Abstract

This paper shows the implementation of a second level price differentiation of industrial property price, in particular the multi-class system, this is because Colombia’s accession to Madrid’s Protocol in 2011. The methodology is based on a model to establish an optimal trademark price structure with two objectives: (i) to accomplish commitments under the TLT and encourage the use of multi-class system, and (ii) to identify a mechanism to reduce negative effects, which in terms of collection could face industrial property authority, based on the agreement in force. Among main findings, the inverse unequivocal existence between price and number of requests was identified, considering multiple factors that can affect the demand trademark service. Additionally, it was established that this differentiated price system leveraged the decrease on revenues from the industrial property management authority in Colombia given the observed demand service characteristics.

Keywords

Keywords: Trademark Law Treaty (TLT), Second level differentiation, Industrial property, Madrid Protocol, Trademarks