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of Intellectual Property Rights**

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REVIEW OF LEGISLATION ON TRADEMARKS, GEOGRAPHICAL INDICATIONS AND INDUSTRIAL DESIGNS

Replies from Japan to questions posed by the European Community and its Member States¹, and the United States²

The following communication, dated 4 November 1996, has been received from the Permanent Mission of Japan.

¹Document IP/C/W/37

²Document IP/C/W/39

REPLIES TO QUESTIONS POSED BY THE EUROPEAN COMMUNITY
AND ITS MEMBER STATES

Trademarks

1. *On what basis does Japanese law allow for a period of grace of not less than six months for the payment of fees prescribed for the maintenance of trademark rights in accordance with Article 5bis of the Paris Convention (1967) in conjunction with Article 2.1 of the TRIPS Agreement?*

Article 5bis(1) of the Paris Convention provides a grace period for the payment of fees for the maintenance of industrial property rights. It is understood that these provisions do not apply to the payment of fees for initial registration or registration for renewal (see "Guide to the Application of the Paris Convention" by Professor G. H. C. Bodenhausen).

Under the Japanese Trademark Law, trademark rights are granted for a period of 10 years if the prescribed fees for the registration have been paid in a lump sum at the time of initial registration or registration for renewal and fees for maintaining trademark rights are not provided for. Therefore, a grace period under Article 5bis(1) of the Paris Convention is not provided for by the Law.

2. *Does Japan accept for filing and protection collective trademarks belonging to associations in other WTO Members in circumstances where these associations are "not contrary to the law of their country of origin" but are "not established" or "not constituted according" to Japanese law (Article 7bis(3) Paris Convention in conjunction with Article 2.1 of the TRIPS Agreement)?*

Under the Japanese Trademark Law, when associations in other WTO Members file an application for registration of a collective mark, such an application shall not be refused on the ground that such associations are not established in Japan or not constituted according to the Japanese laws and regulations.

3. *Does Japanese law provide protection, and, if so, on what basis, against a false indication on goods of the identity of the producer, manufacturer, or merchant (Article 10(1) of the Paris Convention in conjunction with Article 2.1 of the TRIPS Agreement)?*

Article 71(1) of the Japanese Customs Law prohibits the importation of foreign goods bearing false indications with respect to origin.

4. *Are combinations of colours, other than in combination with characters, figures or other signs, eligible for registration as trademarks under Japanese law and, if so, on what basis (Article 15.1 of the TRIPS Agreement)?*

"Combinations of colours" provided for in Article 15.1 of the TRIPS Agreement are eligible for registration under Article 2(1) of the Japanese Trademark Law.

In order to identify a specific combination of colours as an object of trademark registration, identification of the border lines dividing colours, which by nature constitute a graphical pattern, is indispensable. Therefore, it is understood that the requirement to identify such a graphical pattern at the filing of an application is consistent with the Agreement as was clarified during the negotiations.

5. *Does the five year time-limit in Article 47 of the Japanese law also apply to the request for cancellation of the registration of a well-known trademark registered in bad faith? If yes, how do you explain this in relation to Article 6bis(3) of the Paris Convention in conjunction with Article 2.1 of the TRIPS Agreement and Article 16.3 of the TRIPS Agreement?*

The five-year time-limit stipulated in Article 47 of the Japanese Trademark Law is not applicable to the request for cancellation of the registration of a well-known trademark registered in bad faith.

Geographical Indications

6. *How is the term "geographical indication" defined in Japanese law in respect of goods other than wines and spirits and what is the legal basis for such a definition (Article 22.1 of the TRIPS Agreement)?*

The term "geographical indication" is not used in the Japanese Trademark Law and the Japanese Unfair Competition Prevention Law. Instead, these Laws use the corresponding term "origin" (Articles 3(1)(iii) and 4(1)(xvii) of the Japanese Trademark Law, and Article 2(1)(x) of the Japanese Unfair Competition Prevention Law). According to the Trademark Examination Guidelines, "origin" means names of countries, famous geographical names (including names of administrative units, former names of countries and geographical names used in foreign countries), names of streets (including famous streets in foreign countries) or indications on maps.

7. *Does Japanese law provide the legal means for interested parties to prevent, in respect of geographical indications, any use which constitutes a false allegation of such a nature as to discredit the goods concerned, even in the absence of any injury being caused to the business reputation of such parties (Article 22.2(b) of the TRIPS Agreement)?*

Article 2(1)(x) of the Japanese Unfair Competition Prevention Law provides that "the use of an indication on goods, which is likely to mislead the public with respect to the place of origin, etc." is one of the types of unfair competition. The use of geographical indications on goods which constitute a false allegation comes under unfair competition referred to in this Article regardless of injury to the business reputation of interested parties.

A person whose business interests are infringed or are likely to be infringed by unfair competition is entitled to request an injunction preventing or suspending such unfair competition (see Article 3). Furthermore, a person who infringes on the business interests of another person through such unfair competition, shall be liable to compensate damages which result therefrom (see Article 4). This law also provides that a person who made such unfair competition shall be sentenced to imprisonment or fined (see Articles 13 and 14).

8. *Does Japanese trademark legislation provide for the refusal or invalidation of the registration of a trademark which contains or consists of a geographical indication in accordance with Article 22.3 of the TRIPS Agreement?*

Under the Japanese Trademark Law, an application for registration of a trademark, which contains or consists of a geographical indication referred to in Article 22.3 of the TRIPS Agreement shall be refused in accordance with Article 4(1)(xvi) of the Law on the grounds that it may cause confusion as to the quality, if the said trademark is to be used with respect to goods not originating in the territory indicated. In case such a trademark is registered, the registration may be invalidated through appeal in accordance with Article 46 of the Law.

The Trademark Examination Guidelines clearly state that "confusion as to the quality" referred to in Article 4(1)(xvi) of the Law includes "confusion as to the true place of origin".

9. *Does Japanese trademark legislation provide for the refusal or invalidation of the registration of a trademark which contains or consists of a geographical indication in accordance with Article 22.4 of the TRIPS Agreement?*

Under the Japanese Trademark Law, an application for registration of a trademark which comes under Article 22.4 of the TRIPS Agreement shall be refused in accordance with Article 4(1)(xvi) of the Law. In case such a trademark is registered, the registration may be invalidated through appeal in accordance with Article 46 of the Law.

10. *Pursuant to Article 23.1 of the TRIPS Agreement, which are the legal means available in Japanese legislation to prevent the misuse of a geographical indication identifying a wine or a spirit, where:*

- (a) *the true origin of the wine or the spirit is indicated?*
- (b) *the geographical indication is used in translation or accompanied by expressions such as "kind", "type", "style", "imitation" or the like?*

The legal means to prevent the misuse of a geographical indication identifying a wine or spirit is prescribed in paragraph 2 of the "Standard for Indications in Relation to Geographical Indications" (Notification No. 4 of the National Tax Administration, 28 December 1994). This Notification was issued in accordance with Article 86-6(1) of the Law Concerning Liquor Business Associations and Measures for Securing Revenue from Liquor Tax and can be found in Annex I to this document (English only).

Paragraph 2 of the Notification is as follows:

"Protection of Geographical Indications"

2. A geographical indication that indicates the place of origin designated by the commissioner of the National Tax Administration among places of origin of wines or spirits made in Japan, or a geographical indication that indicates the place of origin of wines or spirits made in a Member of the World Trade Organization and use of which, with respect to wines or spirits originating in a region other than the place of origin, is prohibited in that Member shall not be used, with respect to wines and spirits originating in a region other than the place of origin.

The above stipulations shall be applied even where the true origin of the wines or spirits is indicated or the geographical indication is used in translation or accompanied by expressions such as "kind", "type", "style", "imitation" or the like."

11. *Article 23.2 of the TRIPS Agreement provides that the registration of a trademark for wines or spirits containing or consisting of a geographical indication shall be refused or invalidated with respect to wines and spirits not having such origin. Article 4(1)xvii of the Trademark Law of Japan implements this provision as regards geographical indications from WTO Members. The Patent Office of Japan has adopted a list of those geographical indications registered with the International Bureau of WIPO which cannot be registered as trademarks in Japan. What provisions has Japan taken to update this list?*

As a part of voluntary measures, which Japan has been taking to implement Article 23.2 of the TRIPS Agreement, the Japanese Patent Office has published, for an advance notice, a list of geographical indications whose registration could be refused under Article 4(1)(xvii) of the Japanese Trademark Law. More specifically, Japan has disclosed "the List of Geographical Indications for Wines and Spirits Registered with the WIPO International Bureau" in the Trademark Gazette of 23 June 1995. When the Japanese Patent Office obtains a revised edition of the said list, the revised list of geographical indications and the translations thereof will also be published.

12. *Does Japanese trademark legislation allow for the right to continue the use of a trademark acquired through use in good faith where such a trademark is identical with, or similar to, a geographical indication and, if so, what, if any, are the relevant dates in accordance with Article 24.5 of the TRIPS Agreement? Please explain.*

The use of a trademark indicating or suggesting a geographical unit other than a true place of origin in such a manner as misleading the public regarding the origin of goods has been prohibited as a misleading representation since 1974 by the Japanese "Act against Unjustifiable Premiums and Misleading Representations". Therefore, it is not envisaged in Japan that a person continues to use this kind of trademark, and "the relevant dates" in accordance with Article 24.5 of the TRIPS Agreement are not provided for.

When a trademark does not mislead the public regarding the true place of origin, Article 22 of the TRIPS Agreement is not applicable and the trademark which contains or consists of the geographical indication of goods is allowed to continue to be used. Therefore, "the relevant dates" in accordance with Article 24.5 of the Agreement are not provided for.

Industrial Designs

13. *Does Japanese law provide for the protection of textile designs, including fashion? If yes, on what legal basis and under which conditions (Article 25.2 of the TRIPS Agreement)?*

Under the Japanese Design Law, any industrial design which meets the requirements prescribed by the Law is eligible for registration, subject to examination. In this context, textile designs, or any fashion made of them, are eligible subject matters protected by the Law.

There are no legal conditions under which textile designs are protected. The conditions concerning textile designs, in particular those concerning cost, examination and publication, are, as described below, identical to, or slightly more advantageous than, those concerning other goods (see Articles 2(1) and 3).

Cost: The official fee structure for obtaining rights for textile designs is identical to the one for designs in other fields.

Examination: The Japanese Patent Office has been making efforts to expedite the examination process in every design field and has set a goal to the effect that by the year 2000 the first action is to be communicated within 12 months. As to textile designs, in particular, this action plan is better facilitated by staffing experts to assist in accelerated examination. In addition, when the design in an application is likely to be imitated, that application can be put to accelerated examination at the request of the applicant and in such a case that application will be processed in approximately four months from the request to final decision.

Publication: Under the Design Law, any designs shown in applications are published in the official gazette only after they are registered. In addition, the publication can be deferred for

a prescribed time period at the request of an applicant. These matters also apply to textile designs (see Article 14).

REPLIES TO QUESTIONS POSED BY THE UNITED STATES

1. *Please explain whether Section 2(1) of the Japanese Trademark Law permits registration of personal names as a "sign" and how this practice complies with TRIPS Article 15.1.*

Article 2(1) of the Japanese Trademark Law provides that "trademark" means characters, figures or signs, any combinations thereof, or any combinations thereof with colours. "Characters", in comparison with "figures" or "signs", mean words including personal names, letters and numerals. Consequently, personal names referred to in Article 15.1 of the TRIPS Agreement are eligible for trademark registration in Japan.

2. *Please explain whether, under Japanese law, colours can be registered without accompanying figurative elements, as required by TRIPS Article 15.1.*

"Combinations of colours" provided for in Article 15.1 of the TRIPS Agreement are eligible for registration under Article 2(1) of the Japanese Trademark Law.

In order to identify a specific combination of colours as an object of trademark registration, identification of the border lines dividing colours, which by nature constitute a graphical pattern, is indispensable. Therefore, it is understood that the requirement to identify such a graphical pattern at the filing of an application is consistent with the Agreement as was clarified during the negotiations.

3. *Please explain whether Section 5 of the Japanese Trademark Law provides for the acceptance of applications to register a trademark based on an intent to use the mark pursuant to TRIPS Article 15.3. Please explain the requirements and conditions that are placed on parties wishing to register and maintain registration of a mark based on an intent to use the mark.*

Article 3(1) of the Japanese Trademark Law provides that any person may obtain a trademark registration of a trademark to be used with respect to goods or services in connection with his/her business. Accordingly, a trademark may be registered not only in the case of actual use but also in the case of intent to use and no particular requirements or conditions are imposed on the registration of a trademark applied based on intent to use.

A registered trademark which has not been used for an uninterrupted period of three years may be subject to an appeal for cancellation. If such an appeal is requested, the registration may be cancelled unless there are due grounds for non-use (Article 50).

4. *Please explain whether the nature of goods or services to which a trademark is to be applied can serve as an obstacle to the registration of the mark under Japanese law. If so, please identify and explain the subject matter excluded under this authority; the relative provisions of the Japanese law that serve as a basis for these exclusions; and how this practice complies with TRIPS Article 15.4.*

Under the Japanese Trademark Law, the nature of goods or services for which a trademark is applied by no means serves as an obstacle to the registration of the trademark.

5. *Please explain whether marks that are not eligible for registration because they are "similar to" registered marks are evaluated using a "likelihood of confusion" standard or using an analysis based solely on whether the marks are similar without regard to the goods or services involved. Please*