(ジェトロ仮訳)

Law No.(6) of 2014

With Approval of the Law (Regulation) of Trademarks in the Cooperation

Council for the Arab States of the Gulf

We. Hamad Bin Issa Al-Khalifa The King of Bahrain.

Having perused the Constitution,

The Law No. (11) of 2006 in respect of Trademarks, that amended by the Law No. (3) of

2011.

And the Law (Regulation) of Trademarks in the cooperation council for the Arab states of

the Gulf, that promulgated by adopting compulsively the Resolution of the Supreme Council for

the cooperation council for the Arab states of the Gulf in its thirty-third session which held in

Bahrain, 24 and 25 December 2012,

The Shura Council and Council of Representatives have approved the following Law, and

we have been ratified and promulgated it:

Article one

The Law (Regulation) of Trademarks in the cooperation council for the Arab states of the

Gulf attached to this law has approved, and shall be effective after six months as issued the

decision in its Executive Regulation set forth in Article (52).

Article two

Applying the Law No. (11) of 2006 in respect of the Trademarks runs on, provided that it

have to be cancelled as to applying the provisions of the Law (Regulation) attached hereto.

Article three

The Minister concerned in trade affairs shall issue the necessary resolutions for

implementation of the provisions of this Law, the Law (Regulation) and its Executive Regulation

attached hereto.

**Article four** 

The Prime Minister and the Ministers - Respectively - shall implement this Law, and shall

be effective from the day following the date of its publication in the Official Gazette.

King of Bahrain

Hamad Bin Issa Al-Khalifa

Issued in Riffa Palace:

Dated on: 17 Raby' al- Akar 1435 AH

Corresponding to: February 17, 2014 AD

# The Law (Regulation) of Trademarks in the Cooperation Council for the Arab States of the Gulf

# Section one Definitions

# **Article (1) Definitions:**

In implementing the provisions of this Law (Regulation), each of the following expressions have the meanings assigned thereto, unless the context requires otherwise:

GCC Countries: Cooperation Council for the Arab States of the Gulf.

Competent Authority: Ministry in each of the cooperation council for the Arab states of the Gulf responsible for trade affairs and in charge of implementing this Law (Regulation).

Minister: Minister concerned in application of the provisions of this Law (Regulation).

Executive Regulation: Regulation established by the Committee of Commercial Cooperation for the implementation of this Law (Regulation).

Register: Trademarks Register.

#### Article (2):

The trademark: Everything that takes a distinctive form such as names, words, signatures, characters, codes, numbers, titles, seals, drawings, images, inscriptions, packaging, figurative elements, shapes or color, group of colors or combinations thereof, or any other sign or group of signs if used or intended to be used to distinguish goods or services of a construction regarding the goods or services of another constructions or to indicate to do one of services, or for controlling or inspecting the goods or services. The sign of sound or smell could be considered as a Trademark.

#### Section two

#### **Procedures**

**Chapter one: Registration Procedures of Trademarks** 

# Article 3:

No trademark or part thereof shall be considered as such, nor shall it be registered if it has any of the following descriptions:

- 1- A mark which is free of any distinctive feature, or the marks which are consisting of information which are only the customary names that are given by custom for goods and services, or familiar drawings and ordinary pictures of goods.
- 2- Expressions, drawings or marks which are immoral or contrary to public regulation.
- 3- Public slogans, flags, military and honorary emblems and national and foreign awards and coins and paper currency and other signs belonging to any of Gulf Cooperation Council (GCC) countries, other states, Arab or international organizations or one of their agencies, or any imitation of such things.
- 4- Signs of the Red Crescent or Red Cross and other signs that is similar to, also the imitated marks thereof.
- 5- Marks identical or similar to symbols of a purely religious nature.
- 6- Geographical names and information if their use is likely to cause confusion regarding the source or origin of the goods or services.
- 7- Name of parties, its surname, photograph or logo, unless he or his heirs agrees in advance to the use thereof.
- 8- Information relating to honorary or academic degrees which the legal entitlement of which the applicant for registration does not prove.
- 9- Marks which are likely to mislead the public, or contain a false information of the origin or source of the goods or services or other descriptions and other marks which contain a dummy, imitated or forged commercial name.
- 10- Marks that are owned by natural or legal persons with whom dealing is forbidden pursuant to a decision issued in this respect by the competent authority.
- 11- Any trade mark that is identical or similar to a mark previously deposited or registered by others for the same goods, services or related goods or services if the use of the mark to be registered would generate linkage with the other owner's registered goods or services or damage his interests.

- 12- Marks for some goods or services whose registration may reduce the value of the goods or services that distinguished by the previous mark.
- 13- Marks which are copies, imitation or translation of a famous trademark or part thereof which is owned by others, to be used to distinguish goods or services identical or similar to those distinguished by the famous mark.
- 14- Marks which are copies, imitation or translation of a famous trademark or an essential part thereof owned by others, to be used to distinguish goods or services not identical or similar to those distinguished by the famous mark, if such use indicates a relation between such goods or services and the famous mark and could likely damage the interests of the famous mark owner.
- 15- Marks which contain the following phrases or expressions:

  privilege "Franchise", registered "Registered Design" or copyrights or similar phrases and expressions.

### Article (4):

- The registration of a famous trademark would not be permitted beyond its country in which it registered to other countries regarding an identical or similar goods or services unless requested or expressly agreed to by the famous trademark owner.
- 2. The fame of the mark shall be determined the extent of its well-known status among the public as a result of its promotion, the period of the registration or use thereof, the number of countries that have registered or has well-known status there or the value of the mark and the extent of its impact in the promotion of goods or services for which the mark is used to distinguish.
- 3. Famous trademarks may not be registered to distinguish goods or services not identical or similar to those which were distinguished by such marks if:
- A. The use of the trademark indicates a relation between the goods or services required to be distinguished and the goods or services of the owner of the famous mark.
- B. The use of the mark could damage the interests of the owner of the famous mark.

# Article (5):

The following categories may have the right to register their respective trademarks:-

1- Any natural or legal person who is a national of any Gulf Cooperation Council (GCC) countries, an owner of a factory or a product or trader or craftsman or owner of a project of services.

- 2- Foreigners who are residing in any of the Gulf Cooperation Council (GCC) countries and who are licensed to do any activities relating to trade, industry, crafts or service.
- 3- Foreigners who are belonging to a member country of multilateral international agreement that a country of the Gulf Cooperation Council (GCC) countries is a party, or who are residing in that state.
- 4- Public benefits.

#### Article (6):

- 1. A register entitled Trademarks Register would be established at the Competent Authority, wherein all trademarks, names and addresses of owners, as well as descriptions of goods or services shall be written, also record any amendments that may occur on the marks, such as the ownership, assignment or license to use, lien, renewal or cancellation or any other amendments. All concerned parties have the right to review the register and to take a certified extract from.
- 2. Trademarks Register existing at the time of application of the provisions in this Law (Regulation) shall be merged into the Register set forth in the preceding item and shall be an integral part thereof.

#### Article (7):

- 1. Any person who registers a trademark in good faith acquires ownership therein. No dispute of a trademark shall be considered if the registration of the trademark combined with using it for at least five years without the presence of a legal dispute thereon.
- 2. A person who claims prior use of a registered mark may request to a specialist court for the cancellation of this registration within five years from the date of registration, unless the registered owner obtains express or implied permission to use the mark by the person who registered to its name.

#### Article (8):

An application for registration of the mark must be submitted by the owner or his delegate to the Competent Authority on the form prepared for this purpose in accordance with the conditions prescribed by the Executive Regulation in this Law (Regulation).

#### Article (9):

- 1. The trademark may be registered for one or more categories of goods or services as determined by the Executive Regulation for this Law (Regulation).
- Goods or services would not be considered as similar to each other just for being listed in the same category, and these goods or services shall not be considered as different from each other just for being listed in different categories of the same classification.

# Article (10):

If two or more persons request simultaneously for registration of the same mark, or of identical or similar marks for one category of products or services, all such requests shall be suspended until a waiver signed by the disputing parties and certified by the Competent Authority is submitted in favor of one applicant, or until a final ruling in the dispute is issued.

#### **Article (11):**

If an applicant or his assignee seeks to benefit from the right of prior use based on a previous application made in a member country of multilateral international convention that a country of the Gulf Cooperation Council (GCC) countries is a party, he shall enclose with his application a copy of the previous application and an acknowledgement indicating the date, number and country of the previous application within six months from the date of application for registration upon which he applies for the right of prior use. Otherwise, failure to comply with this provision shall result in forfeiture of his claim.

#### Article (12):

- 1- The Competent Authority may impose what it sees necessary of restrictions or modifications to identify the trademark in such a way as to prevent confusion with previously registered or deposited marks, or for any other reason at its discretion.
- 2- If the applicant does not respond to the Competent Authority within ninety days from the date of notification, he shall be deemed to have waived his application.
- 3- If the Competent Authority declines registration of the trademark for any reason at its discretion, or suspend the registration on restrictions or modifications, it must notify the applicant or his delegate in writing for its reasons of decision herein.
- 4- In all cases, the Competent Authority shall decide on an application of registration within ninety days from the date of its submission, provided that it satisfies the conditions prescribed by this Law (Regulation) and its Executive Regulation.

# Article (13):

- 1. The applicant of the registration or his delegate may appeal the dismissal of the registration by the Competent Authority, provided that such appeal is submitted before a committee designated by the Executive Regulation of this Law (Regulation) within sixty days from the date of notification of the decision. He may contest the decision of the committee before a specialist court within sixty days of the date of notification of the decision.
- 2. If the applicant of the registration does not comply the issued decision by refusing or suspending the registration with the aforesaid period, he shall be deemed to have waived his application.

# <u>Article (14):</u>

- 1- If the Competent Authority accepts the trademark, it shall advertise it before registration by publication method that specified by the Executive Regulation of this Law (Regulation) and the applicant of the registration shall bear the costs of the advertising.
- 2- All concerned parties may submit a written opposition against registration of the mark within sixty days from the date of the publication. The Competent Authority shall provide the applicant of the registration with a copy of the opposition within thirty days from the date of its submission. The applicant of the registration shall provide the Competent Authority with a written reply to the opposition within sixty days from the date of notification of the opposition. Otherwise, Failure to reply will be deemed a waiver of his application of the registration.

#### Article (15):

- 1- The Competent Authority shall hear oral arguments from the objector and the applicant or from one of them, if necessary, before ruling on an opposition.
- 2- The Competent Authority shall issue a decree either accepting or rejecting registration of the mark, in case of acceptance it may impose any restrictions it deems appropriate.
- 3- All concerned parties may appeal the decision of the Competent Authority in front of Specialist Court within thirty days after it is notified. The contest against the decision that issued to accept the registration of a trademark shall not suspend the registration procedures unless the specialist court decides otherwise.

#### Article (16):

If the specified period for objection has elapsed without submitting any objection regarding the acceptance of application for registration of the trademark, the Competent Authority shall register the trademark immediately after the elapsing of the period specified for objection.

#### **Article (17):**

- 1- If the mark is registered, it shall be effective from the date of submission of the application and shall be given to the mark owner just the registration has finished by providing a certificate including the following information:
  - A- Mark registration number.
  - B- Number and date of priority and a country wherein the application was submitted, if any.
  - C- Date of submission of application, date of registration of the mark and date which protection will be expired on.
  - D- Name, surname, domicile and nationality of the owner.
  - E- An identical copy of the mark.
  - F- Statement of goods or services which specified to the mark and indication of its categories.

2- The owner of the registered trademark shall have an exclusive right to use the mark and to prevent the other parties from using it or using any identical or similar sign if the other parties did not get the approval from him - including any geographical indication - in the context of trade to distinguish goods or services related to such goods or services for which the trademark was registered if this use would cause confusion to the public. This confusion is supposed to occur in case of the use of the same mark or a similar mark to distinguish goods or services similar to those for which the mark was registered.

## Article (18):

The owner of a mark which previously registered may apply to the Competent Authority at any time, a request to enter any additions or modifications to his mark, that do not substantially prejudice the identity of the mark, the Competent Authority shall decide on the application in accordance with applicable conditions and procedures for the original registration applications. Such decision may be subject to appeal and challenge in the same manners approved for decisions issued for these applications.

# **Article (19):**

The Competent Authority may add any previously omitted statement to the register, and may modify or delete any statement entered unduly or not identical to the truth.

Also, all concerned parties may contest any of these measures taken by the Competent Authority in a court of jurisdiction in related.

# **Chapter two: The duration of Trademark Protection**

#### Article (20):

- 1- The duration of protection consequent to registration of the trademark is ten years. If the owner of the right wishes to continue this protection for similar durations, he shall submit an application for renewal during the last year, in accordance with the conditions stipulated in this Law (Regulation) and its Executive Regulation.
- 2- Trademark owner shall have the right to renew the registration of the registered mark during the six months following the expiration of the registration.
- 3- If a period of six months has elapsed after expiration of the registration and the owner of the mark has not applied for renewal thereof, the Competent Authority delete the mark from the register.
- 4. Renewal is done without any new inspection and shall be advertised in any publishing means prescribed by the Executive Regulation to this Law (Regulation) and without any opposition from third parties.

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# **Article (21):**

The marks placed on the goods displayed in the official international exhibitions or officially recognized which is held within the country shall be enjoyed a temporary protection during their presentation whenever satisfy the registration conditions set forth in this Law (Regulation), the Executive Regulation specifies the rules and procedures for granting such temporary protection.

**Chapter three: Cancellation of Trademark Registration** 

#### Article (22):

Without prejudice to the provisions of Article "7" of this Law, the Competent Authority as well as any concerned party may request court of jurisdiction to cancel an improperly registered trademark and the Competent Authority shall cancel the trademark as soon as a final ruling is issued thereon.

#### Article (23):

The owner of the trademark may apply to the Competent Authority to cancel the mark from the register of either all or only part of the goods or services associated with the mark, the application for cancellation shall be submitted in accordance with the terms and procedures specified by the Executive Regulation for this Law (Regulation). If the use of such mark is licensed under a contract entered into the register, cancellation of the mark shall not be made except with the written approval of the license holder, unless he expressly waives this right therein.

#### <u>Article (24):</u>

A competent court, upon a request by any interested party, may order cancellation of the mark from the register if it is proved that the mark has not been used actively for five consecutive years, unless the owner of the mark provides reasons for non-use.

#### Article (25):

If the mark is cancelled from the register, such mark shall not be re-registered in favor of the parties for the same or similar goods or services before the lapse of three years from the date of cancellation, unless a competent court has ordered the cancellation and prescribed a shorter period for re-registration of the mark.

#### Article (26):

Announcement of the cancellation of a mark from the register in any publishing means shall be in accordance with the Executive Regulation for this Law (Regulation).

# Chapter four: The Transfer of Ownership of the mark, mortgage and seizure

## **Article (27):**

- 1- The ownership of a trademark may, in whole or part thereof, with or without consideration, be transferred, lien or execution to the business or project of exploitation whose goods or services are offered under the trademark, unless otherwise provided for.
- 3. Ownership of a trademark may be transferred by succession, will or grant.
- 4- In all cases, the transfer of ownership, mortgage or seizure of the mark would not be deemed proper until it has been recorded in the trademarks register and announced according to the Executive Regulation of this Law (Regulation).

### Article (28):

- 1- Transfer of ownership of a business or project of exploitation shall include the trademarks registered under the name of the transferor of ownership which shall be deemed to be closely associated with the business or project, unless otherwise provided for.
- 2- Where ownership of a business or project with registered marks has been transferred without transfer of the marks, the transferee may continue manufacturing the same goods or rendering the same services under which the mark is registered, or otherwise trading therein, unless otherwise agreed.

# **Section three**

# **Licensing Contracts**

#### Article (29):

The owner of a trademark may license the use thereof to any natural or legal person for all or part of the registered goods or services. The owner of the mark shall have the right to license to other persons to use the same mark, also he the right to use the same for his own purposes, unless otherwise agreed. The term of the license shall not exceed the decided duration of protection the trademark.

#### Article (30):

No restrictions shall be imposed on the licensee of a mark other than those arising from the registration or nor necessary to maintain these rights.

However, the license contract may contain the following restrictions:

- 1- Determination of the territory and term for the use of the mark.
- 2- Conditions governing the effective control over the quality of the goods or services.
- 3- Commitments imposed on the licensee to refrain from all acts detrimental to the trademark.

## Article (31):

The license contract for using the trademark shall not be valid unless it is written, but recording it in the register shall not be required. In case of the trademark recorded in the register, the Executive Regulation shall specify the manner of recording and advertising thereof.

#### **Article (32):**

The licensee shall not assign or grant sub-license licenses out, unless otherwise agreed.

### Article (33):

The recording of the license contract shall be cancelled from the register, upon the request of the trademark owner or the licensee following submittal of evidence proving the expiration or termination of license contract.

The recording shall not be cancelled unless the Competent Authority notifies the other party of the application for cancellation, in which case he shall be entitled to oppose it in accordance with the procedures stipulated in the Executive Regulation.

#### Section four

Collective marks, Control marks, Public interest organizations and Professional institutions marks

# **Article (34):**

 A collective marks may be used to distinguish goods or services of institutions belonging to members in a certain entity of legal personality may be registered.

The registration application for collective mark may be submitted by the members of such entity in accordance with specified conditions and terms, provided that approval thereof is obtained from the Competent Authority.

- 2. The applicant for registration of collective marks shall state that such registration belongs to a collective marks, provided that such application encloses a copy of the conditions related to the use of the mark being registered.
  - In all cases, the owner of the registered collective mark shall notify the Competent Authority of any changes in such conditions, and such changes shall not be effective until approved by the Competent Authority.
- 3. in case of the collective mark is cancelled, it shall not be re-registered in favor of the parties for identical or similar goods or services.
- 4. A concerned party may request a court of jurisdiction to cancel the registration of collective mark if it is established that the registered owner is using the collective mark alone, or he is using or permitting use thereof in violation of the conditions referred to in clause (2) of this Article, or is otherwise using it in such a way as to mislead or confuse the public about the origin of the goods or services or of the common description of the goods or services registered under the collective mark.

# Article (35):

- Legal persons who conduct inspections or control checks of the origin, components, method of manufacture, quality, identity and other related properties of goods or services may request the Competent Authority for registration of a mark as an indication that such inspections or control checks have been conducted.
  - In all cases, the mark shall not be registered or transferred without the approval by the Competent Authority.
- 2. The applicant for registration of a control mark shall state that such registration is related to a control or inspection mark and shall enclose a copy of the conditions related to the use of the trademarks requested to be registered.
  - In all cases, the owner of the registered mark shall notify the Competent Authority of any changes to such conditions, and such changes shall not be effective until approved by the Competent Authority.

#### Article (36):

Marks for non-commercial purposes, such as logos of public utilities or professional institutions used to distinguish correspondence or to serve as badges for their members, may be registered.

#### Article (37):

- 1. Signs which can be used in the context of trade as geographical indications may be considered as a certification mark or a collective mark.
- 2. The Executive Regulation specifies the conditions and rules for registration of marks as stipulated in Articles (34), (35), and (36) of this Law (Regulation), the

documents to be submitted for registration, and other regulatory matters relating thereto, the registration of such marks shall meet all effects that stipulated in this Law (Regulation).

#### Section five

# **Rights Enforcement**

#### Article (38):

1- The owner of the right, if he has justifiable reasons to make him believe that importing imitated or forged goods or goods bearing mark similar to his registered trademark in a way would cause confusion to the public could be possible, may submit a written application to the Competent Authority in customs release to stop customs release for these goods and to not allow to be traded.

The application shall be accompanied by evidence that is enough to convince the Competent Authority in customs release that there is infringement, as apparent, on the right of the applicant for the mark, and the application shall include sufficient information that could reasonably available to the applicant to enable the said Authority to identify such goods.

- 2- The Competent Authority in customs release must notify the applicant in writing of its decision on the application within seven days from the date of submission of the application, and such decision shall be effective, in the case of acceptance of the application, for a period of one year from the date of submission, or for the remaining period of trademark protection, whichever is earlier, unless the applicant requests shorter period.
- 3- The Competent Authority in customs release may assign the applicant to provide appropriate bail or its equivalent guarantee that is enough to protect the defendant and the Competent Authorities, and to prevent abuse of the right to request to stop the customs release.
- 4- Without prejudice to the provisions of the preceding items, the Competent Authority in customs release may, by self executing, without the need to file a complaint or an application by the owner or the parties, issue a decision to stop customs release for imported or transit goods (Transit) or goods prepared for export upon their arrival to the customs zone under its jurisdiction, if there is sufficient evidences - as apparent -

prove that these goods are imitated or improperly bearing a mark similar to a registered trademark, in a manner could cause a confusion to the public.

- 5- If the Competent Authority in customs release has decided, pursuant to the provisions of this Article, to stop the release of goods which are reached to the customs zone under its jurisdiction, it must do the following:
  - A- Notifying goods importer and the owner of the decision issued to stop the customs release immediately after its issue.
  - B- Notifying the owner, upon written request from him, of the names and addresses of the sender and importer of goods and the recipient and quantities.
  - C- Allowing the concerned person to inspect the goods according to the customs procedures followed in this matter.

The owner of the right may file a claim on the origin of the dispute before the Competent Court and inform this to the Competent Authority in customs release within a period not exceeding ten working days from the date of notification of the decision to stop the customs release for these goods, otherwise the decision may be deemed as of no effect, unless such Authority or the Competent Court extended this period in cases it estimates for a period not exceeding more ten days, and if the claim is already filed on the origin of the dispute, the court may support, modify or cancel the issue.

- 6- With the exception of cases estimated by the court, if the court proved that the goods on which decided to stop the customs release are imitated or forged or improperly bearing a trademark similar to the registered trademark, in a manner could cause a confusion to the public, such goods shall be destroyed at the expense of the importer, or disposed out of the commercial channels if such destruction may cause unacceptable harm to public health or the environment.
- 7- Goods, In all cases, shall not be released to commercial channels or permitted to reexport just by removing the trademark that placed illegally.
- 8- The Minister of Finance, after coordination with the competent Minister, have to issue a decision specifying the data, conditions, controls and procedures for submitting an application to stop the customs release and to decide in it, and what shall be attached to this application of documents. Specifying such data shall not lead to refrain from request to take the procedure referred to above.

For the purposes of this Article, (Imitated Goods) means goods - including casings - bearing without authorization a mark similar to a registered trademark for such goods or a mark cannot be distinguished in terms of the fundamental elements from a registered trademark.

# Article (39):

The provisions of Article (38) of this Law (Regulation) would not apply to:

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

# Article (40):

- 1- In case of infringement, or to prevent an imminent infringement, on any of the rights prescribed under the provisions of this Law (Regulation), the owner may obtain an order on a petition from the Competent Court on the origin of the dispute to take measure or more of appropriate precautionary measures, including the following:
  - A- 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.
  - B- Signing the execution on things, referred to in the preceding paragraph, and revenues resulting from the alleged infringement.
  - C- Preventing goods that subject of the alleged infringement from entering into the commercial channels and preventing export thereof, including imported goods immediately after customs release them.
  - D- Stopping or preventing occurring infringement.
- 2- The court may assign the petitioner to submit what he has of evidences that likely the occurrence of an infringement or an imminent infringement may occur on the right, and may assign him to provide sufficient information to enable the Competent Authority to implement the precautionary measure of identification of the goods concerned.

- 3. The court would decide on the petition within a period not exceeding ten days from the date of submission, with the exception of exceptional cases estimated by it.
- 4. The court may issue the order when required, at the request of the petitioner, without calling the other party, if delay in issuing the order may cause the irreparable harm to plaintiff, or there is a fear of the demise or destruction of evidence, in this case the other party would be notified of the matter without delay immediately after its issuance, and when necessary, the other party may be notified after implementing the order directly.
- 5. If the court ordered to take precautionary measure without calling the other party, the defendant after being notified of the matter may appeal it before the Competent Court within twenty days from the date of notification, and the court in this case have the right to support, modify or cancel it.
- 6. The court might 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 that leads unreasonably to refrain from request to take precautionary measures indicated to.
- 7. the owner of the right have to file a claim on the origin of the dispute within twenty days from the date of issuance of the order to take the precautionary measures, or from the date of notification of the rejection of the appeal provided for in clause (5) of this Article, as the circumstances may be, unless this order shall be cancelled at the request of the defendant.

#### Article (41):

1- The owner, if he affected directly by infringement on any of his rights under the provisions of this Law (Regulation), may file a claim before the Competent Court requesting a judgment for adequate compensation to redress the damage affected him as a result of the infringement, including profits earned by the defendant.

The court determines the compensation so as it deems redressing the damage, to be considered by the court the value of a good or service - that is subject of infringement - in accordance with what is determined by the plaintiff on the retail price or any other licit criterion required to apply or by experience.

2- The owner of the right, instead of a compensation claim redressing the damage including profits earned by the infringer in accordance with the provisions of the preceding paragraph, may request at any time and before the deciding on the claim to judge in his favor an adequate compensation if it is proved that the infringement was

by using the trademark in the intention a limitation of commodity or was in any other manner.

- 3- The Competent Court when considering the claims relating to the rights prescribed under the provisions of this Law (Regulation) would order the following:
  - A- Seizing goods which are suspected to be involving an infringement, and seizing any materials or tools related thereto, and any documentary evidence relating to the infringement.
  - B- Obligating the infringer to stop the infringement, including preventing the export of goods that involve the infringement of any of the rights prescribed under the provisions of this Law (Regulation) and preventing the entry of imported thereof into the commercial channels after customs release immediately.
  - C- Obligating the infringer to submit to the Competent Court or to the owner what he has information on all those persons or entities that are contributed in any aspect of the infringement, and on the methods of production and distribution channels of such goods or services, including the identity of all those who participated in the production or distribution of goods or services and determining his own distribution channels.
- 4- The Competent Court, at the request of the owner, may order to destroy goods which proves that they are imitated, except in exceptional cases, without compensation of any kind to the defendant, and it may order without delay to destroy the materials and tools used in the manufacture or production of imitated goods without compensation of any kind to the defendant, and the court in exceptional cases that it estimates, may order to depose such goods outside the commercial channels so as to prevent the possibility of other infringements.

It may, instead of destroying the goods, materials and tools used in the manufacture or production of imitated goods, order to dispose them outside the commercial channels, unless if the destruction of goods results in unacceptable harm to public health or environment.

5- Removal of trademark that placed improperly on the imitated goods may not be considered as a good reason to release them to the commercial channels.

6- The Competent Court estimates the costs and fees for who are assigned of experts and specialists to conduct task for the claim, in a manner commensurate with the size and nature of the task assigned thereto, and without precluding in unreasonable way to not use such measures

#### Section six

#### **Sanctions**

# Article (42):

- A. 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 a fine not less than five thousand Saudi Riyal and not exceeding one million Saudi Riyal or the equivalent in other Gulf Cooperation Council (GCC) currencies; or both, shall be imposed on any person convicted of the following offences:-
  - 1- Misrepresenting or imitating a registered mark in accordance of this Law (Regulation) so as to mislead or confuse the public, or using in bad faith any misrepresented or imitated mark.
  - 2- Identifying his goods or services in bad faith with a mark owned by others.
- B. Without prejudice to any greater penalty stipulated by another Law, a sentence of imprisonment for a period not less than one month and not exceeding one year and a fine not less than one thousand Saudi Riyal and not exceeding one hundred thousand Saudi Riyal or the equivalent in other Gulf Cooperation Council (GCC) currencies, or both, shall be imposed on any person convicted of the following 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 this mark.
  - 2- Uses a non-registered mark in cases provided for in clauses (from "2" to "11") of Article (3).
  - 3- Unlawfully inscribes upon his mark, papers or commercial documents anything that might lead to the belief that he has obtained registration of the mark.
  - 4- Deliberately and in bad faith fails to indicate his registered trademark on goods or services which distinguished them.
  - 5- Knowingly possesses tools or material intended to be used in the imitation or fraud of registered or famous trademarks.

# Article (43):

Where a person repeats the commission of an offence a sentence of double the maximum decided therein shall be imposed, in addition to closure of the business or project for a period of not less than fifteen days and not more than six months with publishing the judgment at the expense of the accused in accordance with procedures specified in the Executive Regulation.

An offence described in this Law (Regulation) would be considered repeated if it is committed by the accused within three years from the date on which the sentence for the previous offence was imposed.

#### Article (44):

Where an action of attachment is judicially determined to have been wrongfully brought, the defendant may apply to the court for an order for compensation as per actions stipulated in Article (40) in this Law (Regulation) provided that such application shall be made within ninety days from either the expiration of the period stipulated in the same Article if the plaintiff does not cancel his claim or from the date of a final judgment on a claim related to the trademark, in all cases the final guarantee shall not be released to the plaintiff until a final judgment in the claim has been issued or the time period for the filing of a claim has expired, unless the judgment provides for a settlement of the financail guarantee.

#### Section seven

# **Final Provisions**

# Article (45):

The employees concerned to implement the provisions of this Law (Regulation) and resolutions issued in implementation thereof, who are designated by a resolution in accordance with the procedures followed in each country of the Gulf Cooperation Council (GCC) countries, shall have the capacity of judicial enforcement officers, and they are entitled to access to areas where activities thereof are included within the provisions of this Law (Regulation) to seize violating cases.

The concerned Authorities shall provide the necessary facilities for these employees to perform their duties properly.

# Article (46):

The Competent Authority may establish an electronic system and an electronic database available to the public, including a database on the Internet, by submitting applications for the registration and renewal of trademarks registration and following up and complete the necessary procedures for the registration of the marks.

# **Article (47):**

The marks which are registered in accordance with the provisions of Laws, decisions and regulations in force prior to the effective date of the provisions of this Law (Regulation) shall be valid and these marks shall be accorded the protection set forth therein.

#### Article (48):

The provisions of this Law (Regulation) shall apply to registration applications for trademarks which have been pending and were submitted before the effective date of its provisions, provided that such applications shall be modified in accordance with the provisions of this Law (Regulation).

# Article (49):

(The provisions of this Law (Regulation) would not prejudice the controls and obligations stipulated in the bilateral and international conventions in the country).

# Article (50):

The Executive Regulation would determine the charges to be collected for actions made under this Law (Regulation) and its Executive Regulation.

#### Article (51):

The Committee of Commercial Cooperation has the right to interpret and to propose amendments this Law "Regulation".

#### Article (52):

The Committee of Commercial Cooperation shall issue the Executive Regulation for of this Law "Regulation".

# ジェトロ仮訳

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