designs, plans, sketches, and visual works related to geography, topography, architecture, and science.
10. Three-dimensional works of geography, topography, architecture, or science.
11. Computer programs.
12. Protection shall include the title of a work, if it is creatively unique, and not a common expression indicating the subject matter of the work.

B. Derived Works (Article 3):

1. works of translation;
2. works of abridgement, modification, illustration, editing, or any other form of alteration;

¹⁶⁸ <https://www.saip.gov.sa/en/ip-domains/241/>

3. encyclopedias and anthologies which are deemed creative with respect to the selection of content or arrangement, whether they are literary, artistic, or scientific works;
4. compilations of folkloric works and expressions and selections therefrom, if such compilations are creative as to the selection or arrangement of their contents; and
5. databases, whether they are mechanically readable or can be read in any other manner, if they are creative as to the selection or arrangement of their contents.

Copyright protection enjoyed by the authors of the works mentioned in the above paragraphs shall in no way jeopardize the protection enjoyed by the authors of the original works.

▪ **Works Excluded from Protection**

In accordance with Article 4 of the Copyright Law, the protection prescribed by the Law shall not cover the following:

- (1) Laws and judicial judgments, decisions of administrative bodies, international agreements, and all official documents, as well as the official translations thereof, subject to the provisions concerning the circulation of such documents.
- (2) Daily news or news-like events that are published in newspapers, magazines, periodicals, or broadcasts.
- (3) Ideas, procedures, work methods, concepts of mathematical sciences, axioms, and abstract facts.

3.5.3 Term of Protection

Article 19 of the Copyright Law in Saudi Arabia states that the time period for copyright protection is divided into two parts as follows:

First Part:

- Author of work- The duration of his life and for a period of 50 years following his death.
- Joint works- The period shall be computed from the date of the death of the last surviving author.
- Corporate entity- The copyright period for the works of the author as if his name is unknown shall be 50 years from the date of the first publication of the work. If the name of the author becomes known before the end of the 50-year period, the duration of copyright shall be the period specified in paragraph (1) of this Article.
- Several parts or volumes, published separately or over a period of time- Each part or volume shall be considered an independent work for the purposes of the computation of its copyright period.
- Audio works, audio-visual works, films, collective works, and computer programs- The period shall be 50 years from the date of the first show or publication of the work, regardless of republication.
- Applied artworks (handcrafted or manufactured) and photographs- The period shall be 25 years from the date of publication. The computation of the period starts in this case on the date of the first publication of the work, regardless of republication.

Second Part:

- Broadcasting Organizations- The copyright period shall be 20 years from the date of the first transmission of programs or broadcast materials.
- Producers of audio recordings and performers- The period shall be 50 years from the date of performance or its first recording, as the case may be.

Moreover, it is important to highlight that Article 50 of the Executive Regulations provides the Calculation of the protection period for some works, as follows:

- Musical and cinematic works enjoy protection for a period of fifty years starting from the first production of the work, and the period is calculated from the end of the calendar year (Gregorian) in which it was produced.
- Computer programs shall enjoy protection as literary works for a period of no less than fifty years from the date of their first production if the author is a legal person or whose name is unknown.
- The protection period for computer programs, if the author is a natural person, shall be in accordance with the protection prescribed for other literary works.

It is important to highlight that the Gregorian date along with the Hijri date are being adopted/used in the Saudi System for Copyright and both dates are reflected in the registration certificate. In some articles, the Copyright Executive Regulations specifies the adoption of Gregorian calendar for calculating the term of protection.

Note: The Hijiri (Lunar) calendar year has approx. 354 days, therefore, it deviates by about 11 days each year from the Gregorian (Solar) calendar.

3.5.4 Application/Registration Procedure

▪ Is copyright registration mandatory?

Under the Berne Convention's principle of automatic protection, Saudi Arabia does not require any formal application for an original literary or artistic work to be protected as copyright.

Optional registration is available to computer software, applications and works. In addition, the SAIP has announced in February 2022, the availability of optional registration of:

- Artistic and applied artistic works.
- Photographic works.
- Schematic works.
- Topographic works.
- Sculptural works.

SAIP indicated that the aim of providing new tracks in the optional registration of copyright works is to encourage talented people to benefit from intellectual property services, which contributes to enhancing competitiveness and maximizing intangible assets.

Noting that copyright registration, as evidenced through a copyright registration certificate, creates a favourable legal presumption of ownership over the work registered, which is especially useful where copyright ownership is, or maybe, a contentious issue. Therefore, it is prudent for an author of original literary and/or artistic works to register their copyrights with the SAIP.

3.5.4.1 Place of Application

The Saudi Authority for Intellectual Property "SAIP" is the authority responsible of registering the copyright and its enforcement. The SAIP provides many services related to copyright, including the following:

- 1 - To register a new work.
- 2 - To modify a work.
- 3 - To dispose of a work.

In 2022, the SAIP issued an Instruction Manual and user guide which reflects all the necessary steps and information for the above services, along with the related forms templates and a table of common mistakes and how to avoid them through the process. The said manual is accessible by using this link: https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-08/CP-UserGuide_1%20%28002%29.pdf

3.5.4.2 Eligibility

The Applicant or its representative has the right to file a new work for copyright registration, modify a work and or dispose of a work.

- **Who is called (the author)?**

The author is the person who created the work as defined in Article 1 of the Law.

Moreover, in accordance with Article 5 of the law, whoever has their name published on the work is considered an author unless proven otherwise. In cases where their name is not mentioned; or referred to it under a pseudonym, the publisher becomes a representative on behalf of the author. The name of the author also includes anyone who contributes to the creation of visual and audio work; Like authors of texts, scenarios, and dialogue writers.

**Article 5 stipulates as follows: “[Authors (1) An author is any person who publishes a work attributed to him by mentioning his name on the work or by any other means used to attribute works to their authors, unless there is evidence to the contrary. (2) The publisher whose name appears on the work shall be the representative of the author, if the work is published under a pseudonym or anonymously. (3) Authors of audio works and audio-visual works shall be the persons who participated in the creation of such works, such as: a) Author of the text b) Scenarist c) Dialogue writer d) Director e) Composer]”.*

- **Who is the right owner?**

The right owner is the author unless the financial rights were released to another person or legal entity via an agreement or a contract between them.

3.5.4.3 Requirements

- **Required Details for filing the Copyright (Article 7 of the Regulations for the Optional Registration of Copyright Works):**

The Registration application is submitted electronically to the SAIP, and should contain the following information:

- 1- Applicant name, nationality, status, address and copy of the Power of Attorney (if any).
- 2- Author name, alias and nickname (if any), nationality, address and death date (in the case the Author has died).
- 3- Name of entity that directed the work (if any), its address and the document that shows as the relationship between the entity and the author.
- 4- The Work title, type, description and language.
- 5- The publisher’s name and address, date and place of first publication and the international number (if any).
- 6- The right owner’s name, nationality and address, duration, geographical scope and the related documents. These details are required if the author is not the right owner and the related documents such as the agreement or contract between the author and the right owner showing the transfer of the financial rights to the right owner shall be attached.

▪ **Required Documents (Article 8 of the Regulations for the Optional Registration of Copyright Works):**

The following documents shall be attached with the application, as follows:

1-A copy of national ID, passport (for foreigners), commercial register (for legal entities) or the supporting documentation for other entities.

2-A copy of the Work, according to the nature of the Work.

3-Acknowledgment of the validity of the stated information in the application, the right ownership, the registrar responsibility bearing any violation of other parties' rights, or any violation results in his application

4-Any other attachments required by the Authority.

3.5.4.4 Examination

Process (Articles 9, 10 & 11 of the Regulations for the Optional Registration of Copyright Works):

- The Applicant will receive a serial number upon the submission of its copyright application
- The Applicant shall pay the related fees for the examination of the copyright application within thirty (30) days from the application submission, via -approved payment channels of the Authority, and in case of not paying within the time limit, the application is considered as if it does not exist.
- The SAIP shall examine the application and verify the completeness of registration data, documents and requirements.
- The SAIP shall make the decision about the Registration of application within sixty days from the date of payment of the relevant fees for the examination or from the date of completing the additional requirements.
- The SAIP may require the Applicant to submit any documents or other information, by sending a notification, that is considered to be necessary to accept the application within ninety (90) days from the date of notification. In the case of not completing what is required within the time limit by the Applicant, the application is considered as if it does not exist, and this does not result in any refunds of what had been paid.
- **Acceptance of the application (Article 12 and 13 of the Regulations for the Optional Registration of Copyright Works)**
 - If the SAIP finds that the application meets the prescribed conditions, it should notify the Applicant, who shall pay the related fees for registration within thirty (30) days from the date of notification, and in the case of non-payment within the time limit, the application is considered as if it does not exist, and this does not result in any refunds of what had been paid.
 - The SAIP shall issue the Registration certificate after completing the Registration acceptance, and the Authority may publish the registration by any determined means.
- **Rejection of the Application (Article 12 of the Regulations for the Optional Registration of Copyright Works)**
 - If the SAIP finds that the Registration application doesn't meet the prescribed conditions, it shall issue a decision of refusal, showing the causes of refusal, and notify the Applicant.
 - The Law and its regulations are silent for any possibility to file an appeal for the said rejection.

3.5.5 Post-Registration

3.5.5.1 Registration Fees

SAIP Services Directory for Copyright, time frame and related Fees¹⁷⁰

| Services | Execution Time | Individual Fee (Riyal) | Enterprise Fee (Riyal) |
|---|----------------|--|---|
| New Work Registration Service (computer software & application) | 7 days | 100 (examination) (approx. 3,500 Yen) / 200 (registration) (approx. 7,000 Yen) | 200 (examination) (approx. 7,000 Yen) / 400 (registration) (approx. 14,000 Yen) |
| New Work Registration Service (Architectural works) | 7 days | 50 (examination) (approx. 1,750 Yen) / 100 (registration) (approx. 3,500 Yen) | 100 (examination) (approx. 3,500 Yen) / 200 (registration) (approx. 7,000 Yen) |
| Work Modification Service | 7 days | 100 (examination) (approx. 3,500 Yen) / 100 (registration) (approx. 3,500 Yen) | 200 (examination) (approx. 7,000 Yen) / 200 (registration) (approx. 7,000 Yen) |
| Work Recording Service | 7 days | 100 (examination) (approx. 3,500 Yen) / 100 (registration) (approx. 3,500 Yen) | 200 (examination) (approx. 7,000 Yen) / 200 (registration) (approx. 7,000 Yen) |
| Request to enforce a copyright final judgement | 10 days | N/A | N/A |
| Mandatory License for Copyright Works | 6 months | N/A | N/A |
| New Work Registration Service (Written Works) | 7 days | 50 (examination) (approx. 1,750 Yen) / 100 (registration) (approx. 3,500 Yen) | 100 (examination) (approx. 3,500 Yen) / 200 (registration) (approx. 7,000 Yen) |
| New Work Registration Service (Photographic Work) | 7 days | 50 (examination) (approx. 1,750 Yen) / 100 (registration) (approx. 3,500 Yen) | 100 (examination) (approx. 3,500 Yen) / 200 (registration) (approx. 7,000 Yen) |
| New Work Registration Service (Artistic works and Applied Arts) | 7 days | 50 (examination) (approx. 1,750 Yen) / 100 (registration) (approx. 3,500 Yen) | 100 (examination) (approx. 3,500 Yen) / 200 (registration) (approx. 7,000 Yen) |
| New Work Registration Service (Topographic Sculptural Works) | 7 days | 50 (examination) (approx. 1,750 Yen) / 100 (registration) (approx. 3,500 Yen) | 100 (examination) (approx. 3,500 Yen) / 200 (registration) (approx. 7,000 Yen) |
| New Work Registration Service (Schematic Works) | 7 days | 50 (examination) (approx. 1,750 Yen) / 100 (registration) (approx. 3,500 Yen) | 100 (examination) (approx. 3,500 Yen) / 200 (registration) (approx. 7,000 Yen) |

Remarks:

It is important to highlight that the fees differ depending on the following:

- (1) **The type of work** (computer software & application or other work) and;
- (2) **the capacity of the right owner** (whether a person or legal entity or student/s).

¹⁷⁰ <https://www.saip.gov.sa/en/services/#copyrights>

*As to the students, SAIP clarified the reduced financial compensation for students so that they can register and protect copyrights and benefit from all the services, which contributes to supporting creators in the country and building a conscious society and a future full of human creativity.¹⁷¹

As to the professional fees, the same vary depending on the type of work and right owner.

3.5.5.2 Rights of the Right Holder

Saudi Arabia is a member of the Berne convention which provides two forms of moral rights; paternity and integrity. These rights are included in Article 6bis of the Berne Convention as follows:

- Independent of the author's economic rights, and even after the transfer of the said rights, the author shall have the right to claim authorship of the work and to object to any distortion, modification of, or other derogatory action in relation to the said work, which would be prejudicial to the author's honor or reputation.
- The right to decide about making the work available to the public for the first time and to determine the means and timing of making that work available.
- The right to claim authorship of the work and to have their name placed on all copies of the work when possible.
- The right to prohibit their work from being put into circulation, or to withdraw it from circulation compensating any third parties, if required (if serious justifiable and legitimate grounds exist, based on a court decision).

Moreover, the Copyright Law of Saudi Arabia provides authors with moral rights, in accordance with Article (8) which stipulates as follows:

[“1. The author shall have the right to exercise any of the following:

- a) Attribute the work to himself or publish it under a pseudonym or anonymously.
 - b) Object to any infringement on his work and prevent any deletion, change, addition, distortion, corruption, or any other form of tampering with the work itself.
 - c) Make any amendment to or deletion from his work, at his discretion.
 - d) Withdraw his work from circulation.
2. The moral rights provided for in paragraph (1) of this Article are permanent rights of the author and are not subject to waiver or lapse by prescription.
3. Moral rights shall be retained by their owner and shall not be forfeited by granting the right of exploiting the work in any manner.
4. Moral rights provided for in this Law shall pass to the Authority upon the death of the owner who has no heirs]”.

As to the Financial Rights, Article 9 of the Saudi Copyright Law provides the author, or his designee, the right to exercise all or any of the following, as per the nature of the work:

- (1) Printing and publishing the work in a readable format; recording it on audio or video tapes, compact disks, electronic memories, or any other means of dissemination.
- (2) Translating the work into other languages, quoting or altering it, or redistributing audio or visual material.
- (3) Communicating the work to the public via any possible means, such as displaying, acting, broadcasting, or data transmission networks.
- (4) All forms of material exploitation of the work in general, including permissible commercial rental.

¹⁷¹ <https://saip.gov.sa/en/news/1027>

As to the authors of artistic and literary works, their performers, composers, the producers of audio recordings, and broadcasting organizations shall enjoy their financial rights, as prescribed by the implementing regulations, as shown below:

- **Rights of acting and public Performance** according to Article 5 of the Executive Regulations of the Copyrights Law which stipulates as follows:

Authors of dramatic works, musicals and musical works or their representatives shall have the right to authorize the following:

- (1) Acting their works or performing them publicly by all methods or means.
- (2) Fixation or transmission of acting and performance of their works to the public by all means.
- (3) Translation of their works.

- **Right of tracing** according to Article 6 of the Executive Regulations of the Copyrights Law which stipulates as follows:

Authors of original plastic art and of original musical manuscripts shall have the right to share by a percentage in the returns of any sale transaction of these works, even if they have assigned the ownership of the original copy of their works. This shall not apply to works of architecture nor to works of applied art.

- **Rights related to the protection of Performers, Producers of Sound Recordings, and Broadcasting Organizations** in accordance with Article 7 of the Executive Regulations of the Copyrights Law:

- **First: Performers and Producers of Sound Recordings shall enjoy the exclusive right to authorize the following:**

- (1) Public performance of their works, including public recitation by all means or methods.
- (2) Transmission and performance of their works to the public by all means.
- (3) Fixation of their performance in material form.
- (4) Permission to transmit all or part of their works through the Internet.
- (5) Permission of audio fixation of their musical work and circulation thereof in specific countries. All copies imported from countries with an exclusive license, or manufactured without permission from the author, shall be deemed in violation of copyrights and shall be subject to confiscation.
- (6) Permission to distribute and rent their original works.
- (7) Producers of sound recordings shall have the right to authorize or prohibit direct or indirect reproduction of their sound recordings.

- **Second: Broadcasting Organizations Broadcasting organizations shall have the right to prohibit any of the following acts if undertaken without their authorization:**

- (1) Fixation and reproduction of broadcasts.
- (2) Retransmission by wireless means and communication of materials to the public.
- (3) Determining the means of direct broadcast and reception or through receivers or by cable.
- (4) Transmission to the public of radio broadcast in public places or through internal wire broadcasts of closed compounds.

Comparison between Moral and Financial Rights¹⁷²

| Moral Rights | Financial Rights |
|---|--|
| Defined as the right of an author to protect the integrity and ownership of the work retained by their owner and is not forfeited by granting the right to exploit the work to another party in any manner. | Defined as the rights granted to the author to exploit his work in a way that brings him financial benefit or profit. The author's waiver of his financial right does not affect his moral right, as he still retains the authority to exercise all actions. |
| These moral rights are permanent rights of the author and are not subject to waiver or lapse. Any transfer of such rights is considered null and void. Moral rights pass to the SAIP on the death of an owner without heirs. | Financial rights can be transferred fully or partially. Any transfer shall be recorded in writing and shall limit the scope of the transferred right in terms of both time and place. |

It is important to highlight that an author's assignment of all his future intellectual production is deemed null and void in accordance with Article 12 of the Copyright Law.

3.5.5.3 Licensing

A copyright license gives the licensee the authorization to use a work from the copyright owner. The SAIP provides "Work Recordation Service" which allows the applicant to register any action that occurs in the work. Such service aims to license the copyright holders to benefit from the financial rights stipulated in the Copyright Law¹⁷³.

- **Compulsory Licenses**

Definition: "is permitting others to exploit the work in Arabic translation or reproduction, without the consent of the author or right owners".

Launching of Compulsory License service by SAIP

The SAIP announced the launch of the compulsory licensing service for copyright works on its online portal on November 4, 2022¹⁷⁴. The service would enable educational institutions, and broadcast authorities to benefit from the compulsory licensing service for copyright works for translation and copying, according to the regulations, conditions and cases that are stipulated in the Copyright Law and its Executive Regulations.

The launch of this service is in accordance with the Berne Convention, which requires that Saudi Arabia benefit from the right stipulated in the Berne Convention for the Protection of Literary and Artistic Works (Provisions for Developing Countries) regarding (restriction of the translation and copying rights) as well as in accordance with Article 16 of the Copyright Law, which provides that the Board of Directors of the SAIP may grant a publication license for the work after the lapse of a period to be specified by implementing the regulations for each case, if it deems that publishing this work serves the public interest, in the following cases:

- a) If no copies of the published work in its original language are made available in the Kingdom by the copyright owner to satisfy the general needs of the public or the needs of school or university education, at a price comparable to the price of similar works in the Kingdom, upon the author's declining to make available copies of that work.
- b) If all editions of the original work or its Arabic translation are out of print, with the copyright owner's failure to make it available upon request.

¹⁷² <https://saip.gov.sa/ip-paths/>

¹⁷³ <https://www.saip.gov.sa/en/services/365/>

¹⁷⁴ <https://www.saip.gov.sa/news/1414/>

- c) If no translation has been published for this work by the owner of the translation copyright or with his permission, provided that the purpose is to make use of this translation in educational curricula.
- d) If the heirs of a Saudi author or his successors decline to exercise the rights passed to them pursuant to Article 11 of this Law, within one year of the request date, if they do not have a valid excuse.

Such license shall terminate upon publication of the work or the translation by the copyright owner, or with his authorization.

The Law provides that the Board of Directors may specify the remuneration to be paid by the licensee to copyright owners for every license issued, and they shall have the right to appeal his decision to the Board of Grievances/ Court of Appeals. The implementing regulations shall determine the procedures and conditions required for the application of mandatory licensing.

General conditions for applying for a compulsory license

1. That the work - for which a license is required to be granted - has been published in its original language in the Kingdom by the holder of the license or his representative.
2. The unavailability of copies of the work by the author or his representative.
3. The existence of a need in the Kingdom to translate or copy the work in order to meet the public needs, or the educational and research needs. The purpose of the compulsory license must not be for profit or commercial purpose.
4. The compulsory license shall not be restricted to the person to whom it was granted, but rather others may benefit from the license.
5. Each compulsory license application shall be limited to one work.
6. To decide on each compulsory license application separately.
7. The right owner shall be compensated fairly, and the SAIP Board shall determine the financial reward, provided that the licensee undertakes to fulfill it.
8. Obligation to mention the name of the author and the title of the work on the works granted the compulsory license.
9. Obligation to mention the original title of the work - in its original language - on the translated work in the case of translation on all copies.
10. Each copy issued under the license must bear a text stating that the copy is offered for circulation in the Kingdom only.

Special conditions for applying for a compulsory license

- 1- Submit proof that the Applicant of the compulsory license made the necessary efforts to obtain a contractual license from the holder of the right whose name appears on the work and his request was rejected.
- 2- That the applicant has proved that he requested a contractual license and his request was not answered or was rejected by the owner of the right (the author or the publisher) at least 3 months prior to submitting his application.
- 3- In the event that the necessary care was taken by the applicant and he did not reach the owner of the copyright (author or publisher) or did not recognize him, then a notification shall be submitted to the competent authority in the country deemed to be the country of publication of the work to be translated or reproduced, prior to submitting the application at least three months, and submit proof of that to the Authority.
- 4- Provide evidence of the ability to ensure the correct translation quality of the work and accurate reproduction
- 5- Submit proof of ability to pay the financial reward to the holder.
- 6- Determine the retail price of the licensed work according to the number of editions.

Process and requirements

The application for Compulsory Licensing can be filed electronically by the Applicant or its legal representative. The Applicant for the Compulsory Licensing request shall be a Saudi national or legal entity located in Saudi Arabia. The following steps need to be carried out, as follows:

- 1- To request a compulsory license for copyright works, the “Compulsory Licensing Form” must be filled out which is available on the SAIP portal.
- 2- Ensure that the application requirements are met by reviewing the service guide/instructions manual¹⁷⁵.
- 3- Sending the mandatory license application form for copyright works to the e-mail ccl@saip.gov.sa.

Time Frame for the service: 6 months

The term of the compulsory license

- 1- The Council shall determine the term of the compulsory license in the granting decision, and the means or medium that the licensee will use to transfer the work to the public.
- 2- The Council may extend the term of the compulsory license, if the licensee proves that there is a legitimate reason.

Payment of the financial reward for the compulsory license:

The applicant for the compulsory license shall, after being notified of the decision to accept the license application, pay the financial reward determined by the Council to the right holder for issuing the license within thirty (30) days from the date of his notification, provided that the applicant submits evidence of that, and in the event of non-payment within this period, the license application shall be considered mandatory as cancelled in accordance with Article 45 of the Executive Regulations. With the exception of this, if the applicant is unable to find or access the owner of the right, as determined by the decision to grant the license.

Cases of revocation of compulsory license

Article 43 of the Executive Regulations provides cases in which the SAIP Board shall revoke the compulsory license as follows:

- 1- If the licensee does not utilize the compulsory license in a sufficient manner to meet the needs of the Kingdom within the period stipulated in the granting decision.
- 2- If it is proven that the licensee obtained the compulsory license unlawfully.
- 3- If the licensee violated the provisions of Article (21) of the Copyright Law when preparing the licensed copy.
- 4- If the licensee violates any provision of the compulsory license.

Compulsory license termination cases:

The SAIP Board, after being notified by the right holder, terminates the validity of the compulsory license if the work is translated into Arabic or made available for circulation in the Kingdom by the right holder, or with his permission, and it has the same content as the published translation or for a price close to the usual price in the Kingdom, provided that the right holder by notifying the person authorized to provide translation or copies of the work and submitting proof of that.

The termination of the license shall take effect three months after the date of notification to the licensee in accordance with Article 44 of the Executive Regulation. Noting that the Copies issued under the compulsory license may continue to be circulated in the Kingdom until it runs out.

¹⁷⁵ https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-11/%D8%A7%D9%84%D8%AF%D9%84%D9%8A%D9%84%20%D8%A7%D9%84%D8%A7%D8%B3%D8%AA%D8%B1%D8%A7%D8%B4%D8%A7%D8%AF%D9%8A%20%D9%84%D8%AE%D8%AF%D9%85%D8%A9%20%D8%A7%D9%84%D8%AA%D8%B1%D8%AE%D9%8A%D8%B5%20%D8%A7%D9%84%D8%A5%D9%84%D8%B2%D8%A7%D9%85%D9%8A%20%D9%84%D9%85%D8%B5%D9%86%D9%81%D8%A7%D8%AA%20%D8%AD%D9%82%20%D8%A7%D9%84%D9%85%D8%A4%D9%84%D9%81_0.pdf

Publication of Compulsory licensing decisions

The decisions of granting, terminating and canceling compulsory licenses shall be recorded in the Authority's records and published with the author's name, contact details, the type of license, the name of the licensee and the duration of the license, and the licensee shall be notified thereof in accordance with Article 47 of the Executive Regulations.

3.5.5.4 Renewal of Registration

It is not possible to renew the registration after the expiration of term of protection of each work.

Expiration of the protection period:

The author has the right to object to the reproduction or sale of his works or to make a derivative work of his original work after the financial rights expire at the end of the protection period, in the event of damage to his honor and reputation, or distortion and distortion of the work¹⁷⁶.

3.5.6 Enforcement of Rights

3.5.6.1 Enforcement Agency

Copyright Infringement Committee-"field: Respect of intellectual property"

The enforcement of copyright can now be initiated through filing a complaint before the Saudi Authority for Intellectual Property "SAIP", such complaint for infringement of the copyright protection law can be filed online and is to be decided by the competent copyright committee¹⁷⁷.

The copyright committee is established pursuant to the SAIP's Board of Directors no. (7/2/2020) issued on 03/07/1441 Hijri corresponding to 27/02/2020¹⁷⁸ and is competent with the copyright infringements, violations of the provisions of the Copyright Law and imposing the statutory penalties stipulated in the Law.

It is important to highlight that the decisions of the said committee are published on the SAIP platform for Hijri years 1440, 1441, 1442 and 1443 and can be accessed by using this link <https://www.saip.gov.sa/en/committees-secretariat/#documents>.

- **Examination of the infringement complaint**

Technical examination of documents by SAIP (Article 23 of the Executive Regulations):

1- An initial examination of the complaint submitted to the Authority is carried out, documents and evidence are examined, and it is ensured that they meet the requirements for registering the complaint according to the forms prepared for that.

2- The competent department analyzes the content of the documents submitted regarding the complaints and their supporting evidence to ascertain whether or not they may contain an infringement of copyright, and prepares a technical report that is commensurate with the type of work and includes, at a minimum, the following information:

- a) Basic information of the complaint.
- b) A detailed description of the original work and the infringer.
- c) Determining the number of originals and copies subject to infringement.
- d) Violations and offenses contained in the work or the evidence presented.

¹⁷⁶ [Article 51 of the Executive Regulations of the Copyright Law.](#)

¹⁷⁷ <https://saip.gov.sa/en/services/969>

¹⁷⁸ <https://www.saip.gov.sa/en/committees-secretariat/1456/>

- e) Any other technical information or facts about the work and the method of infringement.
- f) Recommend whether or not the violation should be proven, according to the available evidence, documents and legal texts supporting the existence of the violation.
- g) The analyst submits his report to the administration on the complaint, indicating whether or not the violation has been proven.

Investigation of the violations (Article 24 of the Executive Regulations):

The concerned officers shall hear the statements of those accused of violating any of the provisions of the Law and the Regulations or their representatives when there are evidences and indications of the existence of an assault, and for this purpose they may:

1. Direct an initial summons to report to the competent department in the Authority within a period not exceeding three working days from the date of the summons.
2. Directing a final summons to review the competent department in the Authority within a period not exceeding five working days from the date of the summons.
3. The investigation report must include the following information:
 - a) The hour, day, date and place of hearing the statements.
 - b) The name and description of the employee who heard the statements.
 - c) The name of the person to whom the violation is attributed, his identification number, and his contact addresses.
 - d) Confronting him with the violations specifically attributed to him.
 - e) The full answers of the person to whom the violation is attributed to the questions addressed to him, including the arguments of his defense.
4. The person to whom the violation is attributed will be held accountable for the period of time during which he committed his assaults on the work, and the extent of the financial returns he achieved.
5. The police officer, if necessary, may summon whoever he deems necessary to hear his statements regarding the violation and write them down in the report.
6. The competent department in the Authority may seek the assistance of experts in detecting violations in accordance with the administrative procedures that govern this work.
7. The competent department shall submit cases and violations with all their documents to the committee for consideration.
8. In the event that the person accused of the violation or his representative does not appear during the period specified for the summons, the case papers are referred to the committee to issue a decision in this regard.

▪ **Process and phases of the complaint**

Phase One: Collect and analyze data by the Intellectual Property Respect Department of the SAIP:

1. Login to the SAIP website, (<https://complaints.saip.gov.sa>)
2. Log in to the Contact Center portal via e-mail.
3. Fill in the required data.
4. select Submit a Copyright Infringement Application.

5. Fill out the necessary infringement requirements and comply with the necessary requirements.
6. Attach the necessary requirements and documents.
7. Submit the application to the relevant department and ensure that the necessary requirements are completed with the client.
8. Study and analyze the application (the lawsuit) technically by the competent department and complete the legal requirements.
9. Refer the application (the lawsuit) to the competent committee in the General Secretariat of Committees to study it and issue a decision.

Phase Two: Examine the infringements committed against the Copyright Protection Law.

1. The General Secretariat of Committees receives and examines the lawsuit received from the Intellectual Property Respect Department after verifying that the documents and instruments necessary for registering the case are complete.
2. Present the lawsuit to the Copyright Settlement Committee for settlement.
3. Submit the lawsuit to the Board of Directors and inform the persons concerned, through the general secretariat of committees, of the decision issued by the committee.
4. Verify that the decision has acquired finality after the lapse of the legal period (60 days) to appeal the decision.
5. Append the decision issued by the committee with the final version for implementation.
6. In the event of appealing against the committee's decision, the client can head for the competent court before the end of the statutory period of appeal.

Time Frame: Depends on each case

▪ **Criminal Proceedings**

Criminal proceedings are brought by a public prosecutor after a referral from the Copyright Committee of the SAIP. The infringer is subject to the penalties set out in Article 22 of the Copyright Law.

▪ **Civil Proceedings**

A copyright holder whose copyright has been infringed can file a civil action against the infringer before the competent commercial court to claim compensation. The compensation shall be consistent with the size of the infringement and the damage incurred as stipulated in Article 22 of the Copyright Law.

▪ **Court Jurisdiction**

As the Copyright is one of the IP rights, the Commercial Court will be the competent court for any related dispute in accordance with the Commercial Courts Law. All the related information is provided above in section (3.1.6.2) for reference.

3.5.6.2 Copyright Infringement

Infringement is a penalized act under the Saudi Laws and International Agreements of which Saudi is a member thereto. The Copyright Law provides in Article 21 acts that constitute infringements, which include the following:

- Publishing a work not owned by the publisher, or publishing it under the presence of ownership, without written authorization or a contract with the author of the work, their heirs or their representatives.
- Amending the contents of a work, its nature, subject or title without the knowledge of the author and their prior written consent, whether this amendment is made by the publisher, producer, distributor or anyone else.

- Reprinting a work by a producer, publisher or printer without obtaining the prior written consent of the copyright owner.
- Removing written or electronic information so as to jeopardize the owner's copyrights.
- Removing or cracking any protective electronic code that guarantees the authenticity of copies of the work.
- Using intellectual works commercially through deception in a manner that is not permitted by the owners of the copyright, such as using copied software or receiving broadcast programs through illegal means.
- Manufacturing or importing tools (including for the purpose of sale or rental) that facilitate the reception or exploitation of works through means other than those determined by the owner of the rights.
- Copying or photographing parts of a book, a collection of books, or parts of any work, with or without compensation, without obtaining the written consent of the copyright owners and the competent authorities at the SAIP, with the exception of specified cases of lawful copying as set out in Article 15 of the Copyright Law.
- Importing counterfeit, imitated or copied works.
- Keeping infringing works at a commercial establishment, warehouse or any other facility.
- Infringing any of the protected rights specified in the Copyright Law or violating any of its provisions.

Infringement Exceptions – “Fair Use Doctrine”

According to Article 15 of the Copyright Law, the following uses of a copyrighted work, in its original language or translation, are lawful without obtaining the permission of the copyright owner:

1. Copying the work for personal use, excluding computer software, and audio and audio-visual works.
2. Quoting passages from the work in another work, provided that such quotation is consistent with established conventions and within the limits justified by the intended objective, and provided that the source and name of the author are mentioned in the work where the quotation is cited. This shall also apply to journalistic summaries abstracted from newspapers and periodicals.
3. Using the work by way of clarification for educational purposes, within the limits justified by the intended objective, or making a copy or two for public libraries or non-commercial documentation centers on the following conditions:
 - a) Such use shall not be commercial or for profit.
 - b) Copying shall be restricted to the requirements of the activities.
 - c) Such use shall not impair the material benefit of the work.
 - d) The work is out of print, lost, or damaged.
4. Citing or copying articles published in newspapers or periodicals dealing with current issues or broadcast works of a similar nature, provided that the source and name of the author, if known, are clearly given.
5. Copying any broadcast work that may be viewed or listened to during the presentation of current events by means of still or motion pictures, provided that the same remains within the intended objective with the source clearly given.
6. Copying public speeches, lectures, judicial proceedings, or any other similar works presented in public, if such copying is made by the media, provided that the name of the author is clearly mentioned. The author shall retain the right to publish such works in the manner he sees fit.

7. Production of temporary recordings by broadcasting organizations and through their own means –without impairing the author’s copyright– in one copy or more for any protected work, for which they are licensed to broadcast or show, provided that all the copies are destroyed within a period not exceeding one year from the date of their preparation, or a longer period agreed to by the author. A copy of this recording may be kept with official archives, if the recording is a unique documentary work.

8. Music playing, acting, performing, or showing any work after publication by government groups, public corporate entities, or school theatres, as long as such playing, performing, or acting does not lead to direct or indirect financial gains.

9. Copying short quotations from published works, drawings, pictures, designs, or maps in school books prepared for educational curricula or in books of history, literature, and art, provided that such copying is within the limits of necessity and that the title of the work and the name of the author are mentioned.

Copyright Infringement Evaluation and Defences:

Copyright infringement is assessed according to whether the work is almost typical and/or is expressed in an identical manner. The defences usually used against any infringement allegations, include the following:

- A certain subject matter is not protected under the Copyright Law.
- The defendant's actions are outside the scope of the exclusive rights of the owner of the copyright and do not constitute infringement under the Copyright Law.

Copyright Infringement Liability:

The Executive Regulations of the Copyright Law provides in Article 11, Chapter 2, the liability of infringement as follows:

- First: Any person who obtains an original copy of any intellectual work and exploits it by means of renting, adaptation or permitting others to copy or reproduce it or any other acts which affect or obstruct the author from exercising his rights shall be deemed to have infringed the Copyright.
- Second: Firms shall be deemed liable for any violations committed by an employee against any intellectual work if their knowledge or negligence is established, such as keeping forged or copied computer programs, audio or visual tapes, or conducting maintenance on electronic equipment loaded with forged programs, decoded or similar works.
- Third: Anyone who reproduces, sells, imports, exports, transports, publishes or rents protected works with knowledge of the violation shall be deemed to be committing an infringement of copyright and in violation of the provisions of the Law and these Regulations

Moreover, Article 17 of the Executive Regulations provides the Liability conditions of the Maintenance Centers Workshops (“that provide maintenance service for display and receiving electronic equipment)” which are deemed liable for any infringement of copyright if detected to have in their possession decoded equipment or equipment loaded with forged programs, or to use forged programs in maintenance works.

Violation Actions for each type of work

▪ Infringement of Literary Works

Any use beyond the scope of personal use shall be deemed an infringement of literary works. Article 12 of the Executive Regulations provides infringement actions such as the following:

- (1) Using and reproducing the work or exploiting it to perform job duties.
- (2) Using the work for commercial or profit-making purposes.
- (3) Using the work in ways not authorized by the author.

(4) Renting, reproducing or authorizing others to reproduce or adapt the work under the pretext of owning an original copy.

(5) Any act that hinders the author from exercising his moral or financial right.

(6) Reproducing the work to make copies available for commercial exploitation or for selling them to students, to educational institutions or to others is deemed an infringement of copyright.

(7) An employer's ownership of the original copy of the work does not grant him the right to reproduce and distribute it among his employees, under the pretext of personal use.

Note: The reproduction means in any manner or form such as digital reproduction.

It is worth mentioning that the Executive Regulations explicitly stipulate that it shall be deemed within the scope of personal use any use of intellectual works for personal use only, such as reproducing the work for the purpose of preserving the original copy, for writing on the reproduced copy, for translating some paragraphs or writing comments expressing personal opinion. Any use beyond these purposes shall not be deemed personal use.

▪ **Infringement of Audio, Visual and Broadcasting Works**

Any use beyond what is specified by the owner of audio, visual and broadcasting works shall be deemed an infringement of copyright, such as the following actions provided in Article 13 of the Executive Regulations:

(1) Communicating the work to the public without obtaining a prior license from the owners of the copyright, such as use of radio, music, video or satellite transmission in shops, restaurants, hotels, clubs, hospitals and other similar places where there are frequent visitors or gatherings.

(2) Breaking of protective barriers for the purpose of presenting broadcasting materials through illegal means.

(3) Reproduction of broadcast materials for the purpose of presentation, rental or sale.

(4) Addition or removal of electronic chips of display equipment for the purpose of making it exceed its manufactured limits in order to infringe the rights of others.

▪ **Infringement of Rights of Performance**

Article 14 of the Executive Regulation provides actions which are considered as infringement of the rights of performance, such as:

(1) if the work is performed in school theaters or the like unless the performer of the work obtains the prior approval of the owners. It shall be deemed lawful use in accordance with Article (15), Paragraph (8) of the Copyright Law if the performance of the work is in the classroom for the purpose of education.

(2) It shall be deemed an infringement of copyright any reproduction of the work during its performance, such as photographing or recording it for the purpose of exploitation or presentation to the public without the approval of the owners of the right.

▪ **Decoding of Electronic Equipment**

Article 15 of the Executive Regulations stipulates that it shall be an infringement of copyright any act resulting in removal of the original precautionary information from the electronic equipment produced by the manufacturer, and any person who facilitates this is deemed to be committing an act of infringement, such as:

(1) Removing or adding electronic or non-electronic devices of display and receiving equipment for the purpose of exceeding the limits designed by the manufacturer.

(2) Canceling the original program that operates the display and receiving equipment and loading them with forged programs for the purpose of exceeding the limits and capabilities for which the equipment is designed.

▪ **Infringement of Computer Programs**

The computer programs and games shall enjoy protection whether in the source code or in the object code. Article 16 of the Executive Regulations provides that it shall be deemed an infringement of copyright any use of the programs different from that specified by the owner of the right, such as:

- (1) Reproduction of software and game programs.
- (2) Renting the software or game programs or licensing their collective use in the absence of documents authorizing the renting person to exercise this right upon obtaining the approval of the Authority.
- (3) Loading the local networks or the equipment with reproduced software.

Detection of Copyright Infringement and Violations

According to Articles 18 of the Executive regulations, the detection of violations/infringement can be either through:

- (1) a complaint or written notice filed by owners of the right or their representatives, which shall include the evidence and supporting documents proving such infringement.
- (2) Routine or sudden field visits by the inspectors of the Authority to public firms and shops that use in their activities any of the intellectual works.

The officials of the Competent Department shall be responsible for the task of detecting violations and securing the evidence proving the existence of an infringement of copyright, such as equipment, works or commodities. A record for detecting the violation shall be drafted and signed by the drafter, and it shall contain the following information: (1) Name, address of the store and identification of its owner. (2) Place where the violation was detected and time by hour, day and month. (3) Names of workers in the site when the violation was detected. (4) Title, nature of the work subject of the violation, number and specification of copies detected. (5) Type, facts, reasons and circumstances of the violation.

3.5.6.3 Remedies

The remedies as provided in Article 22 of the Copyright Law are as follows:

First: Any person who violates a provision of this Law shall be subject to one or more of the following penalties:

- (1) Warning;
- (2) A fine not exceeding 250,000 Riyals (approx. 8,750,000 Yen);
- (3) Closing the violating establishment or the establishment which has participated in the violation of copyright, for a period not exceeding two months;
- (4) Confiscating all copies of the work along with the materials used or intended for use in the infringement of copyrights;
- (5) Imprisonment for a period not exceeding six months;

Second: Upon repetition of the infringement on the same work or any other work, the maximum limit of penalty, fine, and closure may be doubled.

Third: If the Committee sees that the violation entails imprisonment or a fine exceeding 100,000 Riyals (approx. 3,500,000 Yen), or the cancellation of the license, the case shall be submitted to The Board of Directors for referral to the Board of Grievances/court.

Fourth: The Committee may decide on financial compensation to the benefit of the author whose right has been infringed upon and who files the complaint. Compensation shall be consistent with the size of the infringement and the damage incurred.

Fifth: The Committee may include in its decision the punishment of defamation against the person who commits the infringement. Publication of the same shall be at his expense and by the method the Committee deems appropriate.

Sixth: The Committee may include in its decision suspension of the participation of the infringing establishment in activities, occasions, or exhibitions, if the infringement is discovered during a commercial event, provided that the suspension period shall not exceed two years.

Seventh: The Committee may issue an injunction against the printing of infringed upon work, its production, publication, or distribution, in addition to enforcing a protective impoundment of the copies, materials, and pictures made therefrom. It may take any temporary measures it deems necessary to protect the copyright until a final decision is reached regarding the complaint or grievance. The implementing regulations shall specify the protective impounding procedures.

Border Measures

Under Article 33 of the Executive Regulations, copyright owners with legitimate reasons to suspect that works infringing their rights are intended for importation or exportation can submit a written request to the Copyright Committee to stop and seize works imported or intended for importation or exportation on reaching the borders.

The Copyright Committee may request the applicant to submit a financial guarantee sufficient to protect the affected party and prevent any abuse of rights.

The applicant must submit the main complaint and supporting evidence showing the infringement has been incurred to the Copyright Committee within ten working days. The Copyright Committee must consider amendment, cancellation or confirmation of such measures within 31 days of initiating the measures.

The Copyright Committee may require the applicant to pay to the importer or exporter an appropriate compensation for damages incurred as a result of the wrongful seizure of works.

The Copyright Committee may grant the owner of the right sufficient opportunity to inspect the works to prove the allegations. The importer is entitled to an equal opportunity to inspect the works.

If the infringement is proved, the Copyright Committee may notify the owner of the right of the names and addresses of the sender and addressee of the works as well as their quantities.

Preliminary Reliefs

Protective Seizure

Section 3 of the Executive Regulations regulates provisional protective measures. Under Article 32, the Copyright Committee has the authority to take immediate provisional measures to prevent copyright infringement, and to prevent imported works that infringe copyright from reaching commercial outlets.

The Copyright Committee has the authority to take provisional measures without the knowledge of the affected party, if it is likely that a delay would result in harm or is likely to damage evidence.

The Copyright Committee may request an applicant for provisional protective measures to submit:

- ✚ Any evidence in its possession affirming that it is the owner of the relevant copyright.
- ✚ Preliminary evidence proving that its rights are being infringed or are about to be infringed.
- ✚ A financial guarantee is sufficient to protect the affected party and to prevent the abuse of rights or to ensure the legitimate exercise of rights.
- ✚ Any evidence is necessary to determine the legitimacy of the lawsuit.

After taking protective seizure measures, the Copyright Committee will notify the affected parties to submit their viewpoint and defences within a provisional period not exceeding 31 days from initiating the measures. The Copyright Committee must consider amendment, cancellation or confirmation of such measures within 31 days of initiating the measures.

The Copyright Committee may cancel preliminary measures pursuant to a request by the affected party, or suspend the measures if the applicant does not submit the required documents within a time period determined by the Committee but not exceeding 31 days.

On the cancellation of provisional measures or expiry of their effectiveness period as a result of the applicant's negligence, or on becoming evident later that there was no infringement, the committee can, on request of the affected party, order the applicant to pay appropriate compensation for any damage incurred by the affected party as a result of such measures.

Precautionary Protective Seizure

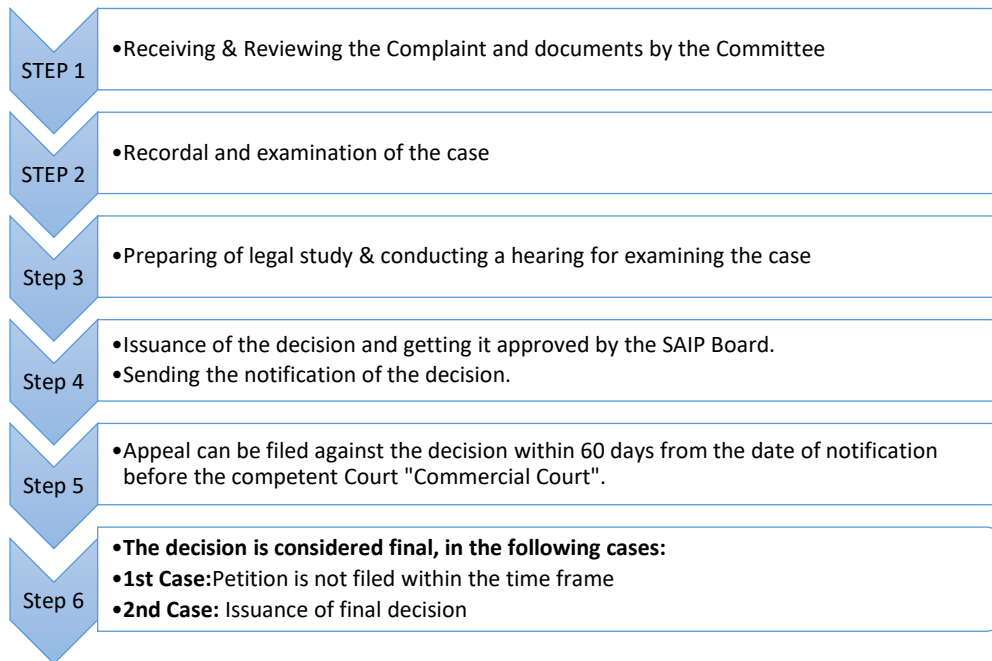
Under Article 34 of the Executive Regulations, the SAIP's office at the point of entry at the border can halt the procedure for a release of works on having prima facie evidence proving the existence of a copyright infringement, after coordination with the customs department at the point of entry. The office at the point of entry must immediately notify the competent department of the SAIP to take the necessary measures, in coordination with the Copyright Committee.

3.5.6.4 Summary of the remedies with Comparison table

| Remedies available for Copyright in Saudi Arabia | |
|--|--|
| Injunctions | Available |
| Damages | Compensation shall be consistent with the size of the infringement and the damage incurred. |
| Fines | fine not exceeding 250,000 Riyals (approx. 8,750,000 Yen), which may be doubled for a repeat offender. If the Committee sees that the violation entails a fine exceeding 100,000 Riyals (approx. 3,500,000 Yen), the case shall be submitted to the court. |
| Destroying of infringing goods | Available |
| Publication of Judgement | The punishment of defamation against the person who commits the infringement is available. Publication of the decision shall be at his expense |
| Criminal Proceedings | A jail term for a period not exceeding six months; which may be doubled for a repeat offender. |
| Border Detention | Available |
| Others | -Warning. -Closing the violating establishment for a period not exceeding two months; which may be doubled for a repeat offender. -Confiscating all copies of the work along with the materials used or intended for use in the infringement of copyrights. -If the committee sees cancellation of the license, the case shall be submitted to court. -Suspension of the participation of the infringing establishment in activities, occasions, or exhibitions, if the infringement is discovered during a commercial event, provided that the suspension period shall not exceed two years. - Any immediate provisional measures to prevent copyright infringement, and to prevent imported works that infringe copyright from reaching commercial outlets. |

3.5.6.5 Flowchart of the process of the Enforcement

▪ Procedures of the complaint before the Copyright Committee¹⁷⁹



▪ The Procedural Path for cases of violations of the copyright protection system¹⁸⁰



**Note: The chart related to the Jurisdiction of Commercial Courts over IP – related Litigation and its stages of appeal is provided in section 3.1.6.5.

¹⁷⁹ <https://saip.gov.sa/en/committees-secretariat/1456/>

¹⁸⁰ <https://saip.gov.sa/litigation-paths/>

4. Counterfeits and Piracy Products in Saudi Arabia

4.1 Definition of the counterfeits and piracy products in Saudi Arabia

Counterfeiting is a penalized action as being ultimately an infringement of the legal rights of an owner of intellectual property. The Agreement on Trade-related Aspects of Intellectual Property Rights (the TRIPs Agreement)¹⁸¹ defines counterfeiting and piracy as follows:

a) “**counterfeit trademark goods**” shall mean any goods, including packaging, bearing without authorization a trademark which is identical to the trademark validly registered in respect of such goods, or which cannot be distinguished in its essential aspects from such a trademark, and which thereby infringes the rights of the owner of the trademark in question under the law of the country of importation;

b) “**pirated copyright goods**” shall mean any goods which are copies made without the consent of the right holder or person duly authorized by the right holder in the country of production and which are made directly or indirectly from an article where the making of that copy would have constituted an infringement of a copyright or a related right under the law of the country of importation.

The counterfeiting deprives right holders of their rightful benefits, causes damage to the right owners, discourages a company to move toward innovation and risks public health and safety.

4.2 Current situation of Counterfeits and Piracy Products

Saudi Arabia is situated in Western Asia, covering the Arabian Peninsula, hence, it is a major country and one of the strongest economies in the GCC countries and the Middle East, hence, it is lodestone to the infringers and is considered a regional transit country for counterfeit goods to Africa and EU.

The main ports in Saudi Arabia are (Jeddah Islamic Port, King Abdulaziz Port Dammam, King Fahad Industrial Port Yanbu, King Fahad Industrial Port Jubail, Jubail Commercial Port, Yanbu Commercial Port, Jizan Port, Dhiba Port, Ras Al-khair Port)¹⁸².

The Saudi Authorities and customs are developing their systems and taking serious actions for facing and reducing the counterfeits in the kingdom. The efforts of some authorities can be seen as follows:

1. Zakat, Tax and Customs Authority and counterfeits

As to the Customs Authority, it has updated its procedures and created automated system to reduce the counterfeiting and importation of the counterfeit goods. The goods coming to Saudi Arabia are not allowed to clearance (Fasah), except after ensuring their safety, and meeting all the clearance requirements from the relevant authorities¹⁸³. Moreover, Saudi Arabia is one of the countries which has an effective system for recordal of trademarks before the Customs.

▪ Trademark - Customs Recordal

In Saudi Arabia, a trademark can be recorded before the “Zakat, Tax and Customs Authority”. It is prudent for Trademark owners to record their trademark/s before the said authority to take advantage of effective border control measures. The customs authorities will stop, either on their own suspicion or by a request filed by a trademark owner, any suspected shipment, and will contact the registered trademark owner or its legal representative to confirm whether the suspected held products are genuine or counterfeit.

The recordal of the trademark shall be filed by the owner’s legal representative, whose firm has a “Memorandum of Understanding” with the Saudi Customs Authority for combating of infringement.

¹⁸¹ https://www.wto.org/english/docs_e/legal_e/27-trips_01_e.htm

¹⁸² https://en.wikipedia.org/wiki/Saudi_Ports_Authority

¹⁸³ <https://saudigazette.com.sa/article/625071/World/Fake-goods-are-prohibited-from-entering-Saudi-Arabia-ZATCA>

Required documents for the trademark recordal with the Saudi Customs Authority:

- Copy of the trademark registration certificate in KSA.
- A Power of Attorney.

It is important to highlight that the SAIP is adopting a database to connect the right owners with the Customs Authority so the said authority can verify the information and sending alerts to right owners for any suspected goods¹⁸⁴.

2. Saudi Food and Drug Authority and counterfeits

The efforts of other authorities against counterfeits as the Saudi Food and Drug Authority can be seen. The Saudi Food and Drug Authority initiated a system “Drug Track and Trace System (RSD) for pharmaceutical products”.

RSD is an electronic system that aims to ensure drug safety by tracking the supply chain from manufacturing till it reaches the consumer to preventing counterfeit drugs by monitoring operations. RSD contributes to improving its inventory management, and reduces waste as well as providing periodic reports on the market situation, sales, supply and demand.

Saudi Arabia is one of the first countries in the world to implement the electronic drug track and trace system¹⁸⁵, which is part of the National Transformation Program¹⁸⁶ and meets the Saudi vision 2030 . the RSD contributes in protecting society and guaranteeing the safety of all drugs by knowing their origin starting from manufacturing phase until consumption.

In 2021, the RSD monitored more than 1 billion supply chain operations since its launch in 2019.¹⁸⁷

▪ SFDA monitoring campaigns and periodic inspection tours

In June 2022 report, the SFDA in cooperation with the competent authorities carried out monitoring campaigns and periodic inspection tours of the facilities.

SFDA carried out 1,248 monitoring and investigation tours to investigate unknown warehouses, violating products, unlicensed facilities and warehouses, and track and trace advertisements, electronic accounts and their owners, in addition to tracking product sources. Also, it monitored 291 violations in facilities, during 4,677 inspection tours in all regions of the Kingdom of Saudi Arabia.

As part of the SFDA in combating the counterfeits, 8,488 packages were destroyed, five production lines were stopped, 11 facilities were closed and 4 facilities were fined.

SFDA indicated in its report that the number of consignments received through the ports where the Authority is present reached 26,888 consignments for 99,390 products: 6,427 of the consignments were cleared by inspection and 334 consignments were rejected, while the remaining consignments were cleared without inspection.

SFDA provides an application “Tameni” available on the IOS and Android¹⁸⁸ and a unified number (19999) to consumers for reporting any violations. The application enables the consumers to search by product name or scan its barcode, so it displays all information of interest to the consumer.

¹⁸⁴ <https://www.alyafi-ip.com/ip-and-digital-transformation-saudi-arabia-may-2021>

¹⁸⁵ <https://www.sfda.gov.sa/en/news/79406>

¹⁸⁶ <https://www.vision2030.gov.sa/media/0gqmk1ph/ntp-report-2021-digital-en-1.pdf>

¹⁸⁷ <https://www.arabnews.com/node/1826166/saudi-arabia>

¹⁸⁸ <https://tameni.sfda.gov.sa/>

3. Saudi Authority for Intellectual Property (SAIP) and counterfeits

The SAIP is basically formulated to bring in all the authorities related to IP, customs and consumer protection under the same roof. Therefore, all the concerned departments are directly or indirectly are to be linked under the SAIP umbrella.

During raids, the SAIP officials are coordinating with the Saudi Police. With the permission and powers of the Police, the SAIP officials can march into any premises or compounds for inspection of the goods/products. Further, the SAIP and MCI are working together to effectively protect intellectual property rights in the Kingdom. Similarly, at the borders and ports, if the Saudi Customs Authority (SCA) – IP Department detects any counterfeit products, the Customs Control officers forward the matter to SAIP to decide on the matter.

The centralization process has eased the burdens and we expect the processes to be made even easier. It is important to note that the SAIP is effectually progressing to protect the IP rights of the owners and the consumers under relevant articles of Intellectual Property Law and Customs Law of the Kingdom of Saudi Arabia. Therefore, the gradual shift of powers to SAIP is made not only to ease out the process of IP practitioners and to ensure IP owners enjoy their rights effectively but also to protect the consumers and local economy from counterfeit/fake products.

The SAIP has also signed a Memorandum of Cooperation with various other governmental entities like Ministries of Industry, Commerce, and Tourism together with local and foreign universities.

Moreover, there are regular meetings and webinars during which the SAIP is raising awareness of IP protection¹⁸⁹, discussing ways of cooperation between SAIP and other authorities, challenges and proposed solutions for the enforcement of IP rights¹⁹⁰.

4.2.1 Names and Places of Market

| Region | City | Market |
|---------|-----------------------------|---|
| Riyadh | Riyadh | Sinaya market Al Zal Souk Taibah Souk Batha Souk Al Owais Souk |
| Eastern | Dammam, Khobar, and Dhahran | Qaisariah Souk Dammam Seiko market Dammam Ladies market Souq Dammam |
| Qassim | Buraydah and Unayzah | Khubaib market Kerala Market Bangali Market |
| Hail | Hail | Souk Al Honood Hail Flea Market Hail Souk |
| Makkah | Mecca, Jeddah, and Taif | Qabil Souk Al Alawi Souk Gabel Street Souk Souk Okaz Haraj market Friday Street Market Al Balad market Al Rahmaniyyah Market |

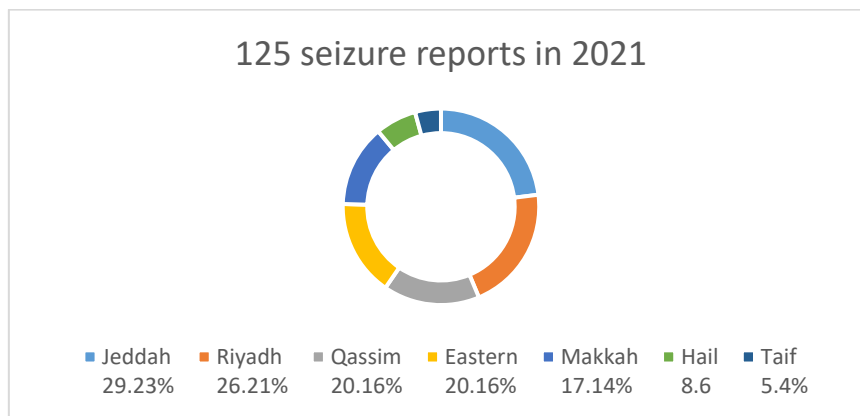
¹⁸⁹ <https://www.saip.gov.sa/en/news/420/>

¹⁹⁰ <https://www.saip.gov.sa/en/news/452/>

*Haraj markets are second-hand markets where products are either used or new. The HARAJ was primarily focused on the trade-in of used and new cars but fully expanded to become markets for almost everything including counterfeit products across Saudi Arabia.

According to the SAIP Annual Report of 2021, the SAIP conducted investigation raids covering 10 cities, as follows: Riyadh, Damam, Khobar, Dhahran, Buraydah, Unayzah, Hail, Mecca, Jeddah, and Taif¹⁹¹.

Morover, most of the seizures conducted as a result of the inspection campaigns took place in Jeddah and Riyadh. As reported in the SAIP Annual Report of Enforcement of year 2021, the 125 seizure reports were written according to the regions are as follows:



4.2.2 Counterfeits and piracy products subject in the Markets

- **Trademark**

The common counterfeit products are as follows:

| | |
|-----------|---|
| Copyright | DVDs, CDs, illegal desktops, laptops, hard discs, memory chips, TV satellite boxes, CD-copying devices, electronics, recordings, computer software and codes for encrypted broadcast subscriptions, books, satellite broadcasting devices, computer program storage devices, photocopy devices for audio works |
| Trademark | electronic devices, sportswear and vehicle accessories, complementary products, accessories and computers products, leathers and bags, movies, music, accessories and costume jewelry, vehicle accessories and spare parts, perfumes and makeup, shoes, clothes, mobile accessories, sanitaryware and car filters |

According to the the SAIP Annual Report of Enforcement of year 2021, the highest infringement rate is related to the complementary products representing 23%.

- **Copyright**

According to the SAIP Annual reports of 2021 and 2020, the following works are common subject of infringement in Saudi Arabis, as follows: Movies, broadcasting Sports encrypted channels, subscriptions of IPTV, Audio works, books and literary works¹⁹².

¹⁹¹ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-03/%D8%AA%D9%82%D8%B1%D9%8A%D8%B1%20%D8%A7%D9%84%D9%85%D9%84%D9%83%D9%8A%D8%A9%20%D8%A7%D9%84%D9%81%D9%83%D8%B1%D9%8A%D8%A9%2002.pdf>

¹⁹² <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-02/Respect%20Report%202020.V16.pdf>

4.2.3 Distribution Channels

Saudi Arabia is situated in Western Asia, covering the Arabian Peninsula, hence, it is a major country and one of the strongest economies in the GCC countries and the Middle East, hence, it is lodestone to the infringers and is considered a regional transit country for counterfeit goods to Africa and EU.

The main ports in Saudi Arabia are (Jeddah Islamic Port, King Abdulaziz Port Dammam, King Fahad Industrial Port Yanbu, King Fahad Industrial Port Jubail, Jubail Commercial Port, Yanbu Commercial Port, Jizan Port, Dhiba Port, Ras Al-khair Port)¹⁹³. According to the International Trade report - Third Quarter 2022 of the General Authority for statistics of Saudi Arabia, Jeddah Islamic Port is one of the most important ports through which goods crossed into Saudi Arabia at a value of 50.0 billion Riyals (approx. 1,750,000,000,000 Yen) of imports, corresponding to 27.6% of the total, entered the Kingdom from Jeddah Islamic Sea Port in Q3 2022.

Among the other major ports of entry for the imports were King Abdulaziz Sea Port in Dammam (19.8%), King Khalid Int Airport in Riyadh (10.3%), King Abdulaziz Int. Airport (6.2%), and King Fahad Int Airport in Dammam (6.0%). Those five ports together accounted for 69.9% of the total merchandise imports of the Kingdom¹⁹⁴.

Saudi Arabia has significantly increased its efforts in combatting the counterfeit products recently with increased resources provided to marketplace enforcement and harsher penalties for infringers. The SAIP efforts can be seen particularly for trademark and copyright infringements.

However, manufacturers of consumer products, electronics, and automobile spare parts..etc are still concerned about the availability of cheap counterfeit products in the market place. These products are often of Chinese origin.

Moreover, it is important to highlight that there are changes in social behavior due to Corona pandemic switching to e-shopping which led to a decrease in violations of Copyright and an increase in violations of digital content compared to pre-pandemic.

- **Country of origin/shipper**

China is the main provenance economy of counterfeit goods shipped by vessel from 2017-19, representing more than 70% of global customs seizures of these goods. Morocco plays an important role in trade in counterfeit goods shipped by vessels as it is the second provenance economy, followed by Turkey.

The counterfeit goods shipped by sea were destined for Gulf countries, led by Saudi Arabia which was the first destination for these goods, followed by Qatar and Kuwait.¹⁹⁵¹⁹⁶¹⁹⁷

It is important to highlight that as stipulated in the International Trade report - Third Quarter 2022 of the General Authority for statistics of Saudi Arabia, China is Saudi Arabia's main trading partner for merchandise trade, the Imports from China amounted to 37.4 billion Riyals (approx. 1,309,000,000,000 Yen) (20.7% of total imports), making this country the main origin for imports of Saudi Arabia. U.S.A and United Arab Emirates followed next with imports of 15.9 billion Riyals (approx. 556,500,000,000 Yen) (8.8% of total imports) and 12.3 billion Riyals (approx. 430,500,000,000 Yen) (6.8% of total imports), respectively.

India, Germany, Japan, Egypt, Switzerland, South Korea and Italy were the other countries that ranked in the top 10 countries for imports. Imports of Saudi Arabia from those 10 countries amounted to 110.2 billion Riyals (approx. 3,857,000,000,000 Yen), accounting for 60.8% of total imports¹⁹⁸.

- **Purchaser**

The trade of counterfeit goods through social media is increasing especially after the COVID pandemic.

¹⁹³ https://en.wikipedia.org/wiki/Saudi_Ports_Authority

¹⁹⁴ <https://www.stats.gov.sa/en/325>

¹⁹⁵ [Mapping the Economic Impact en.pdf \(europa.eu\)](#)

¹⁹⁶ [dangerous-fakes_study_en.pdf \(europa.eu\)](#)

¹⁹⁷ [Counterfeit and Pirated Goods — Illicit trade](#)

¹⁹⁸ <https://www.stats.gov.sa/sites/default/files/ITR%20Q32022E.pdf>

The purchase of counterfeit products may be associated with social disposition, and lack of knowledge as well as the generations who cannot afford the cost of the original products.

In addition, there are a certain number of people who buy counterfeit products knowing that they are counterfeit products.

4.2.4 Statistics

Recent statistics:

| Year | Name of the authority | Statistics, efforts and activities |
|------|-------------------------------|--|
| 2020 | Saudi Customs | Saudi Customs in Riyadh destroyed more than 2 million counterfeit goods in cooperation with SAIP. ¹⁹⁹ Destroyed products included shoes, clothes, mobile accessories, health kits and car filters branded with fake labels of well-known companies. |
| 2021 | SAIP | IP-violated items were seized a total of 95,073 in 2021. ²⁰⁰ |
| 2022 | SAIP | SAIP in cooperation with Public Security and Civil Defense, has seized an apartment that stores counterfeited goods. ²⁰¹ |
| | Ministry of Commerce and SAIP | The Ministry of Commerce and SAIP are working together against counterfeiting. They caught a social media influencer on Snapchat who rented three luxurious furnished apartments in two five-star hotels in Riyadh to sell counterfeit handbags, shoes, accessories and leather products. ²⁰² |
| | ZACTA | In 2021, the Zakat, Tax, and Customs Authority (ZATCA) seized more than 3.9 million counterfeit and forged items as a part of its efforts exerted in its customs ports with the purpose of eliminating commercial fraud and counterfeit materials. ²⁰³ |
| | SAIP | SAIP alongside the Ministry of Commerce and Public Security and the General Authority for Audio-Visual Media has confiscated and destroyed more than 95,000 items that violated intellectual property rights and more than 2,000 websites that violated intellectual property rights were also closed down. ²⁰⁴ |
| | SAIP | SAIP seized 11,620 products that violated intellectual property in five cities, nearly three million products were defined as a violation of intellectual property rights. ²⁰⁵ |

SAIP Statistics

The SAIP works to achieve its strategic objectives by establishing an environment that respects intellectual property rights, building society's awareness of its importance, and creating a competitive investment environment within the Kingdom by providing an effective intellectual property enforcement ecosystem, receiving and studying complaints and communications, analyzing evidence and conducting field inspection campaigns and electronic inspection to control the materials and sites that violate intellectual property rights, issuing decisions and then following up on their implementation, in addition to launching a number of initiatives and programs to enhance compliance, as shown below:

¹⁹⁹ <https://www.arabnews.com/node/1770346/saudi-arabia>

²⁰⁰ [IP respect-in-1 \(saip.gov.sa\)](https://www.saip.gov.sa)

²⁰¹ <https://twitter.com/SAIPspokesman/status/1543994903239204865?cxt=HHwWgoCx6ePLr-0qAAAA>

²⁰² [Saudi Ministry of Commerce, SAIP tighten grip on counterfeiters | Arab News](#)

²⁰³ [ZATCA seizes over 190 million narcotic pills, 37000 kilograms of narcotics in one year](#)

²⁰⁴ [Saudi Arabia seizes 95,000 items in crackdown on IPR breaches \(arabnews.com\)](#)

²⁰⁵ [Saudi copycat watchdog destroys 5 million products amid global crackdown | Arab News](#)

▪ **Annual Report for Enforcement of Intellectual Property – years 2020²⁰⁶ and 2021²⁰⁷**

As per the annual report 2020²⁰⁸ for Intellectual Property Enforcement, the Saudi Authority for Intellectual Property (SAIP), in cooperation with Customs Authority, carried out a campaign to destroy more than 2 million counterfeit goods. This action was followed up and supervised in addition to media coverage. Also, the SAIP, in cooperation with the Ministry of Media, carried out a destruction campaign of more than 3.5 million Copyright works which was upheld by the competent Committee.

As to the Annual report of 2021²⁰⁹, it presents the enforcement achievements in the Kingdom of Saudi Arabia during 2021, as shown in the below table:

| SAIP Achievements | Numbers |
|---|-----------------------------------|
| Seized Items | 95,073 |
| Received complaints | 1,217 (TM: 194 & Copyright: 1023) |
| Accredited IP Respect Officials | 76 |
| Total field and electronic visits | 6,402 |
| Total number of contacts with the consumers | 13,432 |
| Block & Remove violated websites and content | 2,079 |
| Decision against violators of the copyright law | 150 |
| Total Fines | 2,729,450 |

 **Inspection Campaigns for 2021**

According to the Annual report of 2021, a total of 6,402 visits were made to websites and commercial entities, resulting in 3,277 visits being targeted. The said campaigns cover electronic inspection campaigns and field inspection campaigns.

1) Electronic Inspection campaigns

The changes in social behavior due to Corona pandemic led to emerging of the online violations and infringement, the SAIP conducts electronic inspection campaigns to block all the violating websites and cease such infringements.

It is worth mentioning that the Office of the US Trade Representative (USTR) – Executive office of the President has issued the results of its 2020 Review of Notorious Markets for Counterfeiting and Piracy (the Notorious Markets List), where Haraj is reportedly the leading e-commerce platform in Saudi Arabia with a significant number of “counterfeit and pirated goods” especially for pirate IPTV devices.²¹⁰

The types of violations covered by electronic monitoring are as follows:

1. Copied books and folders without permission from their owners
2. Selling Subscriptions IPTV Violations
3. Audio Works
4. Publishing and using images and graphics in social networking programs without the permission of their owners
5. Display movies and series without the permission of their owners
6. Copied electronic programs without the permission of the owners
7. Broadcasting of the violating satellite channels

²⁰⁶ <https://static.saip.gov.sa/a/r/n/o/web/Respect%20Report%202020.V16.pdf>

²⁰⁷ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-05/IP%20respect-En-1.pdf>

²⁰⁸ <https://static.saip.gov.sa/a/r/n/o/web/Respect%20Report%202020.V16.pdf>

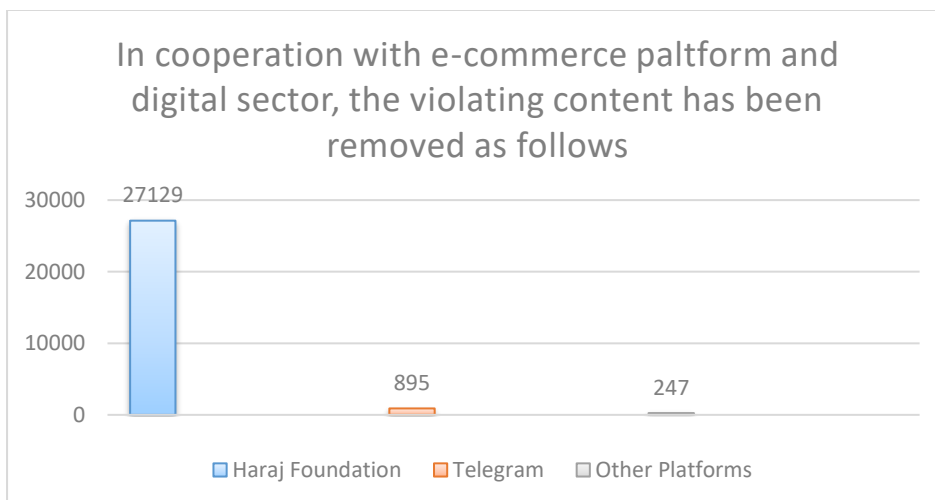
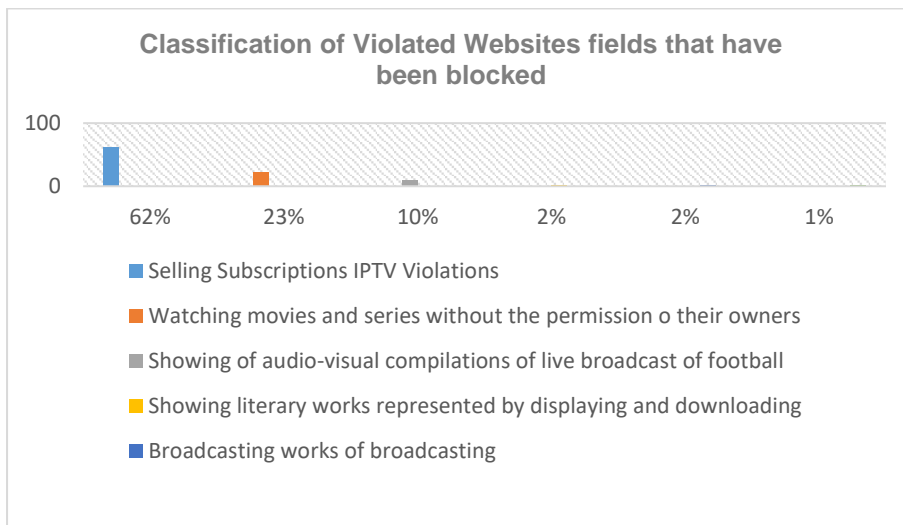
²⁰⁹ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-05/IP%20respect-En-1.pdf>

²¹⁰

[https://ustr.gov/sites/default/files/files/Press/Releases/2020%20Review%20of%20Notorious%20Markets%20for%20Counterfeiting%20and%20Piracy%20\(final\).pdf](https://ustr.gov/sites/default/files/files/Press/Releases/2020%20Review%20of%20Notorious%20Markets%20for%20Counterfeiting%20and%20Piracy%20(final).pdf)

▪ **Statistical electronic inspection**

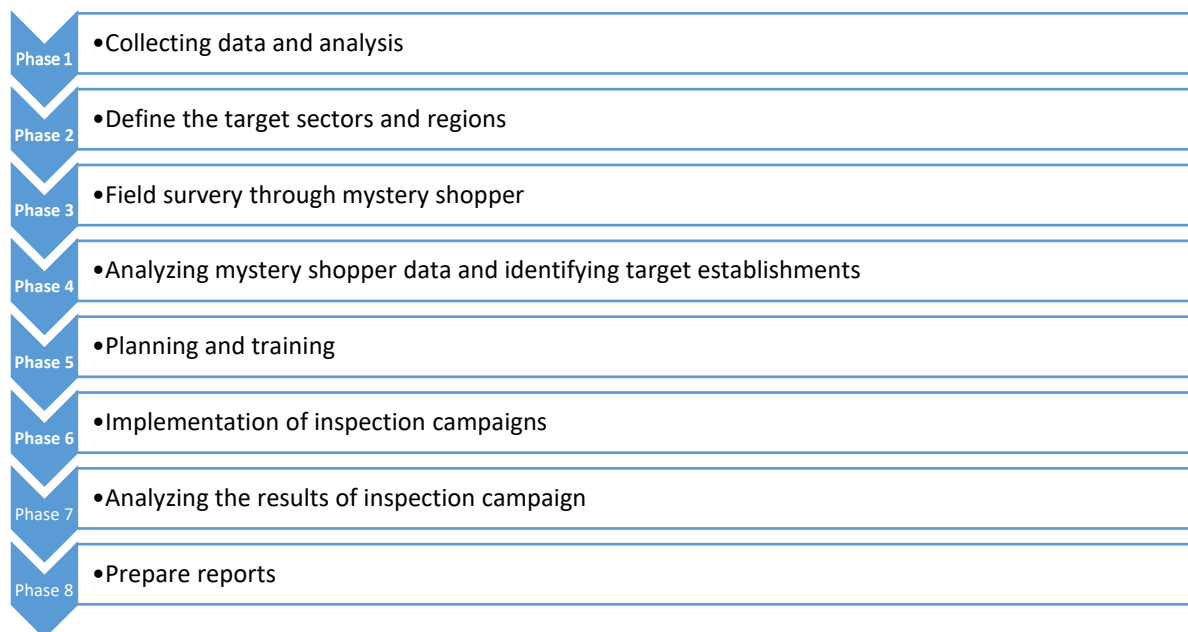
The SAIP monitored 3,991 websites, resulting in 866 blocking and removing content. The Geographical Scope of Hosting Blocked Websites Preliminary Analysis shows that 87% are Non-Saudi servers and 13% Saudi servers.



2) Field inspection campaigns

The SAIP conducted a large-scale field campaigns in partnership with the Ministry of Commerce, the General Authority for Audio-Visual Media and Public Security at a number of cities in the Kingdom, which included Riyadh Region (Riyadh City), the Eastern region (Dammam - Khobar - Dhahran), the Qassim region (Buraydah and Unayzah), the Hail region and the Makkah region (Mecca - Jeddah - Taif).

Phases of field inspection campaigns



- **Mystery Shopper**

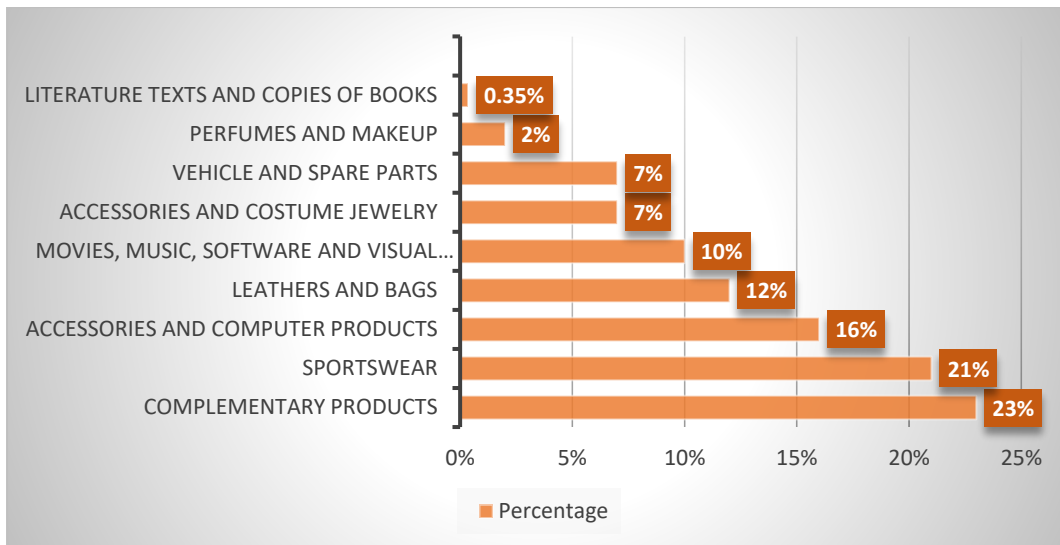
SAIP is conducting exploratory tours based on risk criteria targeting facilities, through (1) Collecting information about commercial entities in the various regions of the Kingdom and then (2) Collecting details about the types of violations, methods of verification, and identifying the commercial entities with violations of IP rights also, to locate them on the map for easy access during the campaign, by analyzing these data and identifying risks (location and type of violation), an inspection plan and scheduling of inspection campaigns are established.

Mystery Shopper Results reached 2, 286 covering various regions in Saudi Arabia, as follows:

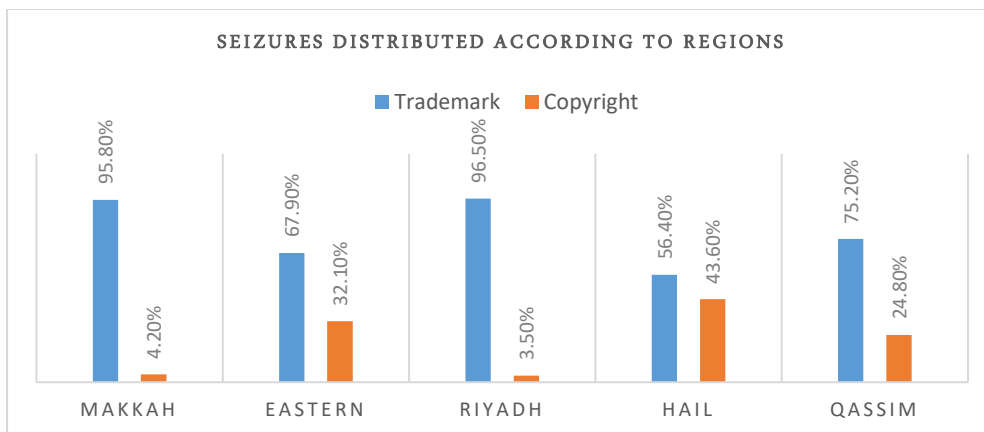
| Region | Number |
|--|--------|
| Makkah | 652 |
| Eastern | 217 |
| Riyadh | 1375 |
| Qassim | 31 |
| Hail | 11 |
| The results reveal a percentage of 51% related to Trademarks and 49% related to Copyright. | |

- **Inspection campaigns Results – seizures 2021**

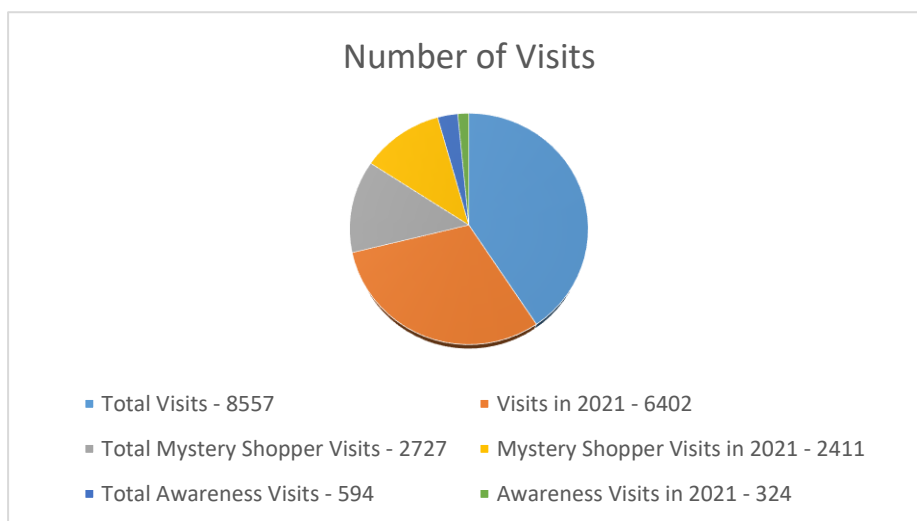
The SAIP seized a number of 95,073 IP-violated items. The seizure results reflect that 89.79% are related to Trademarks and 10.21% are related to Copyrights. The infringing items along with their percentage are shown in the below table:



- Seizures distributed according to regions



- The latest statistics as per the SAIP website in December 2022²¹¹



²¹¹ <https://saip.gov.sa/en/respect-ip/>

Enforcement Cases Statistics

Patent Statistics

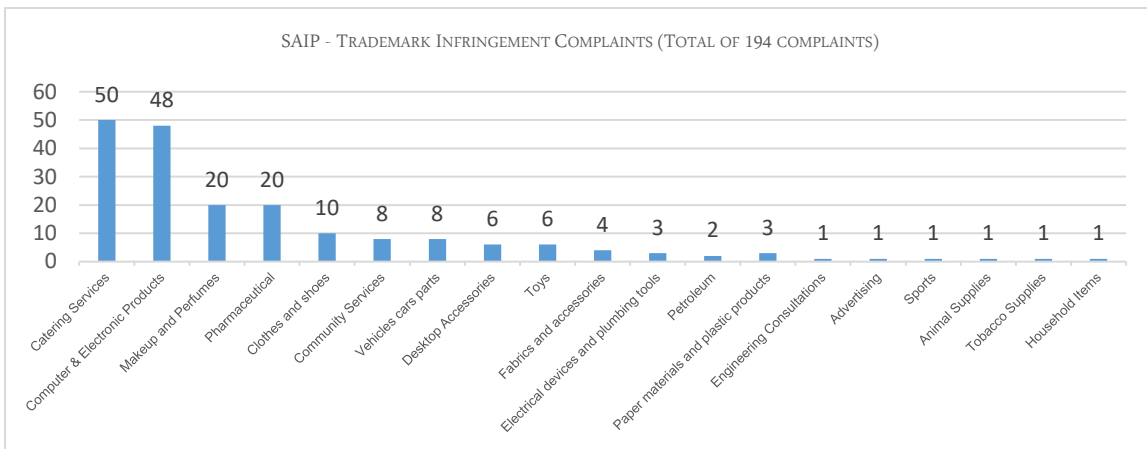
- **Patent Dispute Committee statistics²¹²:**

| | |
|-------------------------------|----|
| Total cases and decisions: 64 | |
| Number of filed cases | 26 |
| Number of issued decisions | 38 |

Trademark Statistics

Total complaints for Trademark: 230²¹³

Trademark complaints for 2021: 194²¹⁴, as shown in the below chart:



As reflected in the above chart, the Complaints related to trademark infringement of the catering services are the highest, as it reached 50 complaints followed by computer and electronics products with a number of 48 complaints.

Copyright Statistics²¹⁵

Total complaints for copyright: 1376

Copyright complaints for 2021: 1023 complaints, as shown in the below table:

Complaints of violations for the Copyright have varied according to the below:

94% Technical
3% Computer
3% Literary

Enforcement of Copyright violations – by classification

| | | | |
|--------------------------------|-----------------------------|-----------------------------|--------------------------|
| 866 Satellite Broadcasts | 46 Electronics | 31 Photos | 26 Books and works |
| 22 Design and drawings | 16 Computers Software | 13 Audio-Visual Works | 3 Audio Works |

²¹² <https://www.saip.gov.sa/committees-secretariat/1412/>

²¹³ <https://www.saip.gov.sa/en/respect-ip/>

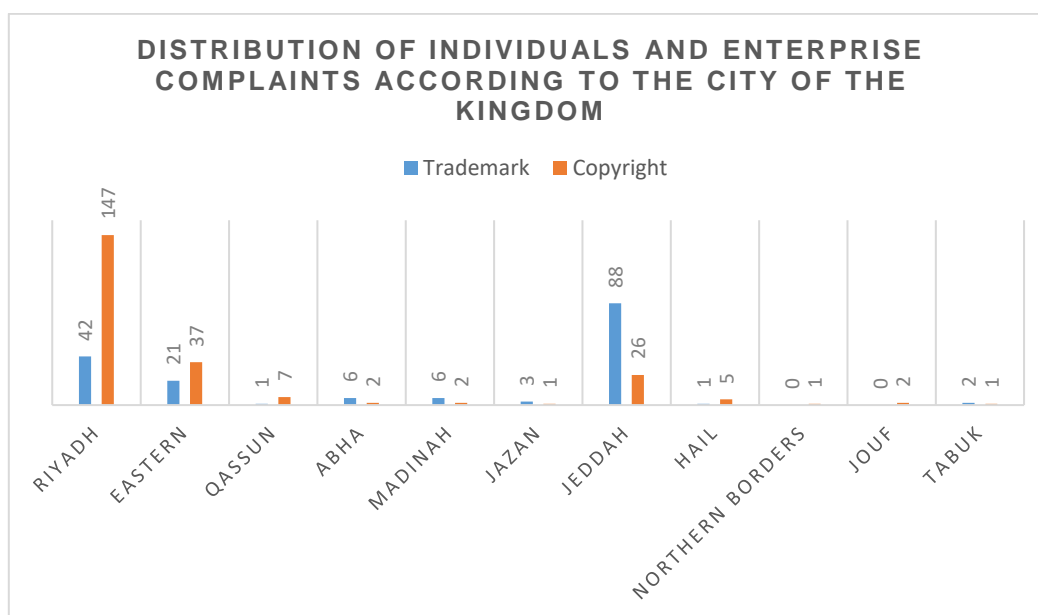
²¹⁴ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-05/IP%20respect-En-1.pdf>

²¹⁵ <https://www.saip.gov.sa/en/respect-ip/>

SAIP statistics in 2021, 2020 and 2019 – for Trademark and copyright complaints

| Number of complaints (Trademarks & copyright) | | |
|---|-----------|-----------|
| Year 2021 | Year 2020 | Year 2019 |
| 1,217 | 532 | 190 |

The percentage of change compared to the previous year was 129%, there has been an increase in the number of complaints and that is for the transferring of the jurisdiction of trademark and the high level of awareness of IP rights. In addition to the efforts of the authority's awareness-raising through its advertising campaigns on social media platforms and through partnerships with relevant government and private sector entities, this has contributed to knowing the access to official channels for receiving complaints and communications²¹⁶.



Statistics of Intellectual property cases in Saudi Arabia before the Court in 2021²¹⁷

| Number of Positive Judgments | Number of Negative Judgments | Total Number of Judgments |
|------------------------------|------------------------------|---------------------------|
| 287 | 39 | 326 |

| Administrative Court | Commercial Court | Classification as per IP right |
|----------------------|----------------------|---------------------------------|
| Number of Cases: 628 | Number of Cases: 393 | Number of Trademarks Cases: 549 |

²¹⁶ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-05/IP%20respect-En-1.pdf>

²¹⁷ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-03/%D8%AA%D9%82%D8%B1%D9%8A%D8%B1%20%D8%A7%D9%84%D9%85%D9%84%D9%83%D9%8A%D8%A9%20%D8%A7%D9%84%D9%81%D9%83%D8%B1%D9%8A%D8%A9%2002.pdf>

| | | |
|-----------------------------------|----------------------------------|-------------------------------|
| Number of Ended Cases: 583 | Number of Ended Cases: 38 | Number of Copyright Cases: 60 |
| Number of Appeal Cases: 281 | Number of Appeal Cases: 44 | Number of Patent Cases: 12 |
| Number of Ended Appeal Cases: 265 | Number of Ended Appeal Cases: 30 | |

4.2.5 Enforcement

- SAIP - IP Enforcement Initiatives²¹⁸ in 2021

Intellectual Property Respect Officer



A program that aims to raise awareness and compliance, preserve intellectual property rights, and manage and maximize intangible assets in government agencies and commercial entities, by qualifying and training a representative from each government agency to be responsible for respecting intellectual property for the entity each represents.

Most important achievements of the Intellectual Property Respect Officer

- 1) The accreditation of 76 Intellectual Property Respect Officers in various government agencies and the nomination of another 70 officials for government agencies
- 2) Supporting several entities in adopting a policy of their own
- 3) Holding several awareness training workshops for government agencies
- 4) Measuring the percentage of intellectual property policies in government agencies
- 5) 1000+questionnaire/s were filled out by employees of government agencies by officials respecting intellectual property.
- 6) Measuring the awareness of intellectual property in government agencies.

Intellectual Property Respect Council

Moreover, as an extension of the initiative of the “Council for Respecting Intellectual Property” launched by the SAIP in the year 2020, three councils of respect for intellectual property were held in 2021, as follows:

- (1) the respected council for the piracy and satellite broadcasting sector,
- (2) the respected council for trademark owners, and
- (3) the special respect council for Saudi clubs’ sports sector.

Such initiative aims to raise the level of communication with the private sector and discuss challenges, problems and opportunities to improve the authority’s services supporting the sector by holding periodic meetings with each sector. A number of 8 meetings were held, including 3 in 2021, a brief about each council is shown below:

²¹⁸ <https://externalportal-backend-production.saip.gov.sa/sites/default/files/2022-05/IP%20respect-En-1.pdf>

1) Council for Intellectual Property Respect for the Visual Production and Satellite Broadcasting Sector

With the aim of defining cooperation frameworks with the relevant authorities and providing the necessary support to protect rights holders and creating a method for effective communication between the relevant authorities.

2) Council for the Respect of Intellectual Property for Trademarks

The participation of 49 entities from the public and private sectors, and the most prominent outputs were the establishment of a joint committee between the Saudi Authority for Intellectual Property and rights owners to cooperate in several fields. It was agreed to establish a center to monitor violations and issue periodic reports on enforcement and the most prominent modern methods of intellectual property violations.

3) Council for Respecting Intellectual Property - Saudi Clubs

The most prominent outputs are the agreement to include Saudi clubs in the Intellectual Property Respect Officer Program.

Standing Committee of Intellectual Property Rights Enforcement

The committee aims to improve the work of the enforcement ecosystem and enhance efforts aimed at developing work methods and procedures, achieving harmony and coordinating efforts between government and private agencies, by enforcing the yearning for intellectual property, and raising it to a level worthy of the status of the Kingdom of Saudi Arabia. The number of members has also increased to 13 members during 2021

Members of the Standing Committee of Intellectual Property Rights Enforcement: Saudi Authority for Intellectual Property, Saudi Public Security, Public Prosecutor, Ministry of Media, Ministry of Justice, Ministry of Commerce, Federation of Saudi Chambers, Communications and Information Technology Commission, General Commission for Audio Visual Media, Saudi Food and Drug Authority, Zakat, Tax and Customs Authority, Center for Research and knowledge networking and the Ministry of Sports.

▪ Partnerships with the Government Sector

| GOVERNMENT SECTOR ORGANIZATIONS | PARTICULARS |
|--|--|
| General Commission for Audiovisual Media | Participation in the joint field inspection campaign |
| Communications & Information Technology Commission | Cooperation in reducing violations in the digital sector |
| Ministry of Commerce | Participation in the joint field inspection campaign and trademark complaints |
| Ministry of Sports | Discussing ways of cooperation to support Saudi clubs in the field of Intellectual Property Rights |
| Zakat, Tax and Customs Authority | Examine ways of cooperation in the control and inspection in the field of intellectual property rights at ports and goods in transit |
| Saudi Public Security | Participation in field inspection campaign |

▪ Cooperation with the private sector

Discussing aspects of cooperation in order to enforce intellectual property rights and limit infringements of intellectual property laws in the digital sector and e-commerce. The cooperation covers the following entities:

| | | | |
|---|---|--|---|
|  |  |  |  |
|  |  |  |  |

▪ **International cooperation**

- A meeting was held with the American business sector in coordination with the American Chamber of Commerce, during which the efforts of the Kingdom of Saudi Arabia to develop the intellectual property ecosystem were reviewed, the efforts of intellectual property enforcement in the Kingdom were discussed, and the challenges facing the American business sector related to intellectual property were identified.
- Presenting the Kingdom's experience in enforcing intellectual property rights with a number of enforcement authorities in the United Kingdom - British Intellectual Property Office and London Intellectual Property Police.
- Presenting the Kingdom's experience in enforcing intellectual property rights at the Embassy of the Republic of South Korea.

✚ **Media Awareness campaigns related to the Enforcement Initiatives in 2021**

- Violating websites and applications campaign (in partnership with Google and MBC)
- Violating users' campaign (in partnership with Haraj)
- Awareness campaign entitled Intellectual Property Respect Officer
- Awareness campaign accompanying Intellectual Property Respect Council for the Sports Sector
- Awareness campaign accompanying Intellectual Property Respect Council for Broadcasting Rights
- Awareness campaign accompanying Intellectual Property Respect Council for Trademarks

Furthermore, 76 IP respect officials were accredited by various government agencies, and many partnerships were concluded with the public and private sectors in various fields and sectors.

▪ **Enforcement to Counterfeits and Piracy Products of Japanese Company's Products**

There are no available specific numbers of counterfeit and piracy products of Japanese companies which were enforced in Saudi Arabia to be provided. According to the Zakat, Tax and Customs Authority Data Initiative, the imports and exports between Saudi Arabia and Japan are increasing compared to 2020.

It is worth noting that Japan is the 6th top import trade partner by the value of 22,5 billion SAR to the Kingdom.²¹⁹

| Imports from Japan to Saudi Arabia (2021) ²²⁰ | | |
|--|--|-----------------------------|
| All imports | 22,5 billion Riyals (approx. 787,500,000,000 Yen) | 3.7% growth compare to 2020 |

²¹⁹ Saudi Customs Data Initiative (zatca.gov.sa)

²²⁰ <https://e-services.zatca.gov.sa/data/en/data-explorer>

| | | |
|--|---|----------------------------|
| Most imported product | Vehicles; for transport of the goods, New pneumatic tires, of rubber, tubes, pipes and hollow profiles, Seamless, of iron (other than cast iron) or steel, etc. | |
| Exports from Saudi Arabia to Japan (2021) | | |
| All exports | 3,6 billion Riyals (approx. 126,000,000,000 Yen) | 45% growth compare to 2020 |
| Most exported product | Aluminum; unwrought, Copper ores and concentrates, Polymers of ethylene, in primary forms, Copper; waste and scrap, etc. | |

It is important to highlight that Saudi Arabia and Japan have developed a strong partnership since 1955, when both countries first established diplomatic ties. Saudi Japanese Investment Forum witnessed on December 26, 2022, the signing of 15 agreements between the two countries, according to Minister of Investment Khalid Al-Falih to boost mutual investment in light of the Kingdom's Vision 2030, and the Japanese government's strategic vision²²¹. Such agreements included memorandums of understanding in the fields of artificial intelligence (AI), sports, finance, banking, polyester recycling, agriculture, food, industry, manufacturing, trade, energy, digitization, smart cities and personalization. It is worth mentioning that Japan is one of the three largest investing countries in the Kingdom, having mega investments in Jubail factories as well as the electric appliances field, amongst other sectors, that exceed billions of dollars²²².

As to the intellectual property matters, by continuing cooperation and strengthen the relation with the SAIP, a Memorandum of Cooperation (MOC) in the area of intellectual property, Joint statement of Intent (SOI) on the Patent Prosecution Highway (PPH) and Policy on the Use of Exchanged Intellectual Property Electronic Data were signed on October 21, 2019. The Japan Patent Office "JPO" intends to develop an environment in which Japanese companies' IP rights are promptly and smoothly secured and appropriately protected in Saudi Arabia²²³.

Moreover, the Japan Patent Office (JPO) continues to cooperate with the IP Offices in the Arab region to contribute to the development of the region and improve the IP environment. The JPO in collaboration with League of Arab States and the World Intellectual Property Organization (WIPO) had a conference on July 8, 2021 for the purpose of sharing knowledge and exchanging opinions in the field of intellectual property (IP) between Japan and Arab region of which Saudi Arabia was one of the participants²²⁴.

4.2.6 Countermeasures to combat Counterfeits and Piracy Products

Border Measures:

Border measures and custom seizures are available in Saudi Arabia as to the counterfeit or pirated goods. The right owner who has information about the importation/shipment of infringed products to the Saudi market can file a request to seize the said goods. Substantial and reasonable proof about the counterfeit product must be provided by the Applicant requesting seizure.

Moreover, pursuant to Article 51 and section 4 of the Trips Agreement, the customs authority may act ex officio to suspend clearance of suspected counterfeit or pirated goods if there is prima facie evidence, and will notify the importer and rights holder

The Authority provides samples of the products for analysis and confirmation whether the same are counterfeit or not. In case the products are counterfeit, the authority will suspend clearance of the goods and the right owner is entitled to file a court case before the competent court and shall notify the Customs Authority within a period not exceeding (10) ten business days from the date of notification of the decision to suspend customs release of said goods; otherwise, the said decision to cease the release of goods shall be deemed null and void.

²²¹ <https://www.meti.go.jp/press/2019/10/20191024005/20191024005-2.pdf>

²²² <https://saudigazette.com.sa/article/628357>

²²³ <https://www.jpo.go.jp/e/news/ugoki/201910/102403.html>

²²⁴ <https://www.jpo.go.jp/e/news/ugoki/202107/2021071201.html>

Except as otherwise determined by the court, if the court establishes that the goods subject to suspension of customs release are imitated, counterfeit, it shall order said goods to be destroyed at the expense of the importer or disposed of outside commercial channels if destroying the same would inflict unacceptable harm on public health or the environment. The counterfeit goods may not, in any case, be released to commercial channels or allowed to be re-exported.

- **Precautionary Measures**

In case of infringement, or to prevent an imminent infringement, the right owner may obtain an order on a petition from the competent court to take appropriate precautionary measures, including the following:

5. Conducting detailed description for the alleged infringement, and goods which are subject of these infringement, and materials, tools and equipment that have been used or will be used in any of it, and keeping relevant evidences.
6. Seize any of the above stipulated in clause (a) along with any proceeds made from the alleged infringement.
7. Preventing goods, subject of the alleged infringement, from entering into the commercial channels and preventing export thereof, including imported goods immediately after customs release thereof.
8. Suspending or preventing infringement.

Process and time frame

- The petitioner shall submit to the Court, if requested, the evidence that affirms the occurrence of an infringement or an imminent infringement on the right, and may assign him to provide sufficient information to enable the Competent Authority to implement the precautionary measure of the identification of the goods concerned.

- The court shall decide on the petition no later than (10) ten days from the date of submission, unless for exceptional cases estimated by the court.

- The court may, if required, issue the order, at the request of the petitioner, without calling the other party, if a delay in issuing the order may cause irreparable harm to the plaintiff, or there is a fear of the demise or destruction of evidence, in this case, the other party shall be notified of the order without delay immediately after its issuance, and when necessary, the other party may be notified directly after implementing the order.

- If the court orders to take precautionary measures without calling the other party, the defendant after being notified of the matter may appeal it before the competent court within (20) twenty days from the date of notification, and the court in this case may support, modify or cancel the order.

- The court may assign the petitioner to provide a suitable bail or its equivalent guarantee that is sufficient to protect the defendant and to prevent abuse of the right, and the amount of bail, or its equivalent guarantee, shall not be big to the extent that it may lead unreasonably to refrain from request to take precautionary measures.

- The owner shall file a claim before the competent court within (20) twenty days from the date of issuance of the order to take the precautionary measures, or from the date on which he is notified of the rejection of the appeal, as the case may be. Otherwise, the order will be cancelled at the request of the defendant.

- **Administrative Proceedings**

Right owners can file infringement complaint before the Saudi Authority for Intellectual Property "SAIP", such complaint for infringements can be filed online and is to be decided by the competent committee²²⁵.

²²⁵ <https://saip.gov.sa/en/services/969>

- **Criminal Proceedings**

Criminal proceedings are brought by a public prosecutor after a referral from the competent Committee of the SAIP. Penalties are applied in accordance with the laws.

- **Civil Proceedings**

A right owner can file a civil action against the infringer before the competent commercial court to claim compensation.

Court System for Intellectual Property related matters – Civil Cases

The jurisdiction of intellectual property (IP) disputes and appeals were transferred from the Administrative to the Commercial courts.

According to the Law of Commercial Courts, the commercial court in KSA has jurisdiction over all IP disputes²²⁶. Accordingly, appeals against trademark office refusals and trademark cancellation actions previously filed before the administrative courts (or Board of Grievances) and other IP related matters, shall be filed now before the commercial courts.

- **Representation before the Court**

A duly authorized attorney can represent parties before the court in Saudi Arabia. If the party is not Saudi Arabian, then a legalized Power of attorney before the Saudi Consulate will be required.

- **Language of the proceedings and supporting documents**

There is no choice of language, all proceedings should conduct in the Arabic language (i.e. official language in Saudi Arabia). Certified Arabic translations are required for all documents that are written in any language other than Arabic in order to be considered.

- **Limitation Period**

The Commercial Courts Law (*Royal Decree No. M/93*) is effective from 16 June 2020. It includes, among other provisions, the introduction of a five-year time limit on the ability of parties in commercial proceedings to bring their claims to court, which is applicable to infringement actions.

Article 24 of the Law of Commercial Courts (*Royal Decree No. M/93*) stipulates as follows: “Absent a specific provision, the statute of limitations for claims falling under the jurisdiction of the commercial court shall be **five years** from the date of the cause of action, unless the defendant confirms the claim or the claimant presents an acceptable justification to the court.

- **Timeframe of the Infringement proceedings**

Infringement proceedings usually last approximately 1 year. Generally, the period of proceedings on infringement depends upon a case-by-case manner.

- **Litigation Costs**

The costs that a party can expect to incur range between USD 10,000 to USD 25,000 for litigation before the courts.

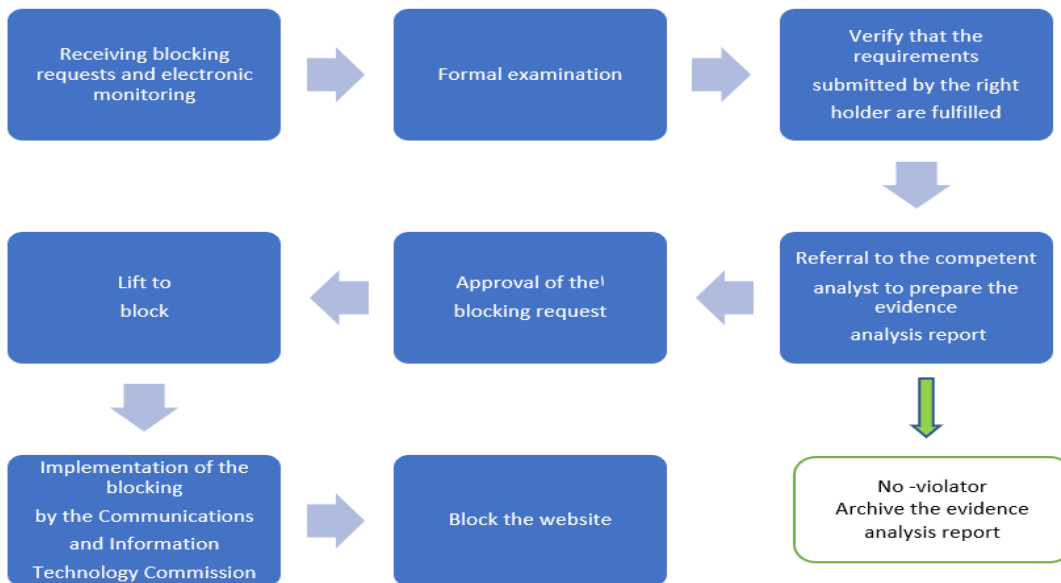
It is worth mentioning that the Courts do not award legal/lawyer’s costs. The court might only award the Court fees.

- **Anti-Counterfeiting online**

As Online counterfeiting is rapidly increasing after the COVID pandemic, **SAIP is providing** electronic inspection campaigns to target and block the violated websites.

²²⁶ <https://laws.boe.gov.sa/BoeLaws/Laws/LawDetails/38334008-3b70-4c6c-b3af-aba3016a8061/1>

- **SAIP Electronic monitoring and blocking procedures**



- **Maroof portal**

It is important to highlight that the e-commerce market of Saudi Arabia is the 25th largest market. The revenue of the e-commerce industry stood at US\$ 7 billion in 2020, an increase in e-commerce services by 60%. Saudi Arabia has seen tremendous growth in its online services during the COVID pandemic and it is expected to achieve a revenue of US\$ 13.3 billion by 2025.²²⁷

E-commerce websites and social media marketplaces are encouraged to register with the Ministry's Maroof portal²²⁸ in order to verify the credibility of their products and business. The portal protects the rights of consumers and warns them about counterfeit products and also provides an evaluation of services and the quality of e-stores in the Kingdom.

- **Domain name dispute resolution ccTLD (.SA)**

A trademark owner may launch formal proceedings to restrain the use of a mark in country code domain names (.sa), as there have been many instances of fraudulent or wrongful registrations of domain names compromise of infringed trademarks. A trademark owner may file a complaint before the "WIPO Arbitration and Mediation Center" according to the .SA policy provided by the Information Technology Commission "CITC".²²⁹

²²⁷ [Saudi Arabia - eCommerce \(trade.gov\)](https://www.trade.gov/saudi-arabia-e-commerce)

²²⁸ [known \(maroof.sa\)](https://www.maroof.sa)

²²⁹ <https://www.wipo.int/amc/en/domains/ccld/sa/index.html>

4.2.7 Effective and Recommended measures with a comparison table

| Remedies available in Saudi Arabia Comparison Table | | | | | |
|--|--|-------------------------------------|--|--|--|
| Measures /Remedies | Patents | Utility Models (Draft Regulations)* | Industrial Designs | Trademarks | Copyright |
| Injunctions | Available | Available | Available | Available | Available |
| Damages | Damages shall be actual, quantifiable & not be based on estimation. Evidence for such damages shall be submitted. | Available | Damages shall be actual, quantifiable & not be based on estimation. Evidence for such damages shall be submitted. | Damages shall be actual, quantifiable & not be based on estimation. Evidence for such damages shall be submitted. | Compensation shall be consistent with the size of the infringement and the damage incurred. |
| Fines | A fine of up to 100,000 Riyals (approx. 3,500,000 Yen), which may be doubled for a repeat offender. | N/A | A fine of up to 100,000 Riyals (approx. 3,500,000 Yen), which may be doubled for a repeat offender. | For offenses: a fine between 5,000 Riyals (approx. 175,000 Yen) and 1 million Riyals (approx. 35,000,000 Yen), which may be doubled for repeat offenders. | fine not exceeding 250,000 Riyals (approx. 8,750,000 Yen), which may be doubled for a repeat offender. If the Committee sees that the violation entails a fine exceeding 100,000 Riyals (approx. 3,500,000 Yen), the case shall be submitted to the court. |
| Destroying of infringing goods | Available | N/A | Available | Available | Available |
| Publication of Judgement | Publication in the Official Gazette, and two daily newspapers, at the expense of the party against whom the decision is issued | N/A | Publication in the Official Gazette, and two daily newspapers, at the expense of the party against whom the decision is issued | Publication at the expense of the accused party in a prominent place in two widely circulated daily newspapers, one of which is issued in the region where the main headquarters of the violator is located, if any. | The punishment of defamation against the person who commits the infringement is available. Publication of the decision shall be at his expense |
| Criminal Proceedings | Possible jail term, including referral to the Board of Grievances/Court. | N/A | Possible jail term, including referral to the Board of Grievances/Court. | For offenses: a jail term of between 1 month to 3 years. | A jail term for a period not exceeding six months; which may be doubled for a repeat offender. |
| Border Detention | Available | N/A | Available | Available | Available |

| | | | | | |
|--------|---|---|---|---|---|
| Others | Any other prompt measures considered necessary to prevent damages resulting from the infringement | Any urgent measures deemed necessary to avoid the damages resulting from the infringement | Any other prompt measures considered necessary to prevent damages resulting from the infringement | <ul style="list-style-type: none"> - Seizure of goods suspected to involve infringement, any materials, tools and documentary. - Compelling the infringing party to cease the infringement, including preventing the exporting/importing of goods. - Compelling the infringing party to disclose information about all persons or entities who contributed to the infringement, either through the production or distribution of infringing goods. - closure of the shop or project for a period of not less than fifteen days and not more than six months for the party who repeats the commission of an offence. | <ul style="list-style-type: none"> - Warning. -Closing the violating establishment for a period not exceeding two months; which may be doubled for a repeat offender. -Confiscating all copies of the work along with the materials used or intended for use in the infringement of copyrights. -If the committee sees cancellation of the license, the case shall be submitted to court. -Suspension of the participation of the infringing establishment in activities, occasions, or exhibitions, if the infringement is discovered during a commercial event, provided that the suspension period shall not exceed two years. - Any immediate provisional measures to prevent copyright infringement, and to prevent imported works that infringe copyright from reaching commercial outlets. |
|--------|---|---|---|---|---|

4.2.8 Flowchart of the process and timeline/lead time

- **The Procedural Path for infringement actions**²³⁰



Time Frame

- **Infringement Complaint -SAIP:** it differs from case to case; however, the matter is usually decided within **1-2 months**.
- **Court proceedings:** it differs from case to case; however, it takes approximately within **10 – 12 months**.
- **Other actions:** Differs from case to case

4.2.9 Table of Fees for each countermeasure

| Table of Fees | | |
|------------------------------|---------------------------|--|
| Action | Official fees | Professional fees |
| SAIP Infringement complaints | N/A | Depends on each case and its complexity – approximate fees around USD 3500/4000 and above |
| Civil Proceedings | N/A | Depends on each case and its complexity – approximate fees around USD 10,000 to USD 25,000. Might be less or more in some cases. |
| Other actions | Differs from case to case | Differs from case to case |

5. Cases on Obtaining Rights and Enforcement

5.1 Notable or Important Court Cases

Patents:

²³⁰ <https://saip.gov.sa/litigation-paths/>

Cases

Case 1 – Commercial Court - City: Riyadh

Case No. - Decision: 4430237910 Date: 9/4/1444²³¹

Facts: The applicant filed a patent application under No. (-) on 07/11/1424 AH (08/09/2003 AD), and obtained the Patent Registration under No.(-), dated 12/25/1432 AH, (12/01/2010 AD). During the period between the filing date and registration date of the Plaintiff's patent, the defendant contacted the Plaintiff and requested a sample of the patent subject drug, and offered that it would manufacture the product in consideration of 70 million Riyals (approx. 2,450,000,000 Yen) and a profit of 20% of the annual sales value. Then, two weeks after receiving the sample, the defendant contacted the Plaintiff and expressed their unwillingness and retracted their submission of that offer. After a period of time passed, Plaintiff was surprised that there was a drug similar in description to the Plaintiff's protected drug. After analyzing the defendant's drug, Plaintiff found a match except for a very small increase in sesame oil (it does not enter into its essential composition, i.e. it has no effect) and that the defendant produced the said drug in the year 2008 AD, which is, on a later date after the plaintiff submitted the sample to the defendant. The Plaintiff requested the following: compensation of the amount (200,000,000) two hundred million Riyals (approx. 7,000,000,000 Yen) for the damage it suffered as a result of your abuse of the product and payment of an amount of 25,000,000 twenty-five million Riyals (approx. 875,000,000 Yen) by the defendant as attorney fees and legal advice and the withdrawal of the defendant's product from the market and not attributing it to the defendant.

Court Decision: The court decided to reject the case.

Court Analysis and reasons: the plaintiff did not provide evidence that proves its claim nor the requested amount of compensation. Since the defendant denied all the claims, and the plaintiff did not provide a detailed comparison between the two products so that the Court could adopt it as a means to examine the abuse and a starting point for deciding the lawsuit, the court decided to reject the case.

Appeal: The Appellate Court concur the first instance judgement.

Case No. 2 - Commercial Court

City: Riyadh - Case No. - Resolution: 263, Date: 4/3/1442²³²

Facts: Plaintiff claims that the defendant infringed its registered patent No. (-) by manufacturing it. Plaintiff requests the court to order the defendants to immediately stop selling the gas regulator that uses the Plaintiff's registered patent, re-export the quantities they have to the source country, and apply the Law and order the applicable fines.

Court Decision: Dismissal of the case.

Court Analysis and reasons: The Court decided to dismiss the case as the Plaintiff does not notify the defendant of the case before filing the same as stipulated in Article (19) of the Commercial Courts Law, hence, the plaintiff failed to adhere to what is obligatory by law before filing the Court case.

Industrial Designs:

Case 1 – Commercial Court City: Riyadh

Case No. - Decision: 3013, Date: 6/21/1442²³³

Facts: The plaintiff has had a registered industrial model since 05/10/2016 AD and the validity period of the certificate is ten years, and also a trademark registration certificate since 25 11/1440 AH. The plaintiff concluded

²³¹ <https://sjp.moi.gov.sa/Filter/AhkamDetails/44768>

²³² <https://sjp.moi.gov.sa/Filter/AhkamDetails/32108>

²³³ <https://sjp.moi.gov.sa/Filter/AhkamDetails/33187>

a license agreement with a trademark owner (registered with the SAIP) and started supplying the product to wholesalers and retailers in several regions of the Kingdom. The Plaintiff was surprised to know that the defendant is selling the same type of product without obtaining the necessary licenses from the Food and Drug Authority, and the defendant is using the same color and shape as the plaintiff's bottle (registered as a design) and imitating the plaintiff's trademark.

Court Decision: the court decided to dismiss the case.

Court Analysis and Reasoning: The Court inquired Plaintiff whether the claims related to the infringement of an industrial product or trademark or the misuse of materials for manufacturing and the Plaintiff's legal representative referred to the statement of claim. As such, the Court considers the lack of providing answers to the Court's inquiries which are important for deciding the case. Moreover, Plaintiff has combined many claims and facts without clarifying the link between them.

Therefore, the Court decided to dismiss the case, as it was the duty of the plaintiff and his attorney to submit a clear statement of claim and respond to the Court's inquiries and not to file a vague claim in which the Plaintiff's requests and evidence are not clarified, and then the court conduct searches and explores for his rights.

Appeal before Appellate Court - Resolution No: 3624 Date: 10/26/1442: the Appellate Court decided to concur the first instance judgment for the same reasons.

Case No. 2 - Commercial Court - City: Jeddah

Case No. - Decision: 4430247467 Date: 11/1/1444

Facts: Plaintiff filed a court case based on Decision No. (1438/50) dated 8/27/1438 AH which was issued by the Patent Committee, stipulating as follows: (Proof of infringement of industrial model No. (-) granted by King Abdulaziz City for Science and Technology) On 4/15/1435 AH corresponding to 2/15/2014 AD under the name of wrist watches, and accordingly, the defendant is obligated to stop exploiting the aforementioned model by selling or otherwise)²³⁴.

The Plaintiff argued that since the defendant has exploited those registered industrial models by imitating them and selling them from the beginning of the protection to date, the matter which cause damages to the plaintiff. The plaintiff's requests: Obliging the defendant to compensate the damage by an amount of (4,000,000 riyals) only four million Riyals (approx. 140,000,000,000 Yen) and obliging the defendant to pay litigation expenses at the rate of (20,125 riyals) twenty thousand, one hundred and twenty-five Riyals (approx. 704,375 Yen), in addition to 30% of the adjudged amount.)

Court Decision: The Court decided to reject the case and the Plaintiff's requests.

Court Analysis and Reasoning: Since the plaintiff based his case on the fact that the defendant continued to offer and sell the products subject to the infringement after the issuance of the ban decision, according to the facts, while the defendant denied that it continued to offer and sell those products after the ban decision and that it actually stopped after the ban decision. Also, the plaintiff submitted only a copy of a purchase invoice as a supporting document, which relates to its case related to industrial model No. (2905). As such the element of wrongdoing by the Defendant is not available.

Appeal before Appellate Court - Resolution number: 4430247467, date: 4/11/1444: the Appellate Court decided to concur the first instance judgment for the same reasons.

Copyright

²³⁴ <https://sjp.moi.gov.sa/Filter/AhkamDetails/44748>

Case 1: Court: Commercial Court - Riyadh

Case No. - Resolution: 11001, Date: 25/8/1442

▪ **Facts:**

The plaintiff filmed, produced, and directed a video - a protected work based on Article Two of the copyright protection system - to promote and market its services, advertise for itself, and to show quality and professionalism, and sell it to clients; and it published the video on its official account on YouTube (sawarhmp) on its publication date 02/13/2017, then the plaintiff was surprised that part of this video was taken by the two defendants who put their logos on the video and published it on 02/07/2019 AD, on the official accounts on the Instagram site through their accounts, which infringed the plaintiff's work without authorization.

▪ **Plaintiff requests:**

To oblige the defendants to pay an amount of (300,000) three hundred thousand Riyals (approx. 10,500,000 Yen) jointly, as compensation for infringing of his work - audiovisual - by publishing it without his permission and not attributing it to him, and ruling them for all the money resulting from the infringing of the work. In addition to confiscation - deletion - of all copies of the work and the materials designated for infringement of the work and compensation for attorney's fees

▪ **Court Decision**

The circuit ruled the following:

[“First: It was proven that the two defendants, had infringed the plaintiff's work.

Second: the court decided obliging the two defendants to remove the infringing content, the subject of the lawsuit, from the electronic platforms.

Third, the court decided obliging the two defendants, jointly to pay to the plaintiff, an amount of (50,000) fifty thousand Riyals (approx. 1,750,000 Yen).

Fourth: Rejection of other requests]”.

▪ **Appeal**

The decision was appealed by the Defendant before the Court of Appeal: Commercial Court Riyadh Resolution No.: 5156 Date: 11/25/1442, which decided to uphold the Commercial Court Judgement.

Trademark:

Case 1: Court case: Commercial Court – Infringement and Cancellation Claim

City: Dammam - Case No. - Decision: 447185380, Date: 26/1/1444

Brief of facts: The Plaintiff has a registered trademark in class 43 in KSA for its trademark which was infringed and exploited by the defendant without the consent of the owner of the trademark. The defendant also filed an identical trademark application in class 43 which got accepted and registered.

Plaintiff's Requests: 1- Preventing the defendant from using the trademark. 2- Cancellation of the mark filed by the Defendant.

Court Decision: Cancellation of the Defendant's trademark and ordering the Defendant not to use the subject trademark²³⁵.

Case 2: Commercial Court – Compensation claim

Brief of the facts: Plaintiff filed the court case against two Defendants who have a factory for water products and use the Plaintiff's trademark and trade name to market their products. Plaintiff filed an earlier complaint with the Ministry of Commerce and Industry in Jeddah on 02/03/1437 AH to investigate the incident, and it was proven to be true. Subsequently, a lawsuit was filed by the Applicant for a compensation claim before the Criminal Court, registered under No. (4085892) and dated 01/23/1440 AH, and ended with a ruling that the Criminal Court does not have jurisdiction to hear the case and that it falls under the jurisdiction of the Commercial Court, and judgment instrument No. (42101547) was issued in this regard on 01/13/1442 AH.

Accordingly, the Plaintiff filed the lawsuit before the commercial court and requests the court to order the defendants to pay a compensation of (3,000,000 Riyals / approx. 105,000,000 Yen), and payment of the legal fees in the amount of (250,000 Riyals / approx. 8,750,000 Yen).

Court analysis and reasoning: Considering the court is the first expert of the case, based on a set of realistic evidence and the fact that the plaintiff did not at that time basically sell products of the same type as the products that the first defendant sold, and taking into consideration what the defendant might achieve in terms of a daily profit margin, and assuming that he continued working on his project for a full year; The Court estimates to the plaintiff an amount of (30,000 Riyals / approx. 1,050,000 Yen) owed by the first defendant. As to the second defendant, the Court decided to reject the case against the second defendant for lack of evidence.

Court Decision: The Court decided a compensation of (30,000) thirty thousand Riyals (approx. 1,050,000 Yen) to be paid to the Plaintiff by the first defendant and refused other requests²³⁶.

²³⁵ <https://sjp.moj.gov.sa/Filter/AhkamDetails/43961>

²³⁶ <https://sjp.moj.gov.sa/Filter/AhkamDetails/43782>

Prerequisite – filing of case before the commercial Court

Case 1: Notification prior to filing a Court case – Commercial Court

In accordance with the law and practice in Saudi Arabia, the Plaintiff's legal representative shall proceed with sending a notice letter to the Defendant at least 15 days before filing the court case in accordance with Article 19 of the Commercial Courts Law and Articles 70 and 72 of its Executive Regulations.

The notification letter shall comprise the data of the parties, the subject of the dispute, the requests, and the claim document.

The statement of claim shall be accompanied by proof of notification when filed by the Plaintiff.

Example of Court Case: Commercial Court

Case No. - Resolution: 1502, Date: 4/11/1442 - City: Riyadh

Brief of facts: The plaintiff claimed that Defendant violated its patent rights, industrial models, and financial rights as the plaintiff has a product (an Arabic coffee maker) known in the markets in which the patent is registered. Its patent/s includes several protected claims and products. Plaintiff has also registered several industrial models and launched its products in the market. After 2 years of launching its products, the defendant infringed the Plaintiff's patent rights and imitated the industrial models as well by manufacturing counterfeit products for a period exceeding five years, the number of which reached 12 products being infringed.

Decision: The Court decided to dismiss the case as the Plaintiff does not notify the defendant of the case before filing the same as stipulated in Article (19) of the Commercial Courts Law, hence, the plaintiff failed to adhere to what is obligatory by law before filing the Court case²³⁷.

5.2 WTO Panel Cases

Case: DS567: Saudi Arabia — Measures concerning the Protection of Intellectual Property Rights - Settled or terminated (withdrawn, mutually agreed solution) on 21 April 2022²³⁸

- **Parties: Complainant: Qatar and Respondent: Saudi Arabia**
- **Measure at issue:** Measures relating to the piracy by beoutQ, a broadcasting entity, of the proprietary content of beIN, a global sports and entertainment company headquartered in Qatar.
- **Complaint by Qatar:** On 1 October 2018, Qatar requested consultations with Saudi Arabia concerning Saudi Arabia's alleged failure to provide adequate protection of intellectual property rights held by or applied for entities based in Qatar. Qatar claimed that the measures appear to be inconsistent with:
 - Articles 3.1, 4, 9, 14.3, 16.1, 41.1, 42 and 61 of the TRIPS Agreement.
- **Summary of key panel findings**²³⁹:
 - Panel's jurisdiction (DSU Arts. 3.4, 3.7 and 11): The Panel found that it could not decline to exercise its jurisdiction over the claims of WTO-inconsistency that fell within its terms of reference and that the matter was justiciable.

²³⁷ <https://sjp.moj.gov.sa/Filter/AhkamDetails/40934>

²³⁸ https://www.wto.org/english/tratop_e/dispu_e/cases_e/ds567_e.htm

²³⁹ https://www.wto.org/english/tratop_e/dispu_e/cases_e/1pagesum_e/ds567sum_e.pdf

- TRIPS Arts. 41.1 (general obligations) and 42 (civil and administrative procedures and remedies): The Panel found that Saudi Arabia had acted inconsistently with TRIPS Art. 42 by taking measures that, directly or indirectly, had had the result of preventing beIN from obtaining Saudi legal counsel to enforce its IP rights through civil enforcement procedures before Saudi courts and tribunals (i.e. anti-sympathy measures). The Panel also considered that this violation of TRIPS Art. 42 had given rise to a consequential violation by Saudi Arabia of the obligation under TRIPS Art. 41 to “ensure that enforcement procedures as specified in this Part are available under their law”.

- TRIPS Art. 61 (criminal procedures): The Panel found that Saudi Arabia had acted inconsistently with the first sentence of TRIPS Art. 61 to “provide for criminal procedures and penalties to be applied” to the operations of beoutQ.

- TRIPS Art. 73 (security exception): The Panel concluded that the requirements for invoking TRIPS Art. 73(b)(iii) were met in relation to inconsistencies with TRIPS Arts. 41.1 and 42 of the “anti-sympathy measures” but not in relation to inconsistencies with TRIPS Art. 61 arising from Saudi Arabia’s non-application of criminal procedures and penalties to beoutQ.

- **Other issues:**

- Respondent’s refusal to interact with the complainant: Throughout the proceeding, Saudi Arabia took the position that was consistent with its severance of all relations with Qatar (including diplomatic and consular relations), and the essential security interests that motivated it to take that action, it would not interact, or have any direct or indirect engagement, with Qatar in any way in the dispute. Regarding the organizational meeting, the Panel decided to consult with the parties exclusively through a written procedure. The Panel also modified the standard Working Procedures to reflect the special circumstances.

- **Withdrawal/Termination**

On 21 April 2022, Qatar notified the DSB that it had agreed to terminate this dispute, and that it would not seek adoption of the panel report.

6. Successful Cases

Case 1: SAIP – Trademark Infringement case

Infringing action: A company holding, selling and marketing welding discs and sanding discs bearing an imitated trademark.

Penalty: A fine amounting to (100,000) Riyals (approx. 3,500,000 Yen)²⁴⁰.

Case 2: Copyright Infringement case

The parties of the case:

Plaintiff: Individual and the Defendant is a government entity

Brief: A government entity infringed parts of a video clip owned by an individual and included it in a video clip produced and published by the defendant²⁴¹.

The decision:

Penalties: A fine of 25,000 Riyals (approx. 875,000 Yen) and ordering the removal of the infringing content, non-storage of the same through any electronic means.

Compensation: A financial compensation of 30,000 Riyals (approx. 1,050,000 Yen).

²⁴⁰ <https://sabq.org/saudia/dzj9zk>

²⁴¹ <https://twitter.com/SAIPKSA/status/1357685925363527680/photo/1>

Case 3: Copyright Infringement case

The parties of the case:

Plaintiff: Media Production Company and the Defendant is a television channel.

Brief: The defendant broadcasted a television program owned by the Plaintiff without obtaining a written approval or consent²⁴².

The decision:

Penalties: A fine of 100,000 Riyals (approx. 3,500,000 Yen) and ordering the removal and deletion of the television program.

Compensation: A financial compensation of +900,000 Riyals (approx. 31,500,000 Yen).

7. Stakeholder's Voice on IP issues and interests in Saudi Arabia (companies and IP Experts):

Stakeholders report that the number of seizures has increased in the course of the reporting period and customs authorities are more cooperative with rights holders than previously.

As to the regulatory and enforcement fronts, SAIP is an important player in building the national IP legal infrastructure. The authority exerts considerable effort to determine the needs and sentiments of IP stakeholders. They tweet about regulatory proposals to gauge public opinion and communicate with universities and enterprises to raise awareness and garner feedback that might inform decisions. SAIP is also building legal capacity in IP-related cases²⁴³.

Saudi Arabia was removed from the Special 301 Report's Priority Watch List in April 2022 due to steps the SAIP took to publish its IP enforcement procedures; increase enforcement against counterfeit and pirated goods and online pirated content; create specialized IP enforcement courts with trained judges and expedited timelines; conduct strong IP awareness, outreach, training, and support; set up a centralized committee to coordinate IP enforcement actions across multiple authorities; and train IP specialists in 76 different authorities to increase government compliance with IP laws. Stakeholders continue to raise concerns that the Saudi Arabia Food and Drug Authority (SFDA) granted marketing approval to domestic companies for subsequent versions of registered products, without requiring the submission of data that meets the same requirements applied to the initial applicant, despite the period of protection provided to the initial applicant by Saudi regulations. The SFDA has not granted these concerning marketing approvals since October 2020, and the United States will continue to closely monitor SFDA's actions in this area²⁴⁴.

For achieving its plans and strategies, the SAIP has partnerships and coordination with many Saudi and international entities for the best results, such as:

²⁴² <https://twitter.com/SAIPKSA/status/1311967680124116992/photo/1>

²⁴³ <https://kfcris.com/pdf/6c740c0141b994c762e4662dd9d5c4e261b06acf58d20.pdf>

²⁴⁴ <https://www.trade.gov/country-commercial-guides/saudi-arabia-protecting-intellectual-property>

| | |
|--------------------------|--|
| | Ministry of Environment Water & Agriculture |
| | Ministry of Industry and Mineral Resources |
| | Ministry of Investment |
| | Ministry of Municipal and Rural Affairs and Housing |
| | Ministry of Hajj and Umrah |
| | Saudi Mining Polytechnic |
| | Saudi Press Agency |
| | Kingdom of Saudi Arabia – Public Prosecutor |
| | Civil Defense |
| | Saudi Digital Library |
| | National Center for Assessment |
| | King Abdulaziz Foundation for Research & Archives |
| | General Authorities for Statistics |
| <i>Government Sector</i> | General Authority for Military Industries |
| | Saudi Customs |
| | Monsha'at – Small & Medium Enterprises General Authority |
| | Diriyah Gate Development Authority |
| | Saudi Broadcasting Authority |
| | Taqeem |
| | General Commission for Audio Visual Media |
| | Ministry of Communications and Information Technology |
| | Ministry of Education |
| | Ministry of Sports |
| | Ministry of Defense |
| | Ministry of Culture |
| | Ministry of Justice |
| | Dar Al Uloom University |
| | TAIF University |
| | Shaqra University |
| | Effat University |
| | Northern Border University |
| <i>Academic Sector</i> | Taibah University |
| | University of Jeddah |
| | King Abdulaziz University |
| | Princess Nourah bint Abdulrahman University |
| | Umm All Qura University |
| | Imam Mohammad Ibn Saud Islamic University |
| | Jazan University |
| | Qassim University |
| | King Saud University |
| <i>Private Sector</i> | Imam Abdulrahman Bin Faisal University |
| | National Association of Blind (Kafeef) |
| | Badr Bin Abdulmohsin Cultural Foundation |
| <i>Healthcare Sector</i> | Saudi Food and Drug Authority |
| | Ministry of Health |
| | China National Intellectual Property Administration |
| | Intellectual Property Office of Singapore |
| | United Arab Emirates Ministry of Economy |

²⁴⁵ <https://www.saip.gov.sa/en/entities-partners/>

International Organizations

| |
|--|
| The Academy of Scientific Research and Technology |
| Ministry of Industry Trade and Supply |
| French Patent & Trademark Office |
| US Copyright Office |
| World Intellectual Property Organization |
| The Global Innovation Policy Center |
| United States Patent and Trademark Office |
| Japan Patent Office |
| The Korean Intellectual Property Office |
| International Trademark Association |
| European Patent Organization |
| National Copyright Administration of the People's Republic of China |
| Korea Internet & Security Agency |

▪ IP Experts

The Licensing Rules of November 19, 2020, for Providing Intellectual Property Services (Accreditation of IP Agent) were issued pursuant to Article Three of the Organization of the Saudi Authority for Intellectual Property issued by Decision of the Council of Ministers No. 496 dated 14/09/1439H (May 29, 2018). The Rules entered into force on July 21, 2021, in accordance with Article 25 of the said Rules²⁴⁶.

Requirements for obtaining an agent license to provide IP services on behalf of others before the SAIP:

- Be a Saudi national.
- Have full capacity.
- Be a KSA resident.
- Not an employee of a government agency.
- Never been sentenced to punishment or penalty for a crime against honor or breach of trust, unless rehabilitated.
- Hold a minimum bachelor's degree in law and regulations, science, engineering, or any other major accepted by the Authority from a Saudi university or equivalent, in accordance with the regulations and rules in force in the Kingdom that organize university degrees.
- Hold a professional verification certificate issued by the Authority.
- Pay the financial consideration prescribed for licensing.

The following are exempted from the professional verification certificate requirement :

- a. Lawyers licensed to practice the law by the competent authority, with professional experience in the field of intellectual property for a period of no less than two years from the date of obtaining a license for law practice.

²⁴⁶ <https://wipo.lex.wipo.int/en/legislation/details/21024>

- b. Evaluators of protection applications with a previous work experience of at least two years in the field of evaluation.
- c. Holders of postgraduate degrees in intellectual property, with at least one year of experience in the field of intellectual property.

It is important to highlight that the SAIP is publishing the authorized IP agents on its platform <https://www.saip.gov.sa/en/agents/> to ease the assistance of stakeholders and providing a database.

8. Summary Table

| | PATENT | UTILITY MODEL | INDUSTRIAL DESIGN | TRADEMARKS | COPYRIGHT |
|---------------------------|--|---|--|--|--|
| Definition | An exclusive right granted for an invention, which is a product or a process that provides, in general, a new way of doing something, or offers a new technical solution to a problem. To get a patent, technical information about the invention must be disclosed to the public in a patent application ²⁴⁷ . | An idea that is reached and involves a technical improvement that increases its utility, ability or efficiency ²⁴⁸ . | A three-dimensional disposition of the elements of an integrated circuit – at least one of which is active - and of some or all of the interconnections, or such a three-dimensional disposition prepared for an integrated circuit for the purpose of manufacturing. ²⁴⁹ | A trademark shall be considered anything having a distinctive form such as names, words, signatures, letters, symbols, numbers, titles, stamps, drawings, pictures, inscriptions, packaging, figurative elements, shapes, colour, group of colours, or combinations thereof, or any sign or group of signs if used or intended to be used either to distinguish goods, or services of one undertaking from the goods or services of another undertaking, or intended to identify a service, or as a certification mark in respect of goods or services. The sound mark or a smell mark might be considered as trademark”. ²⁵⁰ | A privilege that grants authors the exclusive right to accept or reject the use of a creative work such as literary, audio, visual or artistic work, and is limited to a specific period. Under copyright, an author can generate economic income for new creative activities in addition to being protected against unauthorized use of his/her work ²⁵¹ . |
| Requirements | New, involves an inventive step, and capable of industrial application. | New, involves a technical improvement, and is industrially applicable. | Novel and shall not be for a functional or technical purpose. | Distinctive and used for the purpose of distinguishing the source of products or services ²⁵² . | The Work shall be in its final form, and shall not be a draft or a preparatory work and shall not be contrary to Islamic Law (Sharia) nor considered as the excluded Works of the protection by the Law. |
| Term of Protection | 20 years from the date of filing | 10 years from the date of filing | 10 years from the date of filing | (10) ten Hijri years and it can be renewed every 10 years indefinitely. | Differs depends to the work. for author work, Producers of audio recordings & performers, |

²⁴⁷ <https://www.saip.gov.sa/en/ip-domains/239/>

²⁴⁸ As per Article 1 of the draft of “Utility Model Regulation”

²⁴⁹ Article 2 of the Industrial Design Law.

²⁵⁰ Article 2 of the GCC Trademark law

²⁵¹ <https://www.saip.gov.sa/en/ip-domains/241/>

²⁵² <https://www.saip.gov.sa/en/ip-domains/240/>

| | | | | | |
|------------------------|--|---|--|---|--|
| | | | | | & computer programs: 50 years. for Broadcasting Organizations: 20 years |
| Laws | <ul style="list-style-type: none"> •Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs Issued by Royal Decree No. M/ 27 dated 29/5/1425 AH, and amended by Cabinet Resolution No. 536 and dated 10/19/1439 AH "referred hereinafter in this part as the Law". •The Implementing Regulations of the Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties and Industrial Designs Issued by President of King Abdulaziz City for Science and Technology No. (161-2-3607329) dated 30/12/1436H, and amended by the Board of Directors of the Saudi Authority for Intellectual Property No. (5/8/2019) dated on 04/09/1440 AH . •GCC Patent Law. •Compulsory licensing of patents issued by the Saudi Authority for Intellectual Property . | <p>Not issued yet.</p> <p>Only a draft of "Utility Model Regulations"</p> | <ul style="list-style-type: none"> •Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties, and Industrial Designs Issued by Royal Decree No. M/ 27 dated 29/5/1425 AH, and amended by Cabinet Resolution No. 536 and dated 10/19/1439 AH "referred hereinafter in this part as the Law". •The Implementing Regulations of the Law of Patents, Layout Designs of Integrated Circuits, Plant Varieties and Industrial Designs Issued by President of King Abdulaziz City for Science and Technology No. (161-2-3607329) dated 30/12/1436H, and amended by the Board of Directors of the Saudi Authority for Intellectual Property No. (5/8/2019) dated on 04/09/1440 AH . | <ul style="list-style-type: none"> •The Gulf Cooperation Council Trademark Law "GCC Trademark Law", which entered into force on 27 September 2016 by virtue of Royal Decree No. 51 of 26.07.1435H, corresponds to May 25, 2014. •The implementing regulations of the GCC Trademark Law. | <ul style="list-style-type: none"> •Copyrights Law issued by the Royal Decree No. M/41 dated 02.07.1424H and amended by the Decree of Council of Ministers No. 536 dated 19.10.1439H and ; •Executive Regulations of the Copyrights Law, amended by the Resolution of the Board of Directors of the Saudi Intellectual Property Authority No. (03/21/2022) on 17/11/1443 H (corresponding to 16/6/2022) ; •Regulations for the Optional Registration of Copyright Works 1440 Hijri – 2019 A.D, amended by the Resolution of the Board of Directors of the Saudi Intellectual Property Authority No. (4/18/2021) on 19/04/1443 H . |
| Who Can Apply? | Applicant with access to the Service Platform via the One National Access and/or its representative | Applicant with access to the Service Platform via the One National Access and/or its representative | Applicant with access to the Service Platform via the One National Access and/or its representative | Applicant with access to the Service Platform via the One National Access and/or its representative | Applicant with access to the Service Platform via the One National Access and/or its representative |
| Where To Apply? | SAIP | SAIP | SAIP | SAIP | SAIP |
| Examination | Formal & substantive | Formal & substantive | Formal | Absolute & Relative grounds | Formal |
| Rights | Exclusive right granted for an invention, and it gives its owner the legal right to exclude others from making, using, distributing, importing or selling an invention for a limited period of time, generally 20 years from the filing date of the application. | The right to prevent others from using or exploiting the utility model without its consent, as provided in Article 9 of the draft Regulation. | the right to exclude others from commercially exploiting the protected matter during the term of the protection. Therefore, the such owner is entitled to initiate an action before the committee against any person who infringes its protected industrial design by exploiting it for commercial purposes without consent within the Kingdom through manufacturing, sale, or importing a commodity that | an exclusive right to use the said mark and prevent others from using the same or any identical or similar marks – including geographical indicators – without his consent, in a commercial context, to distinguish goods or services related to those for which the trademark is registered, if such use may cause confusion to the public. Such confusion is assumed to occur if the same or a similar mark is used to distinguish goods or services which are identical to those for | Moral and Financial rights |

| | | | includes or represents a wholly or substantially imitated industrial design. | which the mark is registered | |
|--------------------------------|-----------|------------------|--|------------------------------|------------------------------------|
| Cancellation | Available | Available | Available | Available | Available |
| Licensing | Available | Available | Available | Available | Available |
| Assignments | Available | Available | Available | Available | Available to financial rights only |
| Civil Enforcement | Available | Available | Available | Available | Available |
| Criminal Enforcement | Available | Available | Available | Available | Available |
| Administrative | Available | To be determined | Available | Available | Available |
| Counterfeiting Measures | Available | Available | Available | Available | Available |

9. References

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- <https://sjp.moj.gov.sa/>
- https://www.my.gov.sa/wps/portal/snp/agencies/agencyDetails/AC415!/ut/p/z0/04_Sj9CPykssy0xPLMnMz0vMAfljo8zivQIsTAwdDQz9LQwNzQwCnS0tXPwMvYwNDAz0g1Pz9L30o_ArAppiVOTr7JuuH1WQWJKhm5mXlq8f4ehsYmiqX5DtHg4AMWVxWQ!!/
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