

Chapter 19: Article 4(4) (Exceptions to another person's registered trademark applied for prior to the filing date of the trademark application concerned)

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Even if a trademark falls under Paragraph (1), item (xi), the provision shall not apply where the applicant for a trademark registration has obtained the consent of the other person of the item to register the trademark, and there is no likelihood of confusion between the goods and services for which the trademark is used and those pertaining to the business of the holder of the trademark right, exclusive right to use, or non-exclusive right to use of another person's registered trademark of the item.

1. Regarding the application of this paragraph

This paragraph shall apply to a trademark which is judged to be similar by considering the general and regular actual state of transactions of the designated goods or services pursuant to Part III, Chapter 10 (Article 4(1)(xi)), 1.(1) of the Examination Guidelines, if the consent of the holder of the registered trademark right cited (hereinafter referred to as "the holder of the cited trademark right") is obtained, and it can be said that there is no likelihood of confusion as to the source of the goods or services as a result of considering the specific circumstances (refer to 4.(4) below) with respect to the trademark as applied and the cited trademark (hereinafter referred to as "both trademarks").

2. Regarding the expression "consent of the other person"

The "consent of the other person" is the declaration of intention of the holder of the cited trademark right that the other person consents to the registration of the trademark for which an application for trademark registration has been filed, and it must have been obtained at the time of decision to grant trademark registration.

3. Regarding the expression "the goods and services for which the trademark is used and those pertaining to the business of the holder of the trademark right, exclusive right to use, or non-exclusive right to use of another person's registered trademark of the item"

The "goods and services for which the trademark is used and those pertaining to the business of the holder of the trademark right, exclusive right to use, or non-exclusive right to use of another person's registered trademark of the item" means the goods and services (hereinafter referred to as "goods, etc.") for which the applicant uses or will use the trademark as applied and the goods, etc. for which the holder of the trademark right, exclusive right to use, or non-exclusive right to use of another person's registered trademark of the item uses or will use the registered trademark, among the designated goods or designated services relating to both trademarks which are deemed to be identical or similar to each other pursuant to Article 4(1)(xi).

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#### 4. Regarding the expression "no likelihood of confusion"

##### (1) Regarding the expression "likelihood of confusion"

The expression "likelihood of confusion" means not only the likelihood of being mistaken as the goods, etc., pertaining to the business of the holder of the trademark right, exclusive right to use, or non-exclusive right to use of another person's registered trademark pursuant to Article 4(1)(xi) resulting in confusion among consumers of the goods, etc. as to the source of the goods, etc., but also the likelihood of being mistaken as the goods, etc., pertaining to the business of a person who has some economic or organizational relationship with the holder of the trademark right, exclusive right to use, or non-exclusive right to use of another person's registered trademark resulting in confusion among consumers of the goods, etc., as to the source of the goods, etc.

##### (2) Time and period when "no likelihood of confusion" is required

In order to fall under "no likelihood of confusion," it must be determined that there is no likelihood of confusion not only at the time of the examiner's decision, but also in the future, based on the time of the examiner's decision.

##### (3) Cases where the existence of a control relationship is treated as pertaining to "no likelihood of confusion"

Where the applicant and the holder of the cited trademark right have any of the following relationships, the case will be treated as one in which there is no likelihood of confusion:

- (i) Where the holder of the cited trademark right is under the control of the applicant.
- (ii) Where the applicant is under the control of the holder of the cited trademark right.
- (iii) Where the applicant and the holder of the cited trademark right are under the control of the same person.

##### (4) Reasons for consideration

(A) In judging whether or not it falls under "no likelihood of confusion," specific circumstances relating to both trademarks, such as (i)–(viii) below, will be comprehensively considered. Note that a trademark that is identical to the cited trademark (including those that differ only in scale) and used for identical designated goods or services is, in principle, considered to present a high likelihood of confusion.

- (i) The degree of similarity between both trademarks
- (ii) The degree of recognition of the trademark
- (iii) Whether the trademark consists of a coined word or has a distinctive feature in its composition

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- (iv) Whether the trademark is a house mark
- (v) Possibility of multi-business operations in the company
- (vi) Relationship between goods, between services, or between goods and services
- (vii) Commonality of consumers of goods, etc.
- (viii) Mode of use of the trademark and other actual state of transactions

For example, "(viii) Mode of use of the trademark and other actual state of transactions" includes the following matters. If the applicant submits evidence showing the specific mode of use of the trademark or other actual state of transactions, the content of such evidence will be taken into consideration.

a. Constitution of the trademark to be used

(Example) The figures and letters constituting the composite trademark are always used in the same positional relationship.

Particular colors and fonts are always used.

b. The manner in which the trademark is used

(Example) The trademark is used only in a specific position on the packaging of the product.

Other trademarks, such as the company name, company emblem, etc., are always used in combination with the trademark.

An indication for avoiding confusion (an indication denying that the product is the goods, etc., pertaining to the business of the other person) is always added.

c. Goods, etc. for which the trademark is used

(Example) One uses the cited trademark only for the product "computer programs for games" among the designated goods "computer programs," the other uses the trademark as applied only for the product "computer programs for medical use."

One is used only for goods in a higher price range than a certain amount, and the other is used only for goods in a lower price range than a certain amount.

d. Method of sale/supply

(Example) One is sold to an unspecified number of people through retail stores, etc., and the other is made to order only through individual sales.

e. Season of sale/supply

(Example) One is sold only in the spring season, and the other is sold only in the fall season.

f. Region of sale/supply

(Example) One is sold only at stores in Hokkaido, and the other is sold only at stores in Okinawa Prefecture.

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g. Measures to be taken by the parties to prevent confusion

(Example) If it is recognized that there is a likelihood of confusion between both trademarks, the other party shall be notified and, after consultation with the other party, take measures to prevent or eliminate the confusion.

(B) Reasons for consideration in determining whether there is no likelihood of confusion based on the claim that the sources of the goods, etc. are substantially identical

If the source of the goods, etc. for which the trademark as applied is used and the source of the goods, etc. pertaining to the business of the holder of the trademark right, exclusive right to use, or non-exclusive right to use of another person's registered trademark under Article 4(1)(xi) are substantially identical, it is determined that there is no likelihood of confusion. In such cases, whether the sources of the goods, etc. are substantially identical is determined by comprehensively considering, for example, specific circumstances relating to both trademarks such as (i)–(iii) below.

(i) The relationship between the applicant and the holder of the cited trademark right

(ii) The status of implementation/operation of the business relating to the goods, etc. for which the trademark is used

(iii) The mode of use of the trademark and other actual state of transactions

(5) Circumstances that may be considered in the direction of denying the likelihood of future confusion

Specific circumstances relating to both trademarks that are considered in determining “no likelihood of confusion” include those that are expected to change after the examiner's decision. Therefore, if trademarks are co-registered on the basis of the circumstances that may change after the examiner's decision, the likelihood of confusion between both trademarks cannot be denied in the future due to the use of those trademarks. Accordingly, the circumstances that may be considered in the direction of denying the likelihood of future confusion shall be those of the above circumstances that are recognized as not changing in the future. For example, in the following cases, the content of such circumstances will be taken into consideration.

(i) Cases where the parties have agreed that the circumstances will not change in the future

Where the applicant submits a document containing an agreement between the parties that the specific circumstances relating to both trademarks will not change in the future (e.g., an agreement not to change the specific circumstances listed in (4)(A)(viii) a.–g. above, such as always using the company name together), or a summary of such an

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agreement.

(ii) Cases where the evidence shows that the circumstances will not change in the future

In addition to the cases based on the above agreement, cases where there are reasonable grounds to recognize that the specific circumstances regarding both trademarks will not change in the future based on the submitted evidence, etc.

(6) Cases where a likelihood of confusion is recognized

Where, as a result of the examination under (1)–(5) above, the examiner considers there is a likelihood of confusion, the application for trademark registration shall be refused in accordance with Article 4(1)(xi). Even in such a case, the Office will not, in principle, immediately refuse the application, but will request the applicant to submit additional materials, etc.