GCC Trademark Law in Saudi Arabia: three months on

Intellectual Property Update

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The new GCC Trademark Law and its Implementing Regulations were formally adopted in Saudi Arabia with effect from 29 September 2016. Three months on from its adoption, we are only just beginning to see the practical application of some of its provisions by the Saudi Trademarks Office.

We set out below some of the key points to be aware of at this time, both in terms of current practice and some of the other important changes compared with the former Saudi Trademark Law that was in place in Saudi Arabia since 2002.

### Changes to official fees

The Implementing Regulations of the GCC Trademark Law included a schedule of official fees in relation to the various types of filings, although it is stated that member states may impose different official fees in line with their own procedures. Indeed, up until now, some official fees in Saudi Arabia have remained the same, while others have changed in line with the fees specified in the Implementing Regulations. Examples include (amongst others) official fees for an application for trademark registration, and also renewal applications, which are shown in the table below.

<table>
<thead>
<tr>
<th>Official fees under the GCC Trademark Law (SAR)</th>
<th>Official fees in Saudi Arabia prior to the GCC Trademark Law (SAR)</th>
<th>Current official fees adopted by the Saudi Trademarks Office (SAR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application for a trademark</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Publication</td>
<td>1,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Registration and issuance of a certificate</td>
<td>5,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Total</td>
<td>7,000</td>
<td>7,000</td>
</tr>
</tbody>
</table>

**Renewal of a trademark**

<table>
<thead>
<tr>
<th>Official fees under the GCC Trademark Law (SAR)</th>
<th>Official fees in Saudi Arabia prior to the GCC Trademark Law (SAR)</th>
<th>Current official fees adopted by the Saudi Trademarks Office (SAR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application for renewal of a trademark (during the last year of the protection period)</td>
<td>5,500</td>
<td>5,500</td>
</tr>
<tr>
<td>Renewal publication</td>
<td>1,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Total</td>
<td>6,500</td>
<td>8,500</td>
</tr>
</tbody>
</table>

The net effect therefore to register a trademark in Saudi Arabia is that official fees have increased from SAR 7,000 to 9,000 (i.e. from US$ 1,867 to 2,400). Renewal fees in Saudi Arabia have up until now remained the same at SAR 8,500 (i.e. US$ 2,267), notwithstanding that the total fees for renewal under the GCC Trademark Law are lower.

There may be further changes to official fees moving forward, and it is therefore important to check the current official fees at the time of making any filings at the Saudi Trademarks Office.

### Oppositions

Under the GCC Trademark Law, the opposition period for concerned parties to submit an objection to the registration of a mark is 60 days from the date of publication, with oppositions to be heard by the Saudi Trademarks Office (although this can then be appealed to the Board of Grievances within stipulated timeframes). This is a change from the position under the former Saudi Trademark Law, which provided for an opposition period of 90 days, and with oppositions to be filed before the Board of Grievances. We are, in practice, now seeing the 60 day opposition period (under the GCC Trademark Law) being applied to trademark applications, but we understand that oppositions are still at this time being filed to the Board of Grievances.

### Unconventional marks

Under the GCC Trademark Law, the indicative list of registrable trademarks has been expanded to include unconventional trademarks such as sounds and smells. However, the reality is that the current Saudi Trademarks Office procedures may not yet be updated to accommodate such applications, and it will be interesting to see how these provisions are applied in practice.
Multi-class filings

The GCC Trademark Law suggests that multi-class filings may be possible, thereby introducing efficiencies in terms of costs and administration in not having to make multiple filings for the same mark in different classes. This would be a major shift in approach from the position under the former Saudi Trademark Law (and indeed across the GCC) which adopted a mono-class filing system. However, as of now, the current online filing system in Saudi Arabia still only permits mono-class filings.

General

In addition to the above, it is also worth noting that there are a number of other key changes under the GCC Trademark Law to the position that applied under the former Saudi Trademark Law, including (amongst others):

- Additional protection and clarity on the criteria for “well-known” or “famous” marks, including “essential parts” thereof
- Additional provisions for the cancellation of already registered marks
- Differing (but significant) penalties for trademark infringement

There is of course no system of precedent in Saudi Arabia, and officials/judges have a broad discretion when considering matters brought before them. With the GCC Trademark Law being a new law, and particularly where there are changes from the position under the former Saudi Trademark Law, it will be interesting to see how the Saudi Trademarks Office and the Saudi Courts (as the case may be) will apply its provisions, and whether further changes are afoot.

For more information, please feel free to contact the authors or your usual DLA Piper representative.

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1 We previously published an article on the GCC Trademark Law, and its impending adoption at national level across the six GCC countries.
2 Confirmation should be sought as to the current official fees at the time of filing.
3 The Saudi Trademarks Office appears to only have applied this updated official fee for registration and certificate issuance from December 2016 (rather than immediately following the adoption of the GCC Trademark Law).
4 Note that there is also a six month grace period to apply for renewal following expiry of a registered trademark’s protection period. A renewal application during this period requires payment of an additional delay fee of SAR 1,000.

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