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THE ACT NO. (23) FOR THE YEAR 2010 A.D. CONCERNING TRADE MARKS AND GEOGRAPHICAL INDICATORS

By the name of the People:

The President of the Republic:

- after perusal of the Constitution of the Yemen Republic.
- and the approval of the Parliament.

Do hereby issue the following Act:

CHAPTER ONE: THE TITLE AND THE DEFINITIONS

Article 1: This Act shall be cited (the Act Concerning the Trade Marks and the Geographical Indicators).

Article 2: For the purpose of the implementation of this Act, the hereunder specified words and expressions shall have the meanings assigned thereto unless the context requires otherwise:

Republic, *the*: The Republic of Yemen.

Minister, *the*: The Minister of Trade and Industry.

Ministry, *the*: The Ministry of Trade and Industry.

Regulations, *the*: The implementing regulations of this Act.

Competent Department, *the*: the administrative reference within the Ministry entrusted with the protection of intellectual property.

Registrar, *the*: The General-Director of the Competent Department.

Court, *the*: The competent commercial court.

Article 3: The trade mark is every distinctive shape perceivable by eye facility and consisting of names, words, letters, figures, signatures, drawings, signs, stamps, pictures, encryptions, unique formation of colours or collection of colours, or a combination of any of the aforesaid elements if the same is used or otherwise intended to be used in distinguishing goods or services of a commercial, industrial, agricultural, professional or service establishment.

CHAPTER TWO: THE TRADE MARKS

Section One

The Conditions and Procedures for the Registration of Trade Marks

Article 4: Nothing of the below mentioned may be registered as a trade mark or part of a trade mark:

- 1- a mark which wants a distinctive character.
- 2- a mark violating the public morals or breaching the public order.
- 3- a mark identical or similar to religious symbols.
- 4- a mark which consists of signs or data derived from the nature or function of the goods or services, or otherwise consists of a common nomination for such goods or services.
- 5- a mark consisting of public logos and flags and other Republican emblems or emblems of other countries or regional and international organizations.
- 6- a mark containing a descriptive or promotional words or any other saying suggesting that the goods and services concerned with the application of such mark enjoy a special feature or features.

- 7- Name or image of a person, unless such person approves in advance the use of the same as a trade mark.
- 8- a mark containing a false business name.
- 9- a mark identical or similar to a famous business name, or be a translation for the same.

Article 5: A trade mark must be substantively distinctive of other marks and the following may not be registered as a trade mark:

- 1- a mark identical or similar to a previously registered, or otherwise recorded in the trade mark registry, mark in respect of the same goods or services, or in respect of goods or services closely related thereto, or otherwise similar thereto, in a manner likely to cause a misleading or confusion.
- 2- a mark identical or similar to an unregistered mark used by others in the Republic in respect of similar goods or services in a manner likely to cause a misleading or confusion.

Article 6: Any mark identical or similar to, or otherwise be a translation for, a famous trade mark in the Republic may not be registered for similar goods or services even if such famous trade mark is unregistered in the Republic. The same principle shall apply to famous marks registered in the Republic for un-identical or similar goods or services – to such goods or services concerned with the application of the mark – as long as such registration will lead the public to draw a connection between the goods or services of the mark and the famous trade mark, or as long as the use of such mark in this sense may cause damage to the owner of the famous mark. For determining whether a certain mark is a famous trade mark or not, its popularity for the related customers, including its popularity in the Republic due to marketing and promotion, shall be taken into the consideration.

Article 7: The person in whose name a trade mark is registered shall be considered the owner of such trade mark as long as such trade mark is used by such person for a period of five years following the registration, unless a seniority of use is proven to be to another person. Person of seniority in the use of the trade mark may challenge the validity of the registration of the trade mark without any time limitation as long as the registration is proven to be made in bad faith.

Article 8: The application for the registration of trade mark shall be submitted in writing to the Registrar. The Regulations shall specify the information which should be mentioned in the application, the manner of the recordal of the application within the Competent Department and the rules, procedures and deadlines to be followed for the examination and for rendering a decision in respect of such application.

Article 9: The Registrar shall make decision in respect of the filed trade mark application in terms of acceptance, refusal or conditional acceptance on the amendment of the trade mark concerned with the application in order to clarify the same and to avoid being confused with another trade mark enjoying protection under this Act.

Article 10: If the Registrar decides to refuse the trade mark application or decides to accept the same on the condition of amending the mark, such decision shall be duly grounded and reasoned, and the Competent Department shall duly serve such decision to the applicant.

Article 11: If the applicant failed to make the required amendment in respect of the trade mark concerned with Article (9) hereof or otherwise failed challenging such decision within thirty days from the date of its notification of the same, the applicant shall then be considered as abandoned its trade mark registration application.

Article 12: The applicant is entitled to challenge the decision of the Registrar referred to in Article 9 hereof within thirty days from the date of its notification of such decision. Challenges shall be submitted to a committee set-up by the Minister for this purpose. Rules and procedures to be

followed before the challenging committee shall be fixed by the Regulations. Decisions of the challenge committee may be appealed to the Court by the applicant within thirty days from the date of its notification of the decision of the committee.

Article 13: In the event the trade mark registration application is accepted, the Competent Department shall cause the same to be published to the public via a widely-spread media decided by the Regulations.

Article 14: Every interested person may submit a written opposition against the registration of a published trade mark application. The opposition application shall contain the grounds of opposition and shall be submitted within ninety days of the date of the publishing referred to in Article 13 hereof. The Concerned Department must serve the applicant with copy of the opposition and the applicant must submit a written reply against the opposition within thirty days of its notification of the opposition, subject to considering the applicant as abandoned its application.

Article 15: The Registrar shall issue, in respect of the trade mark opposition, in the time thus specified, a grounded decision whether such decision be an acceptance or denial of the opposition.

Article 16: The applicant or the opponent may appeal against the Registrar's decision referred to in Article 15 hereof to the Court within thirty day-period running from the date of their notification of the Registrar's decision. The appeal submitted against a decision denying an opposition submitted against a certain trade mark application may not suspend the registration processes unless the Court rules otherwise.

Article 17: The Applicant shall be given a twelve-month period running from the date in which the time fixed for the opposition referred to in Article 14 hereof lapses without submittal of any opposition, or otherwise running from the date of issuance of a decision in respect of the submitted opposition, in order to proceed in the finalization of the procedures of registration of the mark, subject to considering the applicant as abandoned its application.

Article 18: The Competent Department shall organize and keep a special registry called (Trade Mark Registry) for recording therein all information related to the trade marks and every change, assignment, mortgage, license, renewal, cancellation, and related to any other action stated in this Act taken, in respect of the trade marks.

Article 19: The effectiveness of the mark registration shall be from the date in which the filing fee is paid. The owner of the trade mark shall be given a registration certificate containing the information required by the Regulations. The registration certificate shall be announced to the public via the same manner stated in Article 13 hereof.

Article 20: Provided compliance with the procedures specified in the Regulations, the owner of the registered trade mark must submit for recordal at the Competent Department every change in its name, nationality or address.

Article 21: Every interested person shall be entitled to be provided with a reproduction for the information and records of the Trade Mark Registry, provided the specified fees are first paid.

Section Two
The Effects of the Registration

Article 22: The trade mark registration shall necessitate the following:

- 1- protecting the trade mark for a period of ten years running from the date of payment of the filing fee, renewable for similar term(s) at the option of the owner.
- 2- the right to use the registered trade mark by his owner, who shall enjoy the exclusive right to ban others not having its consent from the commercial use of an identical or similar mark on identical or similar goods or services, to the goods/services registered for his trade mark, if such use is likely to cause confusion or misleading to the public.

Article 23: The trade mark owner's right to ban others from the importation, use, sale or distribution of the products using the trade mark shall be exhausted if the owner rendered such products in any country or authorize others to do so.

Section Three
The Renewal

Article 24:

- a- The Department shall, within the tenth year of the protection term, notify the owner of the mark with the fixed renewal date of the concerned mark. Notification shall be made via the mean stated in Article (13) hereof. The owner of the registered trade mark shall approach the Registrar for the renewal of the mark within one year from the date of the expiry of protection subject to payment of the renewal due fee, otherwise the Competent Department shall, as a result, cancel the registration of the mark in the Registry.
- b- The renewal of the mark, or its cancellation as the case may be, shall be published via the mean referred to in Article (13) hereof.

Section Four
The Transfer of Title, Mortgage and Licensing

Article 25:

- a- Ownership of registered trade marks may be transferred, or otherwise mortgaged with our without the concern or the establishment using the mark for its goods or services, in accordance with the standards and procedures specified by the Regulations, provided the same does not result in a misleading or confusion for the public as to the nature of the goods or services or the source thereof.
- b- If the ownership of the concern or the establishment is transferred without transference of the mark, the owner of the mark will then be entitled to use the same on the goods or services registered for the mark, unless the parties concerned with the transfer agree otherwise.
- c- Contract for transference of the ownership of the mark shall be written and legalized upto the competent public authority.
- d- A contract concerning transference of ownership of a trade mark, or otherwise placing the same under a mortgage, shall enjoy no effectiveness or legal value against third parties unless upon recording the same in the Registry and publishing the same for the public via the manner specified in the Regulations.

Article 26:

- a- The trade mark owner may license others to use the trade mark in respect of all or some of the goods or services the mark is registered for, and may, at the same time, use the mark by itself unless the parties agree otherwise. The license term may not exceed the time specified for protection of the licensed mark.
- b- The license contract shall be expressed in writing and shall also be legalized upto the Competent Department.
- c- The licensee may not assign the license, or otherwise sub-license the same, to others if the license contract does not expressly give the licensee such authority.

Article 27: The trade mark use license contracts shall include the following:

- 1- A determination for the geographical area for marketing the goods or services using the mark.
- 2- The time fixed for the license.
- 3- An obligation on the part of the licensee not to dilute the reputation of the goods or services marketed under the mark.
- 4- The necessary terms enabling the owner the right to oversee the quality of the products marketed under the mark subjected to the license, but without involvement in the management or operation.
- 5- The agreed terms on the licensee's abstention from any action that may cause damage to the mark.

Article 28: The owner of the trade mark or the licensee may approach the Competent Department for the recordal of the trade mark use license. The license shall not enjoy any effectiveness toward third parties unless upon the recordal of the same in the Registry and publishing the same via the manner to be specified in the Regulations.

Article 29:

- a- The trade mark owner, or the licensee, may approach the Competent Department for the cancellation of the license records in the Registry provided submitting along with his request what duly shows that the license is terminated or revoked.
- b- The Competent Department shall, before executing the license-record cancellation, notify the other party with the submitted license-record cancellation request. The notified party shall be entitled to object the cancellation request. The Regulations shall specify the conditions and the procedures of the cancellation of the license record.
- c- The license-record cancellation shall be published to the public in accordance with the manner to be specified in the Regulations.

Section Five

The Cancellation and the Nullification

Article 30:

- a- The owner of registered trade mark may ask the Registrar to cancel the registration record of the mark in the registry whether in respect of all or some of the goods or services the mark is registered for. The cancellation application shall be submitted in accordance with the conditions and procedures to be specified in the regulations.

- b- Every interested person may ask the Court to declare the nullification of the registration of a trade mark if the registration of the same was made in breach to the provisions of this Act and the Regulations. The Competent Department shall, upon receiving a final executable nullification award, make the required cancellation.
- c- Every interested person may request the Court to order the cancellation of a registered mark due to the none-use of the same by the owner for at least five consecutive years. The Court may accept such request unless the owner gives a justification for the none-use.

Article 31: If the registration of the trade mark is cancelled due to the nonrenewal of the mark's registration, the mark in question may not be registered for others in respect of the same or similar goods or services unless after the passage of three years of the cancellation date.

CHAPTER THREE: THE GEOGRAPHICAL INDICATORS

Article 32: Geographical indicators are the indicators which show the origin of a certain product, being within a certain spot or area in the Republic, in a member state of any international treaty for intellectual property signed by the Republic, or in a country extending reciprocal treatment to the Republic, as long as the type or the characteristic(s) having the ability to affect such product's volume of sale is/are basically attached to its geographical origin. As a condition for extending protection for an indicator, the indicator shall first be eligible for protection in the country or origin.

Article 33: A person acting in a location of a special fame in respect of certain products is not allowed to place on the products he trades in any geographical indicators misleading the public to believe that such products were originated in the said special-fame location.

Article 34: It is prohibited to refer to certain products or offer the same in a manner misleading the public as to the incorrect geographical origin of such products.

Article 35: The producer of a certain product within a territory enjoying special fame in respect of such products may not place, on similar products which he produces in different territories, what indicates that such similar products were made in the territory first mentioned.

Article 36: Some products may be given geographical names if such names are commonly in use in the current trade as reference to the type of products not to their geographical origin.

Article 37: It is a condition for registering a trade mark containing a geographical indicator that the production of the related goods be, on continuous basis and with the knowledge of the applicant, in such special-fame geographical territory.

Article 38: A trade mark containing a geographical indicator may not be registered if the use of the same is likely to cause confusion to the customers as to the origin of the related product.

Article 39: A trade mark containing a geographical indicator may be registered if the right to use such mark was acquired due to the use of the same in good faith before this Act enters into the effect, or before the protection is given to the related geographical indicator in the country of its origin.

Article 40: Every interested person may ask the Court to prohibit the use of any geographical indicator included in a registered trade mark if such use is likely to confuse the public as to the origin of the related product.

CHAPTER FOUR: THE PROVISIONAL MEASUREMENTS

Article 41:

- a- The trade mark owner may at any time, even before instituting any lawsuit before the Court, ask the Court for issuance of, subject to submittal of a petition and an official certificate certifying the registration of the mark in question, an injunction for necessary precautionary measures, including – in particular – the following:
 - 1- making inventory and full description for the varied machines and instruments being used, or previously used, in connection with any violation stated in this Act, and for the goods or services, establishment names, packs or labels used in connection with any violation stated in this Act, in addition to any other object on which the infringing mark is placed.
 - 2- place the items stated in the preceding provision (a).1 under attachment. However, no attachment shall be made unless the party asking for the attachment submits a financial security to the Court in the amount specified by the Court as initial compensation for the owner of the items (when necessary). It is possible, after affecting the attachment, to dispute - according to the rules of the related laws in force - the sufficiency of the financial guarantee submitted by the party asking for the attachment.
- b- The Court attachment injunction may include seconding one expert or more in order to assist the attachment-enforcement officer in making the precautionary measures properly.

Article 42: The precautionary measures stated in Article 41 hereof shall be considered as non-existent if not followed, within eight days from the time of attachment, with instituting of a lawsuit against the person against whom such precautions are made.

Article 43: The person subjected to attachment may institute a compensation claim before the Court against the person making the attachment within ninety days running from the time in which the deadline stated in Article 42 hereof is lapsed without the required lawsuit is instituted by the person making the attachment against the person the properties of whom is subjected to attachment, or otherwise from the time in which the Court award in respect of the lawsuit instituted by the person asking for the attachment becomes final; and in both cases, the financial security may not be returned to the person making the attachment unless after rendering the judgment of the compensation claim or the lapse of the time specified for instituting such claim without so instituted; all unless the judgment of the lawsuit instituted by the person making the attachment has addressed the question of the financial security.

Article 44:

- a- The owner of the registered trade mark may approach the Court, via submittal of a petition, for ordering the customs department not to release the imported or exported products which bear the counterfeited or forged marks. The Court may make the required order of product-release detention after the mark owner submits the following:
 - 1- sufficient evidences showing violation over its rights.
 - 2- full description for the violating goods.
 - 3- a financial security in the amount decided by the Court and found by it as sufficient to give protection to the rights of the defendant and to ban any possible abuse of rights by the petition maker.
- b- The Court must notify the person making the detention request and the defendant with its decision in respect of the product-release detention stated in provision (a) of this Article.

- c- The customs department may not release products placed under detention unless by the order of the Court making the detention decision in the first place, or by the passage of ten days of such first decision in respect of the products mentioned in provision (a) of this Article without the person favored by such decision institutes the required lawsuit. However, the Court may extend the detention order to further ten days if it deemed this necessary.
- d- The Court must allow the owner of the trade mark and the importer of the products to physically examine the products in the customs department for sake of the proof or the denial of the allegation necessitating the detention.
- e- The Court may order a sufficient compensation for the importer of the products subjected to detention in order to redeem any damages sustained as result of the undue detention of such products. Such compensation shall be paid from the financial security deposited at the Court. In case of surplus of money, the same shall be returned to the person who asked for the detention; in the event the security is lesser than the compensation ordered, such person must pay the difference.

Article 45:

- a- The Court may order any of the procedures stated in Article 44 hereof in a precautionary manner, and without so notifying the other party, in situations where the delay is likely to cause damage to the right-holder or is likely to result in loss of evidences establishing the infringement; however, the party against whom such procedures are made should be notified with the same immediately after implementing the detention order, who in this case may ask the Court for a hearing session for his defense and the Court may, in light of such hearing, amend or cancel the precautionary procedure taken.
- b- The Court may, whenever necessary, order the violator to disclose to the right-holder the names of the other persons, and the distribution channels, engaged in the production and distribution of the products bearing a counterfeited mark unless the same is deemed minor to the level of violation. The Competent Department may, whenever necessary and when a Court award is made in respect of the infringement, notify the right-holder with names and address of the consignor, importer, consignee and the volume of infringing products.

Article 46: Small volume of products carried as personal luggage by travellers or otherwise delivered via small mail parcels shall be exempted from the application of provisions of Articles 44 and 45 hereof as long as the same are intended for none commercial use.

CHAPTER FIVE: THE PENALTIES

Article 47: Without prejudice to any greater penalty decided by any other law in force, every person committing any of the below acts shall receive a penalty of imprisonment not exceeding two years and a fine not exceeding one million Riyal, or by one of the aforesaid two penalties:

- a- Committing a forgery or counterfeiting for a registered trade mark protectable under the provisions of this Act.
- b- Using in bad faith a forged or a counterfeited trade mark.
- c- Using in bad faith a trade mark owned by others.
- d- Rendering, offering or using services under a forged or a counterfeited trade mark.

- e- Knowingly selling, offering for sale, or possessing for purpose of sale, products bearing, or otherwise fixing without thus authorized, a forged or a counterfeited trade mark.

and in case of repetition any of the violations stated in this Article the penalty should be doubled and the establishment engaged in such activities shall be closed for a period not exceeding three months.

Article 48: Every person violating any provision in this Act shall receive a punishment not exceeding five hundred thousand Riyals fine.

Article 49: In line with the degree of violation, the Court may order against the violator one or more of the following complementary penalties:

- a- the confiscation of the attached products bearing a forged or a counterfeited trade mark, and the disposal of the same in a none commercial manner or even the destruction of the same when necessary.
- b- the destruction of the forged or the counterfeited trade marks.
- c- the confiscation of the machines and instruments used in the forgery or in the counterfeiting of the trade mark, and the disposal of the same in a none commercial manner or even the destruction of the same when necessary.
- d- banning the re-exportation of the products bearing a forged or a counterfeited trade mark without altering the condition of the trade mark used.
- e- publishing the award in one or more newspaper(s) on the account of the criminalized person.

Article 50: Every person aggrieved from any of the crimes stated in Articles (47) and (48) hereof may institute a lawsuit against the doer of such crimes for compensation against sustained damages.

CHAPTER SIX: GENERAL AND FINAL PROVISIONS

Article 51: Natural and juristic persons having the duty of overseeing and examining specific products or services in terms of their source, elements, method of manufacturing, quality, self-dependence, or any other characteristic, may approach the Minister for a license, granted by a mistrial decision and subject to safeguarding a public interest, to register a collective mark especially devoted to indicate occurrence of overseeing or examination. Ownership of such collective mark may not be transferred unless by attaining the approval of the Minster. The registration of the collective mark shall entail the all effects specified in this Act.

Article 52: A provisional protection shall be granted to trade marks used on goods shown in local or international exhibitions held in the Republic. Granting such provisional protection shall not result in exceeding the term of protection stated in Article (22) of this Act. The Regulations shall specify the conditions and procedures related to the grant of this type of protection.

Article 53: Every natural or juristic person, being Yemeni or of a foreign nationality, who has an actual activity place in the Republic, in any member state of any international treaty for intellectual property signed by the Republic or in a country extending reciprocal treatment to the Republic, shall be entitled to submit an application for registration of a trade mark in accordance with the provisions of this Act.

Article 54: A priority for the registration of a trade mark shall be given to the person submitting to the Competent Department an application for the registration of such trade mark within six months from the filing date of an application for the registration of the same trade mark at any competent reference in a member state in Paris Convention for Protection of Industrial Property, and in this case the registration date in the Republic shall be the filing date of such trade mark in the said state.

Article 55:

- a- The personnel of the Competent Department, thus nominated by the Minister and approved by a decision issued by the general prosecutor, shall enjoy the privilege of the law-enforcement officials.
- b- The law-enforcement officials referred to in provision (a) of this Article shall be entrusted with, during the duty time, the duties of accessing and searching in the stores and warehouses selling, distributing or involving in the production of products bearing counterfeited trade marks or geographical indicators. Such officials shall be entrusted with the duty of collecting documents showing violation to this Act, and in making administrative attachment, preservation and detention for the materials and means used in committing any of the violations stated in this Act. Such officials may ask the assistance of the police whenever they deem this necessary.
- c- The Competent Department and the officials mandated with the enforcement of the provisions of this Act are secured from being subjected to criminal procedures in respect of the acts committed by them in course of the enforcement of this Act if it is established to the satisfaction of the court that such acts were made in good faith.

Article 56: The Court shall be the competent court for hearing all lawsuits and disputes resulting from the implementation of the provisions of this Act.

Article 57: The Council of the Ministers shall determine by a decision proposed by the Minister the fee due against the services stated in this Act. Twenty percent of the imposed fees shall be appropriated as incitement allowances for the employees of the Competent Department and as technical support for the development and modernization of the work.

Article 58: The rules regulating the protection extended to the local geographical indicators shall be decided by the Council of Ministers, upon the proposal of the Minister, after coordination with the other concerned authorities.

Article 59: The Regulations of this Act shall be issued by a decision of the Prime Minister after the approval of the Council of Ministers.

Article 60: All terms related to the trade and the industrial marks mentioned in the Republican Order issued by the Act No. 19 for the year 1994 Concerning the Intellectual Rights, in addition to every other provision not in accordance with this Act, are hereby abolished.

Article (61): This Act shall be published in the Official Gazette and shall come into the effect three months from the date of its enactment.

**Enacted at the Republican Presidency in San'a
On 15/Thu-Alhija/1431 A.H.
Corresponding to 21/November/2010 A. D.**

ALI ABDULLAH SALEH

The President of the Republic