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REVIEW OF LEGISLATION ON TRADEMARKS, GEOGRAPHICAL INDICATIONS AND INDUSTRIAL DESIGNS

Japan¹

The present document reproduces the introductory statement made by the delegation of Japan, the questions put to it and the responses given in the review of legislation on trademarks, geographical indications and industrial designs at the Council's meeting of 11-15 November 1996.²

I. INTRODUCTORY STATEMENT

First of all I would like to thank all WTO Members for their interest and valuable questions on the laws and regulations of Japan in relation to TRIPS implementation. All these questions are stimulating and valuable because we can review our laws and regulations from a different angle with a view to achieving further development of our system.

Japan has amended some provisions of national laws and regulations to comply with obligations under the TRIPS Agreement. The amended trademark law entered into force as of 1 July 1995. Major changes in the trademark law were made with respect to the protection of geographical indications through the trademark system and to the extension of the benefits under the Paris Convention to all WTO Members which are not party to the Paris Convention, pursuant to Article 2.1 and other provisions of the TRIPS Agreement. Changes were not required for the Design Law, but we improved our practice in examination of applications in the field of textile designs. With respect to geographical indications, Japan does not have any *sui generis* law for the registration or protection of geographical indications, protection is provided by a combination of trademark law and unfair competition prevention law. A law concerning liquor business is also applied to protect geographical indications for wines and spirits. Our national laws and regulations are fully consistent with all obligations under the TRIPS Agreement with respect to trademarks, industrial designs and geographical indications as well as other intellectual property rights.

I believe the cross reference tables prepared by Japan and circulated in WTO document IP/N/1/JPN/1/Add.2 have been of some help in the review process.

¹As regards laws and regulations relevant to the areas under review as notified by Japan under Article 63.2 of the Agreement, reference is made to documents IP/N/1/JPN/1, IP/N/1/JPN/T/1 and Rev. 1, IP/N/1/JPN/I/1 and IP/N/1/JPN/D/1.

²The minutes of the meeting are contained in document IP/C/M/11.

II. REPLY TO THE GENERAL QUESTION CONCERNING PRIORITY RIGHTS³

Does your country recognize a right of priority on the basis of an earlier trademark application filed in any other WTO Member by a national of a WTO Member?

Yes Japan has created new provisions in its laws, which recognize priority claims based upon earlier applications filed in any other WTO Member by a national of a WTO Member. The relevant provision is Article 43bis of the Patent Law, which is incorporated in the Trademark Law by reference.

III. REPLIES TO QUESTIONS POSED BY THE EUROPEAN COMMUNITIES AND THEIR MEMBER STATES

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 ten 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.

[Follow-up question from the EC]

Does Japanese law accept the filing and protection of collective trademarks belonging to associations that are not necessarily incorporated legal persons, such as certain authorities established under public law?

Japanese Law requires that associations be incorporated legal persons as a condition to seek the protection of their collective trademarks.

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)?*

³At the meeting of the TRIPS Council of 11-15 November 1996, Members agreed to respond to this question in the context of the present review (document IP/C/M/11, paragraph 43).

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

[Follow-up question from the EC]

Does the concept of "false indication with respect to origin" in Article 71(1) of the Japanese Customs Law include false indication of the identity of the producer, manufacturer or merchant? If not, on what legal basis does Japanese Law provide protection against the false indication 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 Laws prescribes the concept of "false indication" or "misleading indication" with respect to only "origin".

The Japanese Unfair Competition Prevention Law provides that the act of importing goods with an indication which is likely to mislead the public with respect to the place of origin, quality, contents, etc., is one of the types of unfair competition (Article 2(1), sub-paragraph (x)). The false indication of the producer, manufacturer or merchant comes under the act referred to in this sub-paragraph. 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(1)).

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

[Follow-up question from the EC]

Could Japan specify the legal basis for its statement that the five-year time-limit stipulated in Article 47 of the Japanese Trademark Law is not applicable to the request for cancellation of a well-known trademark registered in bad faith?

Article 47 of the Trademark Law provides that where a trademark has been registered in contradiction to Article 4(1), sub-paragraph (x) (Protection of well-known trademarks), the five-year time-limit shall not be applicable, provided that such a registration has been obtained with "the intention

of violating the rules of fair competition" The intention of violating the rules of fair competition is construed as the same as bad faith.

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.

[Follow-up question from the EC]

The definition of "origin" as laid down in the Japanese Examination Guidelines appears to be not fully consistent with the definition of "geographical indications" in TRIPS Article 22.1. Please explain how Japan provides for protection, other than in respect of wines and spirits, of geographical indications in accordance with Article 22 of the TRIPS Agreement, having regard to the definition of "geographical indication" in Article 22.1 of the TRIPS Agreement.

The meaning of the term "origin" used in the Japanese Trademark Law should be construed broadly. According to the Trademark Examination Guidelines, it is explained that the term "origin" includes "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), indications on maps etc.", but is not limited to those. Consequently, the term "origin" is construed as broad enough to include "geographical indications" provided for in Article 22.1 of the TRIPS Agreement.

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.⁴

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.

⁴Notification No. 4 has also been notified by Japan under Article 63.2 as a main dedicated intellectual property law in the area of enforcement (see document IP/N/1/JPN/E/1).