

**“BRANDING STRATEGY FOR LEVERAGING IP FOR SMEs”  
A COMPARATIVE STUDY RESEARCH BETWEEN JAPAN AND  
CAMBODIA**

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The views and findings in this report are those of the author and do not necessarily reflect the views and policy of the organization or sponsor of this study.

## ABSTRACT

Branding has emerged as a top management priority in the last decade due the growing realization that brands are one of the most valuable assets that firms possess. With increasing globalization and international trade, a number of brands are entering into the Kingdom of Cambodia. Because this is one of the fastest growing and most highly competitive markets in the world, domestic companies are striving toward the challenge of international and franchise brands.

While branding is also the most important aspect of business strategy, it is also one of the most misunderstood. Because it is sometimes considered as merely an advertising function, many managers and business writers hold the view that branding is about the management of product image; in other words, a supplementary task that can be isolated from the main business of product management. This note provides an alternative perspective by arguing as follows:

- Branding is a strategic point of view, not a select set of activities.
- Branding is central to creating customer value, not just images.
- Branding is a key tool for creating and maintaining competitive advantage.
- Brands are cultures that circulate in society as conventional stories.

This research paper identifies some of the most influential work in the branding area, highlighting what has been learnt and researched in Japan on brand positioning, integration, growth and equity measurement, management, and strategy; as well as the reasons why some international brands are successful globally. Also discussed are the implications of choice modeling with respect to the branding concept, as well as the challenges of incorporating branding's main and interaction effects, and the impact of competition.

In sum, this paper aims to recognize the key variables of brand and brand management, as well as the key aspects of branding and market strategies, and how to leverage IP for the brand market.

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## LIST OF ABBREVIATIONS

For the purpose of this Report, the following terms and phrases shall have the following meanings:

BESS	Bigfoot Essential Slow Life Spirit. Brand
CEO	Chief Executive Officer
DIP	Department of Intellectual Property
IP	Intellectual Property
JPO	Japan Patent Office
LES Japan	Licensing Executives Society Japan
MOC	Ministry of Commerce
NBC	National Branding Committee
ONM	Oshima, Nishimura & Miyanaga PPC
SMEs	Small and Medium-sized Enterprises
SNS	Social Networking Service
SUV	Sports Utility Vehicle
SIPO	State Intellectual Property Office (China)
TRIPS	Trade-Related Aspects of Intellectual Property Rights
TAD	Trial and Appeal Department
UN	United Nations
WG	Working Group
WIPO	World Intellectual Property Organization
WTO	World Trade Organization

## **CHAPTER 1: OVERVIEW**

### **1.1 Introduction**

In the increasingly knowledge-driven economy, intellectual property (IP) is a key consideration in day-to-day business decisions. New products, brands and creative designs appear almost daily on the market, and are the result of continuous human innovation and creativity. Small and medium-sized enterprises (SMEs) are often the driving force behind such innovations. Their innovative and creative capacity is not always fully exploited, however, as many SMEs are not aware of the intellectual property system, or the protection it can provide for their inventions, brands and designs.

Products from different regions of the world are increasingly enjoying prestige and international recognition due to the characteristics linked to their territory of origin and methods of production, which serve to yield unique product qualities. The development and commercialization of such products benefits from the strategic use of IP rights, such as geographical indications, trademarks, certification marks and collective marks. An appropriate branding strategy which makes use of a geographical indication, trademark and fair-trade label, for example, adds value to the product, while also helping to raise its market demand and increase economic return for its producers. Such strategy can be a key feature of local/rural development due to the benefits it can generate to a large number of producers or farmers who have formed a strategic marketing alliance. It is key, therefore, to assist local communities—and especially the SMEs of farmers and producers—to design and implement a successful branding strategy.

### **1.2 Objective of Research**

The main objective of this research is to do a comparative study on the branding practice for SMEs between Japan in Japan Patent Office (JPO) regarding the branding strategy and IP. The specific objectives for this study are as follows:

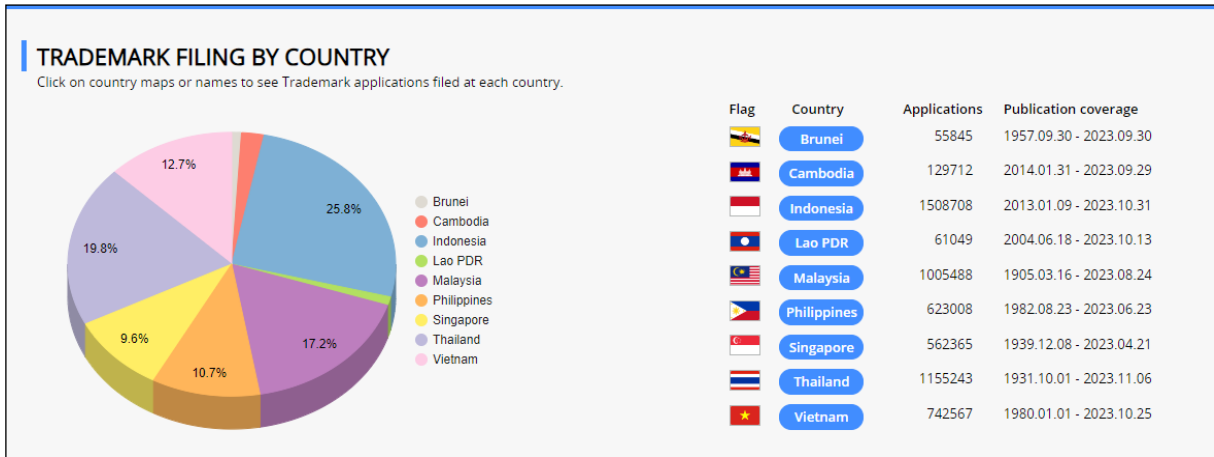
- Precisely know consumer and company prospective about brands
- To designate brand/branding strategies which help improve the market conditions of companies
- To study the concept of marketing, which includes brand and branding
- To deeply understand the objectives of branding which improve marketing
- To study brands and branding involvement related to IP

### **1.3 Current Understandings**

The main problem is that according to trademark registration data, the total number of



Cambodia’s registered trademarks in the ASEAN region is 129,712, which is lower than neighboring countries such as Thailand with 1,155,243 and Vietnam with 742,567; as well as other member countries. This figure is due to certain reasons, beginning with brand concepts and branding strategy, as well as marketing strategy and IP valuation. Most entrepreneurs have a limited awareness of building brands, and undertaking branding and marketing strategies—resulting in brands that are not attractive to customers. In addition, they are not using their trademark valuation through the use of intellectual property tools. The second major factor is IP education, wherein a limited intellectual property awareness level makes small- and medium-sized enterprise owners unaware of intellectual property valuations, and thereby hesitant to register their trademarks. Third is the IP system, wherein the intellectual property enforcement is too broad for relevant bodies to be able to implement IP infringement cases. Some such cases are not implemented effectively, and such complications make the trademark owners ignore their trademark registrations.



**Figure 1.1: Trademark Filing by Country (ASEAN IP, 2023)**

#### 1.4 Expected Outcomes

Considering that this is a good opportunity for Cambodia to promote its national economic growth through the field of intellectual property via the JPO fellowship research program in Japan—a country with a highly-developed education system—I believe that the results of this research will reach my research expectations toward branding strategies for leveraging intellectual property for SMEs through brand/branding and marketing strategies, as well as understanding intellectual property law enforcement systems in Japan.

Due to the professional support and practical tools that have been provided for me, I understand that the outcomes and results must be concrete and reliable. I am greatly appreciative for the reliable professional supervisors who guide my research approach, arrange interviews,

provide me with opportunities to engage in discussions with professionals in the field of my research theme, and—last but not least—provide tutorials for preparing my final report as a professional academic paper.

1.5 Research Structure

This research project paper is classified into five parts. Chapter 1 gives an overview of economic growth using intellectual property tools through brand/branding and marketing strategies; Chapter 2 provides basic information and previous studies regarding a comparison of IP system in Japan and Cambodia; Chapter 3 goes over the methodology of the study; Chapter 4 is comprised of results and analysis; and chapter 5 includes a conclusion and recommendation.

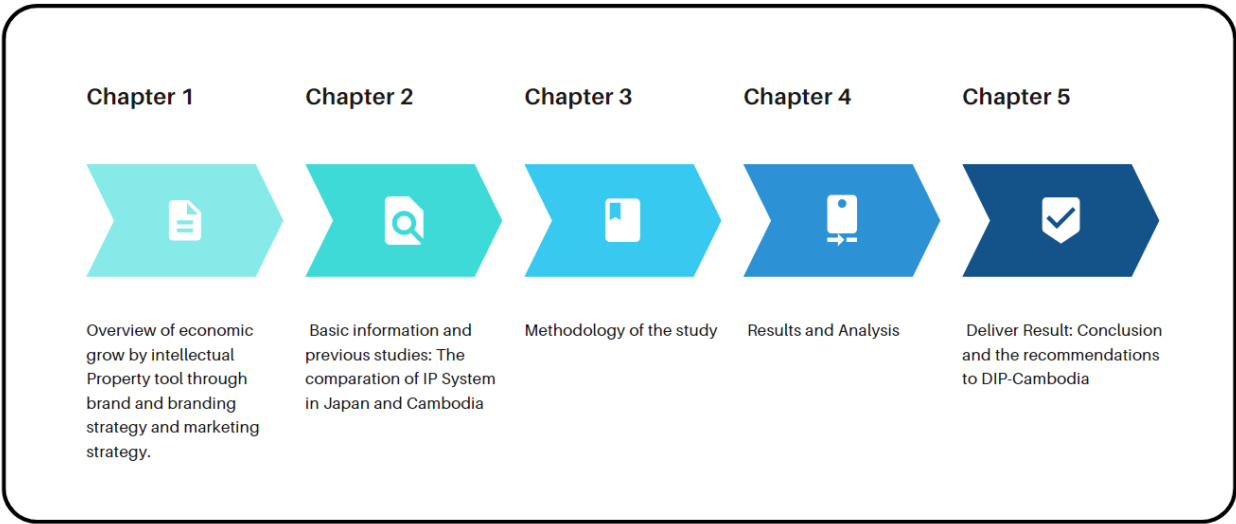


FIGURE 1-2 Research Structure (created by the author)

## **CHAPTER 2:**

### **BASIC INFORMATION AND PREVIOUS STUDY BETWEEN JAPAN AND CAMBODIA**

#### **2.1. Overview of Intellectual Property in Japan**

In a society which can be described as saturated with a large amount of information, technological reforms can progress very quickly. Today, this progress involves an international society, and in recent years, this progress has been based on what is known as intellectual rights such as patent rights, trademark rights, confidential business information, copyright, and other rights related to intellectual property (referred to as intellectual property rights). Intellectual property issues cause a number of problems which have attracted much interest in the present society.

The fact that the protection of intellectual property rights has been strengthened in recent years is due to matters including agreements among WIPO (World Intellectual Property Organization), WTO (World Trade Organization) and TRIPS (an organization for intellectual property rights related to trade), which are specialized UN organs that aim to increase international awareness regarding the effect of increased competitions among countries and their various industries. These and other agreements have made it possible to create an integrated system designed to protect intellectual property rights in individual countries, through means including treaties and various international meetings.

##### **2.1.1 Trademark System**

Section 1 of the Trademark Law states as follows: "The purpose of this Law shall be to ensure the maintenance of the business reputation of persons using trademarks by protecting trademarks, and thereby to contribute to the development of industry and to protect the interests of consumers". Because it goes without saying that consumers benefit from satisfactory economic activities of various companies and other economic entities, a system determining different brands must be created so that consumers can expect a certain level of quality of products or services from certain brands by being able to determine who is the manufacturer of a certain product or provider of a certain service with which they come into contact.

##### **Procedures for Obtaining a Trademark Right**

###### **2.1.1.1 Applications**

In order to obtain a trademark right, an applicant must fill out the forms prescribed in the relevant ordinances, and submit these to the Japan Patent Office.

#### **2.1.1.2 Publication of Unexamined Applications**

JPO will publish the content of an application in the Official Gazette after filing.

#### **2.1.1.3 Formality Examinations**

An application document submitted to the JPO will be checked to see whether it fulfils the necessary procedural and formal requirements. An invitation to correct it will be made where necessary documents are missing or required sections have not been filled in.

#### **2.1.1.4 Substantive Examinations**

An examination will be made as to whether the application fulfils the substantive requirements. The following trademarks will be refused, as they are deemed not to meet the substantive requirements:

- (i) Those which do not enable consumers to differentiate the applicant's goods or services from those belonging to other parties
- (ii) Those which are unregistrable for reasons of public interest or for the protection of private interests

#### **2.1.1.5 Notification of Reasons for Refusal**

Where an application fails to meet the substantive requirements, a notification of reasons for refusal will be sent.

#### **2.1.1.6 Written Argument / Amendment**

An applicant may submit either a written argument against a notification of reasons for refusal, or an amendment that would nullify the reasons for refusal.

#### **2.1.1.7 Decision of Registration**

If it is ultimately judged that there are no reasons for refusal, a decision will be made to register the trademark.

#### **2.1.1.8 Decision of Refusal**

If a written argument and an amendment cannot eliminate the reasons for refusal, and if the examiner judges that the trademark cannot be registered, a decision of refusal will be made.

#### **2.1.1.9 Appeal against Decision of Refusal**

When the applicant is dissatisfied with the examiner's decision of refusal, they may issue an appeal.

#### **2.1.1.10 Appeal Examination (against the decision of refusal)**

An appeal examination against a decision of refusal is performed by a collegial body of three or five appeal examiners. When it is judged as a result of examining the appeal that the reasons for refusal have been resolved, an appeal decision to register a trademark is rendered. If it is decided that the reasons have not been sufficiently addressed and the trademark cannot be registered, however, the appeal is refused.

#### **2.1.1.11 Registration (Registration Fee Payment)**

With the payment of the registration fee, the registration of the trademark right will take place and the trademark right will come into force.

#### **2.1.1.12 Publication of a Trademark Gazette**

The contents of trademark rights that have been registered and come into force are published on the trademark gazette.

#### **2.1.1.13 Opposition**

Any person may file with the JPO Commissioner an opposition to the decision to register a trademark.

#### **2.1.1.14 Appeal for Invalidation / Revocation**

Even after a trademark is registered, any person may appeal to invalidate the trademark if it has a flaw. Moreover, if the trademark has not been used after registration for three years or more, an appeal for revocation may be filed.

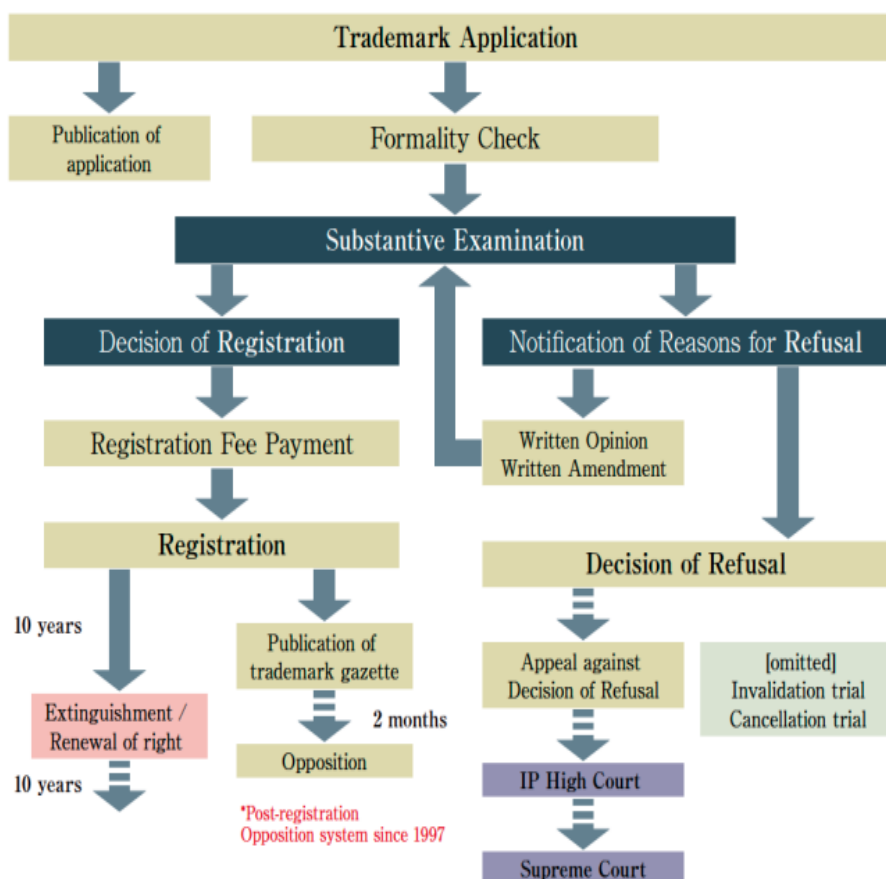
#### **2.1.1.15 Appeal Examination (Invalidation / Revocation)**

An appeal examination of invalidation/revocation is performed by a collegial body of three or five appeal examiners. If the appeal examiners judge that there is no flaw in the decision to register a trademark, they will make a decision to maintain the trademark registration. If, however, they judge that the decision to grant the trademark right was flawed, they will make a decision to revoke it. When a right holder cannot prove use of the trademark, an appeal decision is rendered to revoke it.

#### **2.1.1.16 Intellectual Property High Court**

An applicant who is dissatisfied with the refusal of an appeal, and an interested party who is dissatisfied with an appeal decision of invalidation, revocation or maintenance, may issue an appeal with the Intellectual Property High Court.

## Flow of Trademark Registration



**FIGURE 2-1**

JPO Trademark Updated in Japan (JPO, 2023-2)

### 2.1.2 Regional Collective Trademark System

In recent years, nationwide projects promoting regional brands have been actively underway. These projects are designed to convey the uniqueness of certain regional products by distinguishing them from those originating in other geographical regions. In advancing such regional brand-building projects throughout Japan, a large number of utilized trademarks have been derived from the names of particular geographical regions, and the particular products which are produced there. In other words, the regional names are combined together with the specific product names within these trademarks.

In the past, when the previously existing trademark law was in force, there was a time when trademarks that were derived of both regional names and specific product names were unable to be registered, except in cases when the trademarks were combined with a figure; or when they had attained a high level of recognition nationwide. This was because such trademarks

were regarded as lacking distinctiveness, and thus were deemed to be inappropriate for any one specific party to gain the exclusive rights to monopolize.

In an effort to allow trademarks consisting of regional and product names to be accepted for registration as quickly as possible in order to foster the growth of regional brands, however, the regular session of the Diet enacted amendments to the Trademark Law in 2005. This law came into force on April 1, 2006, and was followed by the start of the regional collective trademark system, which has been attracting considerable interest ever since.

### **2.1.3 IP Dispute Resolution in Japan**

IP dispute resolution in Japan currently uses a two-track system, with the JPO Board of Appeals dealing with the appeals, opposition, and trials for invalidation and cancellation; and the special IP court system handling infringements and appeals against JPO decisions.

In dealing with conflict over the IP rights and the validity of IP rights, JPO vests its power to deal with these issues to its special department, so called the Trial and Appeal Department. The Depart acts as the upper-level authority to oversee and review the decisions of the examination in case there are any appeal demanded by any party and play a vital role in redetermine the validity of any IP rights. The JPO Appeal Board is an administrative authority that has a special characteristic as a quasi-judicial. Its decision is equal to the decision of the First Instance Court; any appeal against its decision will go directly to IP High Court.

#### **2.1.3.1 The Trial and Appeal Department**

The Trial and Appeal Department (TAD) is an affiliated organization of the JPO consisting of 38 trial and appeal boards, a trial and appeal division, and a litigation affairs office. The department is governed by a Director General, and there is one executive chief administrative judge in charge of supervising all boards—particularly those dealing in litigation. The Director of the Trial and Appeal Board is designated among chief administrative judges, and each board additionally consists of one director and a plurality of administrative judges.

#### **2.1.3.2 Trial and Appeal Boards**

There are a total of 38 trial and appeal boards, which are categorized according to the specialization in the patent, industrial design and trademark field. There are 33 boards for patents including those for physics, optics, and social infrastructures (1st to 8th boards); those for machinery (9th to 16th boards); those for chemistry (17th to 25th boards); those for electronics (26th to 33rd boards); and one for design (the 34th board). There are additionally four boards for trademarks (35th to 38th boards). A detailed outline of the JPO Appeals Department is attached in the appendix.

Each board handles each specific designated case in according with their respective specialization(s).

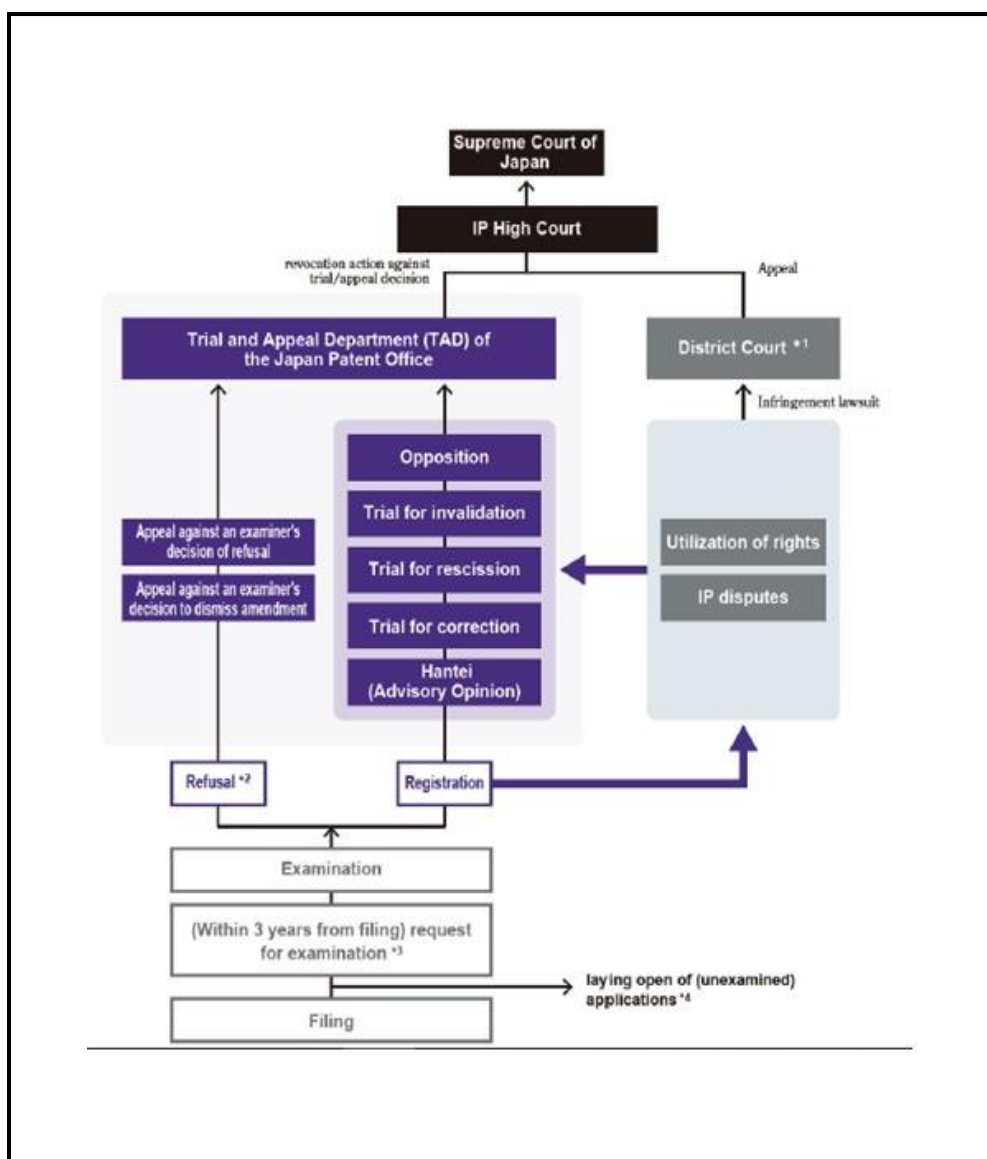
#### **2.1.3.3 Trial and Appeal Division**

The JPO Appeal Board does not deal with the infringement actions, which are under the exclusive authority of the court that has jurisdiction over the cases. During the infringement court procedure, however, there could be a parallel invalidation or cancellation trial with the JPO regarding the validity of IP rights over the cases. In the end, however, the JPO must follow the decision of the court even when there is a divergence between their respective decisions.

#### **2.1.3.4 Intellectual Property High Court (IP High Court)**

In Japan, the entirety of judicial power is vested in the Supreme Court, as well as in such inferior courts as are established by the law [Article 76, 1947]. The judicial system in Japan is divided into the Supreme Court, High Courts and District Courts. The Supreme Court is the highest court, while the High Courts are second high-level courts that located in eight major cities in Japan: Tokyo, Osaka, Nagoya, Hiroshima, Fukuoka, Sendai, Sapporo and Takamatsu. Each High Court is composed of one president and several judges. In general, the high courts have jurisdiction over appeals against judgments made by the district, family and summary courts. The District Courts are the first instance courts that located in 50 cities—one in every prefecture except for Hokkaido, which is divided into four districts—and there are 203 branches throughout the country. District Courts are normally the courts of first instance for both civil and criminal cases [Supreme Court of Japan, 2017].





**FIGURE 2-2**

Trial and Appeal System in Japan (JPO 2021-1)

## 2.2. Overview of IP System of Cambodia

After becoming a member of the World Intellectual Property Organization (WIPO) in 1995 and the World Trade Organization (WTO) in 2004, the Intellectual Property System in Cambodia gradually developed a positive trend for the protection and use of Intellectual Property Rights as a vital tool for national economic growth and poverty reduction in line with the Government Rectangular Strategy. In order to comply with international standards and reduce the development gap both within the region and internationally, many major IP Laws and regulations and IP international treaties and conventions have been enacted and acceded to, respectively. In addition, international cooperation in the IP field has been broadened and

strengthened with the countries in the region, particularly with international organizations such as WIPO, JPO, SIPO, etc. that contribute significantly to the development of IP in Cambodia.

### **2.2.1 Trademark System in Cambodia**

Section 1 of the Trademark Law states as follows: "The purpose of this Law shall be to ensure the maintenance of the business reputation of persons using trademarks for protection, and thereby to contribute to the development of industry and to protect the interests of consumers".

Because it goes without saying that consumers benefit from satisfactory economic activities of various companies and other economic entities, a system determining different brands must be created so that consumers can expect a certain level of quality of products or services from certain brands by being able to determine who is the manufacturer of a certain product or provider of a certain service which they come into contact with.

#### **2.2.1.1 Application Form procedure**

Based on Article 5 of Chapter 2 of the Registration and Rights Conferred by Registration

a) Applications for a registration of a mark, recording of a change of applicant address, and endorsement of an affidavit of use or non-use shall be filed with the Ministry of Commerce. Applications for registration of a mark shall include a request, reproduction of the mark and list of the goods or services for which registration of the mark is requested. These should be listed under the applicable class or classes of the International Classification as mentioned in the annex.

b) The applications for registration of a mark, recording of a change of address, and endorsement of affidavit of use or non-use shall be subject to payment of the prescribed application fees as mentioned in the joint declaration of the Ministry of Economy and Finance and the Ministry of Commerce.

#### **2.2.1.2 Formality Check of trademark applications**

If trademark applications meet all requirements of the application and classification of goods or services, the examiners will review the application to ensure that it meets the requirements of the law and sub-decree. Inspections take place within a specified period of time following the application.

If the application for registration meets the requirements set forth in the law and the sub-decree, it will be accepted after the registration fee and publication fee have been paid. If the inspector finds any shortcomings in the application, the inspector will issue a letter confirming those shortcomings to the applicant in order to fill in the gaps.

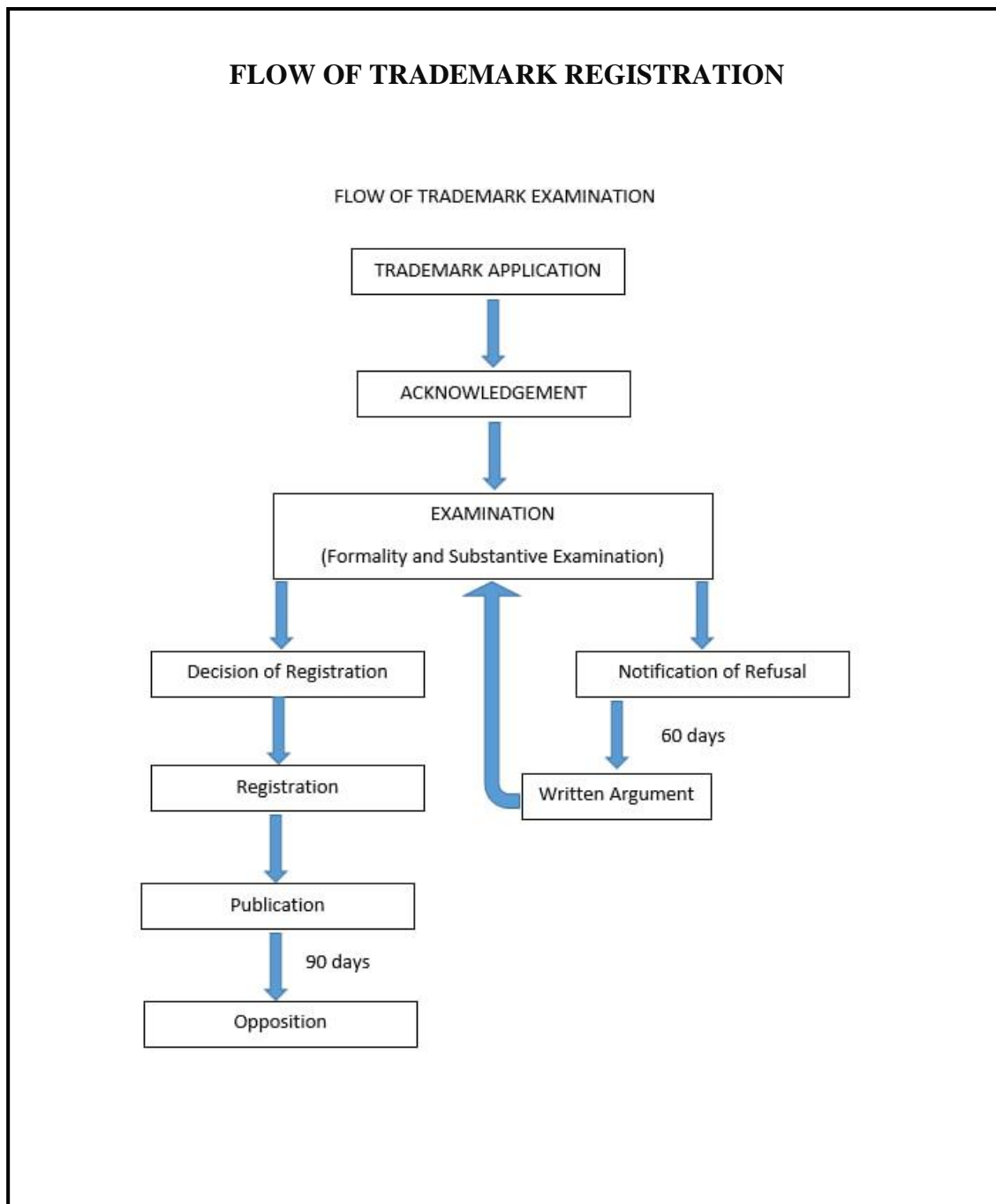
After completing a formality check, an examiner conducts a substantive examination. If no reasons for refusal are found, the examiner will send a "Decision of Registration" to the applicant. The trademark will then be granted exclusive rights after the applicant pays the applicable registration fee. In cases where there are reasons for refusal, the examiner notifies the applicant of the reasons and provides an opportunity for the applicant to make corrections and give opinions to overcome the refusal. If this is not resolved, the application will be refused. In such cases, however, the applicant can still appeal to reverse the examiner's decision.

#### **2.2.1.3 Trademark Fees**

Article 5 (b) of Chapter 2 Registration and Rights Conferred by Registration mentions that (b) the applications for registration of a mark, recording of a change of address, and endorsement of affidavit of use or non-use shall be subject to the payment of the prescribed application fees as mentioned in the joint declaration of the Ministry of Economy and Finance and the Ministry of Commerce. The trademark fee is 420,000 Riels per class of goods and services.

#### **2.2.1.4 Duration of Trademark Registration**

Based on the declaration (Prakas) No.153 of May 12, 2021 on public services within the joint declaration of the Ministry of Economy and Finance and the Ministry of Commerce, Article 2 mentions that the Ministry of Commerce must set up a one-stop shop and have staff on duty every working hour to provide services as soon as possible, or not to exceed a specified maximum time frame. The duration of trademark registration is 5-7 months.



**FIGURE 2-3**

Procedure of Trademark Registration in Cambodia

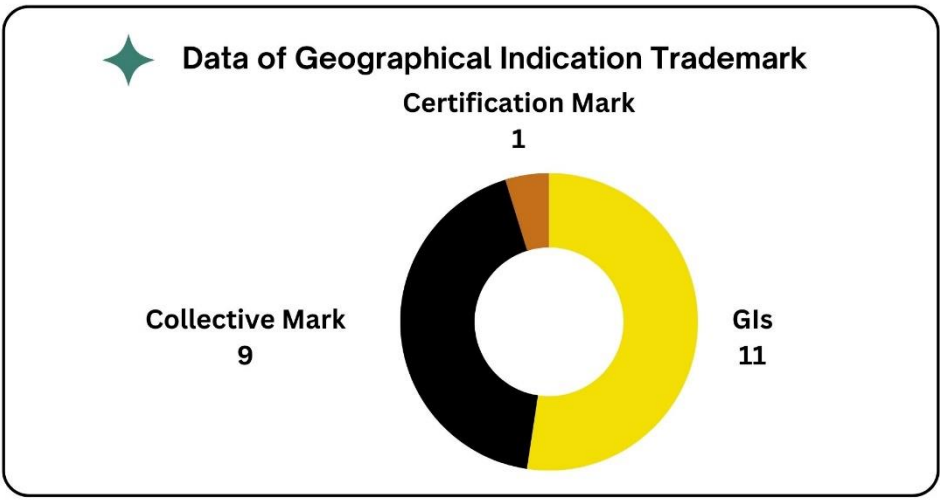
(Bunrith T, Bureau of Trademark Registration, DIP 2023)

### 2.2.2 Collective Trademark System in Cambodia

Due to Cambodia's Law on Geographical Indications (GI) in Chapter 2 on competent authorities, Article 5 mentions that the Ministry of Commerce shall be entrusted with all functions such as the administration, maintenance and registration of geographical indications in the

Kingdom of Cambodia. Regarding the purpose of effectively implementing the provisions of this law, the Commerce Minister issued a ministerial regulation (Prakas) on the procedures for the registration and protection of Geographical Indications and allow (Article 4).

In Cambodia, nine collective marks have been registered: one foreigner collective mark such as Phnom Penh-Noodle- 2019 (11 registered restaurants, 33 members); Kompongthom-Pound Rice- 2021; Preah Vihear Rice- 2021; Sen Kror Oup Rice -2022; DSMK Sticky Rice- 2022; BB Coconut Wack- 2023; Kompi-Pamelo- 2023; Siem Reap Noodle- 2023; Shaxian Snacks ---2021 (International Collective Mark).

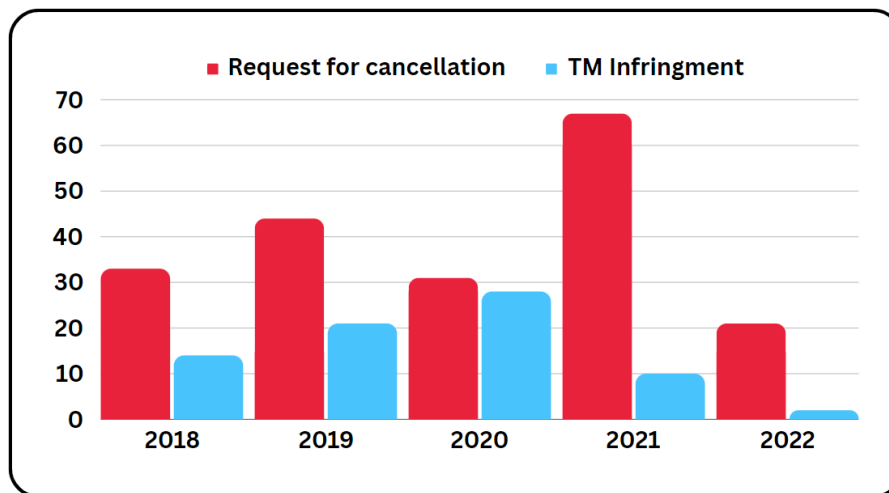


**FIGURE 2-4**

Data of Collective Marks (DIP-MOC 2023)

### 2.2.3 Cambodia Court system

According to Article 62 of the Trademark Law, any decision taken by the Ministry of Commerce may be the subject of an appeal by any interested party before the Courts, and such appeal shall be filed within three months of the date of the decision. As mentioned above, Cambodia does not have any IP or special court for dealing with IP cases. Rather, all such cases go through the general competent courts. The general court shall be classified as the Court of First Instance, Court of Appeal and Supreme Court. The judgement of the Court of the First Instance will be subject to appeal by dissatisfied parties to the Appeal Court, and any parties not satisfied with the appeal decision may issue an appeal to the Supreme Court.



**FIGURE 2-5**

Trademark Cancellation and Infringement Data  
(Bureau of Litigation, DIP-MOC 2023)

## 2-3 Basic information and previous studies on Branding Strategy

### 2.3.1 Characteristic of Brand

Branding has been around for centuries as a means to distinguish the goods of one producer from those of another. In fact, the word *brand* is derived from the Old Norse word *brandr*, which means “to burn,” as brands were and still are the means by which owners of livestock mark their animals to identify them. According to the American Marketing Association (AMA), a *brand* is a “name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers, and to differentiate them from those of competition.” Technically speaking, then, whenever a marketer creates a new name, logo, or symbol for a new product, he or she has created a brand.

David A. Aaker, University of California Berkeley, Haas School of Business, brand is Symbols, marks, packaging, designs, or names that identify your product from other manufacturers."

Kevin Land Keller, Tuck School of Business at Dartmouth College, brand is "Creating a mental structure, organizing knowledge about a product or service so that consumers can simplify their decision-making."

### 2.3.2 Brand Elements

*Brand elements*, sometimes called brand identities, are those trademarkable devices that serve to identify and differentiate the brand. The main ones are brand names, URLs, logos,

symbols, characters, spokespeople, slogans, jingles, packages, and signage. The customer-based brand equity model suggests that marketers should choose brand elements to enhance brand awareness; facilitate the formation of strong, favorable, and unique brand associations; or elicit positive brand judgments and feelings. The test of the brand-building ability of a brand element is what consumers would think or feel about the product *if they knew only that particular brand element* and not anything else about the product and how else it would be branded or marketed. A brand element that provides a positive contribution to brand equity conveys or implies certain valued associations or responses.

### **2.3.3 Brand Form**

Brand names themselves come in many different forms. There are brand names based on people's names, like Estée Lauder cosmetics, Porsche automobiles, and Orville Redenbacher popcorn; names based on places, like Sante Fe cologne, Chevrolet Tahoe SUV, and British Airways; and names based on animals or birds, like Mustang automobiles, Dove soap, and Greyhound buses. In the category of "other," we find Apple computers, Shell gasoline, and Carnation evaporated milk.

Some brand names use words with inherent product meaning, like Lean Cuisine, Ocean Spray 100% Juice Blends, and Ticketron, or suggesting important attributes or benefits, like DieHard auto batteries, Mop & Glo floor cleaner, and Beautyrest mattresses. Other names are made up and include prefixes and suffixes that sound scientific, natural, or prestigious, like Lexus automobiles, Pentium microprocessors, and Visteon auto supplies.

Not just names, but other brand elements like logos and symbols also can be based on people, places, things, and abstract images. In creating a brand, marketers have many choices about the number and nature of the brand elements they use to identify their products.

### **2.3.4 Branding Strategy**

Brands themselves may be linked to other entities that have their own knowledge structures in the minds of consumers. Because of these linkages, consumers may assume or infer that some of the associations or responses that characterize the other entities may also be true for the brand. In effect, the brand "borrows" some brand knowledge, and depending on the nature of those associations and responses, perhaps some brand equity from other entities. The different means by which we can leverage secondary brand associations by linking the brand to the following:

#### **2.3.4.1 Country of Origin / Other Geographic Areas**

Besides the company that makes the product, the country or geographic location from which it originates may also become linked to the brand and generate secondary associations.<sup>6</sup> Many countries have become known for expertise in certain product categories or for conveying a particular type of image.

The world is becoming a “cultural bazaar” where consumers can pick and choose brands originating in different countries, based on their beliefs about the quality of certain types of products from certain countries or the image that these brands or products communicate.<sup>7</sup> Thus, a consumer from anywhere in the world may choose to wear Italian suits, exercise in U.S. athletic shoes, listen to a Japanese or Korean MP3 player, drive a German car, or drink English ale.

#### **2.3.4.2 Channels of Distribution**

Let’s next consider how retail stores can indirectly affect brand equity through an “image transfer” process because of consumers’ associations linked to the retail stores. Because of associations to product assortment, pricing and credit policy, quality of service, and so on, retailers have their own brand images in consumers’ minds. The Science of Branding summarizes academic research into the dimensions of retailer images. Retailers create these associations through the products and brands they stock and the means by which they sell them. To more directly shape their images, many retailers aggressively advertise and promote directly to customers.

A consumer may infer certain characteristics about a brand on the basis of where it is sold. “If it’s sold by Nordstrom, it must be good quality.” Consumers may perceive the same brand differently depending on whether it is sold in a store seen as prestigious and exclusive, or in a store designed for bargain shoppers and having more mass appeal.

The transfer of store image associations can be either positive or negative for a brand. For many high-end brands, a natural growth strategy is to expand the customer base by tapping new channels of distribution. Such strategies can be dangerous, however, depending on how existing customers and retailers react. When Vera Wang decided to also distribute her wares through Kohl’s, Macy’s decided to drop her popular lingerie line. The retailer also cut ties with Liz Claiborne when the fashion brand decided to offer a line called Liz & Co. to JCPenney.

#### **2.3.4.3 Co-branding**

We’ve noted that through a brand extension strategy, a new product can become linked to an existing corporate or family brand that has its own set of associations. An existing brand can also leverage associations by linking itself to other brands from the same or different company.



*Co-branding*—also called brand bundling or brand alliances—occurs when two or more existing brands are combined into a joint product or are marketed together in some fashion.<sup>16</sup> A special case of this strategy is ingredient branding, which we'll discuss in the next section.<sup>17</sup>ine called Liz & Co. to JCPenney.

Co-branding can reduce the cost of product introduction because it combines two well-known images, accelerating potential adoption. Co-branding also may be a valuable means to learn about consumers and how other companies approach them. In poorly differentiated categories especially, co-branding may be an important means of creating a distinctive product.

#### **2.3.4.4 Licensing**

*Licensing* creates contractual arrangements whereby firms can use the names, logos, characters, and so forth of other brands to market their own brands for some fixed fee. Essentially, a firm is “renting” another brand to contribute to the brand equity of its own product. Because it can be a shortcut means of building brand equity, licensing has gained in popularity in recent years. The top 125 global licensors drove more than \$184 billion in sales of licensed products in 2010. Perhaps the champion of licensing is Walt Disney. Licensing can also provide legal protection for trademarks. Licensing the brand for use in certain product categories prevents other firms or potential competitors from legally using the brand name to enter those categories. For example, Coca-Cola entered licensing agreements in a number of product areas, including radios, glassware, toy trucks, and clothes, in part as legal protection. As it turns out, its licensing program has been so successful the company now sells a variety of products bearing the Coca-Cola name directly to consumers.

Licensing certainly carries risks, too. A trademark can become overexposed if marketers adopt a saturation policy. Consumers do not necessarily know the motivation or marketing arrangements behind a product and can become confused or even angry if the brand is licensed to a product that seemingly bears no relation. Moreover, if the product fails to live up to consumer expectations, the brand name could become tarnished.

#### **2.3.4.5 Celebrity Endorsement**

Using well-known and admired people to promote products is a widespread phenomenon with a long marketing history. Even the late U.S. president Ronald Reagan was a celebrity endorser, pitching several different products, including cigarettes, during his acting days. Some U.S. actors or actresses who refuse to endorse products in the United States are willing to do so in overseas markets. For example, rugged American actors Arnold Schwarzenegger (Bwain drink), Brad Pitt (Softbank), and Harrison Ford (Kirin beer) have all done ads for brands in Japan. Although Millward Brown estimates that celebrities show

up in 15 percent of U.S. ads, that number jumps to 24 percent for India and 45 percent for Taiwan.<sup>35</sup> In particular, a celebrity endorser should have a high level of visibility and a rich set of potentially useful associations, judgments, and feelings.<sup>36</sup> Ideally, he or she would be credible in terms of expertise, trustworthiness, and likability or attractiveness, as well as having specific associations that carry potential product relevance. One person who has done a remarkable job building and leveraging a highly credible brand is Oprah Winfrey.

#### **2.3.4.6 Sporting, cultural or other events**

Events have their own set of associations that may become linked to a sponsoring brand under certain conditions. Sponsored events can contribute to brand equity by becoming associated to the brand and improving brand awareness, adding new associations, or improving the strength, favorability, and uniqueness of existing associations.

The main means by which an event can transfer associations is credibility. A brand may seem more likable or perhaps even trustworthy or expert by virtue of becoming linked to an event. The extent to which this transfer takes place will depend on which events are selected and how the sponsorship program is designed and integrated into the entire marketing program to build brand equity.

#### **2.3.4.7 Third- Party Sources**

Finally, marketers can create secondary associations in a number of different ways by linking the brand to various third-party sources. For example, the *Good Housekeeping* seal has been seen as a mark of quality for decades, offering product replacement or refunds for defective products for up to two years from purchase.

Endorsements from leading magazines like *PC* magazine, organizations like the American Dental Association, acknowledged experts such as film critic Roger Ebert, or carefully selected Elite critics of the online Yelp consumer review site can obviously improve perceptions of and attitudes toward brands.

Third-party sources can be especially credible sources. As a result, marketers often feature them in advertising campaigns and selling efforts. J.D. Power and Associates' well-publicized Customer Satisfaction Index helped to cultivate an image of quality for Japanese automakers in the 1980s, with a corresponding adverse impact on the quality image of their U.S. rivals. In the 1990s, they began to rank quality in other industries, such as airlines, credit cards, rental cars, and phone service, and top-rated brands in these categories began to feature their awards in ad campaigns. Grey Goose vodka cleverly employed a third-party endorsement to drive sales.

### **2.3.5 Marketing Strategy**

Marketing strategy planning means finding attractive opportunities and developing profitable marketing strategies. But what is a “marketing strategy”? We have used these words rather casually so far. Now let’s see what they really mean.

A marketing strategy specifies a target market and a related marketing mix. It is a big picture of what a firm will do in some market. Two interrelated parts are needed:

- 1) A target market—a fairly homogeneous (similar) group of customers to whom a company wishes to appeal.
- 2) A marketing mix—the controllable variables the company puts together to satisfy this target group.

There are many possible ways to satisfy the needs of target customers. A product might have many different features. It could be sold directly to customers via the Internet, offered only in stores, or both. Customer service levels before or after the sale can be adjusted. The package, brand name, and warranty can be changed. Various advertising media—newspapers, magazines, cable, the Internet—may be used. The company can develop social media sites on Facebook, Twitter, or Instagram. A company’s own sales force or other sales specialists can be used. The price can be changed, discounts can be given, and so on. With so many possible variables, is there any way to help organize all these decisions and simplify the selection of marketing mixes? The answer is yes. It is useful to reduce all the variables in the marketing mix to four basic ones: **Product Place Promotion Price**. It helps to think of the four major parts of a marketing mix as the “*Four Ps*.”

#### **2.3.5.1 Product:**

The Product area is concerned with developing the right “product” for the target market. This offering may involve a physical good, a service, or a blend of both. Whereas Coke Zero, Jeep Wrangler, and the Samsung Galaxy phone are physical goods, the product for Verizon Wireless is the communication service it provides—sending texts, completing phone calls, and connecting customers

to the Internet. The Product of a political party is the policies it works to achieve. The important thing to remember is that your good or service should satisfy some customers’ needs. Along with other Product-area decisions such as branding, packaging, and warranties, we will talk about developing and managing new products, product quality, and whole product lines.

#### **2.3.5.2 Place:**

Place is concerned with all the decisions involved in getting the right product to the target market’s Place. A product isn’t much good to a customer if it isn’t available when and where it’s wanted. A product reaches customers through a channel of distribution. A channel of

distribution is any series of firms (or individuals) that participate in the flow of products from producer to final user or consumer.

Sometimes a channel of distribution is short and runs directly from a producer to a final user or consumer. This is common in business markets and in the marketing of services. For example, GEICO sells its insurance directly to final consumers. However, as shown in Exhibit 2–6, channels are often more complex—as when Nestlé’s packaged food products are handled by wholesalers and retailers before reaching consumers. When a marketing manager has several different target markets, several different channels of distribution may be needed. We will also see how physical distribution service levels and decisions concerning logistics (transporting, storing, and handling products) relate to the other Place decisions and the rest of the marketing mix.

### **2.3.5.3 Promotion:**

The third P—Promotion—is concerned with telling the target market or others in the channel of distribution about the right product. Sometimes promotion is focused on acquiring new customers and sometimes it’s focused on retaining current customers. Promotion includes personal selling, mass selling, and sales promotion. It is the marketing manager’s job to blend these methods of communication. Personal selling involves direct spoken communication between sellers and potential customers. Personal selling may happen face-to-face, over the telephone, or even via a videoconference over the Internet. Sometimes personal attention is required after the sale.

### **2.3.5.4 Price:**

In addition to developing the right Product, Place, and Promotion, marketing managers must also set the right Price. Price setting must consider the kind of competition in the target market and the cost of the whole marketing mix. A manager must also try to estimate customer reaction to possible prices. Besides this, the manager must know current practices as to markups, discounts, and other terms of sale. And if customers won’t accept the Price, all of the planning effort is wasted.

All Four Ps are needed in a marketing mix. In fact, they should all be tied together. But is any one more important than the others? Generally speaking, the answer is no—all contribute to one whole. When a marketing mix is being developed, all (final) decisions about the Ps should be made at the same time. That’s why the Four Ps are arranged around the target market in a circle—to show that they all are equally important.

## **2-4 Basic Information and Previous Study about Branding in Cambodia.**

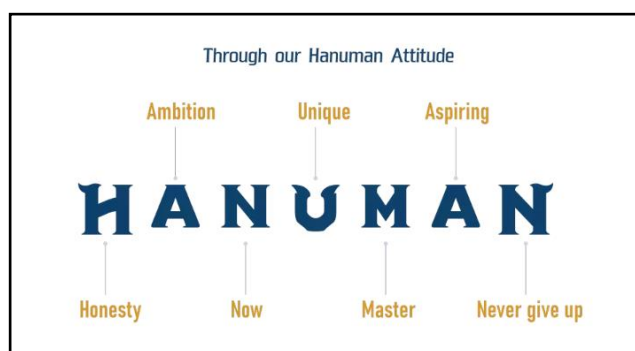
### **2.4.1 Study about branding in Cambodia: HANUMAN Beverage Company**

Based on an in-person interview, some selected SMEs have difference practices related to brands, branding strategy and marketing strategy. Mr. Yen Piseth, a Trade Sales Supervisor of the HANUMAN Beverage Company, responded on August 8, 2023 by referring to the message of a chairwomen who mentioned, “Hanuman is committed to bringing people together internally and externally. Our employees are from diversified backgrounds, with great expertise and passion to strive and build a promising future for the brand.”

The HANUMAN Beverage Company’s goal is to establish the Hanuman brand as a benchmark of quality in the Cambodian beverage market. We will become the industry leader in innovation, integrity and sustainability, always ensuring our people and products represent the company in the Hanuman way. We will become champions of change, continually setting new standards in brewing technology, team development, sustainability and community support.



(Hanuman Beverages 2023)



The HANUMAN Beverage Company is using a “King of Money” for their brand, wherein the brand personality features a dark blue color, and a finger held up to represent “one more bottle”. The Hanuman brand has represented its unique king monkey Smart and Culture show. Moreover, HANUMAN also expressed its brand ethos wherein H stands for “Honesty”, A for “Ambition”, N for “Now”, U for “Unique”, M for “Master”, A for “Aspiring”, and N for “Never give up”.

Because of its brand success, HANUMAN’s sales volume increased from 2022-2023 (20,000 to 520,000 boxes) and many outlets have increased their market share size. Through a marketing program, The HANUMAN Beverage Company is targeting professional customers 18 years and older, as well as transistor customers (the young generation). After setting up its target customers, the ratio of target and non-targeted customers reached 20% for a five-month performance. In order for a company to grow the connection between its brand and consumers, it has to make sure it is fully stocked. HANUMAN Beverage company has plans to change its brand direction mainstream plus to additionally introduce Premium Beer into the market. The

company's product also benefits customers through attributes such as no headache after drinking, high brand equity, and an Asian-style taste.

The HANUMAN beverage company cooperates with other brands to operate its branding strategy through exchanges with Aruna Water products (international money transfers, online payment acceptance etc.), wherein different marketing strategies are used to keep customers through sales promotions such as buying one box and getting a food item for free; 50% Happy Hour discounts; buying six bottles plus one; party nights to buy one and get one; Friday specials where two ladies get two bottles for free; and Hanuman nights where if you buy ten bottles, you get two extra ones. Other marketing activities include tour concerts and outreach marketing activities which display products and sales by providing umbrellas, hats, T-shirts, etc.

#### **2.4.2 Study about branding in Cambodia: TUBE COFFEE**

Referring to another respondent of another interviewee of Ms. Sou Monypich, who is the business owner of TUBE Coffee, her brand was initially brainstormed by her team. Her brand has an easy pronunciation that makes customers recognize her, and she



created it as a symbolic Khmer brand that can compete with foreign brands in Cambodia. Because brands are more important than products in the market, she put efforts into her branding concept such as using the color yellow to represent a fresh thirty trendy environment focusing on store decoration, as well as a business concept and expansion of branches as much as possible to promote her branding. The main elements of the brand are the name and color, which express its personality of being brandy and dynamic. The brand uniqueness is its consistency (quality, service, facilities).

(Tube Coffee 2023)

Marketing strategy is a key driver to her business success, based on business target customers are public and private officers and university students. After setting up the target customers, what is the ratio of target and non-targeted customers showed 40% for dine in, take away 30%, 30% delivery. The kind of customer your company wants is taken away. The TUBE coffee can be growth between their brand and consumer connection through brand loyalty, mental service (10000 riels) and physical service (outdoor service and parking). The effective way to attract customers uses social media platforms Instagram and TikTok because of the digital era and based on observation at least 50% of customers are using smartphones. Moreover, the marketing activity is called "Drink of the month". This marketing activity is selected on products to promote its feather which shows products knowledge to consumers.

In the future, TUBE Coffee has its own brand direction for expansion or business trusting through expression branches and entering the international market, Indonesia. In the future, TUBE Caffee has plans to change the brand direction through TUBE Central, with food. Currently, TUBE Coffee provides product or service benefit the customers such brand value, quality, service, value for money and wealth fare fresh and good environment including plastic less.

### **CHAPTER 3: RESEARCH METHODOLOGY**

The methodology of the research consisting of four components:

(1) Gather information from available documents from JPO related to the field of intellectual property, especially related to branding strategy through the promotion of public awareness and the IP system law in Japan must be studied through website, textbook and flyers.;

(2) The lectures given by the advisors,

- On the importance of trademark, design and litigation matter by Ms. Masako Nishimura, Partner, Oshima, Nishimura & Miyanaga PPC, Professor, Professional Institute of International Fashion
- On the cutting-edge ways of thinking towards branding in Japan by Ms. Setsuko Hara, Senior Innovation Planning Director, Deputy General Manager, Consulting Business Development Division, HAKUHODO Inc.

(3) Conduct in person interviews based on guided questions from supervisors with some organizations as follows.

- Core members of the Branding Working Group of Licensing Executives Society Japan (LESJ)
- R.C.Core Co., Ltd
- Engineer Inc.
- Core members of the Trademark Committee of Japan Intellectual Property Organization (JIPA)

Questionnaires for the interview to the person belonging to the companies had the structure of the following three major questions with several more precise questions.

- 1) What is your brand concept and branding Strategy?
- 2) What is Marketing Strategy?
- 3) How is Intellectual Property (IP) System and IP Education?

(4) Attend short training at APIC and observation at Patent and information fair & conference 2023 at Tokyo big sight and attend the short training sessions which will be organized by JPO to obtain other information related to this research in the files of intellectual property for non-Japanese trainees who are from differences countries and difference institutions such government officials, legal practitioners and users.



## CHAPTER 4: RESULTS AND ANALYSIS

### 4.1 The importance of TM and Design, Litigation Matters

The importance of trademarks and design continues to increase for business owners. Intellectual property, also known as IP, refers to poetry, inventions, paintings, designs, books, music, and other creative work. IP also includes symbols and signs that businesses use to clearly identify the origin of services or goods. Their infringement can have significant financial implications for businesses. Infringing a business's trademark and design can cause financial harm, hurt the brand's image, and result in legal expenses. To avoid these consequences, businesses should take steps to protect their trademarks and design to assert their legal rights. It is necessary for startup to have knowledge of trademarks, design and unfair competition. There are two main preliminary steps for brand rights to consider:

#### 4.1.1 Tradename and trademarks:


Companies must consider whether to register their trade name or house mark as a trademark. (When registering a trademark, a trademark search is required to confirm whether it can be registered in advance.) They must also check if there are any famous business names of others (unfair competition risks), and whether the company name or abbreviation can be used to obtain the domain name of the homepage and is not commonplace. (The same company name cannot be found on the internet.)

There are three strategies for the relationship between trade names and trademarks:

1. Use only trade names. (Only ○○○ Co., Ltd. is displayed on the homepage.) Do not use product trademarks. There is no need to register a trade name as a trademark or apply for a trademark
2. Trade name ⇒ House mark ⇒ Product trademark. Trademark application required.
3. Adopt a product trademark separately from the trade name. → Trademark application required.

Example: Trade name: "ABC Shokai Co., Ltd." (Right holder: ABC Shokai Co., Ltd.) ABC is House Mark and the Product Trademark is EFG.

Be aware that if you apply for a trade name that is different from the applicant's name, there is a possibility of rejection.

Tradename	House Mark	Trademark	Corporate Messages
Toyota Motor Corporation	<b>TOYOTA</b>		Let's Go Places
Hitachi, Ltd.	HITACHI	<b>HITACHI</b>	Inspire the Next

#### **4.1.2 Tradename and act of unfair competition**

When taking preliminary steps for brand rights, it is necessary to be aware of other people's famous products. Trade names and the Unfair Competition Prevention Law trade names are used by merchants as self-indications, including the names of companies. A trade name is protected under Article 2 (1) (i) and (ii) of the Unfair Competition Prevention Law as a kind of goods or indication. Furthermore, it is provided in Article 8 of the Companies Act that no person may use, with a wrongful purpose, any name or trade name which makes it likely that the person may be mistaken for the other Company, and because of unauthorized use an injunction suspending or preventing the infringement against the person who infringes, or is likely to infringe, those enterprise interests may be sought.

#### **4.1.3 Stage of acquiring brand rights**

There are some trademarks that do not require registration, but it is difficult to judge. To acquire brand rights, there are five stages 1: To register a trademark or not. Some trademarks do not require registration, but it is difficult to identify those trademarks. For legal purposes, therefore, trademarks must fulfill the requirements for filing, registrability and useability. Stage 2: The function of a trademark must be differentiated from others. Stage 3: The most useful aspect of color as a symbol is that it conveys emotion from sender to receiver, and is also remembered much more easily than form. Brands do not want to be bothered with fussy details, and the brain grasps the world of colors as wholes. While the impact of color is extremely effective for today's customers, not all colors are the same. Trademark symbols should be monochromatic (one hue, such as red or blue, in harmony with the achromatic colors white, gray, black, gold or silver), or bi-colored. A red, yellow and blue symbol is convenient to remember and to describe in words. Stage 4: The intersection of trademarks and designs. If the trademark can be registered, it has permanent rights. Some design registration for three-dimensional shapes is difficult to register as a trademark. Stage 5: The beginning is important, but it is difficult to monopolize series products.

#### **4.1.4 Avoiding disputes**

a- Why we should be careful about using hashtags

On websites selling your own products after the Charmant Sac case,

'#Other people's trademarks' as these are other brands of the same kind, even if you use "#other person's trademark" to mean that these are other similar brands, there is a risk that you are using it to attract customers to buy your products, i.e. you are using it as a trademark (which is an infringement of someone else's trademark rights), so be careful.

## b- Domain name disputes

In relation to the hashtag, the trend is also to be careful not to register or use a trademark as a domain name that incorporates another person's well-known trademark.

In Japan, not a few domain names incorporating other people's well-known trademarks are still being registered and used for fraudulent purposes, such as being used on fake websites.

For registrations of domain names for fraudulent purposes, in the case of JP domains, a petition for cancellation or transfer of the domain name can be filed with the following arbitration center. Appointed panelists will rule on the cancellation or transfer.

However, as this is not a court case, parties who are dissatisfied with the decision can appeal. Osaka District Court September 27, 2021 Reiwa 2 (Wa) No. 8061 ``The Defendant was selling products, including the Defendant's products, on the Defendant's website, and at that time, on the introduction page of each individual product, the Defendant added a search hashtag ``#Charmantessac" (Defendant Mark 1).)

``Defendant Mark 1 is recognized as being used in a manner that allows consumers to recognize that it is a product or service related to the business of some person, that is, to be used as a trademark. The defendant's argument cannot be accepted."

The protection of a package appearance: If the appearance of the package or store has similar images, it is difficult to protect/beware of one-sided disputes. The protection of packages includes:

- 1) Protection of descriptive text parts. Descriptive and explanatory text, such as ingredient labels, are eye-catching for consumers, but difficult to protect. / meanwhile, dispute attention.
- 2) Protection of package/appearance If the package appearance or store appearance is similar, it is difficult to protect. Beware of one-sided disputes.
- 3) Protection of the actual product's appearance. (Protecting not only the package but also the appearance of the contents)

## 4.2 The cutting-edge ways of thinking towards branding in Japan

### 4.2.1 What is a brand?

A brand is derived from the word "branded," meaning that branding was used to distinguish one's own livestock from those of others so that they would not be mistaken for each other. This branding mark - which serves as an identifier - is the origin of the word "brand".

David A. Aker, University of California Berkeley, Haas School of Business, gives the definition of a brand is "Symbols, marks, packaging, designs, or names that identify your product from other manufacturers.". They are symbols, marks, packaging, designs, or names that identify

your product from other manufacturers

Kevin Lane Keller, Tuck School of Business at Dartmouth College, defines that a brand is “Creating a mental structure, organizing knowledge about a product or service so that consumers can simplify their decision-making. Brand evolution has three stages: recognition, trust, and engagement. It is important to build stable trust and engagement with customers beyond symbols and marks as identification marks. In short, a brand is an attractive "character", it is not just an image, but an intangible asset created in the mind of the customer.

The company must build brand uniqueness through the two-part practice of “promise”, involving both corporate promise and customer expectation. Branding is for the purpose of building long-term, unwavering emotional relationships (bonds) between companies and customers. To create a strong brand, what is remembered in the customer's mind and becomes the source of choices and behavior are the various information regarding brand contact and real experiences related to the brand. Accordingly, it is important to consistently promote the brand's goals at all customer contact points.

Brand contact and experiences create a strong brand. These include ads, word of mouth, reputation and information seen on the internet. Another part of a strong brand is personal experience. Brands are shown in articles, and goods and services are bought and used. Customers visit stores and participate in product development experience. Perceived quality refers to quality that consumers know and remember about a product. Perceived quality includes not only the function and performance of a product, but also its reliability and service. Selection behavior is the action of selecting a company and continuing to use and recommend a brand.

#### **4.2.2 Benefit of Branding**

Our “brand” is what your audiences think and feel about your product, your people, and your business. “Branding” is the ongoing effort to shape those perceptions.

Because audience perceptions are formed by every interaction between your business and an individual, almost anything a business does could technically fall under the “branding” label. With that being said, large branding initiatives are most commonly associated with the following types of projects:

- Audience and competitive research
- Audience personal development
- Brand architecture development
- Company and product naming
- Brand identity development (logo design, etc.)
- Strategic positioning and messaging

- Brand platform development

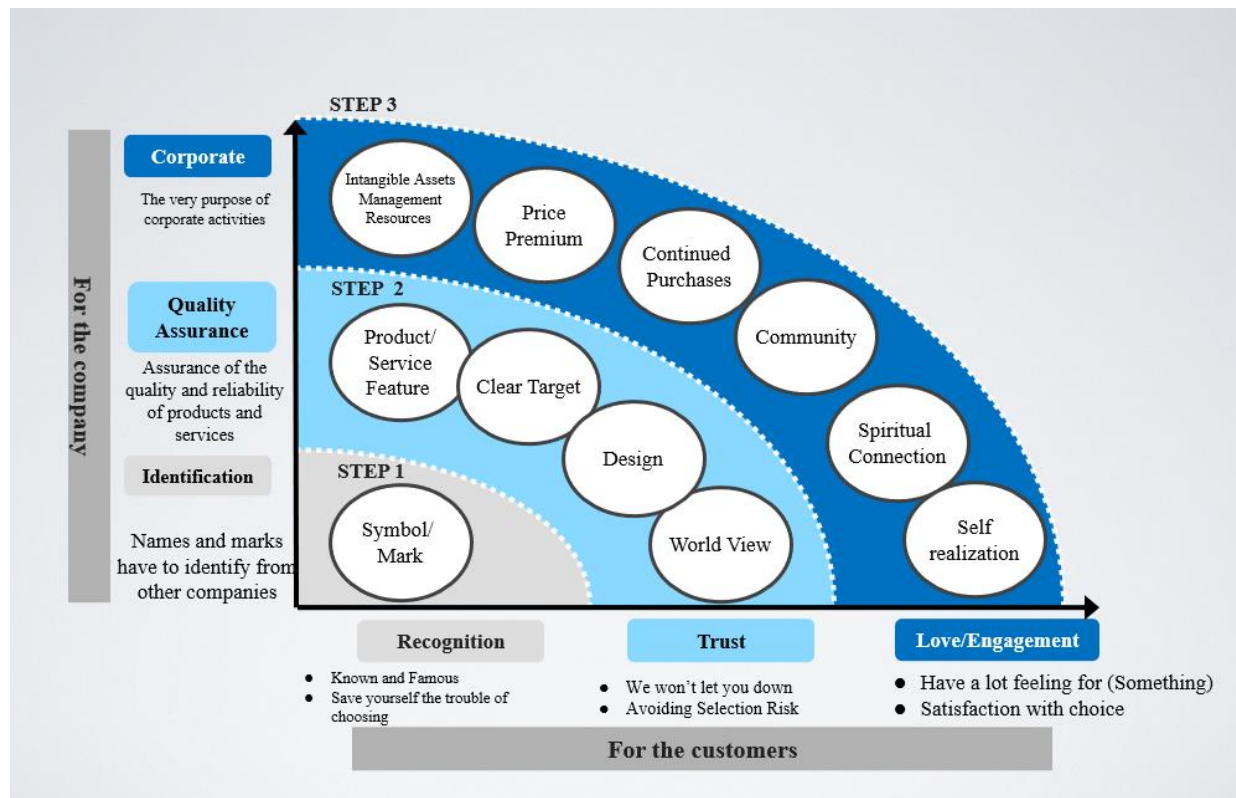
These are all foundational projects that help a business clarify who they are, what they believe, what they do, and who they do it for. This work typically happens at times of organizational transition (i.e., business inception, product or service launch, mergers and acquisitions, strategic shifts, etc.). Each of the listed projects contributes to brand development in its own way. The cumulative result is a strong brand that influences and benefits all aspects of a business as below:

- Increase numbers of customers
- Increase usage chain
- Price Premium
- Expand Sales and Improve profit
- Social Contribution
- Review Reputation
- Stock Price Rise
- Development investment
- Securing Excellent HR
- Salary Increase
- Improving Employee Motivations
- Improving Products/service capability

#### **4.2.3 Platform of brand**

There are two types of brand platforms.

- (1) Brand value is the structure of value provided by a brand that means a brand significant in society such as social benefit, brand facts, functional benefit and emotional benefit.
- (2) Brand styles that design for brand expression that means a brand symbol visual identity such as symbol and color...etc. such as brand target brand view and brand personality.



**FIGURE 4-1**

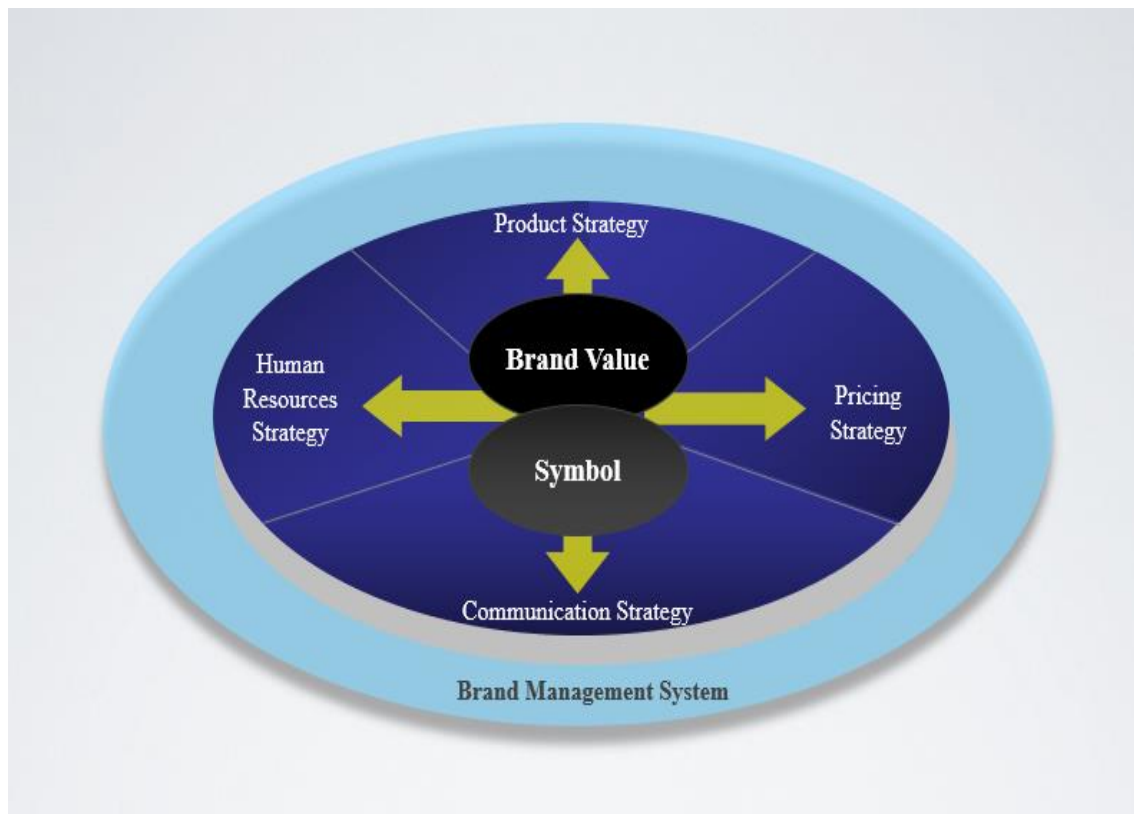
Three Stages of brand evolution (Hara, 2023)

#### 4.2.4 Stages of brand evolution

Brand evolution has three stages: recognition, trust, and engagement. It is important to build stable trust and attachment with customers, not just using symbols and marks as identification symbols.

#### 4.2.5 Brand management

Brand management is the activity of designing and stipulating in advance the “uniqueness” of how a brand should be thought and felt, and embodying and giving substance to that image through all activities. to design and define in advance the “unique character” of how a brand should be perceived and felt, and to embody and materialize this image through all activities. Such products strategy price strategy communication strategy and human resource strategy. Company has to create a strong brand through brand management methodology of 4 phases (1) Input: the issue analysis and conformation including in investigation (2) Concept: base on vision and brand value policy and basic policy and core idea (3) Evaluation: indicator setting for effective measurement.



**FIGURE 4-2**

Brand Management (Hara, 2023)

#### 4.2.6 Trend in branding

Marketing has changed. Success in mass marketing by "communicating the functional differences" and "getting people to pick it up in stores" and now "experiences" that get consumers excited and spread the word will create winners. Differentiation based on perceived quality becomes more difficult and the information gap with consumers disappears. Marketing that says "just make something good and then communicate it" is no longer working. Changes in those responsible for value creation. Brand value is created through co-creation with consumers beyond products and images. The importance of the five senses in brand recall such as taste, visual audio and touch. Among them visual is the most sensory importance to recall customers and smell is the most sense for brand loyalty.

#### 4.2.7 Trends in branding in community building

It is neither a "sender's" nor a "receiver's" concept. Community is the representative of consumers who are actively involved with the company and who can become active fans of the

company and its products. Those businesses that integrate those entities into a single entity are community-driven. The employee business community and society are mutual support, growth and sustainability profit.

#### 4.3 R.C.Core Company, BESS Brand

R.C.Core was born in 1985. It was a company that started with only five people. Normally, a company is born with some kind of business, but this company did not have any business. Let's create a job, let's create a company for it, and that's where it all started. The "R" in "R.C.CORE" stands for Regard, the "C" stands for Confidence, and the "CORE" stands for its core.



**FIGURE 4-3**

Brand Evolution (R.C.Core Co., 2023)

In 1986, following the development of clothing and food, we launched the BESS business in the housing market, believing that an era would come in which people would choose based on their sensibilities (likes and dislikes). And now, against the backdrop of a growing orientation toward nature and essence in our daily lives, the sensibility market is in full swing. Based on the brand slogan "Enjoy rather than live," BESS, which started with log cabins, proposes soft-oriented (spiritual culture) housing that allows people to enjoy their own lives in a natural way, unlike hard-oriented (material civilization) general houses that emphasize artificial functions and performance.

The history of BESS runs from the start of the Bigfoot business in 1986 until the present. We look back at the history of BESS, which has created homes of various styles. The first was named "Bigfoot" and started its business via the concept of "home is a tool". BESS is an abbreviation for "Bigfoot, Essential, Slow life, Spirit". BESS changed its brand in 2008. Since the Bigfoot era, we have cherished a natural, essential, and unadorned slow life, but in this age of technological development, whether it is a wood stove or DIY, it takes a certain amount of



spirit to enjoy a slow life. The brand name BESS has always been the same. In 2021, BESS achieved a cumulative total of 20,000 buildings. BESS's self-introduction conveys the concept of the house, the values of life that are cherished, and the thoughts. The main purpose of the brand is easy to communicate with the customers in their branding and marketing purpose.

Based on basic information (4.1), the importance of trademark design, litigation matters, R.C.Core complies to the stage of acquiring brand rights. The company must consider clearly between tradenames and trademarks. R.C.Core was registered as a tradename and BESS was registered as a trademark. R.C.Core doesn't use a house mark for their company.

Avoiding disputes, R.C.Core registered their intellectual property rights when it began selling log houses in 1986, at which time the company found itself alone in a small market. The unique design and engineering requirements of constructing log houses proved a significant barrier to potential competitors, and the resulting lack of copycat designs and counterfeit products meant that protecting its intellectual property was not a priority for the company for many years.

This changed in January 2004, when R.C.Core began selling a model named the "Wonder Device". When other companies began selling similar houses closely imitating the Wonder Device's award-winning boxy design, the company realized it had to start taking countermeasures. This was the beginning of R.C.Core's long and ongoing journey to protect its intellectual property (IP). R.C.Core's unique Wonder Device model was crowned a 2004 Good Design Award winner. The company considers three incidents in particular to have been the turning points in its IP activities. The first took place in 2005, when R.C.Core found materials advertising houses imitating the design of three of the Wonder Device's faces. The company addressed this infringement under Article 2, Paragraph of Japan's Unfair Competition Law ("Imitation of the configuration of goods"). More broadly, this event triggered R.C.Core to start submitting design and the applications for its houses.

Another major incident occurred in 2014, when R.C.Core submitted an unfair competition lawsuit under Article 2, Paragraph 1, Item 1 of the Unfair Competition Prevention Act ("Acts of creating confusion with another person's goods or business") and Article 10, Paragraph 1, Item 5 of the Copyright Act ("Works of architecture") in response to imitation house designs. However, the claim was dismissed on the grounds that housing designs were not eligible as copyrighted work. This ruling prompted R.C.Core to adopt a more strategic and robust approach to IP protection, including applying for a combination of patents and designs for single elements of its houses. For example, its "ladder de bookshelf" - a large, climbable bookshelf - is protected by a patent, a design and a trademark.

The third influential event in the company's IP history was a 2020 revision to Japan's housing design infringement law which meant that the designs of buildings, interiors and images

became subject to the protection of design rights. This allowed R.C.Core to protect several of its designs. Following on from this, the company received a judgment to grant an injunction against the sale of imitation designs and seek compensation for damages. It won the case, thereby clarifying the legal protection of housing designs in Japan. As a result, R.C.Core has seen the imitation of its housing designs decrease sharply. Intellectual property protection provides solid foundation for R.C.Core, Japan's foremost log house construction company.

BESS House's Community cracks down on House Design Infringement. R.C.Core has built a dedicated following since the 1980s. The company has capitalized on this with LOGWAY, a community where fans of BESS houses and philosophy can meet and interact. LOGWAY also allows BESS homeowners to support and advise those who are considering purchasing a BESS house, thereby boosting company growth. R.C.Core has submitted a patent, currently pending, for this "fan-making support device, method and system" in Japan (patent application no. 2021-55240). This marks the first time the company has sought to protect not just its products but its business model.

Fans of BESS homes have even alerted the company to design infringements. This was the case in 2018, when a BESS homeowner reported that an unaffiliated sales company in Tottori Prefecture was selling a house with almost the same design as a BESS product. In response, R.C.Core filed a design right infringement lawsuit (Heisei 30 (wa) 26166) against the company. However, in the proceedings, it was questioned whether a house could be considered as a product, or whether it also included other elements such as the land it was built on. R.C.Core therefore collected evidence demonstrating the consistent production of house parts in factories and their on-site assembly. Through this, it succeeded in having the target product recognized by the court as an item with industrial applicability, and won the case. This case was covered by many newspapers and trade papers. After the ruling, reports of properties similar to R.C.Core products virtually disappeared.

R.C.Core (Shibuya-ku, Tokyo), which develops wooden houses under the BESS brand, has won a lawsuit against a housing company that copied its design, this is the first judgment in the nation that found infringement of design rights in residential designs. On November 30, 2020, the Tokyo District Court accepted the plaintiff's claim in a lawsuit over the imitation of housing designs, and ordered the defendant to suspend sales and pay approximately 850,000 yen in compensation.

Regarding imitation of architectural designs, in December 2016 Komeda (Nagoya City), which operates the coffee shop chain Komeda Coffee Store, sought an injunction to stop business use of the building on the grounds of violation of the Unfair Competition Prevention Act, and a provisional injunction was granted. There is an example of a decision being made. This is the

first judgment in the country that recognized infringement of design rights" in housing designs. according to R.C.Core.

The plaintiff, R.C.Core, filed a lawsuit in August 2018 alleging that the defendant, Makita Home (Tottori City), had "copied the design" of three houses sold in Tottori. Neither company filed an appeal by the appeal deadline of December 13, 2020, and the judgment became final.

IP education is very important for the BESS. Raising IP Awareness in Architecture in Japan. Following this 2020 infringement lawsuit, a warning against the infringement of design rights was issued to building contractors nationwide, raising IP awareness throughout Japan's housing sector. The case was featured in a housing industry magazine, which cited attorney Takuo Akino of Takumi Sogo Law Office as saying that this case had a major impact on the country's housing industry.

### **The cutting-edge ways of thinking towards branding in Japan**

Mr. Yukikazu Kawashima explained that the BESS brand, which is the essence that we have preserved, is not just a house that exists as an object, but a brand that has been built since its founding through emotional marketing, so to speak, marketing that moves the heart. The main element of the BESS brand is with the stylized letter "B" which represents BESS of Bigfoot Essential Slow Life Sprit. The brand (BESS) personality looks fresh and natural with a green color showing a green environment relying on life with nature. The square-shaped background represents the BESS brand happened everywhere of directions. A unique BESS brand shows their product of unique wooden houses that uses plenty of natural wood with their unique design. The brand message at the time of its founding was "Let your heart play," which was not typical of a housing business. While it is common to think that a house is an asset, it is not worth owning a house, but the purpose of living, and the house is a means to that end, and software is just a "way of living" and "a house is a tool". At the same time, when it was said that "knowledge is soft," he said, "Knowledge is hard, because one day the dictionary will start to speak."

BESS entered the market through magazines, websites, BESS block, Facebook, Instagram, Twitter and YouTube. They expended a branding strategy through primary research techniques through questionnaire surveys, which is the best branding strategy for BESS. Personal selling is also an effective strategy, wherein target customers are invited to visit the exhibition site and introduce the unique house. When customers visit in person, they feel impressed with the unique design and decoration. The benefits that BESS provides to customers involve a house being a "tool" to enjoy one's life in a natural way. A spacious area made of solid wood creates a relaxed life. It is a planning-type house that expresses the concept of each series in the design, and we have developed a lineup of five basic yet unique houses. A house is not in the best condition when you buy it, but it is valuable when it is used for many years and becomes an irreplaceable space

and time for the people who live there. That's why our brand mission is not customer satisfaction, which claims customer satisfaction at the time of purchase, but "user happiness."

In this way, BESS will work with fans through products and LOGWAY to synchronize the oasis in their hearts and demonstrate each other's strengths through collaboration, being the first to achieve this recovery, and then to accelerate the challenge of creating new value. BESS delivers the benefit of a product or service to consumers based on the idea that "humans are a part of nature". BESS proposes a generous and enriching lifestyle that takes advantage of nature's blessings. At BESS, we place "health" at the core of our business activities, and here we present a declaration that develops the three perspectives of the WHO Charter in the BESS style. (1) BESS fulfills its "social responsibility". We don't create unnecessary things. A huge amount of energy is consumed in order for each person to survive. If you make something that is easy to wear on top of that, it will end up being trash. That's why BESS aims to create homes that can be lived in for a long time. (2) BESS supports "mental health". Don't make your home too convenient. A contented modern life weakens people's hearts. It's easy to rely on something, but people's hearts are supposed to be stronger. That's why BESS's house is so convenient. (3) BESS does not interfere with physical health. Try to be in harmony with nature. Humans are physically weak creatures.

However, BESS also tends to be too artificial and justifies its own weaknesses. That's why BESS values homes where people can feel nature. The marketing strategies are used by the company to keep loyal customers. BESS has also established a loyal following of customers who appreciate the company's focus on craftsmanship and natural building materials, and share its philosophy that "a house is a tool for enjoying life". BESS knows that the makeup market, which is to expand while creating a market, is the original and unchanging mission of BESS. Until now, BESS has been expanding the market for sensibilities through "collaboration" with BESS home users through the division of roles between "users" and "makers" for an enjoyable life, but when we look outward, we have come to realize that there are people who are interested in BESS's values from various angles, regardless of industry or business type. Currently, the effective promotion strategy in current practice through the technology is advancement. The company website is an effective way to introduce to the customers, and we also welcome in-person customers.

As a result of these turning points in the company's history, R.C.Core has developed a detailed, multi-faceted approach toward IP protection. Its strategy aims to protect both the functional and emotional value of its words, designs, ideas and other IP by combining various intellectual property rights, and to actively exercise these rights against similar products. Not only

does this prevent imitation products, but it is also essential for the company's sales strategy, which requires R.C. Core to license it.

Responding to (4.1), the importance of TM and Design, litigation matters and (4.2) The cutting-edge ways of thinking towards branding in Japan and data collection, the company complies with theories that use differences between house marks and trademarks, and business messages are also used to attract customers. In current practice, the company uses “the R.C.CORE” as a house mark; while “the BESS” is used as a brand service. In addition, the brand message "Enjoy rather than live" is used for their business strategy. The main purpose of the brand is being easy to communicate with customers in their branding and marketing purpose. The BESS brand looks fresh and natural with a green color, which shows that the green environment relies on life with nature. The square-shaped background represents the BESS brand, which shows their product of unique wooden houses that uses plenty of natural wood with their unique design.

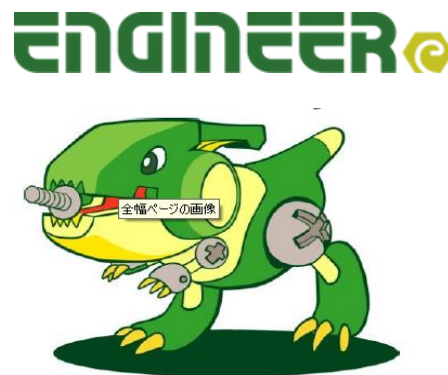
The BESS was entered in the market through Magazine, Website, BESS block, Facebook, Instagram, twitter and YouTube. Their own expend branding strategy is primary research technique through questionnaires survey is the best branding strategy for their brand. Personal selling is an effective strategy for BESS. Target customers are invited to visit the exhibition site and introduce the uniqueness of the house because when the customers visit in person they feel impressed with the unique design and decoration.

To be standing in the competitive market, The BESS provides a lot of benefits to the customers such as a house to enjoy your life in a natural way. A spacious space made of solid wood creates a relaxed life. It is a planning-type house that expresses the concept of each series in the design, and we have developed a lineup of five basic yet unique houses. That way, the company is using an effective promotion strategy in current practice through the current trend of the technology such as website Facebook and welcome book for in person visitor customers.

References on (4.1.1) Tradename and act of unfair competition, (4.1.3) Stage of acquiring brand rights (4.1.4) Avoiding disputes, the company is understanding very well on Intellectual Property (IP) System and IP Education, the company mentions that intellectual property protection provides a solid foundation for R.C. Core, Japan's foremost log house construction company. IP education is very important for BESS to raise IP awareness of architecture in Japan. Following this 2020 infringement lawsuit, a warning against the infringement of design rights was issued to building contractors nationwide, raising IP awareness throughout Japan's housing sector.

#### 4.4 Engineer Inc, Neji-Saurus

Engineer Inc. was inaugurated in 1948 in the business of development and the sale of work tools with a total of 50 employees in Higashinari-ku, Osaka. The vision of Engineer Inc. is to create tools with a playful mind as well as cool and innovative functions and designs. As such, it became the world's most loved tool manufacturer. Its mission is to provide people all over the world with tools that contribute to the happiness of mankind and the prosperity of Gaia (earth). The development of tools transformed life and enhanced our way of living from ancient times. From each of life's platforms, new tools are born, altered from time to time, and may sometimes heighten personal spirit. The craftspersons can keep their crafts alive through their professionalism with specific tools.



(Engineer Inc., 2023)

These days, a market has no division between professionals and amateurs. We regard tools as one of the cultural heritages for the next generation in various fields. We produce tools under the concept of “Tools with Spirit”, and it is honorable that our products act as bridges between generations and help to create new culture.

Based on basic information (4.1), the importance of trademark designs and litigation matters, Engineer Inc. complies with the stage of acquiring brand rights. The company registered Engineer inc. as a tradename and trademarks in 1956, and then developed its new brand as Neji-Saurus and registered this as a trademark. The purpose of registration was to communicate the quality and unique products to their consumers, in addition to providing legal protection. In an interview on November 29, 2023, CEO Mr. Takasaki mentioned that IP law is very important. Currently, the company (Engineer Inc) has registered 74 domestic and international IP rights. In domestic registration, there are 8 patent rights, 14 design rights, 12 trademark rights, and 1 copyright work. For international registration, there are 14 patent rights, 14 design rights, and 10 trademark rights. Around 2000 trademarks with quality products were acknowledged by the JPO certificate through the defensive trademarks system. These include the Neji-saurus brand. Companies with the most employees to have take an examination to become a certified specialist in IP management (July 2012 to March 2014). Among 50 companies with a large number of test takers, Engineer Inc. is ranked 29<sup>th</sup> in Japan. The company enhances corporate value through the use of intellectual property through the PMPD theory.

Mr. Takasaki added that IP education is very important. Although there is no IP course in IP national education, Engineers Inc. usually conducts employee training, and we encouraged our

employees and business partners to do an Intellectual Property Management Skills Test. Technical skills tests are a national certificate system to test and certify worker skills according to certain criteria. Technical skills tests are conducted pursuant to the Human Resources Development Promotion Law (administered by Ministry of Health, Labour, and Welfare) for the purpose of enhancing evaluation on skills by society in general, and improving worker skills and status. The contents of the tests have been improved every year since their commencement in 1959, and they now cover 127 specialty areas. Even though IP is not widespread in Japan, it is important to start from individuals to spread awareness of IP education.

### **Cutting-edge Approaches Toward Branding in Japan**

Mr. Mitsuhiro Takasaki responded that the brand concept and branding strategy of the company for Neji-saurus uses both a trademark house mark and a trademark. The trade Name used is “Engineer Inc.”, which is stylized as a name and symbol as a house mark. The trademark “Neji-Saurus” uses a word mark, and a dinosaur character is used for a logo mark. The name Neji- saurus comes from the fact that it grabs a crushed head screw or other object with its dinosaur-like jaws, gripping it and not letting go. This means that the dinosaur is eating the object and moving its head, which is represented as pliers used to remove the screw. The Neji saurus sounds fun to consumers, and it is easy to remember or be recognized. The main purpose of the brand at first was that the pliers’ products were named “Engineers” in 1959 by his father in order to express company uniqueness, quality and differentiation from other companies. The main element of Neji-saurus is the sound and the dinosaur image which touch consumer hearts. Strong pliers easily remove stripped and rusty screws by pinching them. The Neji-saurus personality is a dinosaur character which is illustrated as a plier head. The brand uniqueness is to create tools with a playful mind, as well as cool and innovative functions and designs—thereby becoming the world's most beloved tool manufacturer.

When the brand entered the market, the feedback from the customers involved product development to satisfy customer wants and needs. Poor sales for the company resulted from the global financial crisis and de-industrialization in 2002. The company then committed to provide one Neji-saurus per family, and the Neji-saurus GT was finally created in 2019. The company expanded its branding strategy to the global market, making Neji-Saurus a worldwide brand and meaning that international trademark registration had to be considered. Neji-Saurus registered 38 IP rights in countries including the USA, Korea and Malaysia.

Marketing Strategy is an element of Engineer Inc.’s business strategy. The team works as one to strongly promote the development and sale of new products by utilizing the theory of M (marketing), P (patent), D (design) and P (promotion). Not one of these elements alone can make

Engineer Inc. a success. If planned products are based on single elements and the result was a succession of failures, marketing is an element to be considered in analyzing and gathering information and sorting the needs via market segmentation, targeting and positioning. Patent and design elements have to create value, search earlier applications and obtain IP rights. Promotion elements must use different kinds of marketing tools such as television, radio, cable and sales promotion. As an effective way to attract customers, Engineers Inc. uses e-marking, a company website, Amazon and e-Bay. The dinosaur character is also used to promote their sales promotion. Engineer Inc. provides much more benefit to their customers through the uniqueness of multiple functions such as sharp teeth that also firmly hold a truss-head screw, strong jaws that can also cut electric cables, attachment of an expansions spring, ergo-and eco-design grips and slimming tips. These deliver product benefits through video clips shown to customers. The company uses marketing strategies to keep loyal customers through strongly recommend purchasing from its authorized distributor, Bridge Precision Tools. These imitation products are not the company's design and manufacturing, and therefore do not meet their quality and safety standards. The effective promotion strategy in current practice is dissemination of information through video clips, home centers, Amazon, leaflets and Chatbot.

#### **4.5 Licensing Executives Society JAPAN (LESJ)**

Founded in 1972, LES Japan is one of the largest regional societies of the Licensing Executives Society. It has more than 700 members, about 49% of which are corporate officers and about 44% professionals in private practice.



(LESJ 2023)

Licensing Executives Society Japan (LES Japan) is one of the member societies of Licensing Executives Society International (LESI), which is an international organization made up of 32 national/regional societies and has more than 10,000 members. The members consist primarily of people, such as corporate executives, leaders, those who do the actual work, and specialists in the legal field, such as lawyers and patent attorneys, who are involved in the licensing of intellectual properties, including technologies, patents, know-how, trademarks, software, digital contents, and technology transfers and technical cooperation; in addition to experts, such as people from academia and government service who have knowledge in these fields. It is a unique organization found nowhere else, where people having different careers can come under the same roof to interact and network.

The Branding WG was created in 2015 in response to the growing importance of branding



in Japanese companies and the need for a WG to deepen knowledge of corporate and product branding within the LES. From the beginning, the WG has been researching the topic of branding as a positive corporate harvesting source. There are about 40 members, including patent attorneys and lawyers, who are mainly from the intellectual property, marketing, and public relations departments of companies.

As IP contributions to branding that contribute to management, we will deepen discussions on IP contributions in a broad sense that are not biased toward the manufacturing industry, and that carry out activities to sort out what is lacking in Japanese companies. In addition, this year we will examine IP contributions (what should be done, how to proceed, etc.) from an objective perspective through opinion exchange meetings with experts, including practitioners and research institutions in charge of other branding activities and strategies, and consider and implement the results to be returned to our members.

These include an analysis of branding from various perspectives through regular meetings, and providing recommendations to increase corporate value. Effective sharing of WG results at the annual conference. This year the Hamamatsu Congress, jointly with the IP Finance WG, held an all-participant workshop on branding and dialogue with investors as expected by the revised Corporate Governance Code, where many participants and a wide range of discussions took place, providing meaningful insights for members.

The concept of branding, main media culture and information flow is changed from time to time. Around 40 years ago was paper media, television and radio, which involves one-way communication to customers. This means that the content owner provides information to customers about their goods or services. Around 20 years later, media communication used electronic media (the Internet). This involves the global distribution of interactive content, wherein owners and customers interact with each other. Entrepreneurs engage in branding, and now, text and video-based media with universal participation and instant diffusion via SNS. Customers are arranged by content owners, user (customer) utilization and risk hedging.

The Licensing Executives Society (LES) Japan understands that branding involves increased corporate value. Branding strategy in Japan must consider three factors: (1) The difference between Japanese and Western branding awareness (Japan's brand, technological strength and market capitalization as seen in the rankings) (2) Changes in the environment surrounding intellectual property, responding to the revision of the Corporate Governance Code (3) Perspectives to consider in branding, including appropriateness vis-à-vis the culture and times. Considering cultural differences or using unique cultures as weapons to consider global branding. Examples (involving communication between Japan and Western culture) include Japan using text to audio, but the Western use of audio to text.

Entrepreneurs must take legal action to protect their brands. Brand protection is labor intensive and expensive, but is worth the effort and expense. Companies should make an effort to protect their brands, since this allows them to reap the benefits of brand power. If the brand is strong, sales activities are unnecessary. Brands are also a barrier to entry, and a powerful means of securing competitive advantage.

#### **4.6 Trademark Committee of Japan Intellectual Property Association (JIPA)**

The information on the various situations of branding strategy among Japanese companies was obtained from the panel interview of the Intellectual Property Association (JIPA) on Friday 15th December 2023 with Mr. Koji Saito of JIPA (concurrently Japan Licensing Executives Society (LESJ)); Mr. Yuki Matsushima of Takagi Co., Ltd; Ms. Yasuko Sawamoto, Mitsubishi Pencil Co., Ltd.; Mr. Shinya Fujii, Bandai Co., Ltd.; and Mr. Takuya Tokuwaka, Kadokawa Corporation.

JIPA is a non-profit, non-governmental organization, which has 1,370 members. It represents industries and users of the intellectual property (IP) system, and provides related institutions all around the world with well-timed, suitable opinions on improvement of their IP systems and their utilization. (JIPA 2023-1)

The JIPA Trademark Committee will continue to actively dispatch committee members and provide opinions in the current fiscal year, building on the momentum of the previous fiscal year when the Committee enhanced its presence by actively dispatching members to various meetings and workshops, including the Working Group on Madrid System in WIPO and the Trademark Meeting of the Five Trademark Offices (TM5).

In addition, the Committee will prepare and present results that contribute to practical business through studies and discussions based on the unique viewpoints of users in the research themes of the Committee's WG group activities. (JIPA 2023-2)

##### **4.6.1 Mitsubishi Pencil Co., Ltd.**

Mitsubishi Pencil Co., Ltd is a manufacturing company which was founded in 1887, making the company more than 136 years old. It is an independent company which is not under the so-called Mitsubishi group, and its main products are writing instruments. One of the products with high expansion is pencils. The company has changed to the corporate name Mitsubishi Pencil Co., Ltd., using a three-diamond logo as a trademark that has been registered 15 years for its pencils. The trademark was before the launching in foreign markets. The trademark is “uni”, which is a house mark. After registration of the pencil trademark for 65 years, the products have

sold extremely well. Therefore, the company still continues to use the brand name “uni”. This is a house mark concept, but became a brand name as a trademark strategy.

Regarding the education aspects, the company meets a lot of challenges otherwise the company is not big. So far there is no service education system—particularly a consistent system for foreign subsidiaries. The company needs to work on that aspect, and has just embarked on providing education related to consistency for its brands in the foreign market.

#### **4.6.2 Bandai Co., Ltd.**

The Bandai company mainly sells toys products and introduced its corporate activity. It is part of the BANDAI NAMCO Group, which was established by merging the two independent incorporations “Bandai” and “Namco”. The Bandai company is excellent in animation in Japan. In order to expand the business, the company changed the logo two years ago. The old logo was created based on the concept of fusion wherein Bandai and Namco merge together, and the current logo is focused more on delivering messages to clients under its corporate vision “connect with the fans.” Through its corporate brand strategy, the company aims to become part of another company brand strategy. At the same time, implementing business activities are the brand strategy for the company.

Bandai Co., Ltd. has a specific trademark for each business. Based on those trademarks, companies can conduct business operations in different countries around the world. The company believes that after trademark registration, there is no third party without utilizing them. Therefore, the company focuses closely on trademark rights enforcement in different countries through social networks, along with raising awareness of the trademark. If there is infringement, the company will use a warning notification to the infringers directly or indirectly through the platform.

#### **4.6.3 Kadokawa Corporation**

Kadokawa is the family name of the company founder. There are nine subsidiaries for ten entities that were merged together ten years ago with the slogan “rebirth and transformation”. The company aimed to become a global publisher of mega-content, and also a platformer of digital content and a creative content platform for the company plan. The meaning of the logo includes the vertical line of the letter “K”, and another spine at 90 degrees with some space in-between for the purpose of innovative ideas and a spirit of entertainment. The brand uses a blue color, and the image behind the letter represents confidence, spirit and an intellectual aspect. The logo and word “Kadokawa” have to be used as a strict rule internally. (omitted later)

The KADOKAWA Group constantly creates many different types of intellectual property (IP) in the publication, films, anime, games, UGC, and other businesses, and rolls out intellectual property products worldwide using technology. The company focuses on IP education for the younger generation to be extremely important, and to make sure to provide genuine goods and services for the customers. The customers also perceived genuine goods and services as well, which is an important aspect of IP education. If numerous pirated items are purchased, this is dangerous—so the government itself should improve IP education.

#### **4.6.4 Takagi Co., Ltd.,**

There are two main businesses: (1) a tap with a built-in water filter (water purification device) in the kitchen, and (2) gardening for related goods. The company has the largest share in the tap with a built-in water filter device, as well as the watering products for the gardening sector. However, there is no specific brand strategy or concept for the company itself. “Takagi” is a house mark which is most important for company operation for clients. The company is still trying to figure out the best way, because its biggest aim is to be sure that the company name will be recognized by customers and clients on a widespread basis. Therefore, rather than giving a highly distinctive product name, the company may give one that makes it easier for them to understand the characteristics of the product. 90% of existing companies in Japan are SMEs, including Takagi, and most of them understand the importance of intellectual property and patents. When it comes to broad recognition of the brand itself, however, the company is still lacking awareness even internally. In Japan, there are in fact many large corporations and SMEs, so it does not automatically mean that every company in Japan has created a brand strategy.

The company has seen a lot of infringed goods, and is very concerned about possible damages to the health of its consumers through the purchase of infringed goods. If there are any infringement cases, the company enforces its intellectual property rights. Company management is aware regarding the importance of intellectual property from the top to the bottom of the business.

#### **4.6.5 Trademark Committee**

Mr. Koji Saito, Managing Director of JIPA who is responsible for the Trademark Committee, added what panel interviewees from JIPA shared above regarding branding strategy, etc. This is strictly based on Japanese culture, so if the Cambodian policy is implemented in the future, it also must ensure that it best matches Cambodian culture. Particularly when it comes to SMEs which are compared to a big company, there is a certain restriction of budget for branding. Therefore, coming up with an efficient brand strategy is one of the most important aspects. As an

example, some Japanese products are able to use Chinese characters because the general public in Japan are accustomed to this culture. If Cambodian culture is failed to be taken into account within the local branding strategy, SMEs in particular will face difficulties later in terms of budget for branding.

In another example, if a large company in Cambodia is able to grow globally in a close parallel with Japan industries, those companies should be associated with Japanese companies in making their own interesting brands and globally marketing those parallel products in the overseas market. So, those companies that have international and global potential must cooperate internationally in their own brand concept. Many Japanese companies have begun doing that as well as in China, and those companies have developed and grown their own brand as major companies.

Otherwise, regarding a small number of trademarks in Cambodia, do not try to focus too much on the analysis of trademark numbers. It is needed to focus more and place a priority on the efficient utilization of trademarks. He has mentioned that above those IP departments seem not to be directly involved in marketing aspect, he believes marketing and IP departments should not be a long gap distant and originally work closely each other because the IP sector shall contribute to the growth of corporations by strategically using intellectual properties. Many IP departments of Japanese companies have been established and are growing in line with those structures of the manufacturing industry, i.e., under the research and developing sectors which are far from marketing. That is one of the reasons why those two departments still have distance between these two departments. This is an objective analysis.

Due to reflection upon the importance of TM and Design, litigation matters (4.1) and the cutting-edge ways of thinking towards branding in Japan (4.2), almost all businesses have been practiced and complied with this theory, such as Mitsubishi Pencil Co., Ltd. using a three-diamond logo as a trademark that has been registered 15 years for pencils, and “uni” as a house mark brand name for a trademark strategy.

The Bandai company, part of the BANDAI NAMCO Group, was established by merging the two independent incorporations of “Bandai” and “Namco” to expand their business. The company changed its logo because the old one was created based on the concept of fusion wherein Bandai and Namco merged together, and the current logo is focused more on delivering the messages to clients under its corporate vision “connect with the fans.” In this corporate brand strategy, the company aims to become part of other company brand strategy at the same time as business activities are implemented as the brand strategy for the company. The company has a specific trademark for each business, and based on those trademarks, they can conduct business operations in different countries around the world. The company believes that after trademark

registration, there is no third party without utilizing them. Therefore, the company focuses closely on trademark rights enforcement in different countries through social networks, and also awareness- raising of the trademark. If there is infringement, the company will issue warning notifications to the infringers directly or indirectly through the platform.

The meaning of the Kadokawa Corporation's logo is the vertical line and another spine at 90 degrees of the letter "K", whose design leaves some space in between to indicate innovative ideas and an entertainment spirit. The brand uses a blue color, and the image behind the letter represents confidence, spirit and an intellectual aspect. The logo and word "Kadokawa" must to be used as a strict rule internally.

In Takagi Co., Ltd. there is no specific brand strategy or concept. "Takagi" is a house mark which is most important for company operations for clients. It is still trying to figure out the best way, because the biggest aim of the company is to be sure the company name will be recognized by the customers and clients on a broad basis. Therefore, rather than giving a highly distinctive product name, the company may give a product name that makes it easier for them to understand the characteristics of the product.

The results are strictly based on Japanese culture only. So, if the Cambodia policy is implemented in the future, it is also needed to make sure that it best matches Cambodian culture—particularly when it comes to SMEs as compared to large companies. There is a certain restriction of budget for branding, so coming up with an efficient brand strategy is one of the most important aspects. As an example, some Japanese products are able to use Chinese characters in Japan because the general public in Japan is accustomed to this culture. This way, brand strategy can be accepted by Japanese culture, and that is why Cambodian culture should be a key consideration for its branding strategy. If it fails to do so later on in particular, SMEs will have difficulty in terms of a budget for branding. If a major company in Cambodia is able to grow globally in close parallel with Japan industries, those companies should be associated with Japanese companies in making their own interesting brands, and then globally marketing those parallel products in the overseas market. So, those companies that have international and global potential must cooperate internationally in their own brand concepts moving forward. Numerous Japanese companies have begun to do this as well as in China, and such companies have developed and grown their own brands as giant companies.

Otherwise, regarding a small number of trademarks in Cambodia, do not try to focus too much on the analysis of the numbers of trademarks. It is needed to focus more and prioritize the efficient utilization of trademarks. The marketing and IP departments should work closely with each other because the IP sector shall contribute to growth of the corporation by strategically using intellectual properties. Many of the IP departments of Japanese companies have been

established, and are growing in line with those structures of the manufacturing industry, i.e., under the research and developing sectors far from marketing sectors.

Regarding the aspect of IP education, the company meets a lot of challenges. Otherwise, the company is not big. So far there is no service education system, especially a consistent system for foreign subsidiaries. The company must work on that aspect, and has just embarked on providing education related to consistency on brands in foreign markets.

In Japan, the company focuses on IP education for the younger generation to be extremely important, and to make sure to provide genuine goods and services for customers. Customers also perceived genuine goods and services as well, which are important aspects of IP education. If numerous pirated items are purchased, it is a dangerous situation. So, the government itself should improve IP education.

In Cambodia, it is very important to educate stakeholders including investors and customers, as well as internal members when they create an organization. IP departments are not always positioned under a department in charge of R&D. Rather, IP itself needs to be authorized and empowered as one important department of the whole corporate structure. It should promote and expand that kind of education. So, IP education is very important because it is targeted in the entire business strategy.

## **CHAPTER 5:**

### **CONCLUSION AND RECOMMENDATION TO DIP-CAMBODIA**

#### **5.1 Recommendation**

Trademark infringement on businesses is a complex issue with far-reaching consequences. Beyond the legal ramifications, it can damage brand reputation, disrupt markets, and erode consumer trust. In today's interconnected world, where digital platforms provide a global stage, protecting trademarks is not just a legal obligation but a strategic necessity. Businesses prioritizing trademark protection and proactively safeguarding their brand identities are better positioned for long-term success and resilience in a competitive marketplace.

This is a comparative study research between Japan and Cambodia based on the study and analysis of the data collection, and the practical theory of basic information and practical theory from experts Ms. MASAKO NISHIMURA, Partner, Oshima, Nishimura & Miyanaga PPC and Professor, Professional Institute of International Fashion; and Ms. SETSUKO HARA, Senior Innovation Planning Director, Deputy General Manager, Consulting Business Development Division, HAKUHODO Inc. including in person interview to the Engineer Inc, Neji-Saurus, R.C.Core Company, BESS Brand, and Licensing Executives Society JAPAN (LESJ) and the panel interview to the members of Trademark Committee of the Japan Intellectual Property Association (JIPA), regarding "Branding Strategy for Leveraging IP for SMEs" To my personal viewpoint:

##### **5.1.1 Brand and Branding System in Cambodia**

A brand and Branding strategy should be based on local culture. So, if the Cambodian policy is implemented in the future, it is also needed to make sure that it best matches Cambodian culture. This is especially when it comes to SMEs compared to large companies. There is a certain restriction of budget for branding, so coming up with an efficient brand strategy is one of the most important aspects. Japanese products are able to use Chinese characters in Japan because the general public in Japan is used to this culture. That way, brand strategy can be accepted by Japanese culture. This is why Cambodian culture should be a key consideration for branding strategy. If it fails to do so, SMEs in particular will have difficulty later on in terms of budget for branding.

If a large company in Cambodia is able to grow globally in close parallel with Japan industries, those companies should be associated with Japanese companies in making their own interesting brands and globally marketing those parallel products in oversea markets. Those companies that have international and global potential must cooperate with the international



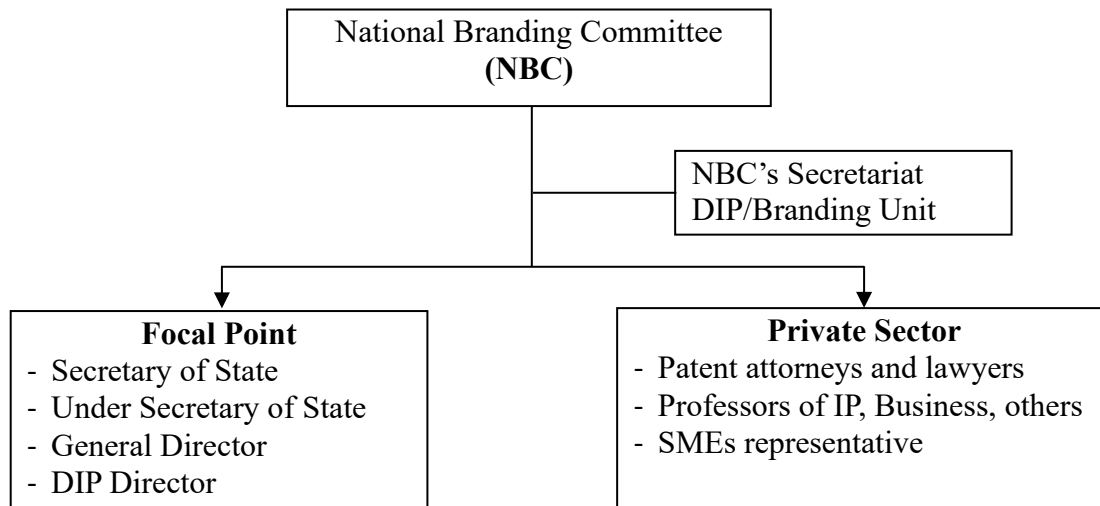
aspects of their own brand concept moving forward. Numerous Japanese companies have begun to do that as well as in China, and those companies are developed and grow their own brand as giant companies. Otherwise, regarding a small number of trademarks in Cambodia, do not try to focus too much on the analysis of the numbers of trademarks. It is needed to focus more and priority on the efficient utilization of trademarks.

Marketing and IP department should not be a long gap distant and work closely with IP department because IP sector can be developed and expanded in line with those structures of manufacture industry. Therefore, the internal IP department is developing in line with the way of manufacturing company operates that is one of the reasons why those two departments still have distant between these two departments that is an objective analysis.

Results of this study indicate that there is an impact of brand elements in general on brand equity, that are, name, logo or symbol, slogan for SMEs. The major brand element that has an impact on brand equity was logo or symbol with a very slight difference from the brand name that came second. So, all SMEs have to registered their brand at Department of Intellectual Property of the Ministry of Commerce for their brand right protection.

Moreover, SMEs are aware of the importance of branding, but they must give it more attention because branding is a very important subject and has a huge impact on brand equity.

- 1) The private or even public sector must establish a branding association to serve all sectors and raise the level of awareness of this subject, which will lead to a higher brand equity that will eventually reflect on the national economy.
- 2) Marketing managers must develop branding knowledge of their staff with regard not only to external branding, but also internal branding.
- 3) Corporations must have a separate Branding Unit, not only an employee responsible for branding in the Department of Marketing.
- 4) The Ministry of Commerce and Department of Intellectual Property should:
  - (a) create a Branding Unit under the Department of Intellectual Property
  - (b) appoint a Department of Intellectual Property as a secretariat of the National Branding Committee (NBC)
  - (c) develop a Corporate Governance Code and request the approval of a principle minister create a National Branding Committee (NBC) to provide guidelines for the disclosure of strategies for investment and use of intellectual property and intangible assets, as well as for governance practices. The minister of Commerce should be a Chair of the National Branding Committee, which should include patent attorneys and lawyers who are mainly experts in intellectual property, marketing and corporate public relations.



### 5.1.2 IP for Education of Cambodia

If companies will be created or founded in the future in Cambodia, it is very importance to educate the stakeholders when they create organizations that the IP department is not positioned under the department in charge of developing R&D. Rather, IP itself needs to be authorized and empowered as one important department of the whole corporate structure. It should promote and expand that kind of education. So, IP education is very important because it is targeted within the entire business strategy.

Teaching employees and building public awareness regarding how they can own and leverage what they create through the fruits of their labor and intellect is an ennobling and enabling endeavor. It can elevate their sense of ownership, participation and potential engagement with the broader economy. A broader understanding of IP rights may be a means of addressing our country's significant gender and racial disparities related to patent and innovation opportunity gaps, in terms of knowledge of IP and what it can achieve for innovators, creators, businesspersons, and consumers. Based on the results of a study, SMEs indicated that IP education is very important. Although there is no IP course in IP national education, they usually conducted our employee training and we encouraged our employees and business partners to do a Intellectual Property Management Skills Test. In my personal opinion, the Department of Intellectual Property of Ministry of Commerce should do the following:

- Pay close attention to IP by hosting branding specialists to give lectures and organize workshops to be up to date with branding
- Establish an IP Academy Institution within the Ministry of Commerce.
- Cooperate with the Ministry of Education, Youth and Sport and Ministry of Labour and

Vocational Training on putting IP subjects in the national curriculum

- Cooperate with the Ministry of Information to broadcast Intellectual Property subject matters or create SME business advertisements saying things like “Stop piracy” or “Infringement is illegal”.

### **5.1.3 IP System of Cambodia**

Some systems would not be applicable or appropriate for countries with limited development in IP fields. Some important facts should be taken into consideration when structuring the appeals board, including its scope, roles and responsibility. Close attention should be paid in particular to human resources in the field, and the trends of requests for trials and appeals. In complying with the current situation, practices in Cambodia should take into account the study and recommendations from Japan.

There are two feasibility proposals to be proposed concerning the future establishment of an Appeal Board System in Cambodia.

- The first proposal is to upgrade the Litigation Division of the Department of Intellectual Property to be functioned as the Appeal Board.
- The second proposal is to establish the new system of Appeal Board that is acted as the upper-level authority to review and be in charge of appeals against any decision made by the Department of Intellectual Property. The Litigation Division of DIP should be upgraded to function as the Appeal Board the Litigation Division of DIP that has, to some extent, the same functions as the Appeal Board of JPO such as oppositions, trial for invalidations and trial for cancellations, except for the appeal against examiner’s decision of refusal that are out of the scope of the function of the Division. To fully function as an appeal board system not only in Japan, but also other countries, the appeal against examiner’s decision of refusal function shall be covered in the functions of the Litigation Division.

As is also mentioned above, the two systems are totally different in term of dealing with infringement cases. The new upgraded division will still play a vital role in providing mediation services over IP infringement cases. Other main important things shall also be taken into account involving the upgrade process. These shall include the followings: – Is there a need to restructure the existing one? – The requirements for strengthening, capacity building and improving the specialization of the existing hearing officials to deal with the new, increase and complicated workload in the upgraded one. –More hearing officials shall be needed to deal with the cases, since currently these are still limited to the numbers of the officers.

- The infringement body should be customized and minimized for effectiveness of the

implementation of infringement cases.

## **5.2 Conclusion**

In conclusion, intellectual property plays a vital role in brand development, offering legal protection and value creation opportunities for businesses. By leveraging IP rights effectively, SMEs can differentiate themselves in the marketplace, secure their market position, and maximize revenue. However, it is crucial to approach IP investment strategically, supported by ongoing marketing efforts and comprehensive IP protection measures. With the right expertise and a structured approach, businesses can unlock the full potential of their intangible assets and drive sustainable growth in an increasingly competitive global market.

Brands are perceived as valuable assets from both consumer and company perspectives. Business leaders are fully aware of the importance of brands, branding and brand management for their survival, and maintaining sustainable development in a competitive and globalized world. The importance of brands, branding and brand management is not only felt and experienced by corporations, since even countries, individuals and political parties are not untouched.

Branding is about building consumer trust in an organization's products. Globalization and communication mediums are making a wider target audience possible. As a result, companies are investing heavily into marketing campaigns that can boost the value of their brand. Companies like the R.C. Inc. and the Engineer Company understand the impact the brand value has on their sales and profits. They also understand the need for stakeholders to believe in a brand.

Of course, this research paper is very important for my community. It can be attributed as a concept to all levels of leaders at the Ministry of Commerce and Department of Intellectual Property and SMEs in development of business, trade and commerce, making significant contributions to the economy. It plays a crucial role in brand development, branding, marketing strategy and IP system.

Lastly, this research is a vital process that contributes to the progress and development of society. It is essential for finding solutions to problems, expanding knowledge, and advancing our understanding in Japan. Without this research fellowship program, we would not be able to make the significant advancements that have improved our lives and contributed to the betterment of society.

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## Appendix I

### Minutes of the interview to the R.C. CORE Co. Ltd. about BESS Brand

Date and time: Wednesday 29<sup>th</sup> November 2023, 2:00 – 3:00 pm

Venue: Tokyo-Daikanyama BESS MAGMA

Interviewee:

Mr. Yukikazu Kawashima, IP and law, General Affairs Dept. R.C.Core Co., Ltd ;

#### 1. What is your brand concept and branding Strategy?

##### 1.1. Why do you name BESS?

In 1986, following the development of clothing and food, we launched the BESS business in the housing market, believing that an era would come in which people would choose based on their sensibilities (likes and dislikes). And now, against the backdrop of a growing orientation toward nature and essence in our daily lives, the sensibility market is in full swing. Based on the brand slogan "Enjoy rather than live," BESS, which started with log cabins, proposes soft-oriented (spiritual culture) housing that allows people to enjoy their own lives in a natural way, unlike hard-oriented (material civilization) general houses that emphasize artificial functions and performance.

History of BESS, from the start of the Bigfoot business in 1986 to the present. We look back at the history of BESS, which has created homes of various styles. The first named "Bigfoot" and started business in the concept of "home is a tool" is born. BESS is an abbreviation for "Bigfoot, Essential, Slowlife, Spirit" in. BESS was changed its brand in 2008. Since the Bigfoot era, we have cherished a natural, essential, and unadorned slow life, but in this age of technological development, whether it is a wood stove or DIY, it takes a certain amount of spirit to enjoy a slow life. The brand name BESS has always been the same. In 2021, BESS achieved a cumulative total of 20,000 buildings.

##### 1.2. How is the brand (BESS) established and what is main purpose?

BESS's self-introduction conveys the concept of the house, the values of life that are cherished, and the thoughts. The main purpose of the brand is easy to communicate with the customers in their branding and marketing purpose. The BESS brand, which is the essence that we have preserved, is not just a house that exists as an object, but a brand that has been built since its founding through emotional marketing, so to speak, marketing that moves the heart.

##### 1.3. What are the main elements of your brand? Why?

The main element of the BESS brand is with stylize letter "B" which represents BESS of Bigfoot Essential Slow Life Sprit.

##### 1.4. What is your brand (BESS) personality?

BESS brand looks fresh and natural with green color which shows green environment rely on life with the nature. The square shape background represents BESS brand happened everywhere of directions.

##### 1.5. How makes BESS brand unique?



A BESS brand shows their product of unique wooden houses that uses plenty of natural wood with their unique design. The brand message at the time of its founding was "Let your heart play," which was not typical of a housing business. While it is common to think that a house is an asset, it is not worth owning a house, but the purpose of living, and the house is a means to that end, and software is just a "way of living" and "a house is a tool". At the same time, at a time when it was said that "knowledge is soft," he said, "Knowledge is hard, because one day the dictionary will start to speak."

1.6. How was branded the BESS to the market?

BESS was entered in the market through Magazine, Website, BESS block, Facebook, Instagram, twitter and YouTube

1.7. How do you expend branding strategy?

Primary research technique through questionnaires survey is the best branding strategy for the BESS.

**2. What is Marketing Strategy?**

2.1. What is the effective method to attract the customers? Why?

Personal selling is an effective strategy for BESS. Target customers are invited to visit exhibition site and introduce the unique of the house because when the customers visit in person they feel impress with the unique design and decoration.

2.2. How does the BESS benefit the customers?

A BESS house is a "tool" for you to enjoy your life in a natural way. A spacious space made of solid wood creates a relaxed life. It is a planning-type house that expresses the concept of each series in the design, and we have developed a lineup of five basic yet unique houses.

A house is not in the best condition when you buy it, but it is valuable when it is used for many years and becomes an irreplaceable space and time for the people who live there.

That's why our brand mission is not customer satisfaction, which claims customer satisfaction at the time of purchase, but "user happiness."

In this way, BESS will work with BESS fans through products and LOGWAY to synchronize the oasis in their hearts and demonstrate each other's strengths through collaboration, first to achieve this recovery, and then to accelerate the challenge of creating new value.

1.1. How do you deliver the benefit of product or service to consumers?

Based on the idea that ``humans are a part of nature," BESS proposes a generous and enriching lifestyle that takes advantage of nature's blessings. At BESS, we place "health" at the core of our business activities, and here we present a declaration that develops the three perspectives of the WHO Charter in the BESS style. (1) BESS fulfills its "social responsibility". We don't create unnecessary things. A huge amount of energy is consumed in order for each person to survive. If you make something that is easy to wear on top of that, it will end up being trash. That's why BESS aims to create homes that can be lived in for a long time. (2) BESS supports "mental health". Don't make your home too convenient. A contented modern life weakens people's hearts. It's easy to rely on something, but people's hearts are supposed to be stronger. That's why

BESS's house is so convenient. (3) BESS does not interfere with physical health. Try to be in harmony with nature. Humans are physically weak creatures. However, I also tend to be too artificial and justify my own weaknesses. That's why BESS values homes where you can feel nature

1.2. What marketing strategies would you use to keep loyalty customers?

It has also established a loyal following of customers who appreciate the company's focus on craftsmanship and natural building materials and share its philosophy that "a house is a tool for enjoying life."

We know that the makeup market, which is to expand while creating a market, is the original and unchanging mission of BESS. Until now, we have been expanding the market for sensibilities through "collaboration" with BESS home users through the division of roles between "users" and "makers" for an enjoyable life, but when we look outward, we have come to realize that there are people who are interested in BESS's values from various angles, regardless of industry or business type.

1.3. What is your effective promotion strategy in current practice?

This current trend, the technology is advance. The company website is an effective way to introduce to the customers and as well as welcome book for in person customers.

### **3. How is Intellectual Property (IP) System and IP Education?**

3.1. Why and how did you register your brand?

When R.C.Core began selling log houses in 1986, the company found themselves alone in a small market. The unique design and engineering requirements of constructing log houses proved a significant barrier to potential competitors. The resulting lack of copycat designs and counterfeit products meant that protecting its intellectual property was not a priority for the company for many years.

This changed in January 2004, when R.C.Core began selling a model named the "Wonder Device". When other companies began selling similar houses closely imitating the Wonder Device's award-winning boxy design, the company realized it had to start taking countermeasures. This was the beginning of R.C.Core's long and ongoing journey to protect its intellectual property (IP).

R.C.Core's unique Wonder Device model was crowned a 2004 Good Design Award winner. (Image: Japan Institute of Design Promotion) "Wonder Device" Boxy House design plan infringement.

The company considers three incidents in particular to have been the turning points in its IP activities. The first took place in 2005, when R.C.Core found materials advertising houses imitating the design of three of the Wonder Device's faces. The company addressed this infringement under Article 2, Paragraph of Japan's Unfair Competition Law ("Imitation of the configuration of goods"). More broadly, this event triggered R.C.Core to start submitting design and patent applications for its houses.

Another major incident occurred in 2014, when R.C.Core submitted an unfair competition lawsuit under Article 2, Paragraph 1, Item 1 of the Unfair Competition Prevention Act ("Acts of creating confusion with another person's goods or business") and Article 10, Paragraph 1, Item 5 of the Copyright Act ("Works of architecture") in response to imitation house designs. However, the claim was dismissed on the grounds that housing designs were not eligible as copyrighted work. This ruling prompted R.C.Core to adopt a more strategic and robust approach to IP protection, including

applying for a combination of patents and designs for single elements of its houses. For example, its "ladder de bookshelf" - a large, climbable bookshelf - is protected by a patent, a design and a trademark.

The third influential event in the company's IP history was a 2020 revision to Japan's housing design infringement law which meant that the designs of buildings, interiors and images became subject to the protection of design rights. This allowed R.C.Core to protect several of its designs. Following on from this, the company received a judgment to grant an injunction against the sale of imitation designs and seek compensation for damages. It won the case, thereby clarifying the legal protection of housing designs in Japan. As a result, R.C. Core has seen the imitation of its housing designs decrease sharply.

### 3.2.How is Trademark (BESS) importance to your business?

Intellectual property protection provides solid foundation for R.C. Core, Japan's foremost log house construction company.

### 3.3.How IP enforcement important?

BESS House's Community cracks down on House Design Infringement R.C. Core has built a dedicated following since the 1980s. The company has capitalized on this with LOGWAY, a community where fans of BESS houses and philosophy can meet and interact. LOGWAY also allows BESS homeowners to support and advise those who are considering purchasing a BESS house, thereby boosting company growth. R.C. Core has submitted a patent, currently pending, for this "fan-making support device, method and system" in Japan (patent application no. 2021-55240). This marks the first time the company has sought to protect not just its products but its business model.

Fans of BESS homes have even alerted the company to design infringements. This was the case in 2018, when a BESS homeowner reported that an unaffiliated sales company in Tottori Prefecture was selling a house with almost the same design as a BESS product. In response, R.C. Core filed a design right infringement lawsuit (Heisei 30 (wa) 26166) against the company. However, in the proceedings, it was questioned whether a house could be considered as a product, or whether it also included other elements such as the land it was built on. R.C. Core therefore collected evidence demonstrating the consistent production of house parts in factories and their on-site assembly. Through this, it succeeded in having the target product recognized by the court as an item with industrial applicability, and won the case. This case was covered by many newspapers and trade papers. After the ruling, reports of properties similar to R.C.Core products virtually disappeared.

R.C. Core (Shibuya-ku, Tokyo), which develops wooden houses under the BESS brand, has won a lawsuit against a housing company that copied its design. This is the first judgment in the nation that found infringement of design rights in residential designs. On November 30, 2020, the Tokyo District Court accepted the plaintiff's claim in a lawsuit over the imitation of housing designs, and ordered the defendant to suspend sales and pay approximately 850,000 yen in compensation.

Regarding imitation of architectural designs, in December 2016 Komeda (Nagoya City), which operates the coffee shop chain Komeda Coffee Store, sought an injunction to stop business use of the building on the grounds of violation of the Unfair Competition Prevention Act, and a provisional injunction was granted. There is an example of a decision being made. This is the first judgment in the country that recognized infringement of design rights" in housing designs. according to R.C. Core.

The plaintiff, R.C. Core, filed a lawsuit in August 2018 alleging that the defendant, Makita Home (Tottori City), had "copied the design" of three houses sold in Tottori City

[Photo 1 1 - This judgment has been reached. Neither company filed an appeal by the appeal deadline of December 13, 2020, and the judgment became final.

3.4. Do you think IP education is important? and why?

IP education is very important for the BESS. Raising IP Awareness in Architecture in Japan. Following this 2020 infringement lawsuit, a warning against the infringement of design rights was issued to building contractors nationwide, raising IP awareness throughout Japan's housing sector. The case was featured in a housing industry magazine, which cited attorney Takuo Akino of Takumi Sogo Law Office as saying that this case had a major impact on the country's housing industry.

As a result of these turning points in the company's history, R.C. Core has developed a detailed, multi-faceted approach to IP protection. Its strategy aims to protect both the functional and emotional value of its words, designs, ideas and other IP by combining various intellectual property rights, and to actively exercise these rights against similar products. Not only does this prevent imitation products, but it is essential for the company's sales strategy, which requires R.C. Core to license its

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## **Appendix II**

### **Minutes of the interview to the ENGINEER INC.**

Date and time: Wednesday 29<sup>th</sup> November 2023, 2:00 – 3:00 pm

Venue: Teams on-line meeting

Interviewee:

Mr. Mitsuhiro Takasaki, CEO of Engineer Inc.

#### **1.What is your brand concept and branding Strategy?**

##### **1.1 Why do you name it Neji-saurus?**

Neji-saurus uses both trademark and tradename on their products. Trade Name is used “Engineer Inc.” and the trademark is used “Neji-Saurus” as a word mark and dinosaur image is used for logo mark. The name of Neji- saurus comes from the fact it grabs a crushed head screw or other object with its dinosaurs, like jaws gripping it and not letting go. It means the dinosaur is eating the object and moving their head which is represented as pliers are used to remove the crows. So, it has got great meaning as well. Neji saurus sounds fun to the consumers so it is easy to remember or to be recognized.

##### **1.2 How is the brand (Neji-saurus) established and what is the main purpose?**

At the first time, the pliers’ products were named “Engineers” in 1959 by his father then to create Neji-saurus brand under the tradename “Engineers” in the purpose to express company uniqueness, quality and differentiation from the other companies.

##### **1.3 What are the main elements of your brand? Why?**

The main element of Neji-saurus is the sound of Neji-saurus and dinosaur image which touch the consumer heart of the strong plier. It is easy to remove stripped and rusty screws by pinching them.

##### **1.4 What is your brand (Neji-saurus) personality (Font style, color and symbol)?**

The Neji-saurus personality is a dinosaur character which is illustrated as piler head.

##### **1.5 How makes the Neji-saurus brand unique?**

Create tools with a playful mind as well as cool and innovative functions and designs and thereby become the world's most loved tool manufacturer

##### **1.6 How was branding strategy the Neji-saurus to the market?**

When the brand enters the market, the feedback from the customers wants and needs to learn and improve the product's development to satisfy customer wants and needs. It had poor sales for the company due to the global financial crisis and de-industrialization in 2002. Then the company committed to provide one Neji-saurus per family and finally, creation of the Neji-suraus GT in 2019.

##### **1.7 How do you expand your branding strategy?**

Going to the global market can be the Neji-Saurus brand worldwide market. International trademark registration has to be considered. Neji-Saurus registered 38 IP rights in some countries such as the USA Korea and Malaysia etc.

## **2. What is Marketing Strategy?**

Engineer Business Strategy, the team works as one to strongly promote the development and sale of new products by utilizing the theory of M (marketing) P (patent) D (design) P (promotion). Not one of these elements can make Engineer Inc. success. If planned products are based on single elements and the result was succession of failures. Marketing is an element to be considered in marketing analysis and gathering information and sorting the needs such as market segmentation, targeting and positioning. Patent and design elements have to create value and search earlier applications and obtain IP rights. Promotion elements have to use different kinds of marketing tools such as Television, radio, and cable and sale promotion.

### **2.1 What is the effective method to attract the customers? Why?**

A The effective way to attract customers, the Engineers Inc. uses e-marking, company website, Amazon and e-bay. The dinosaur character is also used to promote their sales.

### **2.2 How does the ENGINEER benefit the customers?**

Neji-saurus is provided much more benefit to their customer through the uniqueness of multiple function such as sharp teeth that also firmly hold a truss-head screw, strong jaw that can also cut electric cables, attachment of an expansions spring, Ergo-and eco-design grips and slimming tips.

### **2.3 How do you deliver the benefit of a product or service to consumers?**

Engineer Inc. used Video clips to show their benefit to customers.

### **2.4 What marketing strategies would you use to keep loyal customers?**

Especially, for our customers in the United States, we strongly recommend purchasing from our authorized distributor, Bridge Precision Tools. These imitation products are not our design and manufacturing, as a result, do not meet our quality and safety standards.

### **2.5 What is your effective promotion strategy in current practice?**

Dissemination of information through promotional video featuring employees, Video, Home center, amazon, leaflet, Chatbot

## **3. How is Intellectual Property (IP) System and IP Education?**

### **3.1 When, Why and how did you register your brand?**

Because the Engineer Inc wants to protect products' uniqueness, compliance with legal protection of any infringement and company interest.

### **3.2 How is Trademark (Neji) important to your business?**

The Neji-Saurus was registered for legal protection, it is very important to the Engineer Inc. to communicate the quality and unique products to our consumers.

### 3.3 How is IP law important or (Litigation) for ENGINEER?

The company CEO mentioned that IP law is very important. Currently, the company registered 74 IP rights in domestic and international. In domestic registration, there are 8 patent rights, 14 design rights, 12 trademark rights, and copyright 1. For international registration, 14 patent rights, 14 design rights, 10 trademark rights. Around 2000 trademarks with quality products were acknowledged by the JPO certificate through the defensive trademarks system. Among those, there is a Neji-saurus brand. Companies with the most employees have taken the examination to become a certified specialist in IP management (July 2012 to March 2014). Among 50 companies with a large number of test takers the Engineer Inc. is ranked 29<sup>th</sup> in Japan.

### 3.4 How do you enhance corporate value through the use of intellectual property?

The Engineer Inc enhances the corporate value through PMPD theory

### 3.5 Do you think IP education is important? and why?

IP education is very important even though there is no IP course in IP national education but Engineers Inc. usually conducts our employee training and we encourage our employees and business partners to do Intellectual Property Management Skills Test. Technical skills tests are a national certificate system to test and certify worker's skills according to certain criteria. Technical skills tests are conducted pursuant to the Human Resources Development Promotion Law (administered by Ministry of Health, Labour, and Welfares) for the purpose of enhancing evaluation on skills by society in general and improving worker's skills and status. The contents of the tests have been improved every year since their commencement in 1959 and they now cover 127 specialty areas.

### 3.6 Based on your idea, how to promote IP education to the public stockholders?

Even though IP is not broadened in Japan, it is important to start from your own individual to be aware of IP education.

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## Appendix III

### Minutes of the interview to the Branding Working Group of Licensing Executives Society Japan (LESJ)

Date and time: Monday 20<sup>th</sup> November 2023, 2:00 – 3:00 pm

Venue: Meeting room of Japan Institute for Promoting Invention and Innovation .

Interviewees:

Ms. Chikako Hashimoto, Patent Attorney, Sakai International Patent Office

Mr. Koji Saito, Patent Attorney, Shobayashi International Patent & Trademark Office  
(Formerly ASICS Corporation)

Ms. Shizu Machino, Attorney at Law, Innoventier

1) How did LESJ engage with SMEs to join the meeting?

The letters of invitation have been sent and invited to all SMEs to join the meeting.

2) What does LESJ study analyses for creating a “Branding Subcommittee”?

In response to the growing importance of branding in Japanese companies and the need for a WG to deepen knowledge of corporate and product branding within the LES. From the beginning, the WG has been researching the topic of branding as a positive corporate harvesting source.

As IP contributions to branding contribute to management, WG will deepen discussions on IP contributions in a broad sense that is not biased towards the manufacturing industry, and carry out activities to sort out what is lacking in Japanese companies. In addition, this year we will examine IP contributions (what should be done, how to proceed, etc.) from an objective perspective through opinion exchange meetings with experts, including practitioners and research institutions in charge of other branding activities and strategies, and consider and implement the results to be returned to our members

3) How does LESJ set up “Branding Subcommittees”?

The working group was in Japan 50 years ago, there are 600 hundred members. People who are interested in trademarks are invited. All patent attorneys and lawyers, who are mainly from the intellectual property, marketing, and public relations departments of companies are set up as a subcommittee in charge of branding. There are 40 to 50 working group members. The committee's working group is working on trademark and brand basically.

4) Why does LESJ think branding is important?

Because companies are expected to increasingly question what their "strengths = brand" are, and to make various attempts to enhance their value (branding). Companies should make an effort to protect their brands. If they do so, they can reap the benefits of brand power.

5) Do members pay their membership fees?

If the members are interested, they can enroll as a membership that costs 20,000 yens for their enrollment fees, and members have to pay their annual fees that costs 45,000 yens.



- 6) How to evaluate brands and promote branding in corporate governance from the viewpoint of intellectual property of LESJ?

This will be a pressing issue for listed companies in particular, as they are entering a phase in which their efforts will be viewed by the market and evaluated in terms of value, such as quantification.

In addition, it is expected that specific disclosure standards for intellectual property will be established and that corporate executives will be required to have the ability to make management decisions regarding investments in intellectual property. Therefore, it will be necessary to discuss internally how to evaluate brands and how to promote branding in corporate management from the viewpoint of intellectual property.

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## Appendix IV

### **Minutes of the interview to the members of Trademark Committee of Japan Intellectual Property Association (JIPA)**

Date and time: Friday 15<sup>th</sup> December 2023, 9:30 – 10:30 am

Venue: Headquarter of Japan Tobacco Inc.

Interviewees:

Mr. Koji Saito, Managing Director of JIPA

Mr. Takuya Tokuwaka, Manager, Group Internal Control Division, Intellectual Property  
Department, KADOKAWA Corporation, Chairman

Ms. Yasuko Sawamoto, Assistant Manager, Intellectual Property Office, Mitsubishi Pencil  
Co., Ltd.

Mr. Shinya Fujii, Manager, Trademark & Copyright Office, BANDAI Co., Ltd.

Mr. Yuhki Matsushima, Takagi Corporation

#### **1. What is your brand concept and branding Strategy?**

- Mitsubishi Pencil Co., Ltd.; Ms. Yasuko Sawamoto, Assistant Manager for the IP Department has mentioned that the company is a manufacturing company which was founded in 1887 so the company has been more than 136 years. It is an independent company which is not under the so-called Mitsubishi group. The main products are writing instruments. One of the products with high expansion is pencils. The company has changed to the corporate name Mitsubishi Pencil Co., Ltd. With three-diamonds logo for utilizing as a trademark that has been registered 15 years for the trademark pencils. The trademark was before the launching up in foreign market. The trademark is “uni” which is a house mark. After registration of the trademark for 65 years for the pencil trademark, the products have been sold extremely well therefore, the company still continues to use the brand name “uni”. It is a house mark concept but it becomes a brand name as a trademark strategy.
- Bandai Co., Ltd.; Mr. Shinya Fujii, Manager for Trademark & Copyright Team; Legal & IP Department has mentioned that Bandai company mainly sells toys products and introduced its corporate activity. Bandai company is one of the BANDAI NAMCO Group. Bandai namco group is established by merging two independent incorporations of “Bandai” and “Namco”. The Bandai company is excellent in animation in Japan. In order to expand the business, the company changed the logo two years ago. The old logo was created based on the concept of fusion that Bandai and Namco merge together, and the current logo is focused more on delivering the messages to client under its corporate vision “connect with the fans.” The corporate brand strategy, company aims to become part of other company brand strategy at the same time implementing the business activities are the brand strategy for the company.
- Kadokawa Corporation; Mr. Takuya Tokuwaka, Manager & Trademark Committee Chairperson and Patent Attorney has mentioned that Kadokawa is a family name of the company founder. There are 9 subsidiaries for ten entities that were merged together ten years ago with the slogan “reborn and transformation”. The company aimed to become a global publisher of mega content and also a platformer of digital content and as well as a creative content platform for the company plan. The meaning of the logo of the letter “K”, the letter “K” vertical line and another spine at 90 degrees with design some space between in the purpose of innovative idea and entertainment spirit. The brand uses a blue

color and the image behind the letter represents confidence, spirit and intellectual aspect. The logo and word “Kadokawa” have to be used as a strict rule internally. (omitted later)

- Takagi Co., Ltd., Mr. Yuki Matsushima has mentioned that there are two main businesses, (1)- tap with a built-in water filter (water purification devices) in the kitchen and (2)- gardening for related goods. The company has the largest share in the tap with a built-in water filter devices and in the watering products for gardening sector. However, the company itself, there is no specific brand strategy and brand concept. The “Takagi” is a house mark which is most important for company operation for clients and still try to figure out the best way because the biggest aim of the company to be sure the company name will be recognized by the customers and clients on a broad basis. Therefore, rather than giving a highly distinctive product name, the company may give a product name that makes it easier for them to understand the characteristics of the product. 90% of existing companies in Japan are SMEs including Takagi and most of them understand the important intellectual property and patent but when it comes to broad recognition of the brand itself, even internally the company is still lacking awareness. Therefore, in fact in Japan, there are many big corporations and SMEs, so it does not automatically mean that every company in Japan has created a brand strategy.
- Mr. Koji Saito, Managing Director of JIPA responsible for the Trademark Committee, added what panel interviewees from JIPA shared above which is regarding branding strategy and so on. It is strictly based on Japanese culture. So, if the Cambodia policy is implemented in the future, it is also needed to make sure that it best matches Cambodian culture. Especially when it comes to SMEs which are compared to a big company. There is a certain restriction of budget for branding therefore, coming up with efficient brand strategy is one of the most important aspects. As an example, some Japanese products are able to use Chinese characters in Japan because they are used to this culture in the general public in Japan. That way, brand strategy can be accepted by Japanese culture and that is why it should be a key consideration to Cambodian culture for branding strategy. If it fails to do so, later on especially, SMEs will have difficulty in terms of budget for branding.

Another example, if a big company in Cambodia is able to grow globally in a closed parallel with Japan industries, those companies should be associated with Japanese companies in making their own interesting brand and globally marketing those parallel products in the overseas market. So, for those companies that have international and global potential they need to cooperate as an international aspect in their own brand concept forward and so on. A lot of Japanese companies start to do that as well as in China and those companies are developed and grow their own brand as giant companies.

Otherwise, regarding a small number of trademarks in Cambodia, do not try to focus too much on the analysis of the numbers of trademarks. It is needed to focus more and priority on the efficient utilization of trademarks.

## **2. What is a Marketing Strategy?**

- Mitsubishi Pencil Co., Ltd.; Ms. Yasuko Sawamoto, Assistant Manager for the IP Department has mentioned that it is not her particular field which is related to that aspect.
- Kadokawa Corporation; Mr. Takuya Tokuwaka, Trademark Committee Chairperson and Patent Attorney has mentioned that his department isn’t in charge directly with this aspect but works closely with the business operation department and provides relevant support to make sure the trademark is protected in an appropriate manner.

- Takagi Co., Ltd., Mr. Yuki Matsushima has mentioned that his department is not directly involved in the marketing aspect but the company itself focuses on IP education.
- Mr. Koji Saito of JIPA has mentioned that above those IP departments seem not to be directly involved in marketing aspect, he believes marketing and IP departments should not be a long gap distant and originally work closely each other because IP sector shall contribute to growth of corporation by strategically using intellectual properties. Many of the IP departments of Japanese companies have been established and growing in line with those structures of the manufacturing industry, i.e., under the research and developing sectors far from marketing sectors. That is one of the reasons why those two departments still have distance between these two departments. That is an objective analysis.

### **3. How is Intellectual Property (IP) System and IP Education?**

- Mitsubishi Pencil Co., Ltd.; Ms. Yasuko Sawamoto, Assistant Manager for IP Department has mentioned that regarding the education aspect the company meets a lot of challenges otherwise the company is not big. So far there is no service education system, especially a consistent system for foreign subsidiaries. The company needs to work on that aspect and has just embarked on providing education related to consistency on brand in foreign market.
- Bandai Co., Ltd.; Mr. Shinya Fujii, Manager for Trademark & Copyright Team; Legal & IP Department has mentioned that the company has a specific trademark for each business. Based on those trademarks, companies can conduct business operations in different countries around the world. The company believes that after trademark registration, there is no third party without utilizing them. Therefore, the company focuses a lot on trademark rights enforcement in different countries through social networks and also raising awareness of the trademark if there is infringement, the company will use warning notification directly or indirectly through the platform to the infringers.
- Kadokawa Corporation; Mr. Takuya Tokuwaka, Trademark Committee Chairperson and Patent Attorney has mentioned that the KADOKAWA Group constantly creates many different types of intellectual property (IP) in the publication, films, anime, games, UGC, and other businesses, and rolls out intellectual property products worldwide using technology. The company focuses on IP education for the younger generation to be extremely important and to make sure to provide genuine goods and services for the customers. The customers also perceived genuine goods and service as well, which is the important aspect of IP education. If the piracy item is purchased a lot, it is a dangerous situation. So, the government itself should improve IP education.
- Takagi Company Co., Ltd. Mr. Yuki Matsushima has mentioned that the company has seen a lot of infringe goods and the company is very concerned about possible damages to the health of our consumers through their purchase of infringe goods. If there are any infringement cases, the company enforces the intellectual property rights. The company management side is aware of the importance of intellectual property aspects from the top to bottom down of the business.
- Mr. Koji Saito of JIPA has mentioned that therefore, for the company that will be created or founded in the future in Cambodia, it is very important to educate the stakeholders including investors and customers as well as internal members when they create organization. IP departments are not always a position under a department which is in charge of R&D rather than IP itself needs to be authorized and empowered as one important department of the whole corporate structure. It should promote and expand that kind of education. So, IP education is very important because it is targeted in the entire business strategy.

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