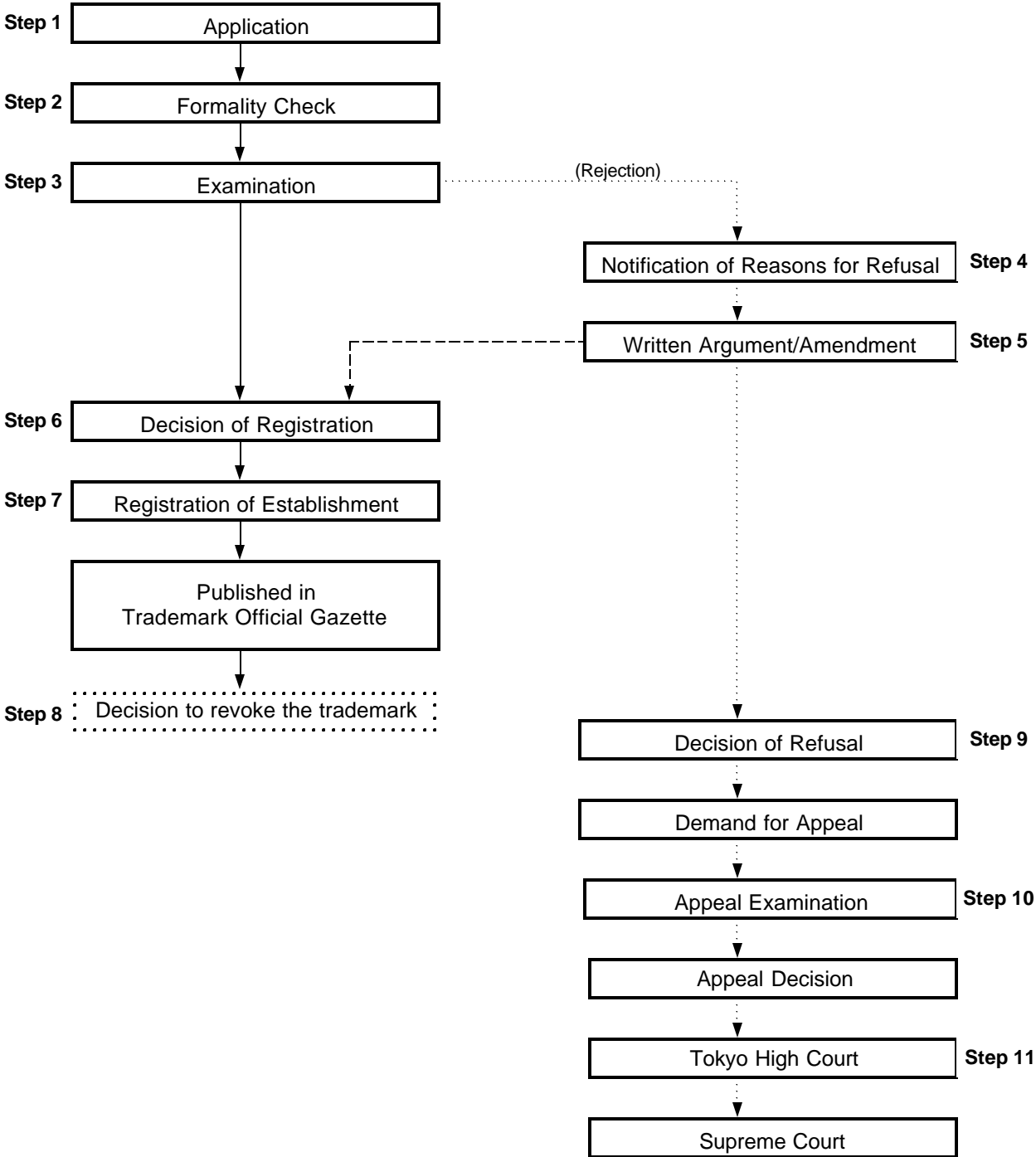


# An Outline of the Trademark System in Japan

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# Procedures for Obtaining a Trademark Right in Japan



## An Outline of the Trademark System in Japan

- As of April 2003 -

### **1. General**

- 1.1. Upon registration at the Japan Patent Office, an exclusive right to a trademark is established. The granted trademark right is effective throughout Japan, and its owner can use it exclusively with respect to the designated goods and services, without exclusion by any other party. The Japanese trademark system is a first-to-file system. Any words or designs with or without colors, three dimensional marks and collective marks may be registered as trademarks. Service marks may also be registered, and multi-class applications are acceptable.
- 1.2. The International Classification System of goods and services was introduced as of April 1, 1992. The 8th Edition of the Nice International Classification of Goods and Services (which expanded the International Classification system) came into force in Japan on January 1, 2002; however, this adoption does not affect existing applications and registrations filed before January 1, 2002.
- 1.3. The associated trademark system, where trademark owners could formerly register marks similar to their own marks as associated marks, has been abolished as of April 1, 1997. Japan is a member of the Paris Convention, the Trademark Law Treaty, TRIPS and the Madrid Protocol.

### **2. Filing Requirements (Step 1)**

*The applicant must submit to the Patent Office directly or by mail an application for trademark registration having the following requirements:*

- 2.1. The applicant's full name, address and nationality.
- 2.2. Details of the mark. If the mark consists of only plain block letters in English or Japanese characters, drawings are not necessary. However, if the mark consists of a logo, stylized letters, design, 3-D or has color(s), a clear drawing of the mark is necessary.
- 2.3. Goods and/or services to be covered must be itemized, but there is no limitation on the number of goods or services to be designated in one class. An additional fee is required for each additional class in the same application (a multi-class application).

- 2.4. If Convention priority is claimed, the date and country of the base application must be indicated in the application, and a certified copy of the base application must be submitted within a three-month period from the filing date of the Japanese application.
- 2.5. Neither prior use nor any evidence of use is required. Any person who intends to use the mark may file an application.
- 2.6. No specimens showing actual use of the mark are required. Additionally, no Power of Attorney or any other formal documents from the applicant are in principle required. However, the Patent Office may request that the applicant file documents to confirm nationality, corporate entity, etc.
- 2.7. An online filing system (electronic trademark applications) has been introduced beginning on January 1, 2000.

### **3. Search**

- 3.1. In Japan, a trademark search can be conducted based only upon the Patent Office's records, namely, the prior registrations and pending applications for trademarks that are the same as or similar to the proposed trademark with respect to goods or services for which the mark is to be used. However, pending applications filed during the last three months or so are not completely listed in the data available for the search.
- 3.2. A separate search must be conducted for each group of similar goods, and several such groups are included in one International Class. Thus, the fee for conducting a full trademark search for a word mark depends upon the number of groups of similar goods.

### **4. Examination (Steps 2 & 3)**

- 4.1. The Japanese trademark system is a first-to-file system. Specifically, a trademark in an application filed prior to other applications for identical or similar trademarks will become registered. Thus, it is always advisable to file an application as soon as possible in order to secure an earlier filing date.
- 4.2. The application is examined to determine whether it fulfills the necessary procedural and formal requirements. If any necessary documents are missing or required sections have not been filled in, an invitation to correct will be made (step 2).

- 4.3. All applications are examined to determine whether they meet the substantive requirements; in particular the examination is made regarding the distinctiveness of a mark and its similarity to a third party's prior registrations and applications (step 3). Request for accelerated examinations can be made.
- 4.4. Trademarks which do not enable consumers to differentiate the applicant's goods or services from those belonging to other parties will be refused. Additionally, trademarks which are unregistrable for reasons of public interest or for the protection of private interests will also be refused.
- 4.5. If there is any reason to reject the application, the Examiner will issue a preliminary notice of rejection (step 4) and the applicant can file an argument and/or an amendment to overcome the official notice (step 5). If the reasons for refusal are not eliminated, the decision of rejection will stand (step 9).
- 4.6. If there is no reason for rejection or the applicant can overcome the official notice, an official decision for registration of the application will be issued (step 6) and the application will be registered upon the payment of a registration fee (step 7). The registration fee can also be payable in two installments.
- 4.7. Japan has no system for disclaiming any descriptive word contained in a trademark application. If an application for a trademark including a famous geographical name with a distinctive element is filed, the Examiner will request that the applicant restrict the goods covered by the application to those made in the country where the place indicated by the geographical name is located, and the trademark would be registered accordingly.
- 4.8. The Japanese Patent Office has issued Certificates of Registration for trademarks that have been registered since January 1, 1999. For trademarks registered on December 31, 1998 or before, it is necessary to request that the Patent Office issue a special Certificate.
- 4.9. An official action for a trademark application is generally received after about 10 months or later after the filing of the application.

## **5. Appeal of a Decision for Rejection (Step 10)**

- 5.1. If there is dissatisfaction with a decision of rejection of a trademark application, an appeal against the decision can be filed with the Trial Board of the Patent Office. A notice of appeal can initially be filed without showing any grounds. A Power of Attorney executed by the applicant must be filed.

- 5.2. Within about one month of the filing of the appeal, the Patent Office will send a notice regarding an appeal number assigned to the subject appeal. Thereafter, a formal official notice is issued requesting that we file substantial reasons for the appeal along with any evidence to support our argument. Such substantial reasons must be filed within 30 days (no extension is allowable), although additional evidence can be submitted later.
- 5.3. The appeal is examined by three Trial Examiners based only upon the reasons for the appeal and the evidence filed by the applicant. No hearing is held. An official decision is issued upon completion of the examination.
- 5.4. If there is dissatisfaction with that official decision, the applicant can file a court action before the Tokyo High Court seeking revocation of the decision (step 11). A decision rendered by the Tokyo High Court can further be appealed before the Supreme Court, a decision by which is final.
- 5.5. An official decision regarding an appeal is generally issued about 18 months or later after the filing of the appeal.

## **6. Opposition**

- 6.1. After registration, an application is published in the Official Gazette for opposition. Any person can file an opposition against it with the Commissioner of the Patent Office within two months from the publication date. Since no extension of this period is allowable, a notice of opposition (a pro-forma opposition) must be filed within those two months in order to secure title as an opponent. An opponent must then file substantial reasons for the opposition and evidence supporting those reasons must then be filed within three months after that expiration of the opposition term.
- 6.2. A copy of the opposition is sent to the applicant by the Patent Office, but the applicant is not required to take any action at that time. The Examiners of the Trial Board of the Patent Office will examine the opposition and, if they consider it unreasonable, they will issue an official decision dismissing the opposition and maintaining the opposed registration.
- 6.3. On the other hand, if they consider the opposition to be reasonable, they will issue a preliminary notice of cancellation of the registration and request the applicant to file a response to the notice. After examining the response, they will issue an official decision maintaining or canceling the registration (step 8).

- 6.4. An applicant who receives a decision canceling a registration can file a court action seeking the revocation of the decision before the Tokyo High Court (step 11). However, an opponent who receives a decision dismissing an opposition cannot file an appeal against the opposition decision itself. Instead, the opponent can file for a trial for invalidation of the registration with the Patent Office, based on the same reasons as those for the opposition.
- 6.5. An official decision in an opposition is generally received in about 6 months or later after the filing of the opposition.

## **7. Trials for Invalidation or Cancellation**

- 7.1. In Japan, the term "cancellation trial" is often used to indicate a cancellation action against a trademark registration based on non-use. The term "invalidation trial" is used to indicate a forfeiture action against a trademark registration based on a third person's prior right to a similar mark or the lack of distinctiveness.
- 7.2. In order to seek the cancellation (or invalidation) of a trademark registration in Japan, it is necessary to demand a trial for cancellation (or invalidation) of the trademark registration at issue with the Trial Board of the Patent Office.
- 7.3. Under Japanese Trademark Law, anyone can demand a cancellation trial against a trademark registration based on non-use for three consecutive years in Japan with respect to all or some of the designated goods of the registration. If such a cancellation trial is filed for, the registrant must then prove that the mark has been used by him/her or a licensee with respect to the goods sought to be cancelled, or that there is good reason justifying non-use of the mark. Otherwise, the cancellation trial will be accepted and the registration will be cancelled with respect to the goods sought to be cancelled.
- 7.4. The onus of establishing use of the challenged trademark falls on the registrant. Therefore, in the initial document submitted in the trial for cancellation based on non-use, it is not necessary for the plaintiff to make substantial arguments or file any evidence proving non-use of the trademark at issue. Instead, it is sufficient for the plaintiff to file a petition seeking cancellation of the mark based on non-use. If the defendant (the owner of the trademark at issue) then files a response to the trial with evidence sufficient to prove the use thereof, it would be impossible to refute that evidence and the plaintiff would lose the case. On the other hand, if the defendant does not file any response and evidence of use, it would be unnecessary for the plaintiff to take any further action and he/she would win the case. In either case, an official decision would be served on the parties concerned.

- 7.5. Furthermore, if the response and evidence filed by the defendant are disputable or there are some questions thereon, the plaintiff can file a refutation and make a substantial argument emphasizing that the trademark at issue should be cancelled based on non-use. The parties concerned can thereafter file documents supporting their respective arguments, although that happens rarely. An official decision is then finally issued, and the party receiving an unfavorable decision can subsequently file an appeal before the Tokyo High Court.
- 7.6. Regarding an invalidation trial, it can be demanded only by a person who has a legal interest in the trademark registration at issue (unlike a cancellation trial, which can be demanded by anyone). However, this limitation term does not apply where the trademark has been registered with the intension of conducting unfair competition or of carrying out a dishonest scheme.
- 7.7. The other procedures for an invalidation trial are the same as the above-mentioned ones for a cancellation trial.
- 7.8. An official decision in an invalidation trial is generally received in about 20 months or later after said trials are filed for. An official decision in a cancellation trial based on non-use is generally received in about 10 months or later after said trial is filed for.

## **8. Licenses**

- 8.1. In Japan as in many countries, there are two kinds of trademark licenses. One is an exclusive license ("Senyo-Shiyo-Ken") under Article 30 of the Trademark Law, and the other is a non-exclusive license ("Tsujiyo-Shiyo-Ken") under Article 31.
- 8.2. A "Senyo-Shiyo-Ken" (exclusive license) is effective only when it is recorded on the Official Register, and the holder of this right is recognized as having an exclusive right to a registered trademark to the extent of the Licensing Agreement. Furthermore, the licensee can initiate a court action solely in his/her own name against an infringer to stop use of the registered trademark and recover damages. Additionally, no person other than the licensee, not even the licensor, can use the trademark concerned within the scope of the license granted to the licensee.
- 8.3. In contrast, a "Tsujiyo-Shiyo-Ken" (non-exclusive license), does not need to be recorded in order to be effective. This use right is based only upon the Licensing Agreement between the trademark owner and the licensee, who can use it to the extent of the Licensing Agreement. The licensee does not have the right to oppose

another application or sue infringers in his/her own name. It is possible to record this use right, but such a registration is effective only against late comers, such as a future assignee of the trademark concerned. Even if this use right is not recorded, use of the trademark by the licensee will meet the use requirement for the trademark concerned in a possible cancellation trial based on non-use.

- 8.4. Both use rights described above can only be recorded after the trademark concerned is actually registered.

## **9. Infringement**

- 9.1. In Japan, a trademark right holder exclusively possesses the right to use the registered trademark on the designated goods or services. The use by another party of an identical or similar trademark with respect to an identical or similar range of goods or services constitutes infringement. Thus, the trademark right holder may require the infringer to cease the infringing acts and pay damages.
- 9.2. In Japan, the trademark owner usually first sends a warning letter to an infringer before taking any court action. Thereafter, negotiations or arguments via correspondence typically occur between the parties in order to settle the matter. If the infringer agrees to cease using the mark in the future and/or pay monetary compensation, the matter is settled.

## **10. Duration of Registration and Renewal**

- 10.1. The duration of a trademark registration is 10 years from the registration date and can be renewed for the same period by filing a petition for renewal along with payment of a renewal fee. The renewal fee can be paid in two installments, each of which covers a five-year period. There is a six-month grace period for paying the renewal fee, but a renewal fee double the usual amount must be paid in that case.

## **11. Re-classification**

- 11.1. Japan adopted the International Classification system on April 1, 1992. Under the revised Trademark Law of 1996, the goods covered by those registered trademarks that were filed on or before March 31, 1992 in accordance with the four versions of earlier Japanese classifications (of 1899, 1909, 1921 and 1959) will be reclassified in accordance with the International Classification system upon renewal.
- 11.2. These re-classification procedures commenced on April 1, 1998 with respect to very old registrations whose expiration dates were on or after October 1, 1998. The registrant must file an application for re-classification separately from the petition for renewal,

and the application for re-classification is examined by the examiner to see whether the re-classified class(es) and the identification of goods are acceptable or not.

- 11.3. It is possible to renew a trademark registration without re-classifying the same registration. However, a further renewal of the registration would not be allowable in that case.

## **12. Marketing**

- 12.1. Under Japanese trademark law and regulations, a trademark right holder shall "make efforts" to indicate that the trademark is registered on the goods or packaging thereof. Accordingly, the indication of a trademark registration notice is optional. There is no statutory penalty or disadvantage resulting from the failure to indicate a registration notice.
- 12.2. The Trademark Law Enforcement Order prescribes that a registration notice shall be indicated by the words "registered trademark" in Chinese characters and the registration number thereof. However, only the ® symbol is widely used in actual trade to indicate that a mark has been registered in Japan.
- 12.3. Trademarks registered in other countries have no legal effect in Japan. Therefore, if a mark has not been registered in Japan, the use of any indication having the meaning "registered trademark" or the ® symbol on products sold in Japan would constitute a false indication, which is punishable.
- 12.4. The ™ symbol is also used in Japan when the mark concerned has not been registered, although this symbol is not popular. There is no clear definition of the symbol in Japan and thus the average Japanese consumer would not probably know its meaning. Of course, there is no legal effect resulting from the use of the symbol. Furthermore, in Japan, there is no particular indication to show that the mark belongs to the user, when it has not been registered.

## **13. Well-known Trademarks**

- 13.1. The Patent Office has published a "list of established famous and well-known marks" on the Internet. The list includes two kinds of trademarks, one being the trademarks which have been registered as defensive marks, the other being trademarks which have been recognized as famous or well-known trademarks in decisions rendered by the Trial (Appeal) Board of the Patent Office or the courts.

13.2. Thus, there is no system to register famous and well-known trademarks in Japan, but the Patent Office has informally punished such trademarks as mentioned above in the "list of established famous and well-known marks".

13.3. If the owner of a trademark wishes to have his/her trademark published in this list, it would therefore be necessary to obtain a defensive mark registration with respect to his/her trademark. In other words, if his/her mark were registered as a defensive mark, then the mark would be automatically published in the above list.

#### **14. Assignment**

14.1. Under Japanese Trademark Law, the assignment of a trademark application or registration is effective only when it is recorded in the Official Register. In order to record this assignment, the following are necessary: (1) a deed of assignment executed by the assignor or an agreement between the assignor and assignee concerning the assignment (the application and/or registration numbers of the trademarks concerned must be indicated in those documents) and (2) a Power of Attorney executed by the assignee.

14.2. A petition for recording the assignment must be filed together with the above documents with the Patent Office, after which said assignment would be registered. The advertisement of the assignment in a newspaper is no longer required.

#### **15. Recording Change of Name and Address**

15.1. In order to record the change of a name and address, a Power of Attorney executed by the trademark owner is necessary. It is sufficient to file a petition for recording the same with the Patent Office, but the application and/or registration numbers of the trademarks concerned must be indicated in the petition.

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