

JTA BULLETIN

OFFICIAL NEWSLETTER OF THE JAPAN TRADEMARK ASSOCIATION

I. Trademark Law Further Revised:

The Japanese Trademark Law has been revised four times in the last six years for compliance with WTO-TRIPs Agreement, Trademark Law Treaty, and Madrid Protocol, respectively. The changes are highlighted as follows:

1) Since April 1, 1998:

- a) The conventional pre-registration opposition system has been switched to the post-registration opposition system. (§ 43-bis to 43-quater decies)
- b) Multi-class applications have become acceptable. (§ 5)
- c) Substantive examination in renewal of registration has been abolished, and proof of use of the mark is no longer required for the renewal. (§ 20)
- d) A Power-of-Attorney is no longer required for new trademark applications while a general power-of-attorney has become acceptable. (Regulation)
- e) Associated trademark system has been abolished. (§ 24-bis) As a result, two or more confusingly similar trademarks can be assigned to different parties.
- f) Requirements for alleging non-use cancellation actions before the Japanese Patent Office (JPO) have been lessened. (§ 50)
- g) Examiners can cite pending earlier applications as grounds for refusal. (§ 15-ter)
- h) Word marks can be applied for registration in standard characters. (§ 5)
- i) 3-D marks are registrable. (§ 5)
- j) Collective mark registration system has been revived. (§ 7)
- k) The maximum amount of penalty for

trademark infringement has been increased up to 150 million yen. (§ 82)

- l) Newspaper advertisement of assigned trademarks is no longer compulsory. (§ 24b)
- m) Trademark registrations are renewable with a fine within a six-month grace period after expiry. (§ 20)
- n) Reclassification of goods into the International Classification has started.
In Japan, four different national classifications are coexistent in the sense that each registration must be renewed under the particular classification applied to that registration. JPO has decided to reclassify all the four national classifications into the international one. To all the trademark owners involved, including non-residents, at their addresses on record, JPO notifies of a particular eighteen-month time period in which petitions for reclassification should be filed. The petitions are examined and those resulting in broader protection are rejected. Unreclassified trademark registrations can be renewed once only.
- o) Registration fees can be paid in two installments. (§ 41-bis)

2) Since January 1, 1999:

- p) Certificates of Trademark Registration have become available with respect to the trademarks registered on or after 1 January 1999 instead of the conventional postcard style notice of registration. (§ 71-bis)

3) Since January 1, 2000:

- q) An applicant whose pre-registered trademark is being potentially infringed may recover the lost profit brought about after the date of a warning letter to the potential

infringer. This claim is enforceable only after the trademark application has matured into registration. (§ 13-bis)

- r) For the convenience of interested parties, unexamined trademark applications are laid open to the public in the Trademark Gazettes which come in CD-ROM. (§ 12-bis)
- s) An applicant of a trademark application shall be notified of refusal of registration (First Office Action) within 18 months from the filing date. (Government Ordinance)
- t) When requested by an infringement court, JPO must submit its Official Opinion. (§ 28-bis)
- u) In order to reduce the trademark registration fee in a multi-class trademark application, the applicant may cancel any class or classes when paying the registration fee. (§ 68-40)
- v) The on-line filing system (Paperless System) has been extended to trademark applications.

4) Since March 14, 2000:

The Madrid Protocol has become effective in Japan since March 14 of this year, which provides as follows:

①Language adopted for communication:

Japan has chosen English as the language for communication under Rule 6 of the Protocol. Thus, only English should be used for communication between JPO and the International Bureau (WIPO) as well as between JPO and Users.

②Treatment of International Registration:

- i) A request for territorial extension of trademark protection to Japan based on an international registration is treated as a **constructive Japanese national trademark application** and shall be subject to substantive examination by JPO;
- ii) When JPO applies its first-to-file rule, the date of international registration is regarded as the filing date of a **constructive Japanese national application**;
- iii) Once a **constructive Japanese national application** has matured into registration as a result of substantive examination by JPO, such registration is regarded as a

constructive Japanese national registration and enjoys substantially the same protection as given to ordinary Japanese trademark registrations; and

- iv) The duration of a **constructive Japanese national registration** is ten years from the date of its international registration.

③Fees payable to WIPO:

Japan has decided to collect an "individual fee" instead of "supplementary and complementary fees" under Article 8 (7)(a) of the Protocol.

Thus, a User who seeks protection of its trademark in Japan will have to pay the following fees to the International Bureau:

- i) When designating Japan (including "subsequent designation"):

$$\text{CHF}1337 + \text{CHF}1262 \times (N-1)$$
 N = the number of class or classes
- ii) When renewing a **constructive Japanese national registration**:

$$\text{CHF}2354 + N \quad (\text{CHF} = \text{Swiss Fr.})$$

④Validity of International Registration:

An international registration shall lose its effect and result in forfeiture of a **constructive Japanese national registration** (Article 6(3) of the Protocol) in the case where: (a) its basic trademark application has failed to mature into registration in the office of origin, or (b) its basic trademark registration in the office of origin has been cancelled within five years from the date of the international registration.

However, an international registration shall become independent of its basic trademark application or registration in the office of origin, upon expiry of a period of five years from the date of the international registration.

A **constructive Japanese national registration** shall remain valid as long as it is supported by the valid international registration (§ 6(2) of the Protocol).

Division of a basic trademark application or registration into two or more applications or registrations during the five-year period above shall result in the corresponding division of the international registration.

⑤Transformation:

As provided in Article 9-quinquies of the Protocol, a User, who was a holder of an international registration that was cancelled under the provision of Article 6 (4) of the Protocol, can file

a transformed national application for registration of the same mark with JPO within three months from the date on which the corresponding international registration was cancelled. Such a transformed national application shall be treated as if it had been filed in Japan on the date of the international registration.

(by T Higuchi, PA, Aoyama & Partners)



II. Unfair Competition Prevention Law Further Amended:

The 1934 Law remained effective until 15 June 1991 when it was slightly amended to introduce the protection of trade secrets.

On 1 May 1994, the Law was overhauled to introduce greater protection to famous marks that are well known in a particular region or industry as well as super-famous marks that are extensively well known nationwide or worldwide.

On 1 October 1999, further amendment to the Law was enacted for the protection of digitized music, movies, game software, etc. in the field of so-called "content-providing business", which has been growing rapidly.

The amendments are outlined as follows:

- a) Unauthorized sale of such devices or programs that circumvent technological measures to control use or copying of the contents is regarded as unfair conduct and such conduct shall be subject to injunction and/or compensation claims.
- b) The content providers, namely, content delivery companies, manufacturers of said devices and programs, etc., can claim injunctive relief and/or compensation.

(by C Saito, PA, Aoyama & Partners)



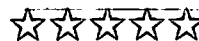
III. Introduction Of Civil Remedy System against Antimonopoly Act Violations:

A new independent law was enacted to introduce a civil remedy system for an Antimonopoly Act violation. This new law passed the Diet on 12 May 2000; was promulgated on 19 May 2000; and will become effective within six months from 6 January 2001. The effective date will be decided by the Cabinet and announced in the near future. Under the new Act, private corporations, groups, consumers or the like who have suffered or are likely to suffer injury from another party's violation against the Antimonopoly Act will be allowed to take an action before a court for injunctive relief to the extent that it is necessary for the relief of the injury (§ 24). Until enforcement of the new law, only Japan Fair Trade Committee (JFTC) can exercise its power to stop the violation while damages could be claimed before a court as having been allowed under Article 25 of the Act.

More detailed information about the new law is available at the office of JFTC (Tel:03-3581-5476, <http://www.jftc.admix.go.jp>).

Additionally, it was recently reported in newspapers that JFTC has decided to introduce an appeal system by which a private requester can appeal to JFTC for reconsideration when the requester's petition for injunctive relief has been rejected by JFTC.

(by I Ohnishi, PA, Aoyama & Partners)



IV. Patent Attorneys Law Revised:

The revised Law was promulgated on 26 April 2000, and will become effective from 6 January 2001, except Paragraph 3 of Article 4 thereof.

Article 1 of the Law provides that the objective of this Law shall be to contribute to promotion of the proper protection and utilization of intellectual property rights with a view to being instrumental in development of industry and economic growth, by establishing a developed Patent Attorney System. The important changes

are as follows:

1) PA's Field of Activities Expanded:

In addition to the existing attorneyship before Tokyo High Court in appeal cases against JPO's decisions regarding patentability, registrability or validity of industrial properties (§ 6), the following capacities have been newly admitted to patent attorneys:

①Attorneyship before Customs Houses:

Patent attorneys are qualified to act on their clients' behalf to block importation of goods that are infringing patent rights, utility model rights, design rights, trademark rights or rights in mask works (arrangement of semiconductor integrated circuits), as provided in Articles 21 and 21-bis of the Custom Tariff Act. (§ 4-2-1)

②Arbitratorship:

Patent attorneys are qualified to act as neutral arbitrators at Japan Industrial Property Arbitration Center to settle disputes regarding industrial property rights including rights in mask works and/or particular unfair competition activities that are specified in Article 2, Paragraph 1, Items 1 to 9 of the Unfair Competition Prevention Law. (§ 4-2-2)

③Representation in licensing, etc.:

Within two years from 26 April 2000 above, Patent attorneys shall be qualified to act on their clients' behalf with respect to license agreements and/or assignments regarding rights in patents, utility models, designs, trademark, technical know-how, and/or mask works as well as copyrights unless otherwise restricted by other laws. (§ 4-3)

④Procuratorship in infringement suit:

Patent attorneys are qualified to appear before an infringement court to state or interrogate in

the presence of their client or cooperating attorney-at-law in connection with rights in patents, utility models, designs, trademarks, mask works, international applications, international registrations, or the particular unfair competition activities as specified in Paragraph. ② above. (§ 5)

2) IP Law Firm Can Be A Corporate Body:

- a) Two or more patent attorneys can jointly establish or reorganize their existing IP law firm into a patent business corporate body. (§ 37)
- b) A patent business corporate body shall have its name including the identifying term "Patent Business Corporation". (§ 38)
- c) A patent business corporate body can have two or more offices. (Regulation)

3) Compulsory Membership To JPAA:

Every patent attorney or patent business corporation must be a member of the Japan Patent Attorneys Association (JPAA). (§ 60)
(by K Seto, PA, Aoyama & Partners)

The JTA Bulletin is a newsletter issued from time to time when necessity takes place. Subjects covered by this Bulletin include trademark protection, unfair competition and anything new and noteworthy to foreign practitioners. New issues of the Bulletin will be complimentary delivered to you on the internet if you give your e-mail address to the following address.

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