

“Anti-Counterfeiting Measures”

Chapter 2. Anti-Counterfeiting Measures in Japan

Settlement negotiated between concerned parties (warning letter sent)

(Sakura)

Let's look at the measures available when someone is selling a product that closely resembles yours, and even bears a similar trademark.

(Sakura)

The first step is to send a warning letter.

(Narrator)

The warning letter must clearly state your rights, describe the actions of the other party and how they infringe your rights, and demand that they cease the infringement. You may also have to ask them to state the amount of infringing products sold and their proceeds.

(Eddy)

Why do you send a warning letter first, instead of immediately taking them to court?

(Sakura)

That's because not all infringers are acting deliberately. Sometimes a warning letter will resolve the situation.

(Narrator)

How is it possible to infringe unintentionally? For example, someone might be selling counterfeit goods that they believe are parallel imports. It's also possible to infringe by omission, meaning they are unaware that someone else owns rights. In these cases too, the first step is to send a warning letter. This should inform them that they are acting without authorization, that they are infringing on your IP rights, and demand that they stop. This may be enough to make them realize their wrongdoing and cease infringing.

(Eddy)

Is it very common to send warning letters?

(Sakura)

Yes. For trademark infringements it's normal to start by sending a warning letter. If the offending party stops infringing, the matter can be resolved without the cost and time for both sides of legal or other action.

(Eddy)

How do people respond to a warning letter?

(Sakura)

They might accept they are at fault and immediately stop. They might deny they are infringing and continue selling. They might agree to negotiate. Or they might ignore the warning.

(Narrator)

If the recipient of the warning letter agrees to stop, and to negotiate damages or other compensation, then the matter is resolved.

(Narrator)

However, if the infringer ignores the warning letter or denies that they are infringing, the next step is to move to litigation or other measures. The main reasons for denying that they are infringing are that the right holder does not have a valid right, that they possess a license agreement, or that the product is a parallel import.