

CHILE: Takes Major Harmonization Actions

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Chile recently took two major actions related to harmonization that are of relevance to brand owners and professionals globally. Most recently, the Chilean Senate Chamber agreed to join the Madrid Protocol, and earlier, the Congress passed an amendment to the Industrial Property Law.

The Senate Chamber approved legislation on May 19 to accede to the Protocol concerning the Madrid Agreement of the World Intellectual Property Organization (WIPO). With this, Chile joins the long list of member countries of the Madrid Union, composed of the Madrid Agreement and the Madrid Protocol. Currently, there are 108 members with international trademark protection in 124 countries.

The accession will help Chilean nationals expand their brands globally by allowing them to apply for international trademark registrations and pay a single set of fees for intellectual property protection in the participating countries.

The initiative was sponsored by the Ministries of Economy and of Foreign Affairs and promoted by the National Institute of Industrial Property (INAPI).

“This is great news,” said INAPI Director Loreto Bresky, in an official announcement. “It gives an advantage to local entrepreneurs who are betting on internationalization and is part of the reactivation plan promoted by the executive, which has a special focus on small and medium-sized enterprises.”

Trademark applications in Chile increased by 28 percent in 2020, according to INAPI, which said it is primarily due to local users.

Now the president will proceed to enact the bill, for its subsequent publication in the *Official Gazette*. A date is not set for Chile to deposit the treaty before WIPO. Once it is deposited, the agreement will enter into force as of the third month after the deposit date.

In the earlier action, the Chilean Congress on April 20 approved the “Short Law” of INAPI after two years of debate. The amendment modifies Industrial Property Law No. 19.039, modernizing processes and, above all, contributing to the harmonization of international standards.

The amendment will become effective on the day the respective Regulation of the Law is published in the *Official Gazette*, which will likely occur in the last quarter of 2021.

Below are some key modifications:

1. Incorporation of the non-use cancellation action. The total or partial cancellation of a trademark registration will be applicable if the trademark has not been used within a period of five years from the date of grant or if such use has been uninterruptedly suspended for that period. The declaration of cancellation may not be made *ex officio* and must be requested by a party with legitimate interest.

The law provides a five-year term from entry into force of the law (which is not likely before October 2021) for registrations granted before the entry into force, meaning the first registrations granted could be subject to expiration in 2026.

2. Registering nontraditional trademarks, such as 3D and olfactory marks. This amendment is relevant since it broadens the range of registrable trademarks, eliminating the requirement of graphic representation.

3. Collective and certification marks. These are currently recognized only in a circular issued by INAPI and are now legally incorporated.

4. Elimination of trademarks for commercial and industrial establishments. These are now recognized as services in Classes 35 and 40, respectively, bringing them into line with global standards. Currently, in Chile, these are in separate classes from goods and services.

5. A new offense for trademark counterfeiting is introduced, which includes possible prison sentences of up to three years. The law also creates a special form for determining compensation of damages for trademark counterfeiting violations. Trademark offenses did not previously include prison sentences, only fines for the benefit of the tax authorities.

6. Suing for revocation on the grounds of loss of distinctiveness. The law also foresees the possibility of suing for revocation of trademarks that have become the common designation in trade of a product or service for which they are registered, on the grounds of loss of distinctiveness.

See the related [INTA News article](#).

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