

JPO TRADEMARK PRACTICE

>First File, First Register

Trademark Act is designed based on the philosophy, "First File, First Register". Under the framework of Trademark Act, mere fact of prior use of a trademark in Japan for a certain goods/services legally entitles a senior user of the non-registered trademark a legitimate right to use the trademark within a scope as actually ongoing. However, the prior use of the trademark does not create an exclusive right against a holder of registered trademark but filed after the use of senior user. The prior user of the non-registered trademark has to live with the registered mark. An entitlement of the prior user of trademark is to file a cancellation appeal to the registered trademark on the ground of likelihood of confusion.

>Reclassification

The current classification of goods and services is subject to the International Classification of Goods and Services. However, the goods designated in the application filed before April 1, 1992 were classified in accordance with the former classifications used only in Japan (classification under laws of 1899, 1902, 1921 and 1959).

Therefore it was decided to reclassify the designated goods of trademark registered under the above-mentioned former classifications in the current classification (the International Classification of Goods and Services). The term "reclassification" hereinafter means the reclassification of the designated goods of trademark registered under the former classifications into the current classification (the International Classification of Goods and Services).

The holder of a trademark right resulting from an application filed before April 1, 1992 shall request the registration of reclassification by submitting the application for registration of reclassification to the Commissioner of the Patent Office (Article 2 (1) and 3(2) of Supplementary Provisions).

The period for submitting the application is from six months before the expiration date of duration of trademark right which arrives first after six months from the "acceptance starting date" to one year after the said expiration date. The term "acceptance starting date" here means a date on which the acceptance of the application for registration of reclassification starts (Article 3(2) of Supplementary Provisions).

The "acceptance starting date" varies according to each former classification.

Distinction of the law	Acceptance starting date
Classification under laws of 1899 and 1909	April 1, 1998
Classification under law of 1921	April 1, 1999
Classification under law of 1959	April 1, 2000

However if, due to reasons beyond the control of the applicant, the applicant is unable to submit an application for registration of reclassification within the above-mentioned period, the applicant may submit an application for registration of reclassification within 14 days (in the case of an overseas resident, within two months) from the date on which the said reasons ceased to exist, but not later than six months after the expiration of the above-mentioned period.

Please note that the procedure for registration of reclassification is different from the procedure for registration of renewal of duration of trademark right.

In the case where the renewal of duration of a trademark right to be reclassified has been registered, if the reclassification of the trademark right is not registered, the trademark right shall expire upon the expiration date of the renewed duration.

If the holder of a trademark does not request the registration of renewal of duration of the trademark right, the registration of reclassification of the trademark right is not necessary.

>Regional collective trademark

The Japanese Trademark Act admits the registration of "regional collective trademark" under certain conditions. The term "regional collective trademark" means, briefly, a trademark which is used by the members of certain associations and consists solely of the name of the region and the common name or the customarily used name of the goods or services (Article 7-2(1)).

The items of Article 7-2(1) provide, in detail, the three following sorts of the regional collective trademark:

(A) "a trademark consisting solely of characters indicating, in a common manner, the name of the region and the common name of the goods or services pertaining to the business of the applicant or its members" (Article 7-2(1)(i));

(B) "a trademark consisting solely of characters indicating, in a common manner, the name of the region and the name customarily used as a name indicating the goods or services pertaining to the business of the applicant or its members" (Article 7-2(1)(ii));

(C) "a trademark consisting solely of characters indicating, in a common manner, the name of the region and the common name of the goods or services pertaining to the business of the applicant or its members or the name customarily used as a name indicating thereof, and characters customarily added in indicating, in a common manner, the place of origin of the goods or the location of provision of the services" (Article 7-2(1)(iii)).

According to Article 7-2, the requirements particular (including the procedural requirements) to the registration of regional collective trademark are as follows:

(1) the applicant shall be an association (including a business cooperative) with juridical personality established by a special Act which provides, without a just cause, that the association shall not refuse the enrollment of any person who is eligible to become a member or that the association shall not impose on any of its prospective members any condition that is heavier than those imposed on its existing members or a foreign juridical person equivalent thereto (the principle paragraph of Article 7-2(1));

(2) the trademark shall be used by the members of the above-mentioned association (the principle paragraph of Article 7-2(1));

(3) as a result of the use of the trademark, the trademark shall be well recognized among consumers as indicating the goods or services pertaining to the business of the applicant or its members (the principle paragraph of Article 7-2(1));

(4) the trademark shall fall under any of the above-mentioned (A), (B) and (C);

(5) the "name of the region" contained in the trademark shall be the name of the place of origin of the goods etc. or the name of the region which considered to have a close relationship with the said goods or services to the equivalent extent (Article 7-2(2));

(6) at the time of the application, the applicant shall submit to the Commissioner of the Patent Office a document certifying that the applicant is an association prescribed in (1) and documents necessary to prove that the trademark contains the "name of a region" prescribed in (5) (Article 7-2(4)).

Furthermore, in the current examination practice, the applicant is required to submit a document proving that the trademark is well recognized among consumers as indicating the goods or services pertaining to the business of the applicant or its members.

With regard to the trademark right of regional collective trademark, the following matters shall be considerable:

- (i) the trademark right may not be assignable (Article 24-2(4));
- (ii) the exclusive license may not be established (proviso of Article 30(1));
- (iii) members of the association (holder of the trademark right) have the non exclusive license(Article 31-2 (1)).

>Defensive Mark

Defensive Mark creates a wider protection for a famous mark, which can prohibit a third party from using or registering a famous for goods and services but *dissimilar* to those of famous mark.

If a trademark is famous for a certain goods or services, its mark can be register-able provided that the trademark satisfies the requirements, namely;

Requirement A; A trademark is famous in Japan for a certain goods/services as indicator of source demonstrating goods/services of a famous mark owner.

Requirement B; There is a likelihood of confusion between trademarks when a third party use the famous mark in connection with goods/services but it's not identical or similar to those of famous mark.

The most significance in the Requirement concerns that the Act essentially still requires “likelihood of confusion”. In a contrast to other jurisdictions, mere “likelihood of *dilution*” does not meet the Requirement as a Defensive Mark.

Please note a use or intention to use of a famous mark for dissimilar goods/services is not essential so long as there is a likelihood of confusion between goods/services of famous mark and dissimilar goods/services used by a third party. In turn, a Defensive Mark will not be vulnerable to cancel due to non-use of the Defensive Mark if the Defensive Mark remains meeting the Requirement A and B both. Being uncancellable by non-use for dissimilar goods/services presents definitely a great advantage for a famous trademark owner.

A use of a Defensive Mark by a third party may constitute infringement of trademark right of a famous mark. For instance, a registered trademark is recognized a famous mark for high-end automobiles, and the trademark was registered as the Defensive Mark in connection with herbicide. In case that a third party uses the famous mark for herbicide, its use of famous mark by a third may constitute an infringement of registered trademark for high-end automobiles.

In administrative phase at the JPO, however, it was truly understood that a holder of famous mark for high-end automobiles successfully demonstrated that there was a likelihood of confusion between high-end automobile and herbicide if a third party uses the trademark for dissimilar goods, herbicide.

A registration of Defensive Mark expires in 10 years from a date of registration, but its term does not synchronize with a term for registration of a famous mark. The registration of Defensive Mark can be renewable by filing an application but needs examination by an Examiner to see if the Defensive Mark still remains satisfying the Requirement A and B.

>Opposition to registration

Any person may file with the Commissioner of the Patent Office an opposition to registration within two months from the date of publication of the bulletin containing the trademark, on the grounds that the trademark registration falls under the reasons for opposition (Japan Trademark Act Article 43-2).

The reasons for opposition are almost same with the reasons for refusal.

In this case, an opposition to registration may be filed for each of designated goods or designated services if the relevant trademark has been registered in connection with two or more designated goods or designated services.

An examination and decision on an opposition to registration shall be conducted by a panel consisting of three or five trial examiners.

Where the trial examiners find that the trademark registration falls under the reasons for opposition, the trial examiners shall render a decision that the trademark registration is to be rescinded.

Where the rescission decision becomes final, the relevant trademark right shall no longer exist.

Where the trial examiners find that the trademark registration does not fall under the reasons for

opposition, the trial examiners shall render a decision that the trademark registration is to be maintained. The decision that the trademark registration is to be maintained shall not be subject to appeal.

Where the person does not accept the decision that the trademark registration is to be maintained, the person can file a request for a trial for invalidation of the trademark registration.

>Trial for cancellation of trademark registration based on non-use

Where a registered trademark has not been used in Japan in connection with any of the designated goods and designated services for three consecutive years or longer by the holder of trademark right, the exclusive right to use or non-exclusive right to use, any person may file a request for a trial for cancellation of such trademark registration in connection with the relevant designated goods or designated services (Japan Trademark Act Article 50).

Where a request for a trial is filed, unless the demandee proves that any of the holder of trademark right, exclusive right to use or non-exclusive right to use has used the registered trademark in Japan in connection with any of the designated goods or designated services pertaining to the request within three years prior to the registration of the request for the trial, the holder of trademark right may not prevent the cancellation of the trademark registration in connection with the relevant designated goods or designated services.

However, this shall not apply where the demandee shows just causes for non-use of the registered trademark in connection with the relevant designated goods or designated services.

Use of a registered trademark includes use of a trademark deemed identical from common sense perspective with the registered trademark will be accepted to prove using the registered trademark.

For example, a trademark consisting of characters identical with the registered trademark but in different fonts, a trademark that is written in different characters, Hiragana characters, Katakana characters, or Latin alphabetic characters, from the registered trademark but identical with the registered trademark in terms of pronunciation and concept, a trademark consisting of figures that are considered identical in terms of appearance as those of the registered trademark, will be accepted to prove using the registered trademark.

When a right holder cannot prove using the registered trademark or cannot state inexcusable reason of non-use, a trial decision of cancellation is performed, and the trademark right is

cancelled.

>Cancellation of Trademark Registration Due to Abuse

If use of a registered trademark or a mark similar thereto misleads consumers as to the nature of the goods or causes confusion with the goods of another person, such use shall constitute abuse of the registered trademark. For example, if the registrant of the trademark registration for "AJPO" uses the mark in the form like "a-**JPO**" to make the mark closely approximate another person's trademark "**JPO**", such use could be considered abuse of the registered trademark.

As a penalty for such abuse, the trademark registration shall be subject to cancellation under Articles 51 and 53 of the Japan Trademark Law. Article 51 addresses abuse by the trademark registrant while Article 53 addresses abuse by the licensee. The purpose of these Articles is to protect consumers' interests.

Requirements of Request for Cancellation Proceedings and Legal Effect

	Abuse by Trademark Registrant under Article 51	Abuse by Licensee under Article 53
Plaintiff	Any person, even without any legal interest	
Defendant	Trademark Registrant	
Conditions	<p>i) To intentionally use;</p> <p>ii) either a trademark similar to a registered trademark in connection with the designated goods or designated services, or a registered trademark in connection with goods or services similar to the designated goods or designated services or a trademark similar thereto; and</p> <p>iii) in a manner that misleads consumers as to the nature of the goods or services or causes confusion in connection with the goods or services pertaining to a business of another person.</p>	<p>i) To intentionally or unintentionally use;</p> <p>ii) a registered trademark in connection with the designated goods or designated services or in connection with goods or services similar thereto, or a trademark similar thereto; and</p> <p>iii) in a manner that misleads consumers as to the nature of the goods or services or causes confusion in connection with the goods or services pertaining to the business of another person..</p>
Exception		This Article shall not apply to the case where the trademark registrant was not aware, in spite of due care, of the fact of the abuse by the licensee.

Legal effect	<p>Where a board decision canceling the trademark registration becomes final and binding, the trademark right shall become extinguished thereafter.</p> <p>The former trademark registrant or licensee who abused the trademark may not be granted a registration of an identical or similar trademark in connection with identical or similar goods and services, until after the lapse of five years from the date the board decision becomes final and binding.</p>
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>Designating Japan in the International Registration

1. Individual fee

Japan adopts and sets up its own "individual fee" system in place of the supplementary and complementary fee system under Article 8 (7) of the Madrid Protocol (Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks, adopted at Madrid on June 27, 1989). Therefore, if Japan is designated in the international registration, only the individual fee, instead of the supplementary and complementary fee, is payable.

In this regard, the applicant should be most careful about the following three points.

(1) The individual fee for Japan must be paid in two parts (at two stages).

First Part (at the time of filing)	: 140 CHF for one class 107 CHF for each additional class
Second Part (at the time of registration)	: 467 CHF for each class

* CHF (in Swiss francs - Status on August 12, 2009)

(2) The Second Part of the individual fee must be paid within a certain period (three months from the date of allowance under the present practice).

(3) A failure to pay the Second Part of the individual fee would lead to the lapse of the Japanese part of the international application.

Generally applicants tend to fail to pay the Second Part of the individual fee. Therefore, it would be recommendable for an applicant to retain a Japanese patent attorney to

monitor the status of the application.

2. Amendment (Limitation) of Goods and Services

(1) Time Limit for Amendment (Limitation) filed with the Japan Patent Office

If an applicant wishes to file with the Japan Patent Office (JPO) an amendment (including a limitation of goods and services) of the Japanese part of its international application in response to a provisional refusal issued by the Japan Patent Office, such amendment must be filed by a Japanese Patent Attorney and only within a certain period under Article 68-28 of the Japan Trademark Law. Under the present Japanese trademark practice the certain period given is three months after the issuance of the JPO's provisional refusal.

(2) Amendment (Limitation) filed with the International Bureau

The applicant of an international registration may file any limitation at any time, in respect of all or some of the Contracting Parties, or of goods and services listed in the international registration under Article 9bis (iii) of the Madrid Protocol.

If an applicant fails to file an amendment (limitation) with the JPO within the period set forth in the above (1), it may file such amendment with the International Bureau of the WIPO. If such amendment overcoming the provisional refusal is to be filed with the International Bureau of the WIPO when the application for the Japanese part is still pending before the JPO, the application for the Japanese part of the international registration will be allowed by the JPO.