

3 Dec  
2020

## Partial cancellations under the new Mexican IP law

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- **On 5 November 2020 the Federal Law for the Protection of Industrial Property came into force, repealing the former Industrial Property Law**
- **The new law introduces the possibility to request the partial cancellation of a registration for the goods/services for which the mark is not in use**
- **This opens up new possibilities for applicants whose trademark applications were blocked by an existing registration**

As part of the package of legal amendments associated with the US-Mexico-Canada Agreement (also known as T-MEC in Mexico), on 5 November 2020 the Federal Law for the Protection of Industrial Property came into force, repealing the former Industrial Property Law.

One of the most significant changes in relation to trademarks is undoubtedly the introduction of partial cancellations, a legal concept that was not regulated in Mexico prior to the entry into force of the new law, despite being recognised and widely exploited in several jurisdictions.

The previous Industrial Property Law did not allow for partial cancellations, as it only provided for the possibility to cancel trademark registrations through a contentious procedure where:

- the mark at issue had not been used for three consecutive years for any of the goods/services for which it was registered; or
- the registration had not been renewed in terms of the law.

Consequently, it was sufficient for trademark owners to prove use of their registered trademarks in non-use cancellation actions (or to declare use of the mark under oath at the time of renewal) in connection with a single good or service covered by the registration in order to avoid cancellation on the ground of non-use. This meant that the holder of a trademark registration covering multiple goods/services could prevent other users of the industrial property system from obtaining registrations, simply based on the fact that the registered trademark had been used in relation to one or some of the goods/services covered by the registration.

However, Article 235 of the new Federal Law for the Protection of Industrial Property establishes that, if a trademark has not been used for three consecutive years to distinguish the goods/services for which it is registered, the registration will expire - or, where appropriate, the registration will partially expire with regard to the goods/services for which the mark is not in use.

This provision opens up new possibilities, as an applicant whose trademark application is blocked by an existing registration can request the cancellation of that registration in relation to one or more of the goods/services covered.

If, during the substantive examination of a trademark application, the Mexican Institute of Industrial Property cites a trademark registration as an impediment (after finding that the trademark applied for is confusingly similar and is intended to be applied to identical or similar goods/services), the applicant may seek an administrative declaration of cancellation of that registration in relation to the conflicting goods/services. This would force the owner of the registration cited as an impediment to prove the uninterrupted use of the trademark in relation to the conflicting goods/services.

Arguably, the recognition and regulation of partial cancellations is a clear sign that Mexico is seeking to harmonise its industrial property legislation with international standards. This should bring several benefits to the Mexican IP system, such as clearing the register of trademarks that are not actually or effectively used, and promoting the entry of new competitors, as well as domestic and foreign investment, into the country.

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