

Executive Summary Madrid Yearly Review 2023





Executive Summary

Madrid Yearly Review 2023

International Registration of Marks

This executive brief identifies key trends in the use of the WIPO-administered Madrid System.

For fuller statistics, see the *Madrid Yearly Review 2023* – available in English at: www.wipo.int/ipstats

Key numbers for 2022

69,000 (-6.1%)
Madrid international
applications¹

485,475 (-6.5%)
Designations in international
applications

68,589 (+0.5%)
Madrid international
registrations

59,125 (-4%)
Subsequent designations in
international registrations

36,168 (+5.2%)
Renewals of international
registrations

855,749 (+3.9%)
Active (in force) international
registrations

6,940,319 (+1.8%)
Designations in active
international registrations

113 (+3 members)
Designs contained in
designations in international
registrations

129 (+3 countries)
Countries covered

1 Due to the time lag in transmittal of applications from offices of origin to the International Bureau (IB) of WIPO, total Madrid applications are estimated.

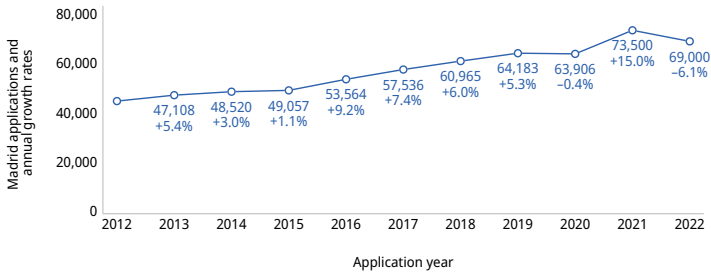
Statistics on Madrid international applications

Use of the World Intellectual Property Organization (WIPO)'s international trademark system for the protection of brands declined by 6.1% in 2022, the biggest drop since 2009. Applications filed in 2022 totaled around 69,000.

An estimated 69,000 international trademark applications were filed via WIPO's Madrid System for the International Registration of Marks (figure 1), representing 6.1% fewer than in 2021. Economic disruption caused by the COVID-19 pandemic in 2021 prompted firms to introduce new goods and services which helped fuel an exceptional growth in international trademark protection. Although lower than in 2021, the total number of applications filed under WIPO's Madrid System for the International Registration of Trademarks in 2022 was still 8% higher than in 2020.

Following exceptional growth of 15% in 2021, use of the Madrid System in 2022 declined by 6.1%. Madrid applications filed in 2022 numbered about 69,000.

Figure 1. Trend in international applications, 2012–2022



Note: Data for 2022 are WIPO estimates.

Source: WIPO Statistics Database, March 2023.

Three countries – Belize, Cabo Verde and Chile – joined the Madrid System in 2022, bringing the number of Madrid members to 113 covering 129 countries

Belize, Cabo Verde and Chile joined the Madrid System in 2022, bringing the total number of members to 113, as of December 31, 2022, and further expanding the System's reach in Africa and the Latin America and the Caribbean (LAC) region. With the addition of these three members, the Madrid System in 2022 offered trademark holders the ability to obtain protection for their branded products and services within a geographical area covering 129 countries. Combined, Madrid members represent 67% of countries worldwide, home to 82% of the world's population, and in which around 88% of global gross domestic product (GDP) occurs. There is the potential to expand further as membership continues to grow.²

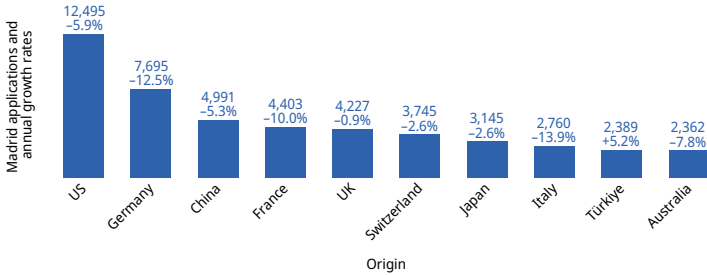
Where were the biggest users of the Madrid System located in 2022?

Applicants based in the United States of America (US) (12,495) filed the most international trademark applications, followed by those located in Germany (7,695), China (4,991), France (4,403) and the United Kingdom (UK) (4,227) (figure 2). Among top 10 countries of origin, only Türkiye (+5.2%) recorded growth from 2021 to 2022. In contrast, Germany (-12.5%) and Italy (-13.9%) saw the sharpest declines. Despite on-year decreases for top origins France (-10%), the UK (-0.9%) and the US (-5.9%) from 2021 to 2022, applications filed by these three countries in 2022 were still higher than they were in 2020 by 17.7%, 12.9% and 24.8%, respectively.

² Complete World Bank gross domestic product (GDP) and population data are available only up to 2021.

Despite undergoing an on-year decline, applicants based in the US, Germany and China were the most active Madrid System filers in 2022.

Figure 2. International applications for the top 10 origins, 2022



Note: Data for 2022 are WIPO estimates.

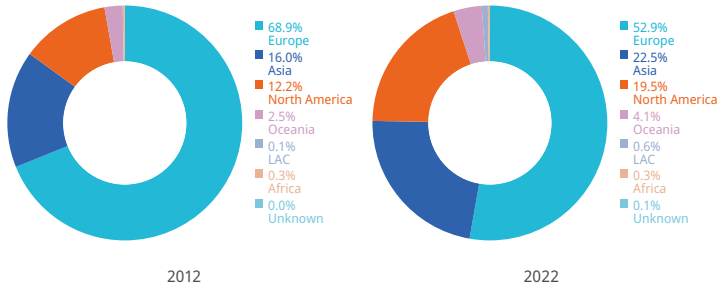
Source: WIPO Statistics Database, March 2023.

Combined, the top 10 origins accounted for about 70% of Madrid applications filed in 2022, a share that has varied little over the past decade. The composition and ranking of the top 10 origins in 2022 remained largely unchanged from 2021. The only difference is that Türkiye moved ahead of Australia to become the ninth top country of origin of Madrid applications in 2022.

In 2022, applicants based in Madrid member countries in Europe continued to file the majority (52.9%) of Madrid applications. This is, however, 16 percentage points lower than their combined share a decade earlier in 2012. Whereas over half of all Madrid applications continued to originate in Europe in 2022, more than a fifth (22.5%) came from Asia. This share is almost seven percentage points higher than in 2012 (16%). With Canada's recent Madrid membership, almost a fifth (19.5%) of applications in 2022 came from applicants based in North America, up from only 12.2% in 2012, when the US was the sole Madrid member located in that geographical region (figure 3).

Due in part to Canada’s recent membership of the Madrid System, applicants based in North America filed 19.5% of all Madrid applications in 2022, the biggest percentage point increase seen across all geographical regions over the past decade.

Figure 3. International applications by region, 2012 and 2022



Note: LAC is Latin America and the Caribbean.

Source: WIPO Statistics Database, March 2023.

Once again, US applicants not only filed the most Madrid applications in 2022, but continued to make the most designations (87,110) in Madrid applications in order to broaden the geographical scope of protection for their marks. This is almost one and a half times the number of designations in applications from China (58,891), which ranked second. Applicants in Germany (45,172) ranked third in terms of Madrid designations in 2022, followed by those in the UK (28,972) and France (28,095).

Among the top 10 origins of designations, eight recorded on-year declines, with Germany (–14.8%) recording the biggest, followed by the UK (–11.8%). In contrast, the remaining two top origins saw double-digit growth, namely, Republic of Korea (+25.4%) and Türkiye (+25.6%).

China’s higher number of total designations relative to applications filed can be explained by the fact that applicants based in China designated, on average, about 12 Madrid members per application in 2022. This is the highest average number per application among the top 10 origins of designations and considerably higher than the average six designations for applicants located in Germany. The average number of designations made in Madrid applications filed

by all origins combined was seven, an average that has remained almost unchanged for over a decade.

L'Oréal of France, with 170 Madrid applications, remained top filer for a second year running in 2022

L'Oréal of France filed 170 Madrid applications in 2022, the most filed by any single applicant for the year. Glaxo Group (136) of the UK moved up one place to become the second top filer, followed by Novartis AG (131) of Switzerland, Bulgaria's Euro Games Technology (120) and Hyundai Motor Company (108) of the Republic of Korea. Hyundai Motor Company filed 75 more applications in 2022 than in 2021, elevating it from 48th position to fifth most active applicant. Focused on online grocery delivery and pick-up, Maplebear Inc. (82) of the US also considerably increased its filing rate (+77 applications) to become the eighth largest applicant.

Among the top 30 Madrid applicants, there were 10 pharmaceutical companies, three companies active in automotive or personal care and two companies each in either retail or the technology or consumer electronics industries. The remaining 10 top 30 applicants were active in industries spanning agricultural science, chemical and consumer goods, confectionery and food and drink processing, to name a few. A total of 19 top 30 applicants in 2022 were companies based in Europe. A further seven were in Asia and four in North America. Widening the scope to include the top approximately 100 Madrid applicants reveals that 52% were from Europe, 24% from Asia, 23% from North America, 1% from Oceania, while no applicants from the LAC region nor Africa were among the top filers. Between them, the top applicants accounted for approximately 4,100 applications. This is, however, just under 6% of all Madrid applications filed in 2022 (similar to 2021 and 2020), which goes to show how widespread is the use of the Madrid System by many different applicants.

Companies located in 25 countries – including Australia, Canada, India, Ireland, Japan, the Russian Federation, Slovenia, Türkiye and the United Arab Emirates – filed at least 20 Madrid applications in 2022, thereby ranking among the approximately 100 top Madrid applicants. For the first time, companies based in the US (21) were the most represented among the top applicants, surpassing top

applicants based in Germany (17), followed by Japan and Switzerland with 10 each, France (6), the Republic of Korea (5) and China (4).

Which goods and services attracted the most trademark protection?

Nice Classification statistics enable the kinds of goods and services most frequently covered by Madrid international trademark applications to be ranked. Over the past 15 years, Madrid applicants have specified, on average, between two and three Nice goods and services classes per application. As was the case for Madrid applications, the total number of classes specified in applications decreased, albeit to a lesser extent, by 2.9% in 2022.

Since 1985, the most specified of the 45 Nice classes has been goods class 9, which includes computer hardware and software and other electrical or electronic apparatus of a scientific nature. In 2022, class 9 alone accounted for slightly more than a 10th (11.4%) of all classes specified in applications filed, up slightly from a share of 10.7% in 2021. The other most specified classes were class 35 (8.9% of the total), which covers services such as office functions, advertising and business management; class 42 (8.6%), which includes services provided by, for example, scientific, industrial or technological engineers and computer specialists; class 41 (5.6%), which mainly covers services in the areas of education, training, entertainment, sporting and cultural activities; class 5 (4.2%), which covers pharmaceuticals and other preparations for medical purposes; and class 25 (3.8%), which relates to clothing and apparel. Three of the five most specified classes were services classes. Despite an overall decrease in Madrid applications filed in 2022, 11 of the 45 Nice classes recorded growth. Goods class 40, which covers services relating to the treatment of materials and which ranked 25th in 2022, saw the largest on-year increase of 10.2%, followed by eighth-ranked class 36 (+10.1%), which covers services relating to insurance, financial and real estate affairs. In contrast, 19 of the remaining 34 Nice classes that saw on-year declines recorded decreases of approximately 10% or more. Interestingly, two classes closely related to the type of products that were often branded in the period immediately following the onset of the COVID-19 pandemic – goods classes 5 (–12.3%) and 10 (–15.3%), which includes surgical and medical instruments – saw a considerable decline in their specification in applications in 2022.

Service classes specified in total Madrid applications reached an all-time high, accounting for almost 39% of all classes specified in applications

The first 34 of the 45 Nice classes cover goods, whereas the remaining 11 cover services. Every year since 2018, over a third of all classes specified in Madrid applications were service classes. In 2022, this share reached an all-time high of 38.8%. This is about eight percentage points higher than the combined share of 30.6% recorded a decade earlier in 2012 and reflects a general growth in the global services industry. Goods and service class shares do differ across origins, however. For example, among selected origins, Romania (51.5%), Norway (45.8%), Mexico (44%), Colombia (43.8%) and the US (43.5%) had the largest proportions of service-related classes in Madrid applications filed in 2022, accounting for about 44% or more of all classes specified. Other countries with a developed services sector, such as Australia, Canada, Portugal, Switzerland and the UK, recorded similarly high shares of service-related classes in applications of approximately 43%. Conversely, China (21.2%), Morocco (23.1%) and Malaysia (28.5%) had service class shares below 30%.

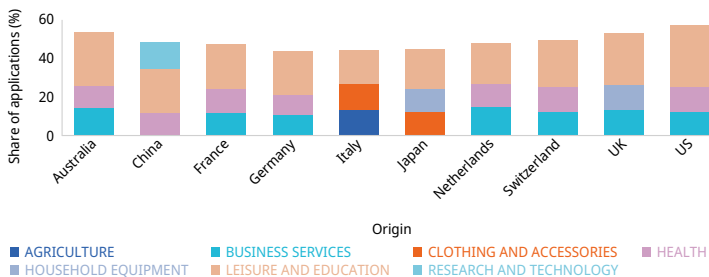
The research and technology sector continues to attract the biggest share of trademark protection via the Madrid System, accounting for about 24% of all classes

For the purpose of statistical reporting, the 45 Nice classes are grouped into 10 industry sectors. The scientific research, information and communication technology sector (abbreviated to research and technology), which includes top Nice classes 9 and 42, among others, continued to account for the largest share (23.9%) of all classes specified in Madrid applications filed in 2022. It was followed by business services (11.8% of total filing activity) and pharmaceuticals, health and cosmetics (abbreviated to health) (11.7%), with almost equal shares, and by leisure and education (10.5%), which overtook clothing and accessories (9.8%) to become the fourth top industry. Agriculture (9.3%) continued in sixth spot. As in previous years, chemicals (3.3%), construction (7.1%), household equipment (6.4%) and transportation (6.2%) were the four sectors that received the lowest shares of total filing activity.

The top three sectors for Madrid applications vary across origins. Research and technology was the top sector for all top 10 origins (figure 4). Business services ranked among the top three sectors for seven of the top origins, the health sector for six. Leisure and education was the top third sector for applicants from Australia, Japan and the UK. Clothing and accessories featured as the second or third top sector in Italy and Japan. Italy was the only origin in which agriculture was among the top three sectors, and only China counted transportation among its top three sectors.

Research and technology featured as the top industry sector for Madrid applications from all top 10 origins. Clothing and accessories was among the three top three sectors for applicants based in Italy and Japan.

Figure 4. International applications by top three sectors for the top 10 origins, 2022



Source: WIPO Statistics Database, March 2023.

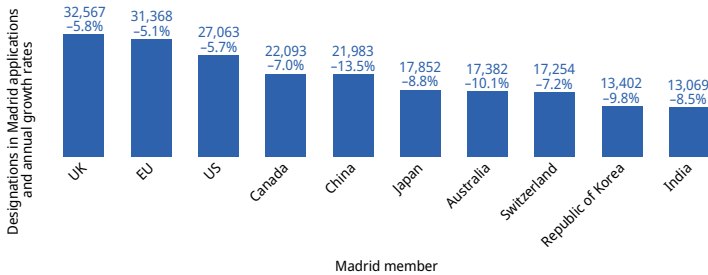
Where do Madrid applicants seek protection for their trademarks abroad?

For the second year in a row, the UK (32,567) attracted the most designations in Madrid applications in 2022, followed by the European Union (EU) (31,368). Because of Brexit, trademark holders can no longer seek protection for their marks in the UK via the European Union Intellectual Property Office (EUIPO) after the transition period ended on December 31, 2020. Now, when using the Madrid System, holders must designate the UK separately, if they want to protect marks within this Madrid member's jurisdiction. The UK and the EU were followed by the US (27,063) and Canada (22,093), which surpassed fifth-ranked China (21,983)

to become the fourth top recipient of designations in applications from trademark holders abroad (figure 5).

For the second year in succession, the UK attracted the most designations in Madrid applications in 2022. Because of Brexit, trademark holders can no longer seek to protect their marks in the UK via the EUIPO. The EU, the US, Canada and China also received high numbers of designations.

Figure 5. Designations in international applications for the top 10 designated Madrid members, 2021



Source: WIPO Statistics Database, March 2023.

The 20 most designated Madrid members, combined, received about 65% of all designations made in Madrid applications filed in 2022. Including China, nine of the top 20 designated Madrid members were middle-income countries, notably Brazil (11,340), India (13,069), Mexico (12,400), the Russian Federation (11,504) and Türkiye (9,463). All top 20 destinations for international trademark registration via the Madrid System saw a decrease on 2021 designations, with the Russian Federation seeing the steepest drop of 32%, followed by China (-13.5%), New Zealand (-11.4%), Australia (-10.1%), the Republic of Korea (-9.8%) and Japan (-8.8%). Mexico (-4%) was the top designated member that saw the smallest on-year decline.

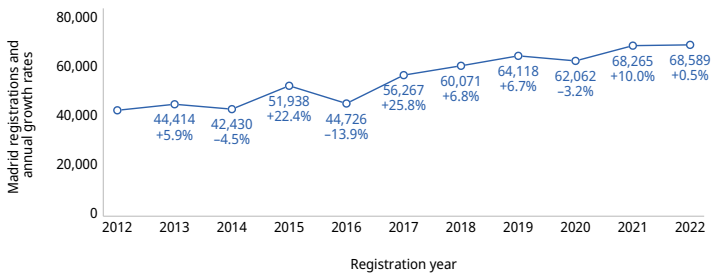
Statistics on Madrid international registrations, renewals and active registrations

Trademark holders worldwide received 68,589 Madrid international registrations in 2022, a slight increase of 0.5% on 2021

In 2022, WIPO recorded 68,589 Madrid registrations, up from around 41,950 in 2012. Registrations for 2022 were only about 325 more than recorded in 2021 (figure 6). The long-term trend for Madrid registrations broadly follows that for Madrid applications; however, changes in the number of registrations from year to year can be more pronounced for registrations than for applications. Reasons why Madrid registrations fluctuate considerably from year to year can be the time taken for Madrid applications to be processed at offices of origin before being transmitted to the International Bureau (IB) of WIPO, as well as the processing time required at the IB itself, which includes an irregularities procedure and time limits within which applicants and offices can remedy such irregularities.

In 2022, trademark holders received a total of 68,589 Madrid registrations, a slight increase of 0.5% on 2021.

Figure 6. Trend in international registrations, 2012–2022



Source: WIPO Statistics Database, March 2023.

How has the trend in subsequent designations evolved over time?

Due in part to Madrid System accessions and the incentive for holders to extend protection to include the jurisdictions of new Madrid members in addition to those of longer standing members, the number of subsequent designations has increased from almost 44,240 in 2008 to 59,125 in 2022. Subsequent designations are requests made by trademark holders to extend protection for existing Madrid registrations to cover new markets. There were 4% fewer such subsequent designations made in Madrid registrations in 2022 than in 2021, following a double-digit increase in 2021. Although most requests for subsequent designations are submitted by holders directly to the IB, fluctuations in the number submitted via Madrid member offices year-on-year can be significant for the same reasons given for international registrations. Subsequent designations declined in 2008 and 2009 during the global financial crisis. In 2009, at the height of the crisis, they fell substantially by 18.8%, on a par with a large 20.3% drop in designations in new Madrid applications that same year.

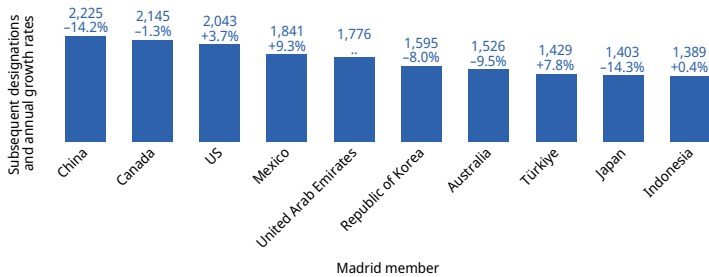
How did trademark holders use subsequent designations to extend protection for their marks to additional export markets in 2022?

Despite a double-digit on-year decline of 14.2%, China (2,225) continued to receive the highest number of subsequent designations in 2022, and has been the most subsequently designated country every year since 2004 (figure 7). China was followed by Canada (2,145), which only joined the Madrid System in 2019, and by the US (2,043).

Due to impressive growth of 9.3%, Mexico (1,841) went from eighth most subsequently designated member in 2021 to rank fourth in 2022. Mexico was followed by the United Arab Emirates (1,776), which debuted at fifth spot after having joined the Madrid System in 2021 and thereby becoming one of the top countries where Madrid registration holders sought to extend protection for their marks.

China has received the most subsequent designations every year since 2004, and in 2022 was followed by Canada, the US, Mexico and the United Arab Emirates.

Figure 7. Subsequent designations in international registrations for the top 10 designated Madrid members, 2022



.. indicates not available.

Source: WIPO Statistics Database, March 2023.

The 20 most designated Madrid member countries received more than half (51.1%) of all subsequent designations in 2022, a share similar to that in 2021. Twelve received fewer subsequent designations in 2022 than in 2021, compared to only two in 2021. Subsequent designations for the UK fell sharply (-37.2%) from 2,183 in 2021 to 1,371 in 2022, moving it from the second most subsequently designated Madrid member in 2021 down to 13th spot in 2022. Similarly, the Russian Federation's subsequent designations received declined rapidly (-38.7%) in 2022; in 2021, it ranked fifth, but dropped out of the list of top 20 subsequently designated members in 2022.

Nine of the top 20 subsequently designated Madrid members in 2022 were middle-income countries, reflecting the widespread appeal of developing markets to Madrid registration holders seeking to extend protection for their marks.

All top 15 designated Madrid members received their largest shares of subsequent designations from either Germany or the US. Holders from Japan were the second top origin of subsequent designations in Asian neighbors Indonesia, Malaysia, Singapore and Thailand. Switzerland was the second largest origin of subsequent designations for the US. In the case of the United Arab Emirates,

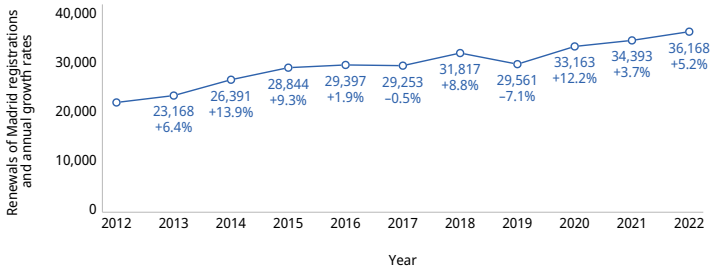
Italy was the second largest origin. Also, holders from Italy were the third top origin for Australia, Canada, Mexico and Türkiye.

Holders renewed almost 36,200 Madrid international registrations in 2022

Holders renewed 36,168 Madrid registrations in 2022, an increase of 5.2% on the previous year. The number of renewals in any given year depends both on the number of Madrid registrations and the number of renewals recorded 10 years prior; therefore the trend seen in figure 8 is only a partial reflection of the trend in registrations with a 10-year lag. Renewals in 2022 were almost double the number recorded in 2008 and have trended upward, despite modest declines in 2009, 2011 and 2017, and a more considerable drop of 7.1% in 2019.

In 2022, renewals of Madrid registrations increased by 5.2% to reach 36,168. Renewals have trended upward over the past decade, despite having decreased in two of the years presented.

Figure 8. Trend in renewals of international registrations, 2012–2022



Source: WIPO Statistics Database, March 2023.

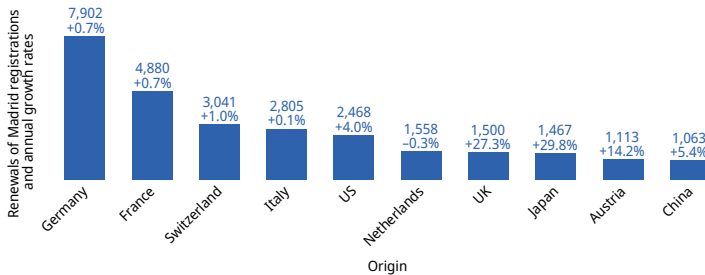
The highest numbers of renewals in 2022 were recorded by holders from Germany, France, Switzerland and Italy

Holders from Germany (7,902), France (4,880), Switzerland (3,041) and Italy (2,805) recorded the highest numbers of Madrid registration renewals in 2022 (figure 9). This reflects their long-standing membership of the Madrid System. Together, these top four origins of renewals accounted for over half (52%) of all renewals in 2022, and their holders' stocks of international registrations have often been maintained for many decades.

Among the top 10 origins of renewals, Japan (+29.8%) and the UK (+27.3%) recorded growth in excess of 25%. In contrast, 6th-ranked the Netherlands (−0.3%) recorded an on-year decline.

Over half (51.5%) of all renewals in 2022 came from just four European countries – Germany, France, Italy and Switzerland – reflecting their long-standing membership of the Madrid System and holders' large stocks of existing registrations due for renewal.

Figure 9. Renewals of international registrations for the top 10 origins, 2022



Source: WIPO Statistics Database, March 2023.

About half (50.3%) of all international registrations recorded since the Madrid System was established in 1891 remain active

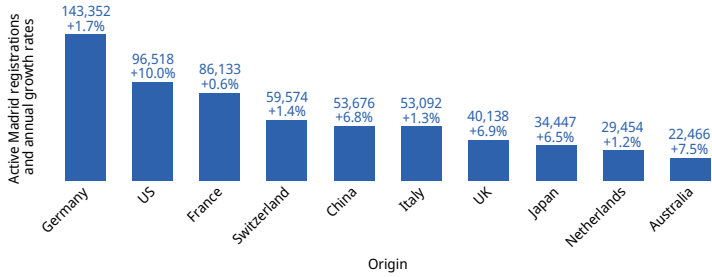
Of the 1.7 million international registrations recorded since the creation of the Madrid System, about half (855,749) remained active – that is, in force – in 2022. Totalling about 520,600 in 2008, active Madrid registrations have increased by between about 2–5% each subsequent year. In 2022, the total number of active Madrid registrations grew by 3.9%.

Holders from just five countries – Germany, the US, France, Switzerland and China – owned over half (51.3%) of all Madrid registrations active in 2022

Madrid registration holders domiciled in Germany (143,352) owned the highest number of active registrations in 2022, followed by holders in the US (96,518), France (86,133), Switzerland (59,574) and China (53,676) (figure 10). Considerable growth of 6.8% moved China ahead of Italy to occupy the top fifth spot in 2022 in terms of active registration ownership. Together, holders based in the top 10 countries of origin owned about 72% of all active Madrid registrations in 2022. In addition to the relatively high growth rate seen from holders in China, holders of top origins Australia (+7.5%), Japan (+6.5%), the UK (+6.9%) and the US (+10%) also saw their stocks of active Madrid registrations grow the most between 2021 and 2022.

In 2022, holders from Germany continued to own the highest number of active Madrid registrations, followed by those from the US, France, Switzerland and China.

Figure 10. Active international registrations for the top 10 origins, 2022



Source: WIPO Statistics Database, March 2023.

Statistics on administration, revenue and fees

In 2022, nearly nine out of every 10 Madrid applications were submitted to the IB electronically rather than in paper form, representing a significant increase from 2012, when under half of all applications were submitted electrically

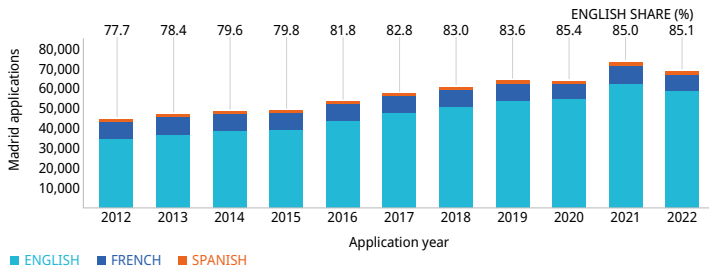
Electronic transmission was introduced in 1998, when it accounted for just 0.2% of total transmissions to the IB of WIPO that year. Since then the proportion of Madrid applications received electronically by the IB has grown significantly. In 2022, 87.1% of all Madrid applications were submitted to the IB electronically, up from 45.6% 10 years previously.

Four out of every five Madrid applications were submitted to the IB in English

In 2022, 85.1% of Madrid applications were submitted in English, 12.3% in French and 2.6% in Spanish (figure 11). Every year since 2014, about four out of every five applications have been submitted in English. The reason for only a small proportion of applications having been submitted in Spanish since it was introduced as an official Madrid language in 2004 is that, to date, the Madrid System includes only five Spanish-speaking countries (Chile, Colombia, Cuba, Mexico and Spain), of which only Spain is a top 20 origin of Madrid applications.

Every year since 2014, around four out of every five Madrid applications have been filed in English.

Figure 11. Trend in applications by filing language, 2012–2022



Source: WIPO Statistics Database, March 2023.

Just over half of all Madrid applications received by the IB in 2022 met all formal requirements

The IB considers irregular any Madrid application that fails to meet all formal requirements, including the classification of goods and services in accordance with the International Nice Classification. In such cases, the IB informs both the Madrid member's office of origin and the applicant of the irregularities. Responsibility for remedying them lies with either the office of origin or the applicant, depending on the nature of the irregularity. In 2022, 51.8% of Madrid applications met all formal requirements. This means that 48.2% of all Madrid applications contained irregularities, a considerable proportion of which was classification irregularities. Every year since 2012, over a third of all Madrid applications received by the IB have contained irregularities.

Holders of Madrid registrations submitted 82% of subsequent designations directly to WIPO in 2022

Holders of a Madrid registration can request subsequent designation of Madrid members via their respective office or directly with the IB itself. Since 2018, holders have submitted over 80% of requests for subsequent designation directly to the IB without going via their national or regional office. Requests by holders choosing this route have grown from about 22% in 2008 to reach 82% of the total in 2022.

Recordings of changes in ownership of Madrid registrations remain relatively low

An international registration may change ownership following either assignment of a mark, the merger of one or more companies, a court decision, or for other reasons. Such a change is subject to the new owner being recorded as the new holder of the registration in the International Register. Any new holder must meet the requirements necessary for holding an international registration. They include having entitlement, that is, the required connection to a Madrid member, which means either being a national of, domiciled in, or having a real and effective industrial or commercial establishment in a Madrid member's jurisdiction.

In 2022, the IB recorded 22,774 changes in ownership of international registrations. This is about 2,625 or 2.7% more than in 2021 and represents the highest number ever recorded. The proportion of active registrations changing ownership every year is small and has remained relatively stable over time, amounting each year to no more than 2% to about 3% of all active Madrid registrations.



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