

WELL-KNOWN OR NOT WELL-KNOWN TRADEMARK THAT IS THE QUESTION: AN EXAMINATION OF WELL-KNOWN TRADEMARKS REGULATION IN SAUDI ARABIA

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ABSTRACT

In its efforts to meet its international obligations-in particular the Paris Convention for the Protection of Industrial Property (Paris Convention) and the Agreement on Trade-Related Aspects of International Property (TRIPS Agreement), Saudi Arabia is devoting more attention to well-known trademarks. Well-known trademarks-those that are widely recognised by the general public and enjoy strong brand recognition-play a significant role in global markets. The aim of this article is to cast a spotlight on well-known trademarks in Saudi Arabia-particularly, the point at which a trademark can be considered “well-known”, and how the law protects those well-known trademarks. This issue will be explored in relation to both the Saudi Trademarks Law 2002 and the Gulf Cooperation Council (GCC) Trademarks Law, as both are the governing trademark laws in Saudi Arabia. This article reveals that neither the Saudi Trademarks Law 2002, nor its judicial practices, provide any clear criteria as to what constitutes “well-known trademarks”. This is in contrast to the GCC Trademarks Law which explicitly provides for some workable criteria. Furthermore, whilst both laws afford legal protection to well-known trademarks in accordance with the Paris Convention and TRIPS Agreement, the GCC Trademarks Law offers greater protection compared to that of the Saudi Trademarks Law 2002.

Keywords: Saudi Arabia, Trademark, well-Known trademarks, Paris Convention, TRIPS Agreement.

INTRODUCTION

Trademarks have become increasingly important assets-not only of companies-but also of countries. Their importance is even more heightened when they are “well-known”. This is because well-known trademarks play a significant role in global markets. Symbols and signs that are easily identified and are widely known to the general public enjoy a trustworthy reputation. Thus, well-known trademarks can often represent inestimable commercial value with distribution of (these) products and the customer’s knowledge of these brands are, in most cases, not limited to specific geographic borders; rather, they often span the entire world, or a large part of it (Luepke, 2008).

Given the exceptional power of well-known trademarks, their owners strive to protect them from being used by others and to prevent others from diluting their goodwill and reputation. Well-known trademarks require a broader scope of protection beyond those accorded to the ordinary trademarks. Consequently, since long time international conventions and treaties-

particularly the Paris Convention for the Protection of Industrial Property (Paris Convention) and the Agreement on Trade-Related Aspects of International Property under the World Trade Organization (TRIPS Agreement)-have sought to regulate well-known trademark protection on a worldwide basis. However, in advance of any discussion on well-known trademarks protection, it is perhaps pertinent to determine at which point a trademark can be considered to be “*well known*” under any form of legislation. This question should be answered clearly under any law that provides special protection for well-known trademarks.

In Saudi Arabia, trademarks are governed by the Saudi Trademarks Law 2002 and the Gulf Cooperation Council (GCC) Trademarks Law. Both laws have been introduced to conform to the obligations imposed by the Paris Convention and the TRIPS Agreement. The purpose of this article is to undertake analytical examination of the legal status of well-known trademarks in Saudi Arabia. In particular, it examines the issue of what constitutes well-known trademarks from a legislative and judicial perspective, and how they are protected. Firstly, a discussion around trademarks in general introduces the concept of “*well-known*” trademarks and their regulation in Saudi Arabia. The article then examines in depth the criteria upon which any trademark can be identified as “*well-known*” from both a national and international legal perspective. Finally, the article then discusses the protection afforded to well-known trademarks.

CONCEPTUAL FRAMEWORK OF WELL-KNOWN TRADEMARKS

Trademarks Regulation in Saudi Arabia: An Overview

Trademark regulation has long received much attention in Saudi Arabia. The first law was enacted with the Trademarks Law in 1939 (Garoub, 1999) with the aim of accommodating changing commercial and economic conditions. At its introduction, the law was considered to be a substantial development for the region at the time (Palmer, 1985). The law was updated by Royal Decree in 1984. At that time, it was the only Saudi Arabia law pertaining to intellectual property (IP) (Khoury, 2005). This law, however, was repealed by the current Saudi Trademarks Law, which was introduced in May 2002 by Royal Decree (No. M/21). It governs issues such as, trademark registration, publication, protection, renewal, cancellation, transfer or licensing of trademark and infringement penalties.

In line with the Saudi Trademarks Law 2002, Saudi Arabia adopted the GCC Trademarks law in 2014, which came into force in 2016, as a further step of its on-going endeavours to protect IP. The GCC Trademarks Law contains a set of provisions that are applied uniformly across all the GCC states (namely, Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirate (UAE)), to deal with the protection, enforcement and commercialisation of trademarks. It is important to point out that the GCC Trademarks Law is not a unitary GCC registration system. As such, applications for registration are required to be filed separately in each applicable GCC state, including Saudi Arabia.

In addition, as stated, Saudi Arabia became a signatory country of the Paris Convention in 2003. The convention ensures the protection of industrial and commercial property rights in its member states. Furthermore, in 2005 Saudi Arabia attained membership of the WTO and thereby signed the TRIPS Agreement. In short, trademarks in Saudi Arabia, at the present time are governed by two laws; namely the Saudi Trademarks Law and the GCC Trademarks Law, both designed to conform to the Paris Convention and TRIPS Agreement.

The Doctrine of Well-known Trademark

In accordance with any other legal system under national law, the application of trademark laws is limited to its territorial border; to that jurisdiction or country only. This is often known as “*territoriality*” (Wertheimer, 1967; Smith, 2003). According to territoriality principles, a trademark is considered as having an independent existence in each country in which the trademark is recognised and protected. It follows that a trademark will be protected independently in one state due to its registration under the applicable law of that state. The ownership of a trademark registered by one state does not provide for the ownership of, or rights to, that trademark in another state (Chisum, 1997). Hence, pursuant to the principle, states can establish their trademark laws in a manner that facilitates the achievement of specific societal goals (O’Rourke, 2000).

However, the reality shows that, today there is a significant number of companies that have become highly successful and built their global renown and reputation on the basis of their trademarks’ reputations, irrespective of whether the trademarks represent goods or services. As a result, consumers can easily identify and recognise their products, their characteristics and their qualities without referring to the location of the company in question. Such trademarks are usually known as “*well-known trademarks*”, sometimes “*famous trademarks*”. A mark becomes well known when its fame and reputation extend beyond its national and territorial boundaries, and reach unrelated business sector, far beyond the mark’s original focus (Mostert, 2004).

Unfortunately, due to the geographical expansion of many companies’ operations that own well-known trademarks, much opportunism has taken place. Infringements against well-known trademarks have drawn attention at international level, by means of international treaties such as the Paris Convention and the TRIPS Agreement. Well-known marks as well as the standards for their protection are provided for in the two treaties.

Determination of Well-Known Trademarks

It is evident therefore, that it is important for legal certainty to determine when a trademark can be classified as “*well-known*”. This is essential for those Saudi trademark owners who rely on the special protection provided for by the law. Therefore, the discussion in this section will focus on the issue of determination of well-known marks in both international and local laws. To do so, this section will first discuss the criteria introduced under the international treaties and then examine the position under Saudi Arabia. It also considers the experiences of other jurisdictions around the idea of “*well-known trademarks registry*”. Finally it examines the judicial practices in order to identify judicial contribution to the issue of well-known trademark determination.

The International Determination of Well-known Marks

Since the founding of the Paris Convention, defining well-known marks has been problematic. Although the Paris Convention has played a remarkable role in acknowledging the importance of protection of well-known trademarks, it has failed to set out any guidance as to how to precisely determine what constitutes a “*well-known*” trademark. Art. 16(2) of the TRIPS Agreement has provided some basic guidance: in determining whether a trademark is well-

known, Members shall take account of the knowledge of the trademark in the relevant sector of the public, including knowledge in the Member concerned which has been obtained as a result of the promotion of the trademark.’ As a result of the guidelines’ brevity and ambiguity, such as what is meant by, for example, “*relevant sector of public*”, countries have been left to establish their own guidelines in their legislation to assist their own relevant state institutions in providing a consistent definition. For this reason, it is possible that “*well-known marks in one jurisdiction will not be found to be well-known in another*” (Kanesarajah, 2007).

Consequently, some international attempts have been introduced to assist countries in determining whether a mark is “*well-known*”. Remarkably, the World Intellectual Property Organization (WIPO) Joint Recommendation Concerning Provisions on Protection of Well-Known Marks (WIPO’s Recommendations) laid down guidelines under Art. 2, that offers “*factors for consideration*” to assist national departments to draw up their own rules. Although ‘any circumstances’ at all can be taken into consideration in ascertaining whether or not a mark is well-known in any country, six factors are listed for special consideration, namely:

Determination of Whether a Mark is a Well-Known Mark in a Member State (Factors for Consideration).

1. In determining whether a mark is a well-known mark, the competent authority shall take into account any circumstances from which it may be inferred that the mark is well known;
2. In particular, the competent authority shall consider information submitted to it with respect to factors from which it may be inferred that the mark is, or is not, well known, including, but not limited to, information concerning the following:
 1. The degree of knowledge or recognition of the mark in the relevant sector of the public;
 2. The duration, extent and geographical area of any use of the mark;
 3. The duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies;
 4. The duration and geographical area of any registrations, and/or any applications for registration, of the mark, to the extent that they reflect use or recognition of the mark;
 5. The record of successful enforcement of rights in the mark, in particular, the extent to which the mark was recognised as well known by competent authorities;
 6. The value associated with the mark.

In the meantime, it should be remembered that none of the above are pre-conditions for determination, and there is a large set of possible combinations that are granted approval. Art. 2 Sub-Art. (c) of the WIPO’s Recommendation provides that:

“The above factors, which are guidelines to assist the competent authority to determine whether the mark is a well-known mark, are not pre-conditions for reaching that determination. Rather, the determination in each case will depend upon the particular circumstances of that case. In some cases, all of the factors may be relevant. In other cases, some of the factors may be relevant. In still other cases, none of the factors may be relevant, and the decision may be based on additional factors that are not listed in subparagraph (b), above. Such additional factors may be relevant, alone, or in combination with one or more of the factors listed in subparagraph (b), above.”

Although the WIPO’s Recommendations is a “*soft law*”, that is, a non-binding provision, interestingly, it seems to have been adapted in other jurisdictions. Many jurisdictions seem to have been influenced by the set of guidelines drawn up by the WIPO’s Recommendations such as China, US, Romania and Bulgaria (Lehman et al., 2002; Levy, 2019).

The Determination of Well-known Trademarks in Saudi Arabia

Firstly, it should be noted that the Saudi Trademarks Law 2002 was introduced to meet its international obligations. However, the Saudi Trademarks Law 2002 and its Implementing Regulations do not provide any criteria or illustrative factors which are helpful in defining whether a mark is “*well-known*”. There is no obvious definition of well-known trademark under the law. Knowing the meaning of the term “*well-known*” in the context of trademarks law is vital to determine whether a foreign well-known mark that has not been used as a trademark in Saudi Arabia will be protected there. It is true that the Saudi Trademarks Law 2002 has successfully brought with it the obligation to respect well-known mark rights, but does not define the place of that obligation. Art. 2 merely lists certain signs, emblems and flags that should not be considered or registered as a trademark, one of which is “*trademarks that are identical or similar to trademarks well-known in the Kingdom (Saudi Arabia) ...*”. Unfortunately, those well-known marks are left without any definition or criteria except that the status of reputation is determined to be within the Saudi Arabia territorial. Consequently, it is left to the court to determine whether or not a trademark is well-known, without any clear basis. This, in turn, gives rise to a great degree of uncertainty and requires a great deal of litigation.

However, the GCC Trademarks Law provides a clearer definition of well-known trademarks and applies more well-defined criteria to determine what constitutes a “*well-known trademarks*”. Firstly, Art. 4(1) broadens the concept of well-known trademarks stating they are those “*whose fame transcends the boundaries of their first country of registration*”. This definition clearly recognises the geographical presence of a trademark in other countries, in contrast to the Saudi Trademarks Law 2002 which considers the mark’s reputation to lie solely within a specific local territory. More importantly, the GCC Trademarks Law goes further in Art. 4(2) and sets out a number of criteria that should be considered in determining whether or not a mark is well known. It states:

“To determine whether a mark is well known consideration shall be given to the extent of recognition by the intended public resulting from its promotion, the length of its registration period or use, the number of countries where it is registered or recognised as a well-known mark, its value and the impact of such a mark on the promotion of the goods or services in respect of which the trademark is used.”

It appears that the GCC Trademarks Law has been influenced by the set of criteria drawn up by the Art. 16(2) of the TRIPS Agreement and WIPO’s Recommendations. Indeed, a perusal of the circumstances and facts reflected in these criteria reveals that the achievement of the status of being well known is truly a reflection of the public’s recognition of the mark. The notion of “*recognition*” or “*awareness*” is fundamentally a state of mind. The establishment of these criteria will rely heavily on evidence, and the ability of the involved body to effectively weight such evidence (Reyes, 2010). In practice, however, this is not an easy task, as the question as to how to precisely define the level of awareness may provoke substantial debate in judicial hearing. Recognition of the trademark might be reached in a different ways. It may be “*deep*” in the sense that it penetrates a specific market to a very significant degree, or it may be “*wide*” in the sense that it does not penetrate a particular market because it broadly covers many separate markets (Phillips, 2003). The authorities may refer to information and statistics found through social surveys as a quantitative element in order to evaluate the public’s recognition of the mark. This may also create some difficulties around what percentage of the public that recognise the

mark should be considered to be the minimum to determine whether a mark is well known or not. In addition, the degree of the public's recognition must also be determined. Question such as whether the mark is "*just known*", is "*known well*" or is "*very well known*" must be asked. In short, even though public recognition is important in determining whether a trademark is well known or not, in practice, other elements come into play, but in essence, the more the target audience is able to recognise the mark, the greater the chance the mark is a well-known.

The factor of "*promotion*" or "*advertisement*" is important in helping the determining the well-known of mark. Indeed, a mark may well become well known overnight as a result of advertising and advanced technology. It is, however, over time and by continued investment that usually produces well-known marks. "*Registration*" and "*use*" are also important factors that help to determine whether or not a mark is famous. The history of the creation and development of many widely known trademarks illustrates strong support for these factors to be taken into account. The trademark of COCA-COLA which is over one hundred years old is an excellent example. However, Art. 4(2) of the GCC Trademarks Law do not define the geographical scope of the trademark. It seems that there is no specific requirement for the trademark to be used in Saudi Arabia for it to be classified as well known. Furthermore, "*the number of countries where a mark is registered or recognized*" plays an important role. However, also important is whether there should be a minimum number of countries defined in which the trademark can be classified, with confidence, to be well known. Clearly then, the more countries in which the trademark is registered means that it can generally be classified as well known.

It can therefore be said that, in light of the lack of comprehensive binding criteria world-wide, the brief supplement embodied in the TRIPS Agreement notwithstanding, and in light of the difference between the criteria adopted by countries, it is possible that well-known marks in Saudi Arabia will not be classified as well-known in other countries, and vice versa. In any case, the GCC Trademarks Law offers clear guidance as to what constitutes a well-known mark in stark contrast to that stated under the Saudi Trademarks Law 2002, which does not offer any.

The Well-known Trademarks Registry

In light of the difficulty in ascertaining whether a mark enjoys an international reputation or not and is thus considered to be well known, a well-known trademark registry has been created in some jurisdictions (Richards & Michael, 2006). In the context of IP rights regulation and enforcement, the concept of well-known mark registries is not a new phenomenon. Some countries, such as Brazil, China (Feng, 2000), Indonesia, Japan, Russia and South Korea, have deemed it appropriate to develop a type of listing regime for well-known marks so as to honour their commitments under the Paris Convention and the TRIPS Agreement.

A number of studies around the establishment of the special registry have been undertaken. Among these studies are: the International Trademark Association (INTA), the European Communities Trade Mark Association (ECTA) and the European Brands Association. From the outset, these studies recognised the establishment of a listing system of well-known marks could serve as a valuable tool in enforcing a well-known trademark. However, a number of serious pitfalls have also been identified.

Some of the criticisms directed to the establishment of well-known marks registries are (1) they could have a negative effect on the flexible catalogue of guidelines embodied in the WIPO's Recommendations, that they might no longer be applicable to trademarks registered in

those registers; (2) they could result in mechanical reliance on the register; i.e. if a trademark were to be listed in the register, it might automatically benefit from the expanded protection given to well-known trademarks. Conversely, the unlisted trademark holder may suffer simply because the mark is not listed; (3) whether or not a mark is well known is not necessarily constant; being well known is a fluctuating status as marks extend into new sectors but the register stays relatively stable.

It is therefore fortuitous that Saudi Arabia has not adopted the idea of listing well-known marks within a single body. Whilst it has its merits, the burdens on the registration body are numerous. In addition, establishing such a body raises many complex questions that need to be answered; such as the criteria to be applied to list any mark in the register; the criteria to be applied to remove any mark from the register; how decisions can be challenged; whether would be automatically renewed after a given period of time. Such questions are difficult to answer.

Judicial Practices

It should be borne in mind that most of the reported trademark judicial cases were reported before the implementation of the GCC Trademarks Law in December 2016. Those cases were therefore subject to the Saudi Trademarks Law 2002. In addition, the reported cases do not always include much detail, especially concerning names and whether names the parties' names or trademark names. Such failure to disclose could be understood to be a policy of privacy.

In many legal cases passed before the approval of the GCC Trademarks Law, the court explicitly stated that the cornerstone in determining whether or not a trademark could be deemed to be well known was to be based on its reputation solely with Saudi Arabia. If a trademark is well-known internationally but not in Saudi Arabia, it could not be considered well known therefore and thus would not enjoy the special protection granted to well-known trademarks. This undoubtedly constitutes a narrow view of how well-known trademarks are determined, especially in the era of globalisation. Globalisation has opened the doors to nations which had long been closed by national boundaries. It has created a single, global community, the so-called "*global village*". However, this narrow vision should not be attributed to judicial practices but in fact, to the provisions of the Saudi Trademarks Law 2002. Art. 2(i) expressly links the status of reputation to being in the territoriality of Saudi Arabia. This is a narrow interpretation of the provisions of the Paris Convention and TRIPS Agreement which provide for reputation in general, whether internationally or locally. This position of the Saudi Trademarks Law 2002 is in complete contrast to that stipulated in Art. 4(1) of the GCC Trademarks Law which defines well-known trademarks to be those whose reputation transcends the boundaries of their first countries of registration.

In the case of (LOOK), the plaintiff brought an action against the registration authority following the registration of a trademark similar to his own trademark. The plaintiff argued that his trademark was well known and tried to prove it by stating that such a trademark had been registered in several countries around the world. Although the court ruled in the plaintiff's favour for many reasons, it explicitly stated that: "*the fact that the mere registration of a trademark in multi countries does not mean that such a trademark is a well-known one*". Despite the plaintiff's trademark registration in seven countries of the G20, it did not convince the court to consider the trademark as well known. This is not surprising bearing in mind that the court had not legislative criteria, nor precedent cases, to adhere to in determining trademark reputation. The decision was

left solely to the discretion of the judge. Indeed, this might not be the case had the Look case been judged under the GCC Trademarks Law where “*the number of countries where a trademark is registered*” constitutes a viable factor in determining the reputation of any trademark.

In the case of Apple, the plaintiff, the legal holder of the well-known “*Apple*” trademark, sued the registration authority for its decision to register a trademark similar to the plaintiff’s well-known registered one. The court gave its verdict based on many reasons, one of which was that, the Apple trademark was a famous trademark locally and internationally. Furthermore, in the case of (KFC) the court decided in favour of KFC stating that even if the similar trademark had been registered for use for completely different products, damage would have been caused to the KFC trademark owner. In both cases the court cited the trademarks’ reputation within Saudi Arabia territoriality. If the trademarks had not been famous in Saudi Arabia, they would not have enjoyed the special protection granted to well-known trademarks in Saudi Arabia.

The above cases were litigated under the Saudi Trademarks Law 2002 before the implementation of the GCC Trademarks Law. Unfortunately, none of the above cases, as the case with many cases, illustrate why or provides guidance as to what constitutes a well-known trademark. It appears that the matter of determination was left totally to the court’s discretion. Since the GCC Trademarks Law came into force at the end of 2016, the wide discretion of the court can no longer be applied as the court is now guided by clear criteria as set out in the GCC Trademark Law.

The Protection Afforded To Well-Known Trademarks

The matter of determining whether or not a trademark is well-known is not arbitrary. In principle, well-known trademarks are first and foremost, simply trademarks. Consequently, they should at least be handled in the same manner as other ordinary trademarks. It follows that if a trademark fails to provide it is well known it should nevertheless enjoy the traditional protection granted to trademarks across the board according to the law. However, because well-known trademarks have been accorded a wide reputation and have become famous, they are accorded additional protection beyond the ordinary trademarks. One aspect of that additional or special protection, for instance, is that they can be protected even they are not registered. The rationale for granting a wider scope of protection to well-known marks has been explained by one commentator as follows: “*as a general principle, the more well-known a trademark, the wider the scope of protection it is afforded due to an increased likelihood of confusion as to source or sponsorship (particularly in today’s climate of licensing and merchandizing of well-known marks)*” Lackert, (1997). The next section now proceeds to address the legal ground of well-known trademark protection as well as the scope of such protection.

The Legal Ground for Well-known Trademark Protection

The doctrine of likelihood of confusion

In general, a trademark is infringed when the identical trademark or one confusing similar to it is used by another person in such a way that is likely to confuse the consumers into mistakenly thinking that the trademark owner is the source or sponsor of particular goods or services (McCarthy, 2017). The confusion here is that consumers believe company B’s products

are company A's products, or that company B's products are in some way linked to, or authorised by, company A. Thus, trademark law offers protection for consumers against misleading sale practices, and prevents businesses from unfair competitive behaviour. The concept of confusion is explicitly stated under the Paris Convention and the TRIPS Agreement that a trademark that may lead to confusion with a well-known trademark cannot be registered within the signed countries.

Under Art. 3(11) of the GCC Trademarks Law, no trademark or part thereof shall be considered as such, nor shall it be registered if it is:

“Identical or similar to a mark previously deposited or registered by others for the same goods or services, or for related goods or services if the use of mark to be registered would generate linkage with the other owner's registered goods or services....”

The same provision is provided by the Saudi Trademarks Law 2002. According to Art. 2(k), a trademark shall not be considered for registration if it is:

“Identical or similar to trademarks already filed or registered by others in connection with identical or similar goods or services...”

It appears that the language of Art. 3(11) is more accurate in that it explicitly raises the issue of confusion as a ground for the protection, which is not provided for under Art. 2(k) of the Saudi Trademarks Law 2002. However, this does not raise any issue in practice. In a number of legal cases, the court, in the context of applying Art. 2(k), has affirmed that the rationale behind the prohibition of registration is the occurrence of confusion and misleading of consumers.

There are no specific standards set out in either, the Saudi Trademarks Law 2002 or the GCC Trademarks Law, in line with all other trademark laws world-wide (Ngoc, 2011) that are referred to in order to evaluate and determine whether a likelihood of confusion exists. Therefore, the Saudi courts have considered and used factors which include; the similarity of the marks, the sound made when the trademark is pronounced and strength of the plaintiff's mark.

The grounds for any likelihood of confusion are a traditional concept of trademark law that is often applied in the context of ordinary trademarks. However, this does not mean that likelihood of confusion cannot be applied in connection with well-known trademarks. In conclusion, both the Saudi Trademarks Law 2002 and the GCC Trademarks Law consider the likelihood of confusion to be an important subject in the protection of both well-known and ordinary trademarks.

The doctrine of trademark dilution

Another form of trademark protection is “*dilution*” (Schechter, 1927). Trademark dilution differs from “*likelihood of confusion*”, in that it is based on the notion of protecting mark owners from a possible reduction in the value of their marks. Dilution can be understood as a special legal protection that gives the owner of a well-known trademark the right to forbid other persons from using that mark in a way that would lessen or dilute the uniqueness and distinctiveness of that trademark. This legal concept is incorporated in many national trademark laws, particularly in the US.

In general, trademark dilution can take two forms: dilution by “*blurring*” and dilution by “*tarnishment*”. Blurring, which is the most common type of dilution, as described by Frank Schechter is “*the gradual whittling away or dispersion of the identity and hold upon the public mind of the mark or name by its use upon non-competing goods*”. Thus, the doctrine of dilution by blurring refers to situations where the use of a well-known trademark by other persons diminishes or dilutes the uniqueness and distinctiveness of the mark. Dilution by tarnishment can be understood as a case where a trademark’s reputation and commercial value are linked to products of inferior quality and are likely to tarnish, or damage, the reputation of the trademark and its goods and services (Fhima, 2011). Thus, legal use of the trademark will likely replace consumers’ positive perceptions of a trademark with negative ones (Dilbary, 2007; Dinwoodie, 2009; Evans, 2007).

In Saudi Arabia, there is an important legal concept in trademark protection which holds that the scope of protection is not confined to similar goods or services. The domain of protection is extended for well-known trademarks to cover the use of similar trademarks for dissimilar goods or services when such use damages, or takes unfair advantage of, the reputation of a well-known trademark. This somewhat echoes the doctrine of trademark dilution. Therefore, the protection against the use which “*causes injury to the owner of the well-known trademark*”, as provided for by Art. 2(i), as well as the protection against the use which “*potentially prejudice[s] the interests of the owner of the well-known trademark*”, as stated by Art. 4(3)(b) of the GCC Trademarks Law, serve as legal grounds for protection of the owner of well-known trademarks against any activity which would affect or interfere with their trademark in any way prejudicial to their interest. Accordingly, owners of a well-known trademark in Saudi Arabia will enjoy protection from dilution under both laws in accordance with the relevant international treaties to which Saudi Arabia is party.

The Scope of Protection

Unregistered well-known trademarks

Although this article has shown how well-known trademarks might be great value, and as such, deserve great protection, the reality is that many well-known trademarks are not used or registered in every country. Therefore, consideration must be given to the protection available when a third party intends to register or use the well-known trademark in Saudi Arabia where it has not yet been used or registered.

Both the Paris Convention and the TRIPS Agreement, to which Saudi Arabia is party, require member states to protect well-known trademarks even if they are not registered or used in a state. Protection for unregistered well-known trademarks under the Paris Convention is confined to goods and services that are identical or similar to those goods or services for which the trademark is known and in situations where use is likely to cause confusion. Under the TRIPS Agreement, protection is extended to different goods or services if the use suggests a connection to the registered well-known trademark, if the owner is likely to be damaged by such use.

The position under the Saudi Trademark Law 2002 is that the protection provided for well-known trademarks varies depending on its registration. Unregistered well-known trademarks can be protected if the secondary trademark is intended to be registered or used for identical or similar goods or services to the well-known trademark. On the other hand, registered

well-known trademarks enjoy greater protection as it is extended to dissimilar goods or services, provided that the registration or use may cause damage to the owner of the well-known trademark. Thus, the protection provided for unregistered well-known trademarks is limited to identical or similar goods or services. This has been considered as “*a narrow interpretation of Article 6bis*” (Alfadhel, 2016). This interpretation led one commentator to say that:

“Although the ‘floor’ of international protection for well-known trademarks is set forth in the Paris Convention, the lack of protection for well-known marks due to additional local restrictions uncovers the basic flaw in the treaty, namely, that it has no ‘teeth’ and is subject to wide ranges of interpretation (Lackert, 1988).”

The GCC Trademark Law, in contrast, offers greater protection for well-known trademarks. It does not differentiate between registered and unregistered well-known trademarks in terms of protection. Thus, a well-known trademark, whether registered or not, is protected against any registration or use for identical or similar goods or services of the well-known trademark. This protection also extends to different goods and services if the use of the secondary trademark is seen to indicate an association between goods or services and those of the well-known trademark and such a use could potentially damage the well-known trademark. It is clear therefore that the GCC Trademark Law offers greater protection to well-known trademarks compared to the Saudi Trademarks Law 2002.

The Duration of Protection

An important consideration is how long special protection should be accorded to well-known trademarks. In most cases, it takes a long time for trademarks to acquire reputation, even though in some cases reputation can be obtained in relatively short time. The question is whether that reputation can be deemed to last or whether it should be reassessed if ever there were to be an infringement.

The duration of protection of well-known trademarks has been a matter of debate. It has been thought that if the reputation of a trademark must be established before a court or trademark registry on the first occasion the owner seeks protection such proof must be given on every subsequent occasions. The mark’s reputation at the time it is threatened determines the nature of the legal response to the threat. Protection is accorded until such time as it has been established that the trademark is no longer well known. This contention has found its place in some jurisdictions. Another contention states that the trademark’s reputation, once proven, should be presumed as such in every subsequent occasion, or that where a trademark has been decided not to be well known the matter is *res judicata*, i.e. the mark’s reputation cannot be reassessed in subsequent proceedings. This spares trademark owners the inconvenience of presenting evidence of what, in the vast majority of cases, will already be obvious.

Neither the Saudi Trademarks Law 2002 nor the GCC Trademarks Law mentions any time frame for the protection of well-known trademarks. It seems, therefore, that a trademark owner of must prove the trademark’s reputation every time it is threatened in order to ensure protection.

CONCLUSION

Intellectual property protection, in particular that pertaining to trademarks, constitutes an important subject for any country as it plays a significant role in the movement of business. Trademark protection become even more imperative when trademarks are widely recognized by the general public for their high level of, wide use and high economic value.

The purpose of this article has thus been to investigate how such well-known trademarks are legally treated in Saudi Arabia-In particular, the issue of determining well-known trademarks, as well as the issue of how well-known trademarks are protected. This article has demonstrated that the matter of determining whether a trademark is well-known trademark or not, is not an easy task, at either the international or national level. As a result of such complexity, international conventions and treaties, as a way of facilitating national laws, set out a number of points to be considered when determining the reputation of any given trademark. Some countries have introduced a “*well-known trademarks registry*” as a means of creating more certainty when faced with the dilemma of determination. Although the Saudi Trademarks Law 2002 was issued with the purpose of protecting well-known trademarks in accordance with its international obligations, it does not provide any guidance by which to declare a trademark as well known. This is also the position under the judicial practices. This is in contrast to the GCC Trademarks Law which stipulates well-defined criteria to determine the reputation of any given trademark. These criteria are conforming to those introduced internationally, particularly with regard to the WIPO’s Recommendations.

Both the Saudi Trademarks Law 2002 and the GCC Trademarks Law provide a legal layer of protection for well-known trademarks as required by the Paris Convention and TRIPS Agreement. Both laws consider the grounds of “*confusion*” and “*dilution*” as legal grounds for protection. In addition, neither stipulate any time frame for the protection of well-known trademarks with which, a trademark owner must prove the trademark’s reputation when it is threatened and protection is needed. However, the protection offered by the GCC Trademarks Law clearly appears to be broader than that of the Saudi Trademarks Law 2002, particularly with regard to unregistered well-known trademarks. In short, unregistered well-known trademarks under the GCC Trademarks Law can prevent the usage or registration of any secondary trademarks which are similar to that unregistered well-known trademarks for similar and dissimilar goods and/or services. In contrast, the protection granted to unregistered well-known trademarks under the Saudi Trademarks Law 2002 pertains only to identical or similar goods and/or services.

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