

SAUDI ARABIA

Trade Marks Law

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Article 1

A <<Trade Mark>> according to the provisions of this Law shall cover names with distinct shapes, signatures, words, letters, numbers, drawings, symbols, stamps and prominent inscriptions or any other signs or combination thereof that are suitable to distinguish industrial, commercial, vocational or agricultural products, or projects to exploit forests or a natural wealth or to indicate that the item on which the mark is to be placed belongs to the owner of the mark on the grounds of manufacture, selection and invention thereof or trading therewith or to indicate the rendering of a certain service.

Article 2

The following shall not be considered as trade marks in accordance with provisions of this Law:

- 1) Signs devoid of distinction and which are considered as descriptions of products, properties or services or if they are merely ordinary names which are by custom given to the products or services.
- 2) Any expression, sign or drawing offensive to religious principles or identical or similar to symbols of a purely religious nature.
- 3) Every expression, sign or drawing in contravention of the principles of public order or public morality.
- 4) Public emblems, flags and other signs, names and epithets pertaining to the Kingdom (of Saudi Arabia) or to any of the countries with which it has reciprocal arrangements or pertaining to an international or governmental body, or any imitation of these emblems, flags, symbols, names and epithets.
- 5) Official signs and stamps of the Kingdom and the countries and bodies referred to in the previous paragraph and pertaining to their control over products and services or the guarantee thereof, unless a license is obtained from the competent authority.
- 6) Geographical names if their use causes a misunderstanding as to the source of the products or services or origin thereof, or their use would entail a monopoly of the source of the origin's name without any justification.
- 7) Pictures or names of individuals unless they or their heirs agree to this use.
- 8) Statements related to awards for excellence.
- 9) Statements that are bound to mislead the public or which contain falsehoods as to the origin or other descriptions of the products or services as well as marks containing a fictitious commercial name or an imitation

or forged name.

10) Marks identical to or similar to internationally known marks even if they are not registered in the Kingdom.

11) Marks owned by natural or juristic individuals or which belong to countries with whom dealings are prohibited in accordance with a resolution issued by the competent authority.

12) Signs identical or similar to marks already filed or registered by others regarding identical or similar products or services as well as signs whose registration for certain products or services would prejudice the value of products or services of others.

Chapter 1 Registration and Announcement of Trade Marks

Registration Procedures

Article 3

A register shall be set up at the competent department of the Ministry of Commerce to be called the <<Trade Marks Register>> wherein shall be recorded all registered trade marks or notices of assignment of ownership or transfer thereof or licenses to use, renew or delete trade marks as well as all the details provided for by the Rules for Implementation.

Article 4

The following individuals shall have the right to register trade marks:

- 1) Natural or juristic persons enjoying Saudi Nationality.
- 2) Foreigners who customarily reside in the Kingdom and are permitted to engage in any commercial or professional activities.
- 3) Foreigners who belong to a country that extends reciprocal treatment to the Kingdom.
- 4) Public organizations.

Article 5

A registration application for every mark meeting the conditions specified in Article 1 of this Law may be filed by the individual concerned if he is domiciled in the Kingdom, or by an official agent domiciled in the Kingdom, with the competent department of the Ministry of Commerce in accordance with the terms and conditions to be set out in the Rules for Implementation.

Article 6

An application to register a mark for one or more type of products or services may be filed and one or more applications may be made depending upon the number of items for which the registration is requested in accordance with the conditions, procedures and terms to be set out in the Rules for Implementation.

Article 7

One application may be filed to register a group of marks if they are identical in essential elements and if any difference between them does not fundamentally affect their essence such as the color of marks, or the details of products or services related thereto provided that these

products or services belong to the same category.

Article 8

If two persons or more simultaneously apply to register the same mark or similar marks for the same category of products or services, the registration applications shall be suspended until one of the applicants presents a written statement from the other duly endorsed by the authorities to the effect that he abandons his application, or until a final verdict from the Grievances Court as to the right of one of them to register the mark.

Article 9

If an applicant for registration of a trade mark desires to enjoy the right of priority on the strength of a previous application filed in another country which has a reciprocal arrangement with the Kingdom, he must submit with his application a statement wherein he mentions the date and number of the previous application and the name of the state wherein he filed the application. The applicant must also file a photocopy of the previous application duly endorsed by the competent authority in the country wherein it was lodged within six months from the date on which he files the registration application on account of which he claims the right of priority; otherwise this right will be forfeited.

Article 10

The competent department at the Ministry of Commerce may request the applicant to introduce any changes to the mark it deems necessary to distinguish it from other marks or to explain it in a way that precludes any confusion between it and any other mark already registered.

Article 11

The competent department at the Ministry of Commerce shall, within a period of thirty days after submission of an application, make a decision as to whether or not it meets the conditions and requirements provided in this Law and the Rules for Implementation.

Article 12

If the competent department decides that an application for registration does not comply with this Law and the Rules, it must notify the applicant by registered mail informing him that his application has been rejected and explaining the reasons for this rejection, or request him to meet certain conditions or to make certain specified modifications.

Article 13

If the applicant fails to respond to the competent department's request to meet the conditions or effect the modifications within ninety days after notification to this effect, his application shall be considered as rejected from the date on which this period lapses.

Article 14

The party concerned may file a complaint against the decision to reject his application within thirty days after notification has been served on him to this effect, or after the lapse of the time limit provided for in the previous article, before a committee which will be formed by a resolution of the Minister of Commerce.

If the committee rejects the complaint, the party concerned shall have the right to lodge a complaint with the Minister of Commerce within thirty days after notification thereof in accordance with the conditions and terms to be set out in Rules for Implementation.

Article 15

If registration of the mark is accepted, the competent department shall announce this registration in the manner and according to the procedures specified by the Rules for Implementation and the applicant shall bear the costs of the announcement.

Article 16

Interested parties may object to the acceptance of registration of a mark within ninety days after the date of announcement if such registration is contradictory to any provision of this Law or of the Rules for Implementation and could cause material or moral damage to the interests of such parties.

Article 17

The objection shall be submitted to the competent department at the Ministry of Commerce, which shall notify the applicant by registered post of the objection and its causes, and the applicant must reply in writing to the objection within the period specified by the Rules for Implementation, otherwise he shall be considered as foregoing his application.

Article 18

The committee provided for in Article 14 of this Law shall be competent to make decisions regarding objections in accordance with the procedures and principles to be set out in the Rules for Implementation.

Article 19

The party concerned may challenge any decision of the Minister of Commerce issued under Article 14 and any decision of the committee issued under the preceding Article by lodging an objection with the Grievances Court within thirty days after he is notified by registered post about any such decision.

Article 20

The competent department shall register the mark in the register provided for in Article 3 of this Law once the decision accepting the registration of the mark becomes final or when a ruling to this effect is given by the Grievances Court. The registration shall be effected in accordance with the procedures and conditions to be set out in the Rules for Implementation.

Article 21

On registration, the owner of the mark shall be given a certificate containing the details specified by the Rules for Implementation, and in particular:

- 1) The serial number for the mark's registration.
- 2) The date of filing the registration application and the dates of registration and priority, if any.
- 3) The commercial name or the name of the mark owner, his place of residence and nationality.
- 4) A photograph of the mark, and
- 5) Details of the products or services and their categories for which the mark was registered.

Article 22

The owner of the registered mark may request the competent department to introduce any additions or modifications thereto provided they do not materially affect the mark. Such a request shall be subject to all the conditions and procedures governing the original application for registration.

Article 23

Interested persons may view the register provided for in Article 3 of this Law and request statements or photocopies of records therein.

Chapter 2 Validity of a Mark's Registration

Article 24

A mark's registration shall become effective from the date on which the application for registration is filed. This date shall be fixed in accordance with the Rules for Implementation.

Article 25

A party who registers a mark shall be considered as its sole owner and such ownership shall not be contested if the party who has registered it uses it continuously for at least two years from the date of registration; unless a judgement is issued to the contrary.

The mark's owner shall have the right to prevent others from using it or using any other similar mark which might mislead the public as to the products or services for which the mark was registered as well as similar products or services.

Article 26

The rights of a party consequent on registration of a mark shall continue for ten years and for similar periods if applications are filed for renewal of its registration.

Renewal of Trade Marks

Article 27

A mark's owner may file an application for renewal of registration thereof during the last year of its protection period under the conditions and terms provided for in this Law and the Rules for Implementation. He may not apply to introduce any change to the mark or the list of the products or services covered by the mark; nevertheless, it is possible to delete products or services from such a list.

Article 28

A mark shall be renewed without a new examination and the renewal of registration shall be announced in accordance with procedures and conditions provided for in the Rules for Implementation.

Chapter 3 Deletion of a Mark's Registration

Article 29

The competent department or any interested party may request deletion of a mark's registration under the following conditions:

- 1) If the mark's owner does not use it seriously for a period of five years in succession, unless the owner presents a reasonable excuse to justify this.
- 2) If the mark was registered in contravention of the principles of public order and public morality.
- 3) If the mark was registered fraudulently or upon false information.

The Grievances Court shall be competent to decide on requests for deletions of registration.

Article 30

A mark's registration shall be deleted by force of this Law in the following two cases:

- 1) Marks whose registration have not been renewed in accordance with this Law and the Rules for Implementation.
- 2) Marks owned by natural or juristic foreigners in respect of whom a resolution has been issued banning dealings with them.

Article 31

If a mark is deleted, it may not be registered for the benefit of others for the same products or services or for similar products or services save after the lapse of three years from the date of deletion.

Article 32

Deletion of registration shall be announced in accordance with the procedures and conditions provided for in the Rules for Implementation. The deletion shall take effect from the date of the judgement of the Grievances Court, or from expiry of the protection period or from the date on which the banning order was issued.

Chapter 4 Ownership Transfer, Mortgage and Seizure of Trade Marks

Article 33

Ownership of a trade mark may be transferred to others by any action for ownership transfer provided it is in a written form and provided it is not intended to mislead the public especially as far as the nature, origin, qualities or performance of products or services are concerned.

Article 34

If ownership of the commercial premises or the investment project for which the mark is used to distinguish its products or services is transferred without transfer of the mark's ownership, the party to whom the mark continues to belong may continue to use it on products or services for which the mark was registered, unless otherwise agreed.

Article 35

Mortgage or seizure of a mark shall include the commercial premises or investment project whose products or services employ the mark to distinguish them.

The commercial premises or investment project may be mortgaged or seized without affecting the trade mark.

Article 36

A trade mark's transfer of ownership, mortgage or seizure shall have no effect as far as others are concerned save after announcement thereof and after it has been entered in the register provided for in Article 3 of this Law in accordance with the procedures and conditions set out in the Rules for Implementation.

Chapter 5 License Contracts

Article 37

A mark's owner may grant a license to natural or juristic individuals to use it for all or part of the products or services in respect of which it is registered. The mark's owner may permit other persons to use the same mark and he shall have the right to use it himself unless otherwise agreed and the period of the license may not exceed the protection period of the mark.

Article 38

License contracts may not impose on the beneficiary restrictions not inherent in the rights conferred by virtue of the mark's registration or unnecessary for safeguarding these rights.

The following conditions shall not be considered unlawful restrictions:

- 1) Specifying the scope and extent of the area or period of use of the mark.
- 2) Conditions to effectively control the quality of the products or services.
- 3) Obligations imposed on the licensee to abstain from all deeds which could result in abusing the use of the trade mark.

Article 39

The license contract shall be in writing and signatures, thumb prints or stamps of the two parties to the contract shall be officially endorsed in accordance with the provisions of the Rules for Implementation.

Article 40

The license contract must be recorded in the register provided for in Article 3 of this Law, and the license shall not take effect vis-a-vis third parties until it has been so recorded and until an announcement has been made in accordance with the procedures and conditions provided for in the Rules for Implementation.

Article 41

The licensee may not assign the license to others or sublet the license, unless otherwise agreed.

Article 42

The license registration shall be deleted from the register in accordance

with a request by the mark's owner or the licensee after presenting evidence to prove the expiry or termination of the license.

The competent department must notify the other party about the request to delete the license and in this case the latter shall have the right to object to this before the committee provided for in Article 14 of this Law in accordance with the procedures, terms and dates provided for in the Rules for Implementation. The verdict of the committee may be contested before the Grievances Court.

Chapter 6 Collective Marks

Article 43

The Minister of Commerce may permit the registration of a collective mark for natural or juristic individuals who supervise the control of specific products or services or inspection thereof as regards their origin, ingredients, methods of manufacture, or performance or description of any other properties.

Article 44

The Rules for Implementation shall define the conditions and circumstances for registration of collective marks and the documents that should be presented on registration.

Article 45

A collective mark which is not renewed may not be registered for the benefit of others in respect of identical or similar products or services.

Article 46

The provisions of this Law shall apply to collective marks unless inconsistent with their specific properties.

Fees

Article 47

The fees due under the provisions of this Law shall be defined in the following manner:

(A) SR. 1,000 (One Thousand) in respect of any of the following:

- 1) Application to register a trade mark for one category.
- 2) Application to register a collective trade mark for one category.
- 3) Request to examine a trade mark for one category.
- 4) Viewing the register for one trade mark in respect of one category.
- 5) Every photocopy taken from the records of the Register in respect of one trade mark for one category.
- 6) Application for transfer or assignment of ownership for one trade mark in respect of one category.
- 7) Application to license the use of a mark for one category as well as entering any mortgage in accordance with Articles 36 and 40 of this Law.
- 8) Every amendment or addition to a mark for one category in accordance with Article 22 of this Law.

9) Application to add or alter any statement for which no fee is specified in respect of a mark for one category.

(B) SR. 3,000 (Three Thousand) in respect of any of the following:

- 1) Application for temporary protection for a trade mark of one category.
- 2) Registration of a trade mark.
- 3) Renewal of registration of one trade mark for one category.
- 4) Renewal of registration of a collective trade mark for one category.

These fees may be amended by a Resolution of Council of Ministers.

Article 48

Applications and any other matters for which fees are due in accordance with the previous Article shall not be acceptable or effective save after payment of the established fees.

Crimes and Penalties

Article 49

Without prejudice to any more severe penalty, a sentence of not more than one year in jail and/or a fine not exceeding SR. 50,000/=(Fifty Thousand) shall be imposed upon:

(1) Anyone who forges a registered trade mark or imitates it in a way that misleads the public and anyone who intentionally uses a forged or an imitation trade mark.

(2) Anyone who intentionally uses a trade mark owned by some one else on his products or services.

(3) Anyone who knowingly offers or presents for sale or has sold, or possessed with the intention of selling products carrying a forged or imitation mark or a mark unlawfully attached or used as well as anyone who offers to render services making use of a mark in such circumstances.

Article 50

Without prejudice to any more severe punishment, imprisonment of not more than three months and/or a fine of not more than SR. 20,000/=(Twenty Thousand) shall be imposed upon:

(1) Anyone who has used an unregistered trade mark in cases provided for in Paragraphs 2, 3, 4 and 5 of Article 2.

(2) Anyone who unlawfully inscribes on his trade marks or papers anything stating or implying that they have been registered.

Article 51

A second or subsequent offence shall be penalized with a punishment not exceeding double the maximum penalty specified for the violation together with closure of the commercial premises or project for a period of not less than 15 (fifteen) days and not more than six months and publication of the verdict at the expense of the violator in accordance with the circumstances and procedures provided for and payment of appropriate compensation in accordance with the Rules for Implementation.

Article 52

A second or subsequent offender for the purpose of this Law shall be someone who has been convicted in respect of any breach of this Law and the Rules for Implementation and who commits a similar offence within three years after his final conviction for the previous offence.

<<Similar Offences>> shall be those provided for in Articles 49 and 50.

Article 53

The public right claim shall lapse after three years from the committal of the offence in the absence of any investigative or prosecuting procedures. The lapse of public rights shall not prejudice private rights.

Article 54

Parties injured as a result of a violation of this Law shall be entitled to claim appropriate compensation for the damages sustained from those responsible.

Article 55

An owner of a mark may at any time even before filing any civil or criminal suit obtain, on the basis of a petition supported by an official certificate proving the mark's registration, an order from the Grievances Court to adopt the necessary precautionary measures especially:

1) The drawing up of minutes giving details and descriptions of the equipment and articles which are or have been used in committing the violation and the local and imported products or goods and papers to which the mark applies.

2) Seizure of the items referred to in the previous paragraph provided that seizure thereof does not take place save after the submission of a deposit by the party requesting seizure to be preliminarily estimated by the Grievances Court to compensate the other party if the need arises.

It is possible after imposition of the seizure to contest the adequacy of the deposit in accordance with the procedures and conditions provided for by the Rules for Implementation.

An order issued by the Grievances Court may include the appointment of one or more experts to assist the department specified by the Rules for Implementation to carry out the seizure measures.

Article 56

The precautionary measures taken by the mark's owner shall be considered as null and void if they are not followed by a civil or criminal suit against the party subject to these measures within ten days after issuance of the said order.

Article 57

The defendant may file a suit against an ill-intentioned plaintiff claiming compensation to which he is entitled as a result of the measures taken under Article 55 within 90 (ninety) days after the elapse of the period provided for in Article 56 or if the plaintiff does not cancel his suit, from the date on which a final verdict is issued on the plaintiff's suit related to the mark.

In all cases the deposit shall not be paid to the plaintiff except after issuance of the final verdict on the suit of the defendant or after expiry of the time limit for bringing such a suit unless the verdict issued on the suit of the plaintiff contains a decision regarding the deposit.

Article 58

The Grievances Court may, in any civil or criminal suit, issue a verdict to confiscate the seized items or those items to be seized afterwards in order to deduct the value thereof from the compensation or fine or to dispose of them in accordance with the circumstances and procedures provided for by the Rules for Implementation.

The Grievances Court may order the publication of the verdict in one or more newspapers at the expense of the unsuccessful party. It may also order the destruction of forged or imitation marks or those marks unlawfully placed or used and order, when necessary, the destruction of the items carrying such marks even if a verdict of acquittal is given.

Concluding Provisions

Article 59

The Grievances Court shall be competent to look into civil and criminal

suits and disputes arising from the enforcement of this Law and the imposition of established penalties for violation of its provisions.

Article 60

The Minister of Commerce shall specify the authority by which the lawsuit may be filed and the department which will follow its proceedings and represent the public cause.

Article 61

The Rules for Implementation shall provide the rules to give the temporary protection necessary for any mark used on products or services on display at national or international exhibitions held in the Kingdom or in any of the countries with which the Kingdom has a reciprocal agreement. Such exhibitions shall be defined by a resolution of the Minister of Commerce.

Article 62

The employees appointed by the Ministry of Commerce shall have the powers to enforce the provisions of this Law.

Article 63

The Rules for Implementation of this Law shall be issued by a resolution of the Minister of Commerce and shall be published in the Official Gazette.

Article 64

The <<Trade Marks Law>> issued by Royal Decree No. 8762 dated 28.07, 1358H. shall be cancelled.

Article 65

This Law shall be published in the Official Gazette and shall come into force one month after publication.