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Trade Mark Protection in Japan

Introduction

Protecting a trade mark of an Australian business in Japan can be a complicated process. As indicated below, you should seek specialist advice in Australia prior to seeking trade mark protection in Japan. Although more costly than in Australia, some relief will be felt when in 2008 the Japanese Trade Marks Office will reduce its fees by an average 43%, in response to pressure from Japanese users. Fees will then be not significantly more than in Australia. This should make it more attractive to Australian businesses to protect their trade marks in Japan by registration.

Similarities between Australian and Japan Trade Marks Systems

Intent to use

Use or intention to use a trade mark is necessary but it is not obligatory for an applicant to have actually used or to *prove* intent-to-use in Japan to file a valid application. This is similar to Australian law.

Validity presumption

Given a worldwide trend to convergence of trade mark law principles, the similarities between protecting a trade mark in Japan and Australia now outweigh differences. Differences remain more in the detail than in the principles. As a result of similar trade mark standards between the two countries, the validity of trade mark registrations is similar.

Enforcement

As in Australia, registering your trade mark in Japan generally leads to more simple and less expensive enforcement options than is available without registration. More satisfactory results are likely from civil enforcement against infringers and criminal enforcement against counterfeits.

Scope of protection

A registration is effective throughout Japan and its owner is able to use a registered mark exclusively in respect of the designated goods and services, as it is in Australia.

Term of protection

Similarly to Australia, a trade mark right lasts ten years from the date of registration, and is renewable after ten years. No evidence of use is required for renewal, except for defensive marks. Peculiar to Japan is the ability to pay the ten year fee in two equal instalments.

Protection to unregistered well known marks

A trade mark that can be proved as exceptionally well known in Japan may be protectable even if not registered or registrable. Enforcement is possible under Japan's Unfair Competition Prevention Law, but as in other countries, seeking a desired outcome under such laws can be difficult.



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Free on-line searching

Japanese trade marks can be searched, with free access by English speakers through The Industrial Property Digital Library (IPDL) which accesses IP Gazettes of the JPO through the Internet, www.ipdl.inpit.go.jp (English page tab).

The database permits separate searches of word, figurative and well-known marks. However the search parameters are more restrictive than available for a similar search of the Australian trade mark database and results from the English language section may be incomplete. More reliable searches are available through Japanese trade mark professional firms and using commercial databases.

Trade mark searching requires skill in conduct and interpretation, especially since Japanese phonetics may involve consonant substitution and syllable addition to clear English word marks for use, so professional assistance is essential.

Registering in respect of retail or wholesale services

Designation of retailing or wholesaling as services is now acceptable. Until recently owners had to designate the specific goods they sold (impractical for large diverse businesses) or services 'related to provision of information' because they could not register for retailing or wholesaling as such, as is available via the Australian system.

Use of a mark via the Internet

The definition of 'use' of a trade mark in Japan includes use on the Internet, although this area of the law is less developed than Australian law so far. The implication for Australian businesses is that they need to take care if using the Internet to *specifically target* potential customers in Japan. It is imperative to ensure trade marks used this way as part of internet offers for sale, do not infringe other trade marks in Japan. If they do not infringe and use is clear, you should retain the right to continue use by registering all relevant marks.

Defensive registration of well known marks

The Defensive Mark Registration System in Japan allows owners of a famous trade mark to register the mark defensively for different goods than those actually being used by the owner, matching a long established provision in Australian law.

A mark is accepted as 'famous' in Japan depending on:

- Amount of local or worldwide recognition
- Duration of use and advertising of the mark
- Geographical scope of the use and advertising of the mark
- Quality image that the mark has acquired.

Official fees for defensive marks are more than the standard trade mark in Japan, and there are specific renewal requirements.

Differences

Differences in Australian and Japanese systems are declining steadily, with language and cultural differences the only basis for any impact. However 'shades of meaning' implicit in certain words in each language do not always translate clearly, which can pose difficulties when applying for a Japanese trade mark.

Opposition

Unlike Australia, Japan's opposition procedure post-dates registration. Apart from that basic difference, the procedures vary little other than in administrative matters.

Classification System

The International Classification System has been adopted in Japan. Goods are now classified into Classes 1-34 and services into Classes 35-45, according to the 9th Edition of the Nice Classification. The Japanese Classification retains a legacy of its former system of further sub-classes or "Groups of Similar Goods" that are rigidly non-separable blocks of goods or services within any one class, within which no two similar trade



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marks can be registered. For example, alcoholic beverages (Class 33) are grouped in four sub-groups, which sub-classify 'Western' liquors, familiar to Australians, separately from traditional Japanese and Chinese alcoholic beverages. Australia has a more flexible assessment of similar goods and services.

Collective Marks

A new protection system for regional collective trade marks, now allows them to be registered *if use has made them well-known* to consumers in as few as two of Japan's 47 prefectures. Previously such a mark had to be famous throughout the whole of Japan to be registered. In Australia, a collective trade mark may be registered irrespective of whether it is already well-known. Owners of a collective trade mark in Australia considering registering the same mark in Japan should seek advice whether adequate reputation in Japan can be shown. You may convert a collective mark to an ordinary mark and vice versa.

Figurative trade marks

Figurative trade marks (sometimes known as 'Design' trade marks) are those made up entirely of figurative elements. Japan's free on-line search facility for figurative trade marks differs from Australia's in that it is searched using the Vienna Classification system, 2nd Edition. Access is conveniently included on the search screen. You are advised not to rely on do-it-yourself type searches with this database.

Other kinds of signs as trade marks

Unlike Australia, trade marks consisting of sounds, smells, tastes or a single colour in its own right are not yet acceptable. However a trade mark may achieve distinctiveness by using colour, as in Australia. Registrability of these different signs is under review in Japan.

Katakana script forms of English word marks

The Japanese language has a combination of three different types of scripts, including Chinese characters (kanji) for some words as well as two syllabic scripts (hiragana and katakana). Katakana is of particular significance to Australian word trade mark owners, being a syllabic script where the Katakana symbols represent syllables of non-Japanese words. Katakana is invariably used to write all foreign words.

English language is often used in modern Japanese society, especially for company names, logos and advertising but it is important to consider the non-English speaking majority of the public who may refer to your trade mark by a Japanese Katakana version that may not have the desirable connotation you would want.

It is recommended that when filing in Japan you also protect your rights to the Japanese version of your mark to prevent others from using it. You should obtain and provide a Katakana translation of word trade marks when filing an application. Your professional advisor can assist.

Be aware that in examining a trade mark application the JPO will compare it to any existing registered marks that have the same name or concept, even if in a different script. For example the Katakana version of the word 'LION' could stop the English word 'LION' from being registered for the same goods and services. If your trade mark is a dictionary word (e.g. LION) you can register English and Katakana forms as one trade mark for the price of one.

Application procedure

A trade mark application can be filed in Japan directly with the JPO or under the Madrid Protocol ('Madrid'). There are advantages and disadvantages in each procedure. Whether the Madrid route saves money at application time depends on how many Madrid countries you elect to register your trade mark in at the same time. You should discuss your options in detail with



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your trade marks advisor.

An Australian entity filing a direct trade mark application in Japan requires appointment of a Japanese trade mark attorney, resident in Japan. A power of attorney is not essential to an application being given a filing date by the JPO but may be required prior to procedures such as filing an appeal. You can file a Madrid application in Japan without a Japanese agent being required *at that time*. Only if the JPO raises any objection to your Madrid application during its examination, do you need to appoint a Japanese resident attorney or agent to act on your behalf.

Official fees depend upon the number of classes included in a trade mark at each stage - application, registration and renewal - as in Australia. Japan now has multi-class applications, like Australia. Australians with Japanese trade mark registrations have been accustomed to official fees about two to three times as much as the Australian equivalent. Fee reduction proposals in Japan promise approximate parity in that component of costs in each country. Professional service charge contributions to total costs may not reduce. Peculiar to Japan is that a Madrid designation requires a two-part fee, in total making Japan an expensive single nation to include.

The JPO publishes applications in the Official Gazette and then determines procedural and formal compliance. An invitation to correct any procedural problems will be issued.

Rigorous substantive examination follows and sometimes brings objections due to language differences. Trade marks in principle are refused if they do not enable consumers to differentiate the applicant's goods or services from those of others or are unregistrable for reasons of public interest (similar to Australia's ground of refusal of marks 'contrary to law' or 'scandalous' marks).

Several avenues of appeal are available against unfavourable decisions (registration or opposition), ultimately to the Intellectual Property High Court in Tokyo.

Preventing others registering marks too close to yours

Registering your mark early is the best way to protect yourself against identical or confusingly similar marks appearing on goods, or worse, counterfeiting of your mark and product. Once you have registered your trade mark it is preferable to mark it either with "Registered", "Registered Trade mark" or "Touroku-Shouhyou". The ® and the ™ abbreviations used formally in the USA and informally in Australia are used very little in Japan and convey no legal or familiarly recognized meaning.

If you think that a newly registered mark is too similar to your already registered mark, then you can oppose the mark, once it is published in the Trademark Gazette.

Redress you can seek for infringement of an identical or similar registered trade mark include:

- Injunctions (immediately stops the other party selling).
- Recovery of damages under the general Civil Code.
- Criminal sanctions including imprisonment and fines.

Response if someone else has already registered your trade mark in Japan

As stated before, your mark being well known by use or publicity in Japan is decisive. However, if a registered trade mark (i.e. blocking yours) does not satisfy registration requirements (e.g. no intent to use by the applicant) you may file with the JPO an action to invalidate the blocking trade mark. Reasons for invalidation include having a right to the trade mark through prior use, although Japan's first-to-file system places a heavy onus on the party challenging a registration.

Some Japanese practitioners will recommend against commencing opposition and instead rely on an invalidation trial which is similar in cost and typically more effective.



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If a trade mark has not been used for three years since registration then any person may apply for revocation. Waiting out this period is sometimes a pragmatic, low cost approach to reclaiming your mark if it has been pirated, but it does carry some risk.

Best practice includes not leaving the door open for a potential distributor to register your mark(s) ahead of you during initial negotiations.

Further information:

JPO website

www.jpo.go.jp/indexj.htm

Japanese contacts are shown on a separate Contacts fact sheet.

Disclaimer:

This information is intended to help the reader gain a basic understanding of some IP concepts. It is not designed to provide legal, business or other relevant professional advice. IP Australia recommends that you seek independent legal, business or other relevant specialist advice as necessary. This fact sheet has been developed in conjunction with Hodgkinson McInnes Patents.

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