Examination concerning Article 4(1)(xix) of the Trademark Act

1. Purpose of Article 4(1)(xix) of the Trademark Act

Well-known and famous trademarks, which have become widely known and have gained a high reputation, credit and popularity among consumers as a result of the company's long, arduous efforts and a considerable amount of advertising costs, can be considered to possess sufficient capability to attract consumers and to have worthy property values themselves.

The use of such well-known and famous trademarks by a third party may not necessarily cause confusion over the source of goods, etc., but it may weaken the source-indicating function or harm the reputation of these well-known and famous trademarks. Therefore, it is necessary to sufficiently protect these trademarks from illicit use designed to achieve the above purposes.

Also, there are many cases in Japan where the act of a well-known or famous overseas trademark being filed or registered in Japan without the authorization of the right owner subsequently developed into international conflicts with other countries. Since international transactions of goods and services are growing, it is becoming increasingly important to protect well-known and famous overseas trademarks.

From such viewpoint, in the past, provisions of Article 4(1)(xv) (confusion of source) or Article 4(1)(vii) (contravention of public order or morality) of the Trademark Act have been applied flexibly with regard to the protection of well-known or famous trademarks. However, due to the increased demand for clarification of the protection of well-known and famous trademarks, a new ground for unregistrability was stipulated in Article 4(1)(xix) of the Trademark Act pursuant to the Act for Partial Revision of the Trademark Act, etc. (Act No. 68 of 1996) in order to prevent the use for unfair purposes of trademarks that are widely known in Japan or in other countries.

Specifically, this item is aimed at eliminating, for example, the following applications for trademark registration:

(1) When an applicant takes advantage of the fact that another party's trademark, which is widely recognized overseas, is not yet registered in Japan, and files an application for a trademark identical with or similar to the trademark ahead of the owner of the said trademark, in order to sell his/her right at a high price;

(2) When an applicant files an application for trademark registration in order to impede the overseas trademark owner from entering into the Japanese market, or to force the overseas trademark owner to conclude an agency agreement with him/her for
transactions in Japan;

(3) When an applicant files an application for a trademark identical with or similar to a trademark that is famous nationwide, and that application may not necessarily cause confusion of the source of goods etc., but may weaken the source-indicating function or harm the reputation of the famous trademark; and

(4) Other cases where an applicant files an application for a trademark identical with or similar to a trademark that is widely known domestically or in other countries for an unfair purpose that runs counter to good faith.

2. Specific administration concerning this item

(1) Determination of "unfair purposes"

In making the determination on "unfair purposes," see Part III, Chapter 17, Item 3(1) of Article 4(1)(xix) of the Examination Guidelines for Trademarks.

(2) However, the determination of the presence of "unfair purposes" deals with a person's inner motives, and it is difficult for the examiner to ascertain whether the applicant has this purpose. Therefore, the examiner needs to make a judgment based on external and objective matters. In this case, even if there were no materials such as those indicated in (1) above, if the application satisfies the following requirements, it would be difficult to consider that the filed trademark is identical to a well-known or famous trademark by chance. Thus, the trademark will deemed to be used for "unfair purposes," and this item would be applicable.

[In cases of trademarks that are well-known or famous inside Japan]
(i) When the trademark is acknowledged to have been famous nationwide or extremely well-known in specific regions irrespective of the type of goods or services, even prior to the filing of the application for trademark registration
(ii) When the well-known or famous trademark consists of a coined phrase or has a notably unique composition, and when it is identical with or extremely similar to the claimed trademark

[In cases of trademarks that are well-known or famous only in other countries]
(i) When the trademark is identical with or extremely similar to a trademark that is well-known in one or more countries overseas
(ii) When the well-known trademark consists of a coined phrase or has a notably unique composition

In cases where the government, etc. of the country using that well-known trademark
has made any comment, for example, that the application for trademark registration
considered is contrary to international faith, the examiner shall take such comment
sufficiently into consideration.

(Note) Click below to see the Examination Guidelines for Trademarks
Examination Guidelines for Trademarks:
Article 4(1)(xix) (Trademark identical with or similar to another person's well-known
trademark which is used by the applicant for unfair purposes)