

53-02 T

Trial for Rescission of Misuse of Registered Trademark

1. Background

The former act (the Trademark Act of 1921) provided in the Trademark Act Article 15 that, where a holder of trademark right intentionally uses its trademark by attaching or making change thereto in a way which may potentially be misleading or confusing as to the product, the registration of such trademark shall be rescinded in a trial.

The current act (the Trademark Act of 1959) provides in the Trademark Act Articles 51 through 53 that, where a holder of trademark right uses its trademark in a manner that misleads as to the quality of the goods or causes confusion in connection with the goods pertaining to a business of another person, the registration of the trademark shall be rescinded, for protection of the public and as a measure of sanction against the holder of trademark right. Later, in a partial revision to the Trademark Act in 1991 (Law No. 65 of 1991), the trademark registration for services also became the subject of a trial for rescission.

2. Differences between the Current Act and the Former Act

(1) Under the former act, the scope of "attach or make change to" was not clearly specified; however, the general interpretation has been that "attach" refers to the addition of letters, figures, symbols, or colors to the original trademark, and that "make change to" refers to the deletion of a part of the original trademark or the deletion of a part of the original trademark followed by supplementing with other letters, figures, and symbols, so that, in order to be applicable under the former act Article 15, the two marks shall be similar in appearance with respect to major parts, with difference found only with respect to incidental parts in principle (for example, Judicial Decision No. 117 of 1932, rendered on May 31, 1933).

Under the current act, the scope is restricted to the scope of similarity with respect to the trademark and the goods or services; on the other hand, it was clarified that all acts of misuse of

a trademark in the scope of similarity are subject to the trial for rescission (Trademark Act Article 51, 53).

(2) Under the former act, conditions for demandant was granted only to "interested persons and examiners" (Trademark Act Article 22 (2)). The current act prescribes that "any person" may file a request for a trial for rescission (Trademark Act Article 51 (1), 53 (1)).

(3) Under the former act, there were questions as to matters such as whether a trial for rescission can be requested even when there is no longer the fact of misuse at the time of requesting for the trial, and furthermore, even if the trial can be requested, whether there are restrictions to the time limit during which the a trial can be requested; however, the current act makes it clear that a request for a trial for rescission may be filed even when there is no longer the fact of misuse, and that a request for a trial may not be filed after the lapse of "five years" (Trademark Act Article 52).

(4) The former act stipulates that "where a holder of trademark right intentionally uses its trademark by attaching or making change thereto in a way which may potentially be misleading or confusing as to the product" (Trademark Act Article 15 (1)). The current act revised the above Article to "uses ... in a manner that ... causes confusion" (Trademark Act Article 51 (1), Trademark Act Article 53 (1)).

(5) The provisions of the current Trademark Act Article 51 (2) can be interpreted as having the same purpose as the provisions of the former Trademark Act Article 15 (2); however, while this restriction applies to the person concerned, who is the holder of the said trademark right and whose trademark registration has been rescinded, the above provisions can be interpreted as there being no problem with the case of a person becoming a holder of trademark right when another person files an application for registration of a trademark, and after the trademark is registered, said person transferring the trademark right to the above holder of trademark right. In this regard, the current act is not different from the former act.

(6) Under the current act, acts by not only a holder of trademark right but also by a holder of exclusive right to use or non-exclusive right to use also became subject to the restrictions (Trademark Act Article 53).

Under the current act, the above Article was established to guarantee liabilities of the holder of right to use against the fact that the right to use, as established in connection with the registered

trademark (Trademark Act Article 30, Trademark Act Article 31), shall be allowed without any restrictions.

The purpose of this Article is mostly the same as in the case in which the holder of trademark right takes the act in person (Trademark Act Article 51) except with respect to the following points.

- A. Application of this Article does not require there to be the "intention of a holder of right to use."
- B. If the case of using the "registered trademark" in connection with "designated goods" is misleading or causes confusion, this Article shall apply.

(Revised Feb. 2015)