



**International Trademark Association
Opposition & Cancellation Standards and Procedures Subcommittee**

Standing Requirements and Regulation of Cancellation Actions for Non-Use

HONDURAS

The Opposition and Cancellation Standards & Procedures Subcommittee of the INTA Enforcement Committee is currently working on the implementation of INTA's 2013 Board Resolution concerning standing requirements in non-use cancellation actions. The Resolution states: *"INTA recommends that jurisdictions not require claimants to prove standing in order to file non-use cancellation actions against registered trademarks."*

The committee identified that in contradiction to the Board Resolution, Honduras has a formalistic system (details below) that hinders the filing of non-use cancellation actions and allows the maintenance of unused registered marks by payment of a tax, thereby creating an artificial barrier to the registration of new marks and consequently restricting competition. In addition, the burden of proof for the absence of use lies mainly with the petitioner.

Our subcommittee group is in search of local colleagues in your jurisdiction who agree with the position of INTA and are willing to assist INTA with the development of an effective advocacy plan to raise awareness and ultimately amend the standing requirements for non-use cancellation actions.

CURRENT SITUATION SUMMARY

- Registered trademarks that have not been used in Honduras for three years or more are susceptible to be cancelled for lack of use.
- Registrants can "cure" the non-use by paying a so-called "restitution tax," payable after 3 years of registration without use, and annually thereafter to maintain the registration.
- The non-use of the trademark does not have to be justified or explained if the rehabilitation taxes have been paid, but payment of these taxes is at the discretion of the registrant.
- A cancellation action for non-use may be filed by an interested party or a party in an opposition proceeding.
- The interest of the petitioner must be proven through ownership of a registration or filing of an application for a similar or identical trademark.
- The burden of proof for the non-use and/or non-payment of the restitution tax falls on the petitioner in the cancellation proceedings.
- Once a cancellation action for non-use has been filed, the owner of the attacked trademark cannot proceed with the payment of the rehabilitation tax as a way to preserve the mark.



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MEXICO

The Opposition and Cancellation Standards & Procedures Subcommittee of the INTA Enforcement Committee is currently working on the implementation of INTA's 2013 Board Resolution concerning standing requirements in non-use cancellation actions. The Resolution states: "INTA *recommends that jurisdictions not require claimants to prove standing in order to file non-use cancellation actions against registered trademarks.*"

The committee identified that Mexico has a formalistic system (details below) that hinders the filing of non-use cancellation actions and allows the validity of unused registered marks as an artificial barrier to the registration of new marks, which restricts competition. In particular, the Mexican system requires the filing of an application by the Petitioner and the citation of the allegedly unused registered mark as a relative refusal in the examination of the Petitioner's application. This seems excessive considering that the basis for the cancellation is non-use. However, if confusion with the Petitioner's mark is required, we suggest that a rejecting opposition decision from IMPI should qualify as standing of the opponent in a subsequent cancellation action.

Our subcommittee group is in the search of local colleagues in your jurisdiction who agree with the position of INTA and who are willing to assist with the development of an effective advocacy plan.

CURRENT SITUATION SUMMARY

- Registered trademarks that have not been used in Mexico for three consecutive years may be cancelled by any interested third party.
- In order to file a cancellation action for non-use, the petitioner must have filed an application for a similar mark or must be a party in infringement litigation proceedings with the registrant.
- Before filing a cancellation action for non-use, the petitioner must wait for the registrant's trademark to be cited against its trademark application as a registration refusal based on the likelihood of confusion or association with the registrant's mark.
- A cancellation action for non-use may be filed by the defendant during an invalidity action as a counterclaim.
- The burden of proof falls on the owner of the trademark registration sought to be canceled for non-use.