

The Impact of the Madrid Protocol on International Trademark Transfers

Sho HANEDA⁺

September 2016

Abstract

This paper examines the effect of the Madrid Protocol on international trademark transfers by conducting an econometric analysis using the difference-in-difference method with the data of trademark applications over the period of 2004-2014. The Madrid Protocol was established in the aim of the reduction in transaction costs of international trademark applications. In order to conduct an empirical analysis on trademarks and the Madrid Protocol, we employ a concordance of Lybbert, Zolas and Bhattachayya (2014), which develop a mapping method for ISIC, SITC and NICE classifications. Our result suggests that the Madrid Protocol may reduce the transaction cost of TMs applications, although its impacts are observed only in manufacturing sectors. Also, it shows that inventors may use trademarks complementary as a protection of their patents.

JEL Classification: F13, F14, F23

Key Words: Trademarks, the Madrid Protocol, Patent, Innovation

⁺ College of Economic, Nihon University. Email: haneda.sho@nihon-u.ac.jp