

Protection of Type Face

Japan Patent Office
Asia-Pacific Industrial Property Center, JIII

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1. Introduction

This text aims to explain the current state and the future prospects of the legal protection of type faces in Japan. Readers are expected to be mainly experts on the intellectual property system outside of Japan, namely, people who have expert knowledge of the intellectual property system in general but not of the Japanese intellectual property system.

In this essay, the following points will be taken into consideration: 1) There will be a focus on the systems of Japan while also looking at the development of the international framework including conventions and the current state in major countries of the world. 2) Objective and easy-to-understand explanations will be provided to the furthest extent possible. Because the protection of type faces is an issue that involves multiple intellectual property systems, careful explanations of basic items in Japan's individual intellectual property systems will be included.

2. What is type face?

(1) Definition of type face

Type face is, in very simple terms, designs of letters, numerals, symbols, etc. that have been created as a set. A more precise definition is provided in Article 2 of the Vienna Agreement for the Protection of Type Faces and Their International Deposit, which is a convention concerning the protection of type faces (This was concluded in Vienna in 1973 but is still pending. Japan is not a party; the convention is discussed later.) as follows:

Article 2: Definitions (excerpt)

For the purposes of this Agreement and the Regulations,

(i) "type faces" means sets of designs of:

(a) letters and alphabets as such with their accessories such as accents and punctuation marks,

(b) numerals and other figurative signs such as conventional signs, symbols, and scientific signs,

(c) ornaments such as borders, fleurons, and vignettes,

which are intended to provide means for composing texts by any graphic technique. The term "type faces" does not include type faces of a form dictated by purely technical requirements.

In Japan, the term, “type face,” is not used from a legal standpoint and, consequently, there is no legal definition for it. A court ruling in Japan stated that, “type face is intended as a set of designs and means to compose texts using print making, typewriting, or other printing methods.”¹

Besides court rulings, an example of a precise definition was provided in a report (March 2008) of the council for “survey research on how the protection of type faces in the country should be.”² The definition is as follows:³

“[type face] is a set of letters, etc. created based on a certain concept concerning shape. Being intangible, it is made into a font in accordance with the equipment to be utilized when it is used for printmaking, indication, etc. Generally, it means [font type].”

”[Font] is a type face made usable in equipment that is used mainly for printmaking or indication and includes analogue fonts such as photocomposition board used for photocomposing machine and digital fonts used for electronic computers.”

A great variety and huge number of letters may be indicated as characteristic of type faces used in Japan. Letter types that are used every day in Japan include hiragana, katakana, and kanji (Chinese characters) and the Roman alphabet is also used frequently. The number of kanji symbols is especially large.⁴

¹ Ruling of the Tokyo High Court on April 26, 1983. Collection of Court Decisions of Intangible Property, Volume 15, No.1, p.340

² The council was set up on the commission of the Patent Office from 2007 to 2008 and examined the possibility to protect type face under the design system. Members of the council included people involved in legal practice, intellectual property law researchers, businesses involved in type face, and users of type face. The report of the council (in March 2008) will be cited as the “Report of the intellectual property council” hereinafter.

³ Report of the intellectual property council, pp.3f

⁴ Kanji designated by a governmental committee as necessary for everyday use number as many as two thousand. A council for “survey research on the current state and problems of type-face protection in foreign countries,” which was set up in the Institute of Intellectual Property, stated in p.3 of its report (in March 2007): “The scope of a set of type face in Japanese is not clear partly due to the great variety and huge number of letters used. The NPO Japan Typography Association defines Japanese type face as ‘46 letters of hiragana and katakana of resonant sound, respectively, excluding ㇿ, ㇾ, ㇽ, and ㇼ, and a minimum set of 1006 kanji designated for educational use.’ In fact, however, it is common for a set of fonts sold to individual users to include three to ten thousand kanji in addition to hiragana, katakana, punctuation marks, alphabets, and numerals based on an industry standard or a collection of kanji designated by the state. A set intended for users who need more expertise and accuracy such as the printing business generally includes more letters because different faces of the same character, etc. are added in response to individual demand. A set used for a dictionary may include as many as thirty thousand letters.” (hereinafter, this report will be cited as the “Intellectual property international comparison report”).

(2) Current state of creation and transaction of type face

Type face itself is a kind of design. In order to use a type face for printmaking or indication, one needs to create a “font” based on the type face to be used for printing equipment or indication equipment (a computer screen, for example).

A figure that is included in the report of the intellectual property council is quoted to illustrate the process of producing a font based on a type face in Japan. (Figure 1)⁵

The players involved in the process in which a type face is created and actually used by users are roughly divided into the designer of the type face, the font producer (also called the font vendor), and font users.

The relation between a designer and a font vendor is described as follows in the report of the intellectual property council (“Figure 1” in the quotation is cited as Figure 1 in this text. Notes are omitted.)

“A designer and a font vendor sign a contract at the stage of [1. Decision on the basic design] or [2. Creation of original letters]. In the contract, the designer, after offering a basic concept (elements of letters, space between elements, etc.) concerning the letter style and shape of the type face and sample letters to the font vendor, agrees to the production of fonts based on the type face. Such a contract typically includes the provision of services where the designer and the font vendor collaborate to perform the tasks related to the process from [2. Creation of original letters] to [6. Inspection for font production]. The processes that a designer and a font vendor collaborate on to perform typically takes the form of: 1. First, the designer creates a certain number of letter designs for basic letters and letters that have distinguishing shapes, etc., 2. People who work at the font vendor create other necessary letters by operations such as breaking down these basic letters and the letters that have distinguishing shapes, etc. and combining the resulting components, 3. Finally, after the creation of a set of letters, the designer checks whether the basic concept is maintained across the shape of all the letters and makes the necessary corrections.”

The market size for type face is estimated to be about 100 billion yen/year. In recent years, the market has been expanding partly due to the increase in the transaction of digital fonts through CD-ROM and Internet contracts, as in the case of computer programs.⁶

⁵ “Flow of creating a type face font” - Report of the intellectual property council, p6. This is an example of creating a digital font.

⁶ Intellectual property international comparison report, p.4

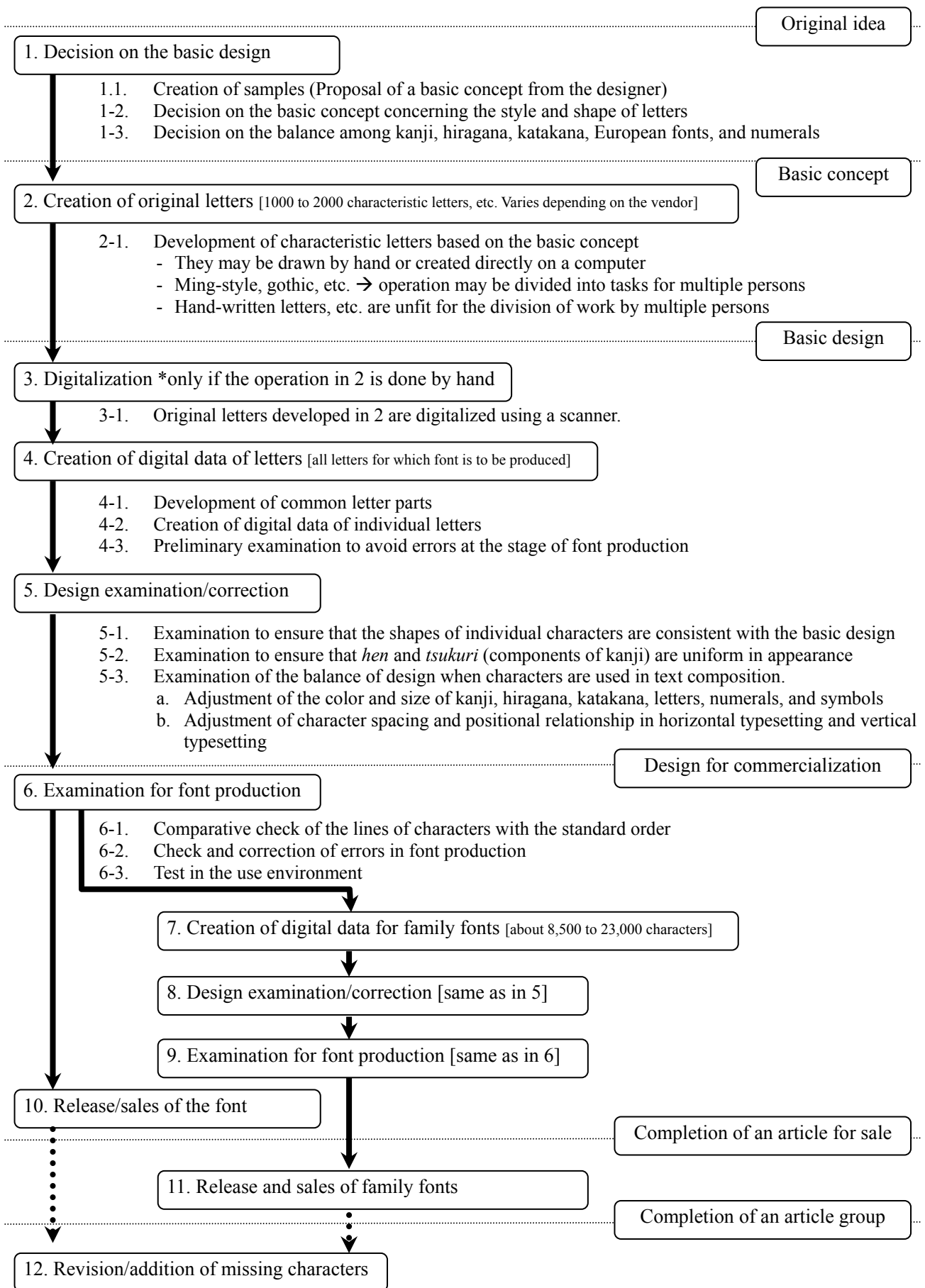


Figure 1 Flow of type face/font creation

3. Legal protection of type faces (general theory)

What is the need for the legal protection of type faces?

First, the actual need for protection is roughly described as follows. Historically, the protection of type faces did not matter a great deal because the production of printing letters themselves required significant cost and their imitation was economically and technically difficult. With the development of technology, however, their imitation became a subject of discussion and the need of a convention for type-face protection has been internationally called for since the 1950s, as described below. In Japan, the legal protection of type face became an issue in the 1960s. The spread of digital technology made the imitation of type face dramatically easier, causing more serious problems for some business operators. Whether or not there is a practical need for protecting type face by society as a whole should be decided with consideration given to the characteristics of type face as well as the merits and drawbacks of its protection.

Theoretical rationale of the protection of type face

Type face is a product of the intellectual creation activities of its creator. If we uphold the natural law that a right similar to a property right should be naturally granted to an individual for a product of his/her intellectual creation activity, it is natural that the creator of a type face would be granted an exclusive right to use the type face. Today, however, the simple natural law described above is not supported as the grounds of a system for the protection of products of intellectual creation activities (namely, intellectual property laws). The system is commonly understood as a legal system artistically established for certain policy purposes (encouragement of creation or invention, for example). Such a system provides protection not to all products of intellectual creation activities but only to those that fulfill legal requirements such as novelty and creativity upon consideration of the merit of providing them with protection as opposed to allowing their free use. Consequently, when discussing the protection of type faces as a product of intellectual creation activities, concrete examination is required on the possible positioning as a protection subject in the framework of the existing intellectual property system, or, if protection within the existing framework is difficult, whether or not type face should be protected under a new system and under what requirements.

The creation of type face is a kind of investment activity and requires significant time and cost.⁷ If society as a whole intends to maintain or promote a certain type of investment activity,

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the Vienna Agreement for the Protection of Type Faces and Their International Deposit⁹ at a diplomatic conference held in Vienna in June 1973.

The Vienna Agreement established the definition of concepts including type face and obliged the contracting parties to protect type face by establishing a special domestic deposit system, utilization of a deposit system based on the design law, and/or applying the copyright law (Article 3 of the agreement). Requirements of type face to be protected were novelty and/or originality (see Article 7 of the agreement). Protection was to be provided by granting a prohibitive right against the production of a duplicate (including those with a slight change) and the distribution or import of duplicates (see Article 8 of the agreement).

The Vienna Agreement came into effect by the ratification or approval of accession of five countries (see Article 35 of the agreement). Ten countries ([West] Germany, France, the UK, Italy, Holland, Switzerland, Yugoslavia, Luxemburg, San Marino, and Hungary) signed the agreement but only two countries (Germany and France) ratified the agreement and it was terminated without coming into effect.

After the Vienna Agreement, there has been no multilateral treaty that includes a provision to require the protection of type faces. However, the INTERNATIONAL CLASSIFICATION FOR INDUSTRIAL DESIGNS under the Locarno Agreement concerning the Classification for Design includes 18-03 TYPE AND TYPE FACE in type 18 (printing/business machines), for example, suggesting that it assumes that the protection of type faces is possible under the design system.

(2) The United States

The understanding in the United States is that type face can be protected by design patent.¹⁰ Type face has been historically protected by design patents as a design of type font that is a tangible entity. Indeed, the first design patent was granted to a printing type in 1842. In addition, digital fonts are also recognized as the subject of protection by design patents.¹¹

⁹ Among literature written in Japanese on the Vienna Agreement, Chapter 3 of *The Legal Protection of Type Faces and Copyright* written by Oie Shigeo, Seibundo, 2000 provides a detailed description.

¹⁰ See the intellectual property international comparison report, pp.15f, Report of the intellectual property council, p.19f

¹¹ *Adobe Systems Inc. v. Southern Software Inc.*, 45 USPQ2d 1827 (N.D. Cal. 1998). MPEP (Manual of Patent Examining Procedure), which is the examination guideline of the USPTO, states: "1504.01(a) Computer-Generated Icons [R-5] III. TREATMENT OF TYPE FONTS Traditionally, type fonts have been generated by solid blocks from which each letter or symbol was produced. Consequently, the USPTO has historically granted design patents drawn to type fonts. USPTO personnel should not reject claims for type fonts under 35 U.S.C. 171 for failure to comply with the 'article of manufacture' requirement on the basis that more modern methods of typesetting, including computer-generation, do not require solid printing blocks."

It is of note, however, that protection by copyright is denied in principle.¹² Namely, whether or not type face could be protected as a work became an issue when establishing the Copyright Law of 1976 and a report of the House Judiciary Committee stated that it had examined the possibility of protection but its conclusion was postponed.¹³ Discussion on this matter continued later but in a lawsuit concerning the Copyright Office's rejection of an application for copyright registration of a type face, a federal appellate court supported the judgment of the Copyright Office stating that type face did not fall under a work of art to be protected under the Copyright Law.¹⁴ Current Copyright Office Rules establish that "type face as type face" is not protected by copyright and is not eligible for registration.¹⁵ There is a possibility for digital fonts to be protected as a program by copyright and some precedents have confirmed this possibility.¹⁶

(3) The European Union (EU)

Type face is protected under design systems in the European Union (EU). Namely, within the EU's borders, the Community Design Directive (Directive 98/71/EC of the European Parliament and of the Council of 13 October 1998 on the legal protection of designs) was issued and harmonization between the design systems of member countries was promoted. The directive covers design concerning "products" for their protection and stipulates that "products" include type face.¹⁷

In addition, the Community Design Regulation (Council Regulation (EC) No 6/2002 of 12 December 2001 on Community Designs) was laid down to establish a unified design system across the EU. This regulation also stipulates that the (design) of type face is protected following the Community Design Directive.¹⁸

Based on the directive and the regulation, type face is protected in the EU by the community

(<http://www.uspto.gov/web/offices/pac/mpep/mpep.htm>, last visited on January 5, 2009.)

¹² 1-2 Nimmer on Copyright §2.15; ROBERT A. GORMAN & JANE C. GINSBURG, COPYRIGHT: CASES AND MATERIALS 250 (7th ed. 2006).

¹³ "The Committee has considered, but chosen to defer, the possibility of protecting the design of type faces."

¹⁴ *Eltra Corp. v. Ringer*, 579 F.2d 294 (4th Cir. 1978).

¹⁵ 37 CFR § 202.1(e).

¹⁶ *Adobe Systems Inc. v. Southern Software Inc.*, 45 USPQ2d 1827 (N.D. Cal. 1998).

¹⁷ Article 1 (Definitions) (b) "product" means any industrial or handicraft item, including inter alia parts intended to be assembled into a complex product, packaging, get-up, graphic symbols, and typographic type faces, but excluding computer programs. (underline is by the quoter)

¹⁸ Article 3 (Definition) (b) "product" means any industrial or handicraft item, including inter alia parts intended to be assembled into a complex product, packaging, get-up, graphic symbols, and typographic type faces, but

design systems (registered design system and unregistered design system) that are common systems and individual design systems of the member countries.¹⁹

Some EU member countries had protected type face under a system other than design before the issuance of the Community Design Directive. In the UK, for example, type face may also be protected by copyright.²⁰ Germany had a system to protect novel and original type face from unauthorized reproduction and distribution for 25 years based on the law concerning the Vienna Agreement for the Protection of Type Faces and Their International Deposit (Type-Face Law) that was promulgated and implemented in 1981 in the former West Germany. The understanding in Germany is that highly decorative type face might be protected by copyright.²¹

5. Protection of type faces in Japan

(1) Introduction

This chapter examines the current state and future prospects of type-face protection in Japan. The current state will be described after a brief overview of the related systems in Japan.

In past legal cases concerning type-face protection in Japan, the issue was the protection under the Copyright Law, the Unfair Competition Prevention Law, or the General Tort Law (Civil Code). In addition, the government is examining the appropriateness of its protection under the Design Law.

The dominant interpretation at the present time is that type face might be protected as a work but requirements to qualify as a work are very strict and therefore only exceptional cases will fulfill them and receive protection. Protection under the Unfair Competition Prevention Law is no different. Depending on the facts of the situation (features of the type face, mode of act on the side of the infringer, etc.), an act concerning a type face of another person may constitute a tort against the person leading to a tort responsibility. However, there is little possibility to register a type face under the Design Law of Japan, practically excluding protection under the Design Law.

¹⁹ However, because computer programs are deemed not to be included based on the definition of “product” in the Community Design Directive and the Community Design Regulation, digital data of type face (including digital font as digital data) is not protected as design. Digital data might be protected as a program by copyright. See the report of the intellectual property council, p.26.

²⁰ See the intellectual property international comparison report, p.37f.

²¹ See the intellectual property international comparison report, p.68f.

In this way, type face may be protected as intellectual property only in exceptional cases and type face is not subject to protection in general under the current laws of Japan. The Japanese government has been considering whether it can leave this state as it is or if a new legislative response is required. At present, the government has not reached the conclusion that new legislative measures are needed and such measures are unlikely to be taken in the foreseeable future. However, consideration will continue to be given to the need for measures to protect type face.

(2) Outline of the related systems and the trend of type-face protection

Next, let us look at the outline of each system that is related to type-face protection in Japan and the protection trend.

Because Japan is a party of major conventions concerning the intellectual property system including the Paris Convention, the Berne Convention, and the WTO Agreement (TRIPS Agreement), the intellectual property legislation of Japan is not much different from that of major countries in the world. Below Japanese systems related to the issue of type face, with a focus on their features will be described.

Further, court cases will be introduced where the application of the individual systems to type-face protection was contended and then discussed with regard to trends in discussions on the possibility of protection.

(I) Copyright system

a. Brief overview of the system

In the Japanese Copyright Law, work means “a production in which thoughts or sentiments are expressed in a creative way and which falls within the literary, scientific, artistic, or musical domain” (Article 2-1 (i) of the Copyright Law). A person who creates the work is an author (Article 2-1 (ii)). Authors shall initially enjoy moral rights and copyright (Article 17). The moral rights of authors include the right to make the work public (Article 18-1), the right to determine the indication of the author’s name (Article 19-1), and the right to maintain the integrity (Article 20-1)²² in principle. Copyright includes the right of reproduction (Article 21)

²² In addition, certain acts are deemed to infringe the moral rights of the author based on Article 113 of the Copyright Law.

and the right of performance (Article 22). The duration of copyright is fifty years after the death of the author of the publication of the work in principle (70 years for a cinematographic work). If the moral rights of the author or a copyright is infringed, the right holder may seek an injunction (Article 112), demand compensation for damage (Article 709 of the Civil Code), demand measures for restoration, etc. of honor (Article 115), and/or obligation to return unjust enrichment (Article 703 of the Civil Code). Criminal penalties are also provided (Article 119 and below). In Japan, civil remedy against general torts is limited to compensation for damage in principle. An important feature of the intellectual property system is that an injunction is possible against an infringement of an intellectual property right.

What is especially controversial in relation to type-face protection is the concept of work. In general terms, the definition of work is as quoted above. The dominant interpretation in practice is: “thoughts or sentiments” indicate overall human mental activities and “expressed in a creative way” does not demand creativity in a strict sense or absence of similar examples but it is sufficient if the author’s individuality is visible in the external expression of “thoughts or sentiments” in some form and “falls within the literary, scientific, artistic, or musical domain” indicates the overall products of intellectual and cultural mental activities.²³

In terms of this general concept of work, there is controversy on how to treat so-called applied art. Applied art is a concept related to pure art. It refers to an article of utility to which a sense and technique of pure art is applied. Article 2 (2) stipulates that “‘artistic work’ includes a work of crafts of artistic value (*bijutsukougeihin*).” A work of crafts of artistic value here refers to practical items that are produced in a very small amount but whether or not applied art other than works of crafts of artistic value fall under artistic work is not clear from the provisions of the Copyright Law.

The copyrightability of applied arts other than works of crafts of artistic value becomes an issue against the background of the relation to the design system. Namely, the shape, pattern, etc. of mass-produced practical items, industrial articles in other words, may be protected by design right under the Design Law. However, a design right is granted only when an application is filed with the Patent Office and the design is deemed to fulfill the criteria of novelty, creativity, etc. Moreover, the duration of the right is 20 years. If the shape of practical items is also protected by the Copyright Law, the design system would rarely be used as a matter of practice, because copyright occurs automatically with the creation of a work and its

²³ Ruling of the Tokyo High Court on February 19, 1987, Collection of Court Decisions of Intangible Property, Volume 19, No.1, p.30

duration is more than 50 years from the death of the author (or publication). One perspective is that protection by the copyright system should be limited to the scope that does not undermine the *raison d'être* of the design system because the design system was established specifically for protection of industrial design. On the other hand, others advocate that because the two systems have different policy objectives (the design system aims to contribute to the development of industry whereas the copyright system to the development of culture), adjustment of the overlapping of their protection is not required if there is any.

In practice, the former opinion, namely, that the scope of the coverage of the copyright system should be limited in relation to the design system, is supported. This opinion is also predominant among theorists. From this perspective, if an applied art “exercises a high level of aesthetic expression that is deemed to fall within pure art,”²⁴ it will be protected as artistic work. In relation to the definition of work in Article 2 (1) (i) of the Copyright Law, applied art may be deemed “to fall within the artistic domain” only when it is deemed to have creativity of a higher level compared with that of ordinary works.

b. Court cases

When discussing the possibility of the protection of type faces under the Copyright Law, the biggest issue is whether copyrightability can be recognized. Specifically, this is the issue of whether or not type face falls within artistic works, as described above. The points here are, firstly, to what extent applied arts should be protected as work and, secondly, the pros and cons of protecting expressive media, including letters, as work.

Major court cases

(i) Yagi Bold case

In this case, the issue was the copyrightability of a decorative alphabet type face.

The plaintiff claimed that a type face that was a work created by the plaintiff was reproduced in a book titled *New Alphabet*, etc. written by defendant A and published by defendant B, sought an injunction, and demanded compensation for damages, claiming that this constituted copyright infringement. Examples created by the plaintiff are shown in Figure 2.

²⁴ Ruling of the Kobe District Court Himeji Branch on July 9, 1979, Collection of Court Decisions of Intangible Property, Volume 11, No.2, p.371. Other than this, a large number of court rulings stated the same import. Concrete expression of the judgment criteria may be different but their import is generally the same.

Concerning the scope of artistic works, the Tokyo District Court²⁵, which was its first instance, presented its interpretation that Article 2 (1) (i) of the Copyright Law was a provision to establish that only works of crafts of artistic value shall be treated as artistic work with the exception of pure arts, stating: “Even if we were to adopt this view [that there are articles of applied art that can be deemed as works of pure art at the same time], it is rather natural to limit the applied art works that are to be protected by the Copyright to those that are indistinguishable from works of pure art such as paintings and sculptures that are solely aimed at the expression of beauty and are the objects of normal art appreciation, as long as the intention of their production, namely, their industrial application, and their outer shape is observed objectively” and denied the copyrightability of the plaintiff’s type face stating the following:

“In general, design font type is not a work of pure art that is solely aimed at the expression of beauty or an object of normal art appreciation. Namely, because letters are originally (a kind of) useful signs for communication, based on this fact, design font type is a design to add aesthetic figures to letters that have a practical function of communication and are used to perform this function, which itself means that design font type is intended for practical use.”

“Among design types, type face that is designed with the aim of direct application to practical articles such as type for printing and plates for phototype setting for mass production have a distinctly direct relationship with practical articles and even when design is made to letters as abstract signs apart from the direct relationship with practical articles, there will be no difference in their nature. (The plaintiff admits that design font types fall within the domain of applied art.)”

“Copyright is sometimes recognized for [calligraphy] and [ornamental letters] and they are not different from design font type in that they are aesthetic works that use characters or letters as material. As regards calligraphy, copyright is not enjoyed simply because the characters are drawn using a writing brush. Only artistic calligraphies that are drawn solely for the purpose of the expression of beauty are protected as artistic work. Certainly characters are written in an artistic calligraphy but this is not for the purpose of fulfilling a practical function of communication but they are used solely as material for the expression of beauty. This is why they serve as objects of normal art appreciation. The same applies also to [ornamental letters]. Decorated letters that are socially called [ornamental letters] are not deemed to be works if

²⁵ Ruling of the Tokyo High Court on March 9, 1979, Collection of Court Decisions of Intangible Property, Volume 11, No.1, p.114

they are used for text in books, etc. and function as practical signs for communication. They will be protected as an artistic work only when they reach the level of painting and serve as an object of normal art appreciation. At this level, these letters will lose their attributes as practical signs. Consequently, the fact that copyright is sometimes recognized for [calligraphy] and [ornamental letters] does not constitute a ground that a design type can be a work.

In addition, it does not require explanation that design types do not fall within works of crafts of artistic value.”

The Tokyo High Court,²⁶ which was the appeal court, rejected the appeal of the case based on a judgment that might deny any possibility to recognize the copyrightability of type face.

“Letters and signs that are widely used with them (“letters, etc.”) can be expressed only and solely with types that can take various forms. Letters, etc. do not exist without type. Namely, letters, etc. and types that are used for their expression are indivisible. Therefore, it is not acceptable to recognize a copyright that is an exclusive right for a font type to a specific person because this would allow the person to have an exclusive monopoly on the letters, etc. that are cultural assets to be shared by all and would exclude use by others for a long duration, as established by Copyright Law (Given that letters, etc. are originally means for communication, they will be immediately used in public and it is not probable that another person would create an identical work completely independently from them and obtain copyright, which will not change the situation of monopoly of an asset to be shared by all.)”

“However, when considering only letters, etc., even when letters are used as material, if an aesthetic creation involves thoughts or sentiments as in the case of some calligraphy works and ornamental letters and does not fulfill the practical function of communication that letters, etc. intrinsically have but serves as an object of aesthetic appreciation, copyrightability may be recognized because it does not have the primary attribute of letters, etc. as practical signs.”

“It goes without saying that letters, etc. and their type style, due to their original nature, are to be used in combination as a means to compose texts that express thoughts or sentiments using various materials in forms such as size, width, and thickness and colors such as black and blue. They are indeed practical in this sense. Further, it is no surprise that practical items in general naturally include aesthetic expression in various ways. In fact, there is no doubt that types of letters, etc. that are widely used are equipped with aesthetic expression and even styles that are

²⁶ Ruling of the Tokyo High Court on April 26, 1983, Collection of Court Decisions of Intangible Property, Volume 15, No.1, p.340

created by individual persons every day are often equipped with aesthetic and creative expressions in various ways. Although aesthetic aspects depend a great deal on subjective judgment, practical items in particular naturally embody superior beauty. Copyrightability under the Copyright Law is not determined based on the degree of aesthetic value but simply on whether the subject falls within the domain of art or not. The amount of elaboration required for the creation of aesthetic expression concerning the style of letters, etc. should not be considered in the decision on copyrightability.

In the final analysis, the font type of letters, etc. should not be regarded to be a work for which exclusive rights are granted to a specific person.”

“It is clear that the individual letters and sets of letters of this case are type face (font type) ‘intended as a design set to serve as a means for composing texts using printmaking, typewriting, or other printing methods’. Although the individual letters of this case have a specific design, individual letters, numerals, and other signs are intrinsically expected to perform a practical function of communication through their combination. For this reason, even when there is an expression of beauty, they are subject to the intrinsic restriction that they should maintain their basic form so that they are recognized as specific letters or numerals, assuming the shared recognition among all people.”

“In view of this, too, individual letters of this case cannot be deemed as aesthetic creations on the same level as paintings or sculptures as objects of art appreciation.”

“Similarly, looking at the sets of letters (one set for each) objectively, each set seems to be arranged in the order of alphabets, signs, and numerals for the practical use of type face when composing texts.”

“In light of this arrangement, we cannot recognize them as aesthetic creations of artistic work on the same level as paintings or sculptures as objects of art appreciation.”



Figure 2 Type face of the plaintiff in the Yagi Bold case

(ii) Case of plates for phototype setting

This case involves practical type faces that are classified as Ming style and gothic. The plaintiff and the defendant were business operators that produce type faces and fonts. The plaintiff claimed that the acts of sales, etc. of type faces by the defendant infringed the plaintiff's copyright concerning the type faces and demanded confirmation of the copyright, an injunction against the acts of the defendant, compensation for damages, etc.

The Osaka District Court²⁷ denied the copyrightability of the type faces, stating the following: "If a font type of letters like those of the font types in this case are to be protected under the Copyright Law, it is acceptable to judge that it should have aesthetic creativity that is not required to be at the level of sacrificing the intrinsic communication function of the letters of this case, but not limited to easiness to read and pleasant appearance when it is used in a form that allows the letters to fulfill their intrinsic function of communication. The type itself should have aesthetic creativity that attracts the aesthetic fancy of average persons who look at it and should satisfy their aesthetic sense."

²⁷ Ruling of the Osaka District Court on March 8, 1989, Collection of Court Decisions of Intangible Property, Volume 21, No.1, p.93. The plaintiff appealed but the case came to a conclusion through a settlement.

“As regards the font types in this case, there is not enough material to specifically identify the content of their creativity, including how different they are from font types of printing letters and photocomposition letters of the same type created by other persons before their creation and what the unique creative design elements are that can be recognized in an overview of all of the original letters, or at least the entire set of Ming-style letters and gothic-style letters. However, by simply looking over the letters of the font types in the case included in the attached list, it is clear that they are of a very practical nature and do not have aesthetic creativity at the level described above. The copyrightability claimed by the plaintiff cannot be recognized for any of the original characters or the individual characters of this case.”

The plaintiff also claimed that the act of the defendant constituted an act of tort if not copyright infringement. In this regard, the ruling stated: “If a font type for which copyrightability is not found is truly creative and is used in its entirety by another person without permission of the owner, it may be acceptable to judge that protection is possible by applying the theory of ‘act of tort’” but the court denied the applicability of act of tort to this case, stating: “the content of the creativity of the font type in this case is not necessarily clear” and “although it is undeniable that the font type of the defendant is similar to that in this case, this does not necessarily lead to the conclusion that the former used the latter in its entirety.”

(iii) Gona (NAG) type face case

This is also a case concerning a practical type face. Both the plaintiff and the defendants are distributors of fonts. The plaintiff claimed that the act of selling digital fonts by defendant A and the act of selling plates for phototype setting by defendant B infringed the plaintiff’s copyright concerning his type face. He also made a subordinate claim of applicability of act of tort and demanded an injunction and compensation for damages.

The Osaka District Court,²⁸ which was the first instance, denied both the main and subordinate claims and the Osaka High Court,²⁹ which was the appeal court, supported the judgment of the first instance and rejected the appeal. The case was brought to a final court and the Supreme Court rejected the appeal, stating the following:

“Article 2 (1) (i) of The Copyright Law defines work as ‘a production in which thoughts or sentiments are expressed in a creative way and which falls within the literary, scientific, artistic, or musical domain’.”

²⁸ Ruling of the Osaka District Court on June 24, 1997, Hanrei Times No.956 p.267

²⁹ Ruling of the Osaka High Court on July 17, 1998, Civil Case Collection, Volume 44, No.7, p.2562

“It is acceptable to judge that, for a font type for printing to fall within the works meant here, it should be equipped with such originality as to have distinguishing features compared to conventional font types for printing and with aesthetic attributes that makes the type face itself an object of art appreciation.”

“If the above criterion of creativity of font types for printing is relaxed or if the beauty seen from the perspective of practical function is deemed sufficient to enjoy copyright, then the publication of novels, dissertations, etc. that use the type face for printing would require the indication of the name and the approval of the author of the font type and their reproduction would also require the approval of the holder of the copyright. This might make it impossible to produce similar font types for printing based on the existing font types or to improve them (Articles 19, 21, and 27 of the Copyright Law). This would go against the purpose of the Copyright Law, which is to secure protection of the rights of authors, while giving due regard to the fair exploitation of these cultural products, and by doing so, to contribute to the development of culture. In addition, the shape of a font type for printing is by necessity subject to certain restrictions due to the communication function of letters. If they are generally protected as work, under the country’s copyright system that does not require examination or registration for the enjoyment of copyright or demand indication of copyright, copyright would be established for an endless number of type faces that have only slight differences among them, leading to complicated relations of rights and confusion.”

“Looking at this point in this case, according to the original decision, a set of font types (UNAG) that includes the font type in the attached inventory (3) of the judgment of the first instance and a set of font types (MNAG: “font types of the plaintiff” together with UNAG) that includes the font type of the inventory (4) of the same were developed based on various gothic letters that had been used as font type and, although it ‘aimed at being a fresh and graphical design not hitherto seen among conventional gothic letters’ and was created based on the concept of being a ‘noneccentric and straightforward font type with beauty and readability that is an original function of characters’, it was not very different from conventional gothic designs. As such, we cannot say that the font types of the plaintiff are equipped with the originality and aesthetic attribute described above or that they fall within the work defined in Article 2 (2) (i) of the Copyright Law. Neither can we say that the font types of the plaintiff that are not equipped with the aforementioned originality and aesthetic attribute fall under ‘works of applied arts’ that are to be protected under the Berne Convention for the Protection of Literary and Artistic Works.”

This ruling is highly significant as it is the first judgment by the Supreme Court on the copyright ability of type face.

(iv) Cases where the protection of calligraphy as work became an issue

There have been several cases where the protection of calligraphy, not type face, have become an issue. Copyrightability has been relatively readily recognized for calligraphy that is created for aesthetic appreciation. In terms of its protection (applicability of copyright infringement), however, consideration is given to the impact that the legal protection of the shape of characters, etc. will have on expressive acts. This serves as a reference when considering the protection of type faces.

For example, a plaintiff who was a calligrapher claimed that the characters used in a signboard created and installed by the defendants infringed the copyright and moral rights of the author. In this case, the court (Tokyo District Court)³⁰ recognized copyrightability relatively readily, stating: “the calligraphy of this case can be recognized as a production in which the plaintiff expressed thoughts or sentiments in a creative way and which falls within the artistic domain and, granted that the plaintiff conducted acts such as charging a fee from the users of his calligraphy after creating it as claimed by the defendants, this does not lead to the loss of the copyrightability of the calligraphy.” As regards the applicability of the infringement, however, the court stated: “Copyrightability is not found in the style of characters themselves and therefore the exclusive right of a specific person cannot be recognized here. Further, because the style of calligraphy may take many different forms even when written by one person, if an exclusive right were recognized in cases where similarity was found, the scope would cover such a broad range that it might be tantamount to recognize copyrightability in the style of characters themselves and recognize such a right in them. As such, we cannot say that merely being similar to the style of a calligraphy work directly indicates its reproduction.” The court denied the applicability of the concept of reproduction, stating: “comparing the calligraphy of the plaintiff and the defendants’ characters that correspond to this, apparent differences are obvious at first glance; at most, there is merely a similarity. As such, it is difficult to judge that the acts of the defendants constitute reproduction of the calligraphy in this case. In addition, we did not find enough evidence to ascertain their similarity in elements other than style,

³⁰ Ruling of the Tokyo District Court on November 10, 1989, Collection of Court Decisions of Intangible Property, Volume 21, No.3, p.845 (Dosho case). There is another case where infringement of copyright, etc. were found concerning a calligraphy of the same plaintiff. Ruling of the Tokyo District Court on October 30, 1985, Collection of Court Decisions of Intangible Property, Volume 17, No.3, P.520

including the contrasting density of sumi ink, the degree of fading, and the dynamism of brush strokes.”

In a more recent court case, a plaintiff who was a calligrapher demanded compensation for damages from defendants who showed photographs of the calligraphies of the plaintiff in a catalogue intended for advertising on the grounds of infringement of the copyright and moral rights of the author. The court (Tokyo High Court)³¹ stated the following regarding the characteristics of calligraphy as work:

“It is believed that, in general, calligraphy is a formative art that allows viewers to appreciate the creativity of the shape of characters, the beauty and subtlety of lines, the architectural beauty of clusters of characters and blank space, pacing, the rise and fall of brush strokes, the brilliance and change in sumi color, the dynamism of brush strokes, and even the spirituality of the author through its expressive forms, including the choice of characters and style, shape, thickness, direction and size of characters, overall layout and composition, and contrasting density and moisture of sumi ink (including feathering and fading). At the same time, however, we cannot deny that, given its nature of consisting of characters that fulfill a practical function of communication and therefore do not allow a monopoly by specific persons, calligraphy is subject to restrictions in expression based on the basic form (character style) of characters and it is generally difficult to recognize copyrightability in its character style itself. Consequently, the essential feature of calligraphy as work, namely, the part of creative expression of thoughts or sentiments, should be looked for not in character style but in the above-mentioned aesthetic elements unique to calligraphy that are added to it.”

Thus, in order for an act of replicating a calligraphic work in a photograph to fall within a reproduction of the calligraphy as artistic work, “assuming normal powers of attention of ordinary people, a photograph of the calligraphy is required, through the forms of expression described above, not simply to reproduce the style of character and calligraphy but to allow direct appreciation of the aesthetic elements described above, including the creativity of the shape of characters, the beauty and subtlety of lines, the architectural beauty of clusters of characters and blank space, pacing, the rise and fall of brush strokes, the brilliance and change in sumi color, and the dynamism of brush strokes.” The court did not recognize the photograph of this case to be a reproduction of the calligraphy as work, stating: “We must say that it is difficult for ordinary people who look at the part of the calligraphy in the catalogue with

³¹ Ruling of the Tokyo High Court on February 18, 2002, Hanrei Jiho No. 1786 p.136 (Setsu Getsu Ka Case). Its first instance was the ruling of the Tokyo District Court on October 27, 1999, Hanrei Jiho No. 1701 p.157

normal attention to directly appreciate the aesthetic elements that are believed to be in the individual calligraphies of the case, including the creativity of the shape of characters, the beauty and subtlety of lines, the architectural beauty of clusters of characters and blank space, pacing, the rise and fall of brush strokes, the brilliance and change in sumi color, and dynamism of brush strokes.

(v) Protection of digital font as a computer program work

As a rather atypical case, an act of business operators, etc. who distributed personal computers on which pirated digital fonts had been illegally installed was found to infringe the copyright of the digital font program and an injunction and compensation for damage were awarded.³²

There may be no dispute that a digital font program can be protected as work if this is incorporated in a program for displaying specific letters in the designated size, etc. according to the demand from other software.³³

(vi) Summary of the court cases

Let us summarize the overview of the court cases above.

First, the Supreme Court ruling on the Gona (NAG) type face case showed practical criteria on the copyrightability of type face in today's Japan. Namely, there is some possibility of finding copyrightability for type face but in order to be recognized as work a type face is required to be equipped with "originality as having distinguished features" compared to conventional font types and "aesthetic attributes that make the font type itself an object of art appreciation."

Type face is understood to be a kind of applied art and, as described above, the dominant view in the Copyright Law of Japan is that a work of applied art is recognized as work only when it is equipped with an aesthetic feature that makes it an object of art appreciation. Therefore, the criteria of the Supreme Court ruling also required fulfillment of the latter clause (criterion of an aesthetic feature) in accordance with this view.

How, then can the requirement of "originality" be understood? "Creativity" is a requirement made in the definition of work in general. It is understood that creativity may be recognized if author individuality is found in the expression of thoughts or sentiments in some way. It may be understood that use of the term "originality" means that a stricter-than-ordinary standard is

³² Ruling of the Osaka District Court on May 13, 2004 (Wa) No.2552.

³³ Of course, it is necessary that creativity of a work is found in the program.

applied concerning the requirement of “creativity.” The reasons why such strict criterion for creativity are applied may include the following: letters and signs basically need to have a standardized form, which makes their range of specific expression narrower. If creativity is recognized in type faces that have slight differences in their expression as differences of individuality and legal protection is provided, this would make the creation, etc. of new type faces difficult and give rise to problems including the complication of relations of rights (for example, most type faces would be found to be adaptations of an existing type face), as stated by the Supreme Court Ruling.

Next, there is an issue that the protection of type faces as work would pose restrictions on expressive activities. As described above, this issue has been addressed by stricter criteria of reproduction in some court cases on the infringement of copyright concerning calligraphy that is protected as work.

As regards type face, the Supreme Court ruling on Gona (NAG) type face made a statement on the impact on expressive acts such as the publication and reproduction of printed matters and the production of new type faces.

However, the indication by the Supreme Court ruling that the protection of type faces as work could repress the publication and reproduction of printed matters may be open to dispute. Namely, a type face consists of a set and if it is protected as work, there would be different interpretation as to what acts could be covered by the right. Suppose that a certain type face is found to be work. One interpretation may be that because copyrightability is found in the type face as a set, infringement of the right of reproduction, etc. will occur only when the whole or most parts of the set is reproduced. Another interpretation is also possible, namely, as long as copyrightability is recognized for a part of a work, reproduction, etc. of the part would constitute infringement of the right of reproduction, etc. If we apply the prevailing perspective in the Copyright Law, the latter interpretation will be more likely. However, it is inherently difficult to determine whether or not a part of a type face that can be found to be a work in its entirety can be found to be a work.

It is considered highly unlikely (limited to atypical cases) that a type face would actually be protected as a work based on the criteria shown by the Supreme Court ruling. It is also unlikely that the above problems in relation to the Copyright Law would actually occur in regard to legal protection. However, the problems above require attention when considering protection by systems other than the Copyright Law.

c. Theoretical trends, etc.

Commonly accepted theories are reluctant to promote the protection of type faces as work not only in terms of interpretation but also in terms of legislative theory.

As regards interpretation of the current Copyright Law, the position of the Supreme Court ruling on Gona (NAG) type face is supported in principle. However, a recent influential theory indicated that the issue of type face protection is different in nature from the issue of protection of usual applied art (because type face is not protected by the design system either, it is different from usual applied art in which the role separation of the Copyright Law and the Design Law is the issue) and that examination is required on what protection mode is most desirable based on the nature of type face and what concrete negative effects would arise if type face were protected by the Copyright Law.³⁴

Today's generally accepted theories, both in terms of legislation and policy, take the view that type face does not fit into the system of protection as work due to its nature and that it is not appropriate to expand the protection of type faces by revising the Copyright Law.³⁵

(II) Design system

a. Brief overview of the system

The purpose of the Design Law is, through promoting the protection and utilization of designs, to encourage the creation of designs, and thereby contribute to the development of industry (Article 1, Design Law). "Design" refers to industrial design, which is the shape, patterns or colors, or any combination thereof, of an article, that visually creates an aesthetic impression through the eye (Article 2 (1), Design Law).

A design right becomes effective when a person who has the right to obtain a design registration files an application for registration of the design, receives an examiner's decision to the effect that a design registration is to be granted after an examination by an examiner of the Patent Office, and registers the establishment (Article 20, Design Law). Substantive requirements for obtaining a design registration include the following: the design is industrially applicable (Article 3 (1), Design Law), the design has novelty (same as above),

³⁴ Nakayama Nobuhiro, *Copyright Law*, Yuhikaku Publishing, 2008, p.155

³⁵ Page 156 of the above discusses the negative effects of protection by Copyright Law and states that there is no need to recognize the moral rights of authors.

and creation is not easy for a person with ordinary skill in the art (Article 3 (2), Design Law). In Japan, a design right becomes effective only when it is registered. The unregistered design system that is adopted in some countries does not exist in Japan.³⁶

Design rights cover acts to work the registered design and designs similar thereto as a business (Article 23, Design Law). Duration of the right is 20 years after its registration. Against an infringement of a design right, the holder, etc. may demand an injunction (Article 37, Design Law), compensation for damages (Article 709, Civil Code), measures to restore credibility (Article 41 of the Design Law, application mutatis mutandis of provisions of Article 106 of the Patent Law), and restitution of unjust enrichment (Article 703, Civil Code). Criminal penalties are also provided (Article 69, Design Law).

Major features of the Japanese design system include, firstly, that design is grasped always in relation to an article. Namely, design is a form (shape, pattern, etc.) of an article as described above and therefore a pattern, etc. separate from an article is not recognized as design. The design system is positioned as a system to protect designs used for tangible entities (article) that are mass-produced using industrial means. This makes the Japanese system different from the Community Design System of the EU, and this very point makes it difficult to protect type faces under the design system.

Second, Japan adopts the principle of registration and requires substantive examination before registration. An unregistered design system or a design system that grants registration without substantive examination is not adopted in Japan.

b. Actual examples

Because design under the Design Law of Japan is limited to those concerning an article as described above, it is understood that the design of letters/characters that are not directly linked to the production of an article are not protected by the current Design Law.

c. Theoretical trends, etc.

There is no dispute that the design registration of type face is difficult under the current Design Law.

³⁶ However, the regulation of acts of imitating the configuration of goods (Article 2 (1) (iii), Unfair Competition Prevention Law), acts of creating confusion with a well-known indication (Article 2 (1) (i), UCPL), and acts of wrongful use of a famous indication (Article 2 (1) (ii) UCPL) under the Unfair Competition Prevention Law have an effect similar to that of protecting designs without registration.

The following problems are noted in regard to protecting type face by design right by revising the Design Law.³⁷

(i) Relation to the nature of design right: design right is the exclusive right to work a registered design and designs similar thereto as a business. This is a powerful right that allows presumption of negligence when an infringement is found. Being a medium of communication, type face is essential not only for business operation but also in daily life and, therefore, granting an exclusive right could have a far-reaching impact. Granting an overly powerful right might lead to shrinking of the industry. Furthermore, because the main purpose of type face is communication, more practical and easier-to-read letters make a greater contribution to industrial growth. However, the more practical a type face is, the more likely it is that it will be similar to existing letters based on shared awareness in character culture. Consequently, if the right also covers similar designs and presumption of negligence is made when an infringement is found, it is highly likely to hinder the development of practical type faces in particular, which goes against the purpose of the Design Law.

(ii) Relation to protection requirements of the Design Law: to be registered and protected under the Design Law, a design should fulfill all the protection requirements, including novelty and skilled creation. However, the more practical a type face is, the more difficult it would be to fulfill all the protection requirements, including the aforementioned ones, under the Design Law.

(iii) Relation to the similarity judgment of type face: when granting a design right or making judgment on whether or not there is an infringement, it is essential to make a similarity judgment that compares two designs and judge whether they are similar or not. If a powerful right such as a design right that also covers similar designs is given to type faces for which methods and criteria of similarity judgment are not yet established, it would not be possible to judge whether or not the creation or implementation of a type face infringes a design right of others—this might inhibit the creation and implementation of type faces.

(iv) Relation to the article-bound nature of design right: this is the issue that Japan's Design Law only covers the designs of articles as described above.

(v) Relation to the liquidity of type face: type face is a set of letters, etc. created based on a certain concept concerning shape. Because exceptional treatment is given to individual letters based on certain rules within the scope of the basic concept in order to avoid the collapsing of

³⁷ Report of the intellectual property council, p.64f.

letters, to make optical adjustments, etc., letters, etc. that compose a type face do not necessarily have unity in a strict sense. In addition, because there is no limit to the number of letters, etc. of a type face and missed characters can be added any time, it is not clear when its creation is completed. It is the nature of type face to undergo changes for readability improvement as needed. Consequently, incorporating the protection of type faces in a system that grant rights in rem such as design right would mean granting the right only to the type face as it is at the time of the application and it would not be possible to include the corrections made later to improve readability or the addition of missed characters, for example.

Not all of these problems will serve as grounds to deny the protection of type faces under the design system. The conclusion of a study group composed of people involved in type face and experts was that some of the problems may be solved to a certain degree by legislative response ((iv) and (v), for example) but (i) and (ii) are issues that affect the basis of the design system; they did not find a need to protect type face under the design system by making amendments on these points.³⁸

As mentioned above, however, the United States, the EU, and others protect type face under their design systems. In light of this, there is a possibility that the protection of type faces under the design system will be seriously considered in Japan in the future depending on the state of disputes, etc. concerning type face.

(III) Unfair Competition Prevention Law

a. Brief overview of the system

Japan handles the prevention of unfair competition (see Articles 1 and 10-2 of the Paris Convention) with the Unfair Competition Prevention Law (sometimes called the “UCPL” below).³⁹

The purpose of the UCPL is “to provide for matters such as measures for the prevention of unfair competition and compensation for damages caused by unfair competition, in order to ensure fair competition among business operators and accurate implementation of international agreements related thereto, and to thereby contribute to the sound development of the national economy” (Article 1, UCPL).

³⁸ Report of the intellectual property council, p.68

³⁹ As is well known, some countries, such as the UK and France, do not have a special law for the prevention of unfair competition; countries that do include Germany and Switzerland. Japan belongs to the latter grouping. Japan’s Unfair Competition Prevention Law was established in 1934, radically amended in 1993, and has subsequently had repeated revisions.

The law provides a definition of “unfair competition” in Article 2 (1). This paragraph establishes types of acts that constitute “unfair competition” in a concrete manner. There is no general clause (a provision that defines an act of unfair competition in an abstract manner, leaving wide room for discretion by courts concerning the judgment of whether a specific act falls within this or not) as is the case in the unfair competition prevention laws of some countries including Germany. Consequently, it is understood in Japan that only acts that fall within any of the items of Article 2 (1) of the UCPL are “unfair competition” acts. (This means that the paragraph is understood to provide a limited listing of unfair competition acts.)

Acts deemed as “unfair competition” include: acts of creating confusion with a well-known indication (Article 2 (1) (i), UCPL); acts of wrongful use of a famous indication ((ii) of the same paragraph); acts of imitating the configuration of another person’s goods ((iii) of the same); acts of acquiring, using, or disclosing a trade secret by wrongful means ((iv) and (ix) of the same); wrongdoing concerning technological restriction measures ((x) and (xi) of the same); wrongdoing concerning a domain name ((xii) of the same); acts of misleading the public as to the place of origin, etc. ((xiii) of the same); acts of causing damage to credit ((xiv) of the same); and acts of wrongful use of a trademark by a representative, etc. ((xv) of the same).

Among these, types of unfair competition acts against which the protection of type faces may be considered are acts of creating confusion with a well-known indication, acts of wrongful use of a famous indication, and acts of imitating the configuration of another person’s goods.

The first two items are acts concerning the indication of goods or business (i.e., a name, trade name, trademark, mark, or container or package of goods used in relation to a person’s business, or any other indication of a person’s goods or business; the same shall apply hereinafter)(Article 2 (1) (i), UCPL). Firstly, acts of creating confusion with a well-known indication are “acts of creating confusion with another person’s goods or business by using an indication of goods or business that is identical or similar to said person’s indication of goods or business that is well known among consumers” (same as above). Secondly, acts of wrongful use of a famous indication are “acts of using as one’s own an indication of goods or business that is identical or similar to another person’s famous indication of goods or business” ((ii) of the same paragraph). This is intended to protect famous indications (i.e., those that are more visible than well-known indications of the first type and those that are known all over the country) against dilution, regardless of the risk of confusion.

Next, acts of imitating the configuration of goods are “acts of assigning, leasing, displaying for

the purpose of assignment or leasing, exporting or importing goods that imitate the configuration of another person's goods" ((iii) of the same). A definition of the configuration of goods was not provided at the time when this provision was introduced (1992) but it was later defined as "the external and internal shape of goods and the pattern, color, gloss, and texture combined with such shape, which may be perceived by consumers or other purchasers when making ordinary use of the goods" (Article 2 (4), UCPL) by a revision of the law in 2005. For "imitate," too, a definition of "an act of creating goods of practically identical configuration to that of another person's goods, based on the configuration of the goods of said person" (Paragraph 5 of the same article) was added by a revision of the law in 2005.

A person whose business interests have been infringed or are likely to be infringed by unfair competition may seek an injunction (Article 3 of the same law), compensation for damages (Article 4), or measures to restore business reputation (Article 14). Penal provision is also provided for some acts (Articles 21 and 22). Provisions of civil remedies and penal provision will not apply to acts that fall under the unfair competition act if the actor has a just reason (Article 19 (1)).

b. Court cases

As described above, the protection of type faces under the UCPL may be considered by application of Article 2 (1)(i) and (ii) concerning the indication of goods, etc. and Article 2 (1)(iii) concerning imitation of the configuration of goods.

For protection by the former, the issue is the relation between the concept of the indication of goods, etc. and type face. Some court cases in the past judged that font type is an intangible entity and does not fall within "goods."⁴⁰ However, in 1993, the Tokyo High Court, in a provisional ruling case,⁴¹ stated that even an intangible entity would be included as "goods" if its commercial value was socially recognized and it had become an independent object of

⁴⁰ Ruling of the Tokyo High Court on April 28, 1982, Collection of Court Decisions of Intangible Property, Volume 14, No.1, p.351 (Typos font type case): the ruling stated that, "it is acceptable to understand that being "goods" requires at least being a "tangible entity" (including formless entities traded in containers) and an intangible entity does not fall under this." The ruling of the first instance, the Tokyo District Court, on March 10, 1980, Collection of Court Decisions of Intangible Property, Volume 12, No.1, p.47 made statements to a similar effect. However, there were criticisms that it was unacceptable to limit "goods" to tangible entities based on theories. See *The Protection of Type Faces Based on the Unfair Competition Law and the Law of Torts*, Monya Nobuo, 1985, Jurist, No.849, p.109

⁴¹ Decision of the Tokyo High Court on December 24, 1993 (Appeal of the Morisawa type face provisional injunction case): the decision of the first instance, the Tokyo District Court, on June 25, 1993, Hanrei Jiho, No.1505, P.144 rejected the application stating that goods was limited to tangible entity. In this case, applicability of the 1 (1) (i) of the law before the revision in 1993 (corresponds to the Article 2 (1) (i) of the current law) became the issue.

transaction. They also stated that, “because printing businesses, newspaper companies, printer makers, etc. choose specific font types that they think are most desirable for their respective intended purpose and use such font types by signing a commutative license agreement, etc. with the relevant type manufacturers, it is clear that the specific font types developed by the type manufacturers who are the appellers have become independent objects of transaction that have commercial value. As such, it is unacceptable to say that font types that have such characteristics do not fall within ‘goods’ just because they are intangible entities.” The court found unfair competition in this case, stating that the intellectual property of the obligee (plaintiff in an ordinary suit) could be deemed as a well-known indication and that the type face of the obligor (defendant in an ordinary suit) is similar to the former and might cause confusion.

Later in 2003 when the Trademark Law was revised to allow trademark registration of marks that were indicated on computer screens, there was a government discussion on the need for revision concerning the concept of “goods” of the Trademark Law and the UCPL. However, the need for revision was not found because “goods” had already been interpreted widely as including intangible entities. Therefore, we can say that it is an established interpretation to include intangible entities in the concept of “goods.”

Next, as regards the protection by Article 2 (1)(iii), the issue is whether or not type face falls within “configuration of goods.” In the past, there has been no definition of “configuration of goods” and this has been left open to interpretation. Consequently, if the concept of “goods” was to include intangible entities, there is a good chance that type face would fall within “configuration of goods.” In fact, there have been theories put forth that recognized the room for application of this item to type face.⁴² However, the revision of the UCPL in 2005 provided a definition stating that “configuration of goods” means “the external and internal shape of goods and the pattern, color, gloss, and texture combined with such shape, which may be perceived” (Article 2 (4)). Using concepts such as “external and internal” and “shape,” this definition provision can be interpreted to indicate a form of tangible entity, which may have made it difficult to interpret that type face is included in “configuration of goods.”

⁴² Shibuya Tatsuki, *Prohibition of Imitation of Configuration of Goods*, “Theories of intellectual property and Competition Laws – Festschrift in Celebration of the Seventieth Birthday of Professor F. K. Baeyer” compiled by the Max-Planck-Institute for Foreign and International Patent, Copyright and Competition Law, MPI, Dai-Ichi Hoki, 1996, p.355 and 368, Tamura Yoshiyuki, *Survey of the Unfair Competition Prevention Law* [second edition], Yuhikaku Publishing, 2003, p.300, Izumi Katsuyuki, *New Commentary - Unfair Competition Prevention Law* [new edition] Volume 1, written and edited by Ono Shoen, Seirin Shoin, 2007, p.452 and others

Now, let us summarize the possibility of protection under the UCPL. It is possible to protect type face based on the provisions of Article 2 (1)(i) or (ii) concerning acts involved in the indication of goods, etc. Naturally, however, this requires fulfillment of the requirements of these provisions and actual fulfillment is not necessarily easy.⁴³

Protection based on Article 2 (1)(iii) has become more difficult due to the revision in 2005.

There is also the view that the protection provided under the UCPL does not adequately address the issues concerning type face because they often arise in the relationship between suppliers and users.⁴⁴ Furthermore, the idea to revise the UCPL to expand the protection of type faces has not received strong support.⁴⁵

(IV) Tort law (Civil Code)

a. Brief overview of the system

In Japan, most universal provisions of tort law are provided by Article 709 of the Civil Code. The article stipulates that, “A person who has infringed intentionally or negligently any right of others, or legally protected interest of others, shall be liable to make compensation for damage arising therefrom.” As is clear from this provision, the subject of the protection is the “rights or legally protected interest.” Remedy is limited to compensation for damages in principle.⁴⁶

b. Court cases

The possibility of protecting type face based on tort law was denied by a court ruling.⁴⁷ Namely, the ruling denied that an act of producing and distributing a type face that is similar to another person’s type face constituted an act of tort, stating: “font type of letters naturally takes a certain form because it is originally intended for the communication of specific sounds or meanings through a specific arrangement of lines. Consequently, if individual forms or the

⁴³ Report of the intellectual property council, p.70

⁴⁴ Report of the intellectual property council, p.70

⁴⁵ Report of the intellectual property council, p.70

⁴⁶ In Japan, compensation for damages is limited to the extent to cover the damages and punitive damage is not allowed. In current practice, injunction is also limited to the cases where such provision exists or exceptional cases of infringement of personal right and request for injunction is not allowed against common torts. For defamation, rehabilitation measures are provided by Article 723 of the Civil Code.

⁴⁷ Ruling of the Tokyo High Court on April 28, 1982, Collection of Court Decisions of Intangible Property, Volume 14, No.1, p.351 (Typos type case)

creation of each letter that takes a certain form should be protected as providing a benefit that is worth legal protection, it would be tantamount to allow taking private rights to the infinite number of letter styles themselves. This would leave letters that should be shared by people to exclusive use by a small number of people and make the free use of letters by people impossible. Such a consequence is obviously unjust.”

However, a view based on theory criticized the argument of this ruling as being too hasty and suggested that type face should be protected based on acts of tort in general terms, indicating that the protection of type faces relates to the protection of font type as a means to compose texts using printing technology and therefore, unlike restricting the use of letters themselves, allows people to freely use font types that have already become common.⁴⁸

Later, the Osaka District Court ruling⁴⁹ on the phototype plate case, which was described above in relation to the Copyright Law, found a possibility of the application of act of tort, stating: “it is adequate to understand that there is room to apply the theory of the act of tort to protect font type for which copyrightability cannot be recognized if a truly creative font type is used in its entirety by another person without prior consent.” However, the court denied the act of tort for this case, stating: “the content of the creativity of the font type of this case is not necessarily clear” and “although it is undeniable that the font type of the defendant is similar to that of this case, this does not necessarily lead to the conclusion that the former used the latter in its entirety.”

Further, the Osaka District Court,⁵⁰ which was the first instance of the Gona (NAG) font type case, also affirmed the applicability of the act of tort in general terms, stating: “If a font type that is not protected by the Copyright Law is truly creative and equipped with unique features compared with past font types, and if another person produced and sold a font type imitating its characteristic part in its entirety over the entire set of font type with the intention of unfair competition, it is clear that this act destroys the fair competition order in the font type market and it is acceptable to require compensation for damages that were incurred by this act.”

As regards the case, however, the ruling stated: “It is hard to say that NAG [the font type of the plaintiff] has unique features compared with past font types and we cannot say that the defendants produced and sold their new gothic type face by imitating the characteristic part of

⁴⁸ Monya Nobuo, *The Protection of Type Faces based on the Unfair Competition Law and the Law of Torts*, Jurist, 1985, No.849, p. 109 and 112

⁴⁹ Ruling of the Osaka District Court on March 8, 1989, Collection of Court Decisions of Intangible Property, Volume 21, No.1, p.93

⁵⁰ Ruling of the Osaka District Court on June 24, 1997, Hanrei Ta No.956, p.267

NAG for nearly the entire set of font type in its entirety, therefore we cannot say that production and distribution of the new gothic type face by the defendants constitute an act of tort.”

Later, a court found that an act of using for business a logotype that was created by combining and effecting a change to a part of the type face that had been created by the plaintiff constituted an act of tort.⁵¹ Its ruling stated as follows:

“With this in mind, we can presume and find that this logotype was created by combining and effecting a change to Works 1 and 2 of the plaintiff and there is no evidence that might influence this finding.”

“The logotype is used for flags, entrance mats, uniform caps, souvenirs, shopping bags, picture cards, chopstick sleeves, etc. that are related to the business of the hotel in this case as described above and it is clear that the plaintiff did not grant consent to this act based on the entire import of the argument.

In general, we must say that where there is a person who earns a reward as a business from adding creative elements to advertising media, etc. to contribute to the promotion, etc, of the business operations of business enterprises, etc., an act of using such a work at will without consent of the author for the promotion of his own business operations infringes, using grossly unfair means, the person’s interest that is worth legal protection in a trading community that is built on the principle of fair and free competition; it therefore constitutes an act of tort.”

“Looking at this point in this case, because the plaintiff earns a reward from business enterprises, etc. through creative activities based on a method called type face design (Kou No.9 evidence, 1 and 3 of the No.10 evidence, the plaintiff himself), it is clear that, if a deliverable of his creative activities is used by the defendant without consent and is exploited for the former’s advertising activities, etc., it will interfere with the plaintiff’s operation. Therefore, we must say that the act of the defendant falls within acts of tort that undermine the interest of the plaintiff.”

In contrast with the two rulings of the Osaka District Court mentioned above that pointed to being a “truly creative font type” as one of the requirements to be found as an act of tort, it is notable that this ruling placed great importance on the fact that the plaintiff conducted creative activities as a business and earned rewards from these activities and did not mention the

⁵¹ Ruling of the Tokyo District Court on September 30, 2005 (Wa) No.25800. not placed in any law report

creativity of the type face that was their deliverable. Furthermore, whereas the two rulings of the Osaka District Court indicated that an act of “imitating in its entirety” falls within acts of tort, this ruling differed in that it recognized the act of “combining and changing” as an act of tort. As such, we can say that this ruling recognized the applicability of the act of tort under significantly less stringent requirements compared to the other two rulings of the Osaka District Court.

However, apart from the appropriateness of the conclusion of this ruling, its rationale may be questioned for recognizing the applicability of the act of tort too easily in light of the existing discussions accumulated on the legal protection of type faces. Namely, considering that the development of type face has to be done under certain restrictions, including letter shape, if the act of tort is applied too easily, it might harm free competition more than help it. From this perspective, we see a degree of reasonableness in requiring features (creativity) that justify protection of the type face itself and recognizing the applicability of the act of tort only in cases of imitation (which may be understood as producing a type face that is virtually the same as an existing type face), as the rulings of the Osaka District Court did.

(V) Other systems

The name of a type face can be registered as a trademark and protected by a trademark right but the type face itself is not protected by a trademark right.

In an actual transaction concerning type face, it is natural for the parties involved to have a contractual relationship. The type face can be protected by the contract between the contracting parties. If either of the contracting parties violates the contract, the other contracting party may demand annulment of the contract, compensation for damages, etc., according to the provisions of the contract, Civil Code, etc., as long as the contract is valid.

(3) Future prospects

As described above, legal protection of type faces is possible in Japan based on the tort law (Civil Code) or the UCPL according to the case, but protecting type face itself as intellectual property is difficult under the current intellectual property laws.

However, few deny that type face is a product of creative intellectual activity and worthy of being called intellectual property. It is not that type face is intentionally or willingly excluded from the intellectual property laws; rather, the situation is such that type face is not protected

because it does not match well with the requirements of the current intellectual property laws.

There is a deep-rooted awareness in the government and with law practitioners and academicians of the possible need to protect type face by revising the existing intellectual property laws or by establishing a new system.

The Intellectual Property Strategy Headquarters (consisting of the prime minister, related ministers, and experts), which is set up in the Cabinet, declared a “consideration of how type face protection should be” for two years in the Intellectual Property Strategic Program, which from the principles of its intellectual property policy.⁵²

However, because there is no description concerning type face in subsequent Intellectual Property Strategic Program,⁵³ we can assume that examination in the government did not find a need to reinforce type face protection by revising the systems or establishing a new system.⁵⁴

⁵² The Intellectual Property Strategic Program 2006 (June 8, 2006) set up an item called “Strengthening protection of type faces” and stated the following (p.46 of the Strategy): “Along with the progress of digitization, the importance of type faces has been increasing for various media. However, according to the current interpretation of the Copyright Law, type face designs per se that are not embodied in computer programs are not deemed to be copyrightable. Starting from FY2006, the GOJ will consider how to protect type face designs and take appropriate measures when necessary.”

⁵³ The protection of type faces is not mentioned in the Intellectual Property Strategic Program 2008 (June 18, 2008) that was announced in 2008.

⁵⁴ The report of the intellectual property council was produced as a part of the examination in the government. See p.1 of the report. In its conclusion (p.78 onwards), the report states: “Protection of type faces under the current Design Law of the country does not fit into the essential part of the system’s framework. In order to newly make type faces subject to protection, we need to either establish special provisions that apply only to type faces or to fundamentally re-examine the design system. Considering that issues based on the characteristics of type face are not clear at present and that there were very few requests for a radical revision of the Design Law in the discussion for the revision of the Design Law in 2006, it is without question unnecessary at present to make a radical revision of the Design Law to protect type face.” “Also, during the discussion of the council, there were many negative opinions expressed in regard to granting powerful design rights to type faces that are conceptual creations; many concerns were expressed including how to define the implementation of type face that does not fulfill the requirements for being an ‘article’. In addition, concerns from a practical point of view were also expressed, including, if type face is protected under the design system in the current state where methods and criteria of its similarity judgment have not yet been established, how should novelty skilled creation be examined, how can similarity judgment be made for judgment on infringement, and what will the scope of goods that will be covered by the right be? Consequently, although the protection of type faces is not against the purpose of the Design Law, it would be difficult to carry out under the framework of the current Design Law or a system as an extension of the law.” “We also examined what the legal protection should be if protection was to be provided to type faces through a new protection system outside of the framework of the existing intellectual property law system. Because type face is based on letters/characters that are mediums of communication and because, therefore, its protection may affect not only industries but also the lives of the public at large depending on the scope of the right, it will be necessary to establish a system that would not hinder the utilization of type face, considering the issues derived from the characteristics of type face. At present, the issues based on the characteristics of type face remain unclear and there are numerous challenges that would require careful examination in determining a single method of protection in order to build a new framework of legal protection. It is, therefore, too early at present to provide new legal protection to type faces.”

In light of recent moves like this, we must say that the possibility of an institutional response concerning type face protection is rather low.

Nevertheless, it is of great significance that the Intellectual Property Strategy Headquarters, which is the supreme policy-making organ concerning the intellectual property system of Japan, identified the need for type face protection. There is a chance that the occurrence of actual disputes and the clarification of issues that may show insufficient protection under the current laws will induce institutional response in the future.

6. Conclusion

The protection of type faces has been discussed for more than half a century. Some countries provide clear protection to type faces under their design system, etc. In Japan, however, a system to legally protect type faces as intellectual property has not yet been established and how to respond to this issue has been discussed over many years.

The treatment of type face protection in Japan may be seen as a model case for exploring the challenges of how to incorporate a new protection subject in the intellectual property system and how to position it appropriately. It is my hope that this report will serve to provide readers not only with an overview of the state of type face protection but also to present a model case for exploring system design in intellectual property policy from a broader perspective.

Japan Patent Office

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Collaborator: **Masabumi SUZUKI**

Professor,

Graduate School of Law

Nagoya University