

Part VII: Article 7-2 (Regionally collective trademarks)

Chapter 1: Main Paragraph of Article 7-2 (1)

Article 7-2 (1) Any association established by a special Act, including a business cooperative (those which do not have juridical personality are excluded, and limited to those which are established by a special Act providing, without a just cause, that the association shall not refuse the enrollment of any person who is eligible to become a member or that the association shall not impose on any of its prospective members any condition that is heavier than those imposed on its existing members), a commercial transaction, commercial and industrial association or specified non-profit corporation specified in Article 2 (2) of Act on Promotion of Specified Non-profit Activities (Act No. 7 of 1998), or a foreign juridical person equivalent thereto (hereinafter referred to as an "Association, etc.") shall be entitled to obtain a regional collective trademark registration with respect of any of the following, provided that the trademark is used by its members and, as a result of the use of the said trademark, the said trademark is well known among consumers as indicating the goods or services pertaining to the business of the applicant or its members, notwithstanding the provision of Article 3 (except a case falling under item (i) or (ii) of Article 3(1)):

1. Requirements for subject

(1) In the case of associations established by a special Act, including a business cooperative (hereinafter referred to as "a business cooperative, etc.")

The following matters described in (i) and (ii) below will be confirmed:

(i) In any document issued by a public organization, including a certificate of registered matters submitted as of filing an application (hereinafter referred to as a "certificate of registered matters", etc.), the applicant is an association which has juridical personality.

(ii) The corresponding Article of a basis law for the establishment described in a copy of the basis law for the establishment or a written application, which are submitted as of filing the application, has a "provision regulating, without a just cause, that the association will not refuse the enrollment of any person who is eligible to become a member or that the association will not impose on any of its prospective members any condition that is heavier than those imposed on its existing members" (hereinafter referred to as a "provision of free enrollment").

(Example)

Small and Medium-Sized Enterprise Cooperatives Act Article 14

Agricultural Cooperatives Act Article 20

Act on Securing of Liquor Tax and on Liquor Business Associations Article 10

(2) In the case of a commerce and industry association, a chamber of commerce and industry (hereinafter collectively referred to as the "commerce and industry association, etc.") or a specified non-profit activities corporation

By the certificate of registered matters, etc. submitted as of filing an application, it is confirmed that the applicant is a commerce and industry association established under the Commerce and Industry Association Act, or a chamber of commerce and industry established by the Chambers of Commerce and Industry Act, or a specified non-profit corporation provided in Paragraph 2, Article 2 of the Act on Promotion of Specified Non-profit Activities.

(3) In the case of a foreign juridical person equivalent to a business cooperative, etc., a commerce and industry association, etc., or a specified non-profit corporation

(a) Regarding a foreign juridical person equivalent to a business cooperative, etc., the following matters described in (i) to (iii) below are confirmed:

(i) In the corresponding article of the basis law for the establishment described in the copy of the basis law for the establishment or the written application, submitted as of filing an application (it is possible to substitute the article with other documents specified by public organizations, including a statute, a notification, and a judicial precedent; hereinafter referred to as "the copy of the basis law for the establishment, etc."), there must be a provision aiming at improvement of member's common profits.

When the copy of the basis law for the establishment, etc. does not exist in terms of the system of an interested state, the applicant is demanded to submit the articles of association (the fundamental rules concerning the purpose, the internal constitution, and the activities, etc. of the juridical person; the same applies hereinafter) which fulfil the abovementioned requirements.

(ii) There is a provision of free enrollment in the copy of the basis law for the establishment, etc.;

(iii) In a document (for example: corporation certificate, etc.) in which a public organization proved that the applicant is a juridical person, the applicant must have juridical personality;

(b) Regarding a foreign juridical person equivalent to a commerce and industry association, etc., the following matters described in (i) to (iii) below are confirmed:

(i) In the copy of the basis law for the establishment, etc., there is a provision aiming at improvement and development of commerce and industry and not aiming at profit.

When the copy of the basis law for the establishment, etc. does not exist in terms of the system of an interested state, the applicant is demanded to submit the articles of association which fulfils the abovementioned requirements.

(ii) In a document (for example: corporation certificate, etc.) in which a public organization proved that the applicant is a corporation, the applicant needs to have juridical personality.

(iii) There is a provision of free enrollment in the copy of the basis law for the establishment, etc.

(c) Regarding a foreign juridical person equivalent to a specified non-profit corporation, the following matters described in (i) to (iii) below are confirmed:

(i) In the copy of basis law for the establishment, etc., there is a provision not aiming at profit and intending to conduct an activity corresponding to any of the activities listed in the items of appended table, Article 2 of the Act on Promotion of Specified Non-profit Activities with an aim to contribute to the improvement of benefits for the general public.

When the copy of the basis law for the establishment, etc. does not exist in terms of the system of an interested state, the applicant is demanded to submit the articles of association which fulfil the abovementioned requirements.

(ii) In a document (for example: corporation certificate, etc.) in which a public organization proved that the applicant is a corporation, the applicant needs to have juridical personality.

(iii) There is a provision of free enrollment in the copy, etc. of the basis law for the establishment.

## 2. Regarding the expression "Trademark used by its members"

When, like a case where the applicant is an association (for example, a consumer cooperative, a ship owner's mutual protection and indemnity association, and an agricultural mutual relief association), thereby, it is assumed that the trademark is not used by the members of the association, it is clear that the trademark claimed in the application concerned is not used by the members, the trademark for which a regional collective trademark registration is sought is treated as not being a "trademark used by its members".

3. An ex officio investigation will be conducted to determine whether the statement "well known among consumers as indicating goods or services pertaining to its or its members' business" is relevant to the trademark in question. However, if a "document certifying that the trademark is well known among consumers as one provided for in Article 7-2(1)" as provided for in Note 4 of Form 3-2 of the Regulation for Enforcement of the Trademark Act is submitted, the document is also referred to in order to verify the following matters described in 4. to 9. below.

#### 4. Identicalness of trademarks

It is required that a trademark for which registration is sought (hereinafter referred to as a "trademark as applied") and a trademark actually used (hereinafter referred to as a "trademark as used") have appearances identical with each other (including a case where their identity is not affected very much so that their appearances can be regarded as the same).

Even if the appearance of a trademark as applied is different from that of a trademark as used, it is judged that their identity is not affected very much so that their appearances can be regarded as the same if their difference is limited to those shown in (1) or (2) below.

##### (1) Mincho and Gothic Types

When font type difference such as one between cursive and square types is judged, how much characters are deformed must be considered well.

##### (2) Vertical and Horizontal Writing

On the other hand, appearances of examples shown in (3) below are significantly different from each other, and they are not judged as identical with each other.

##### (3) (i) Marks written in hiragana and katakana

(ii) Marks written in hiragana and Chinese characters

(iii) Marks written in katakana and Chinese characters

5. The matters described in (1) and (2) below will be examined to judge whether a trademark is "indicating goods or services pertaining to its or its members' business."

##### (1) When a trademark indicates goods or services pertaining to its (an applicant's) business

For example, an applicant's title, a trademark as applied, and goods or services for which the trademark is used are described in photos of the goods or their packages (such as delivery cardboard boxes), advertising brochures, and other materials.

##### (2) When a trademark indicates goods or services pertaining to its member's business

(i) For example, a member's name or title, a trademark as applied, and goods or services for which the trademark is used are described in photos of the goods or their packages (such as delivery cardboard boxes), advertising brochures, and other materials.

(ii) A person or entity using the trademark as applied is its member.

6. Regarding the expression "well known among consumers"

(1) It depends on the types of goods or services, classes of consumers, actual state of transactions and other factors and a trademark is not required to be known by consumers all over Japan.

However, for example, a trademark is required to be well known among a certain class of consumers that fall under the following categories (a) to (d) below classified in accordance with types of goods or services, distribution channels and other factors.

Please be reminded that for "beef cattle," "stones" and other goods or services whose main consumers are traders, consumers include not only end users but also traders.

(a) Goods which can be sold in relatively wide regions because their prices are relatively low and they are consumed on a daily basis.

(Example) Vegetables, rice, meat, seafood and processed food whose prices are relatively low and which are consumed on a daily basis.

Wide range of consumers may purchase these goods. It suffices if such goods are known by many consumers in regions wider than prefectures to which the regions provided for in Article 7-2(2) (hereinafter referred to as "regions") belong.

In addition, if the national government, a local government or a public organization selected the goods for awards as quality merchandise, such a fact is taken into account accordingly.

If a special state of transactions exists for goods or services, i.e. goods whose production volumes are small such as vegetables and fruits whose trade prices in markets are high, the matters described in (b) and (c) below will be confirmed.

(b) Goods which are not sold at places of their production but are mainly sold out in their major consuming regions because of their high prices and other reasons

(Example) High-quality fish merchandises, etc.

If regions where goods or services in question are sold seem to be limited, or for example, if the distribution of their major consumers is limited to major consuming regions and other large cities, the goods must be known at least by many consumers in prefectures to which places where they are sold belong.

In addition, due consideration must be paid especially to how they are introduced by advertisements or media in major consuming regions, how advertisements and introductory articles are written in trade journals, professional journals or other media.

(c) Goods which are mainly produced for local consumption and only sold in places where they are produced, or services which are provided in their limited places

(Example) Traditional vegetables, Japanese cake whose durable life is short, etc.

Because the distribution of customers who purchase such goods is assumed to be limited to a certain area, it is required that such goods or services are well known among many consumers at least in a prefecture to which their region belong.

In addition, with respect to the place where goods are produced or sold, or services are provided, due consideration is to be paid to what are advertisement effects by sightseeing brochures, sightseeing maps and other materials distributed to sightseers visiting the place of the goods or services, the number of visitors to the place, the result of a questionnaire survey conducted among visitors to the place and other relevant factors.

(d) Artifacts and other goods

(Example) Because the distribution of customers who purchase drawers, jars or other goods produced in a specific region is assumed to be limited to a certain area, it is required that such goods are well known among many consumers at least in a prefecture to which their region belong.

In addition, if the Minister of Economy, Trade and Industry designated such goods as traditional artifacts, such facts will be taken into account accordingly.

For dishes, chopsticks and other goods which are used routinely, (a) above will be confirmed because their main customers are general consumers.

(2) Goods or services whose advertisements, sales and other activities are conducted through TV broadcasting, newspapers, the Internet and other media

(Example) Goods whose sales activities are conducted through home shopping programs

(i) If TV broadcasting programs and other mass media are used for the large-scale advertisements and sales of goods or services, their customers are assumed to be distributed in a wide area, and thus the goods or services must be well known among the considerable number of consumers in multiple prefectures, including those in local areas, or places where the goods are sold or the services are provided.

Especially, due consideration is to be paid to the state of advertisements or introductory programs of goods or services through TV broadcasting, websites and other mass media, their sales ranking, purchasers and sales qualities cited on websites, the types of websites (famous shopping sites, applicants' website, etc.) and other relevant facts.

(ii) If sales and other activities are conducted through TV broadcasting and other mass media for goods or services classified to either one of types listed in (1) above, judgment is made based on

whether they are well known among many customers of such types, or whether they are well known among the considerable number of consumers in multiple prefectures, including those in local areas, or places where the goods are sold or the services are provided.

7. How to prove and judge goods or services are "well known among consumers"

To verify conditions (1) to (4) below, materials submitted and other relevant information as indicated for respective conditions below are examined.

(1) Usage facts

Photos, brochures, websites' copies and other materials showing a trademark as applied is used to its goods, the goods' packages (such as delivery cardboard boxes) or its services

(2) Scale of business (production volume, sales area, quantity transferred, sales amount, period of use, etc.)

(i) Order slips (purchase orders), shipping slips, delivery slips (delivery notes and vouchers), bills, receipts, invoices or account books, etc. on which sales quantities and other information are written

(ii) Certificates and other official documents on which production volumes are written and which are issued by public organizations (such as the national government, local governments, foreign embassies in Japan, etc.) and other third parties

(3) The method of advertisements, contents and times of advertisements, and contents and times of articles published in general newspapers, trade journals, magazines or websites

(i) Copies of brochures, posters and websites, and copies of sightseeing brochures and sightseeing maps on which advertisement contents are written

(ii) Trade documents, certificates, etc. which are concluded with advertising agencies and on which volumes, frequencies, etc. of advertisements (where and how many brochures are distributed, and how long advertisements are cited on websites) are written

(iii) Introductory articles published in general newspapers, trade journals, magazines, PR brochures published by local governments or on websites

(4) Other facts

(i) Reports about the results of questionnaire surveys conducted among consumers to investigate how popular a trademark is to consumers

However, due consideration must be paid to the objectivity of who conducted the surveys, how the surveys were conducted and among whom the surveys were conducted

(ii) Facts that goods were certified or awarded as quality merchandise by the national government, local governments or other public organizations

8. A trademark which is used by a person other than its applicant and member

If there exists a person other than a trademark's applicant and member who uses the trademark, and if it cannot be judged that the trademark as applied is well known among consumers due to its use only by the applicant or member, it cannot be judged that the trademark is well known among consumers as indicating goods or services pertaining to the applicant's or member's business.

9. If none of the items of Article 7-2(1) is applicable to a trademark because a name of a region constituting a part of the trademark as applied does not fall under the "name of the region" provided for in Article 7-2(2), the trademark is not registered pursuant to the provisions of the main paragraph of this Article.